

*The conceptual plan for a vibrant, sustainable, and active use for one of Providence's most visible and influential development parcels*



# providence gateway plan

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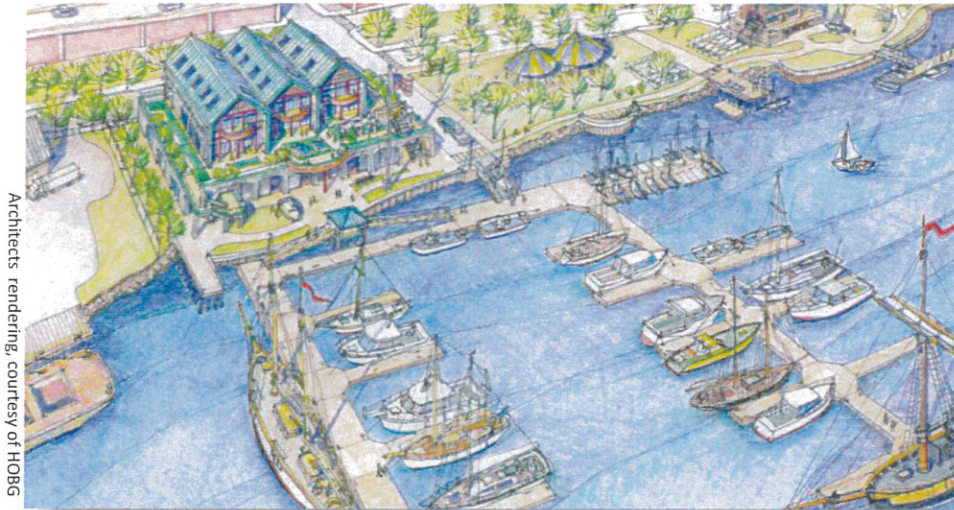
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Architects rendering, courtesy of HOBG

## A. EXECUTIVE SUMMARY

For years, the vacant and blighted structure at 25 India Street (the remains of the former Shooters nightclub) in Providence has been a topic of discussion, speculation, and a source of ideas and possibility. With an ideal location at the head of Narragansett Bay, the Subject Property offers sweeping views and access to the waterfront and the opportunity to retain and enhance a location of regional importance.

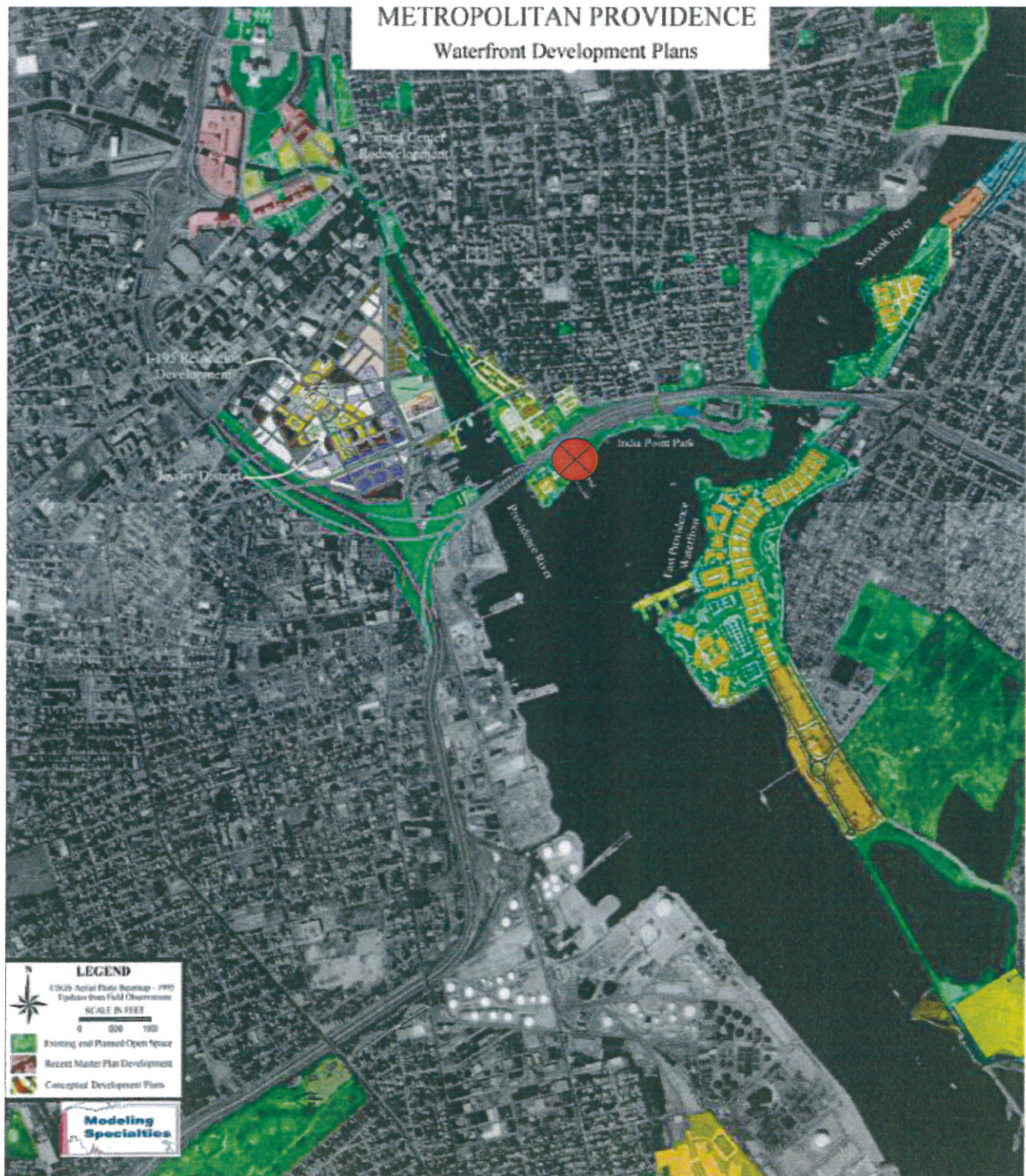
Despite the many renowned and enchanting characteristics of the city of Providence, which has been reborn around its urban waterways, the city offers limited linkage and access to one its most significant assets - Narragansett Bay. With recent construction activity related to the relocation of Interstate 195 through the city, this property has gained greater visibility, access, and prominence. In November of 2010, the residents of Rhode Island strongly supported a bond to purchase the Subject Property and to retain this key location for public access and a means to reconnect the city to the waterfront.

The *Providence Gateway Plan* is a conceptual development plan for a vibrant, sustainable, and active use for one of Providence's most visible and influential development parcels. The intent of the effort is to capture and consolidate industry input, public and private opinion, expert analysis, and community and stakeholder sentiment into a practical development program. The program seeks to serve the powerful public interest in waterfront access and vibrancy, while generating positive economic development activity, increasing the tax base, and outlining a market-driven approach.

The result is a proposed mix of active public and private uses that are feasible, complementary, and scalable over time, including: marina-related uses, bay excursions, office space, event and dining destinations, outdoor event and retail space, and marine-related light industrial uses. The Plan includes a general implementation strategy including opinions of cost and revenue for each element of the proposal to help provide a path forward in creating a vibrant waterfront destination that will serve the city and the region for decades to come.

The *Providence Gateway Plan* is sponsored by the Head of the Bay Gateway, a citizens group advocating for a public destination at the site; for more information, please contact [info@headofthebaygateway.org](mailto:info@headofthebaygateway.org) or go to <http://makeshooterspublic.com>.





Courtesy of Modeling Specialties - Metropolitan Providence; Waterfront Development Plan



## B. BACKGROUND

### Subject Property

The former Shooters Cafe building at 25 India Street (Plat 18, Lots #344 and #345) currently consists of a blighted 3<sup>+</sup> story vacant structure<sup>i</sup>:

Legal Parcel	Land Area (square feet)	Building Area (square feet)	Description
18-344	≈ 40,946	n/a	Parking lot
18-345	≈ 32,670	≈ 30,864	former "Shooter's" Night club bldg

For well over a decade, this property has been empty and trending towards disrepair. In its current form, safety and liability concerns have become a major issue as vandals and graffiti artists have become increasingly active and as the building continues to deteriorate. As substantial improvements to the adjacent India Point Park have been completed and as the highway relocation effort begins to be finalized, the waterfront parcels are a destabilizing and blighting influence in the neighborhood and threaten to impede broader economic development efforts. For the tens of thousands that now drive past daily on Interstate 195, the decaying facade welcomes them to Providence and to the waterfront.

Due to this exceptional visibility and central waterfront setting, the Subject Property offers an important link between current and future activity related to the Interstate 195 relocation/construction, the reclamation of the Old Harbor and Jewelry District, the proposed redevelopment of the East Providence waterfront, as well as the recent improvements to India Point Park. With intense city, state, and federal focus now centered on the creation of the Knowledge District in this area, the Subject Property lies within the extended footprint of the region's primary economic development focal point. As these economic development efforts move forward, old infrastructure is being demolished, new circulation patterns are being defined, and an estimated 19<sup>ii</sup> acres of the city is poised for redevelopment in the coming years.

With such progress underway, the timing is right and critical to seize the opportunity presented by the Subject Property, to reconnect the city to the bay, and to work in parallel with ongoing transit and economic development initiatives. This long-neglected parcel has become a linchpin in providing a long-term connection to the water for economic, educational, aesthetic, recreational, and transit opportunities for decades to come.



Subject Property, 2010  
TOP: View looking South  
LEFT: Southern Elevation

Photos courtesy of HOBG



### The Catalyst

Since 2007, the Head of the Bay Gateway (HOBG) has been advocating a vision for a public, maritime-oriented use for the Subject Property. HOBG members garnered neighborhood input and opinions, and were active participants in a workshop facilitated by *Project for Public Spaces*, a nonprofit planning, design and educational organization dedicated to helping people create and sustain public spaces that build stronger communities<sup>iii</sup>. This process urged the development of numerous attractions for a successful public waterfront in Providence. Over 100 participants from the community attended the workshop to collectively share their vision of the city and of a public waterfront. The result of this and several other public hearings and planning sessions has been a widely held vision of a regional waterfront destination with an active nucleus of local artists, merchants, seafood providers, events, marine uses, and a base for those looking to access Narragansett Bay via the pre-existing deep water marina.

As this effort has gained momentum, HOBG has found strong encouragement from residents and businesses who want to play an active role in creating a new vibrant waterfront destination in one of Providence's most visible and central places. As the vision has been communicated and shared, the appeal has extended well beyond its origins within in the Fox Point Neighborhood. As evidence of this broad-based and overwhelming support, an on-line petition has been signed by over 845 individuals, from all of Rhode Island's 39 cities and towns. Many signatures contain thoughtful comments and messages of support<sup>iv</sup>. Similar outreach efforts educated and captured the support of political and civic figures, business leaders, and key community stakeholders<sup>v</sup>.

#### LINKS:

[www.http://www.thepetitionsite.com/1/make-shooters-public/](http://www.thepetitionsite.com/1/make-shooters-public/)  
[www.http://www.makeshooterspublic.com/endorsements.html](http://www.makeshooterspublic.com/endorsements.html)

As a direct response to feedback from state and city leadership, in the fall of 2009, the Head of the Bay Gateway Steering Committee initiated a business planning process to capture the increasing energy and enthusiasm. HOBG enlisted a third-party consultant to create a comprehensive business plan to help frame and distill the vision, and to act as a catalyst for action.

Funding was provided by supportive community organizations, private donation, as well as from a Community Development Block Grant from the city of Providence. Initially, the plan was to incorporate case studies of best practices in urban waterfront planning from across the country, with a focus on the economic and social benefits of retaining public and private access to the waterfront. The plan was also intended to illuminate the limitations and hindrances of traditional, monolithic private residential development at this vulnerable location.

#### 'Placemaking on the Providence Waterfront'

Excerpts from the *PROJECT FOR PUBLIC SPACES*, as sponsored by the Providence Foundation and City of Providence in March, 2009

##### "Key Issues and Opportunities":

- Plan Providence Around Places
- Create an Active Waterfront Destination
- Think Beyond "Parks"
- Design for Flexibility and Growth
- Start with Interim Uses
  - (*"...temporary retail stalls were identified as programming features that could be accommodated as provisional arrangements that could be replaced by more permanent structures..."*)
- Provide Active Recreation
- Ensure Compatible Edge Uses
- Encourage Non-Vehicular Access to the Waterfront
- Connect to Other Destinations

##### "What Makes a Great Waterfront":

- Make Public Goals the Primary Objective
- Create a Shared Community Vision for the Waterfront
- Create Multiple Destinations
- Connect the Destinations
- Optimize Public Access
- Design and Program Buildings to Engage the Public Space
- Support Multiple Modes of Transportation



Over the past 12 months, the scope of the business plan has greatly evolved and changed due to increasing support and consensus-building on the potential for the parcel as an active waterfront destination. The city's Interim Comprehensive Plan, neighbors, stakeholders, and city and state leaders began to embrace and build-upon the vision and concept. The need was no longer to introduce and justify the positive attributes of such a concept, but to focus on taking steps to enable the implementation of such a plan. Marketing materials were created and the effort engaged in conversations with a number of potential tenants and investors/developers. [Please see EXHIBIT 1.0 Gateway Marketing Brochure for more detail]

#### Head of the Bay Gateway (HOBG)

A group of concerned citizens who have come together to advocate a vision for a public, maritime-oriented uses for the former Shooters parcel. HOBG is supported by the Fox Point Neighborhood Association and affiliated with the Friends of India Point Park.

SAVE OUR WATERFRONT!  
[MakeShootersPublic.com](http://MakeShootersPublic.com)

In 2010, a bond referendum was approved to be placed on the statewide ballots - for a \$14.7 million 'Open Space and Recreation Bond', which included the following language regarding the Subject Property:

*Approval of this question will authorize the State of Rhode Island to issue general obligation bonds, refunding bonds and temporary notes in an amount not to exceed... three million two hundred thousand dollars (\$3,200,000) for the purpose of transferring title to [Subject Property] from the Department of Transportation to the Department of Environmental Management, with the funds to be used to reimburse the US Federal Highway Administration for the market value of the property preserving the same as open space and for recreation...<sup>vi</sup>*

As the election approached, the focus of the HOBG volunteers shifted to education and advocacy in support of the bond under the leadership of Save the Bay. As the bond advocacy process evolved, industry experts, stakeholders, and businesses continued to provide insight and knowledge in support of the vision, as it gained much publicity and a broader audience.

In November, 2010, the referendum passed with 64.6% of the vote, statewide. 38 of 39 RI's cities and towns voted for the bond, and the city of Providence posted an overwhelming 77.7% approval vote.

Aerial photo courtesy of www.googlemaps.com, October 2010  
 Photo- Looking south from existing structure





"Great cities around the world have the guts to give their finest parts to the public realm." <sup>z</sup>  
– Joe Riley, mayor of Charleston, South Carolina at the Providence Preservation Society's 2007 Annual Meeting.

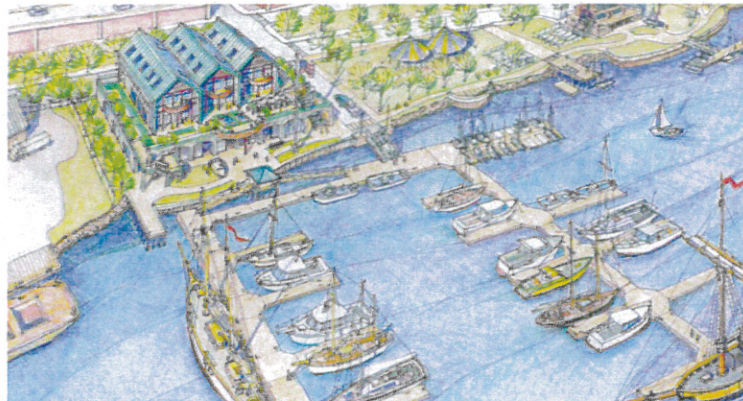
### C. PURPOSE

The Providence Gateway Plan (PGP) document intends to explore the viability of a redevelopment opportunity at the Subject Property, through the following steps:

1. Define the Providence Gateway vision - as developed by public and private stakeholders, local businesses, advocates, critics, and potential investors.
2. Offer a tool and resource for framing discussions as the region, and the RI Department of Environmental Management, work towards defining an active, viable, and impactful use for one of Providence's most visible and exceptional locations in order to engender a sustainable and vibrant connection between the city and the bay and to create a transformative waterfront destination.
3. Capture and summarize the results of outreach that has taken place with neighbors, community and civic leaders, marina engineers and developers, restaurant owners, builders, excursion boat operators, urban planners, legal experts, state agencies, urban developers, event space operators and investors, and a number of interested potential tenants and partners.
4. Develop a comprehensive third-party marina study, commissioned by HOBG, including a market assessment, regulatory study, and engineering and schematic design, as a means to define one of the most intensive and complex components of the vision [EXHIBIT 2.0: Marina Market Assessment].
5. Define a viable program for dining and event space by engaging market professionals and recommending a plan that reflects the industry input and the current state of the economy.
6. Provide a marketing and communications tool for creating awareness and for generating both public and private interest in a sustainable and responsible redevelopment plan. By seeking industry participation from the best in regional practitioners, the process itself has generated interest, fostered inclusion, and built the foundation for potential implementation by the selected developers and operators.

Due to the rather public and undefined nature of the redevelopment process, the majority of active industry participants in this exercise have elected to provide anonymous input, but seek to remain viable participants as the process moves forward and as the level of private participation is defined.

Architects rendering, courtesy of HOBG





"Public access and use of the waterfront are as important to our mission as ensuring a clean and healthy Bay...this parcel can serve as a reminder to all of the historic connection between Providence and the sea."<sup>z</sup>  
– Jonathan Stone, Executive Director of Save the Bay

## D. GUIDING PRINCIPLES

In shaping this process, several key factors and guidelines were utilized as a framework for the Providence Gateway Plan (PGP) effort:

1. Financial Viability - The concept and vision is intended to be achievable and financeable in today's market environment without an over-reliance on donations, grants, or one-time financial contributions. The goal is to offer a pragmatic, realistic and implementable program, rather than defining the unattainable ideal.
2. Marine-related - The unique site offers a significant opportunity to provide linkage to the bay. The effort is designed to seize this incredible opportunity.
3. Active, not Passive - In spite of the "Make Shooters Public" message that has publicly defined the efforts of HOBG, the goal is not simply to offer an extension to India Point Park, but to enhance the waterfront by offering commercial activities that will complement the existing environment. The PGP recognizes the economic development opportunity presented by this location and seeks to create a vibrant destination with public/private elements, not a passive waterfront green space. The goal of the effort is not to obstruct development from taking place, but to enable positive, appropriate development.
4. Economic Sustainability/Growth - The goal of the PGP is to enable a long term, successful program that will evolve, adapt, and grow over time. In all cases, it is contemplated that market rents/revenue and investment will primarily support the development. It is assumed that the proposed physical improvements and active uses can be afforded by the forecasted revenues, and will be sustainable through future business cycles.
5. Public Access - As one of the only direct, non-privatized opportunities to connect to the bay, it is essential that the public not only retain legal access to the waterfront, but that the physical engagement is apparent, welcoming, and transparent. As pointed out by a key state leader, children and families living in the capital of the Ocean State may actually have limited access to and experience with the state's acclaimed beaches and waterfront, despite geographic proximity.
6. Long-term - This effort is not intended to create a short-term "band-aid" approach to address the current blighted location, but rather to create and preserve an enduring and evolving waterfront destination.
7. Interim Comprehensive Plan - In the Spring of 2010, the Providence City Plan Commission held a number of meetings regarding the drafting of the city's Interim Comprehensive Plan, which will guide the city's future zoning restrictions. After much public debate, the commission voted to ban residential uses on the Subject Property, as well as potential hotel use.<sup>vii</sup>
8. Transit Orientation - Attention was paid to the many positive transit-related initiatives within the city of Providence and involving the RI Public Transit Authority and RIDOT. This location has been long identified as an ideal ferry terminal if/when a commuter or Narragansett Bay ferry is deemed viable. The location also acts as a natural hub for intermodal transit through the convergence of the state's two interstate highways and eventually, the convergence of the region's three major bike paths (including the popular East Bay Bike Path). Success of the PGP will require and complement integration into the current and future city and regional transit initiatives.



9. Physical Constraints - The location, outside of the Fox Point Hurricane Barrier and within the High-Velocity Flood Zone<sup>viii</sup>, is subject to many physical and regulatory constraints. The potential for surges, erosion, and overall sea level rise is significant. This condition may lead to difficult design and insurance/risk mitigation issues in a conventional private real estate development. The condition also dictates the need to elevate uses above the flood level. Improvements on the site will be subject to approval from the Coastal Resources Management Council in matters of storm water treatment, avoidance of the flood zone, public access, and required setbacks. Further entitlements are dictated through the city of Providence. The PGP seeks to work within these constraints.
10. Parking - The site (in its current configuration) offers parking for roughly 75 cars, with up to 250 public spaces along India Street. At select times, there is parking available within the new surface parking lots being created by the Interstate 195 relocation. The lack of a sufficient contiguous parking supply poses a significant issue for any successful redevelopment plan. It is expected that as the Interstate 195 lands are planned and developed, parking for all adjacent and related uses will need to be comprehensively addressed. In the PGP effort to date, this limitation is recognized but deemed as an issue for any public or private use that may be introduced along India Street. It is also understood that waterfront parking is not encouraged. This broad and necessary economic development issue is considered in the PGP by attempting to limit parking needs by encouraging transit linkage, and by offering a development plan that maximizes shared parking between uses (due to offsetting peak demand days and times per use).
11. Neighborhood Sentiment - Over 50 city and state organizations, local businesses, and elected officials have worked to advocate for a multi-use destination for this parcel. Public charrettes and workshops have been held in the neighborhood to gather input. At one significant meeting, an overwhelming number of attendees highlighted the most pressing need for the greater neighborhood (which includes Fox Point, Wayland Square, and College Hill) as a public use for the Subject Property<sup>ix</sup>. In a Providence Business News online poll in early 2009, nearly 1000 respondents indicated a desire for a public space (90%)<sup>x</sup>. Many see the parcel's obvious potential as a prominent regional visual and transit-oriented site, as well as the prospect of neighborhood enhancement that could occur with the proper planning and implementation of development on the parcel.
12. Consistency with other Development Efforts - In the midst of a major transformative process for the region, including the relocation of I-195, the creation of the Knowledge District, the expansion of the educational institutions, and the vast opportunities created by the reorganization of the circulation patterns, the city of Providence is being evaluated comprehensively from an economic development and urban planning standpoint. The Providence Gateway Plan seeks to complement and enhance statewide planning, and transit initiatives, and to reflect the City Planning Commission's prohibition of residential or hotel uses at the site.
13. Economic Development - The region needs job creation and to continue to position itself to be competitive in the decades to come. The state and city need to expand their tax revenues, while reducing expenses. In this manner, the intent of this effort is to recommend a public/private partnership that generates economic activity, expands the municipal tax base through property taxes, as well as generates meal and beverage, sales tax, and other sources at the state level.



## E. RECOMMENDED PROGRAM

MARINA (dockage, site)			RESTAURANT	EVENT/BANQUET/KIOSKS/STUDIOS
Marina	Excursions/Tours	Recreation		
- Seasonal slip rentals (46 slips)			- Approx. 4,000 SF restaurant for indoor seating of 100-150 people, bar area	- Flexible destination space for weddings, functions, and events affiliated with bay excursions, as well as with the restaurant
- Transient slips (10 slips)			- Outdoor seating for 50-100 people; full service	- Potential to incorporate retail stalls, artist studios, and public marketplace into shared event space
- Excursion dockage and ticketing			- Take-out capacity with distinct area	
- Kayak, canoe and recreational rentals			- Ice cream and coffee counter	
- Flexibility for additional dockage (ferry, visiting vessels, cruise ships)			- Likely seafood themed, with elements of a traditional "clam shack"	- Approx 4000 SF divisible event space
- Upland ticketing (excursion) and marina office			- Potential for extended catering kitchen, or separate kitchen for events facility, and/or to support excursion boat operation	- Catering and support kitchen within expanded restaurant kitchen

OFFICE	STORAGE/INDUSTRIAL /BICYCLE	OUTDOOR VENUE/ MARKETPLACE
- Approx. 4000 SF related to state agency business w/ public interaction space related to marine-activity	- Utilize space under existing platform (the existing ground level) for marine-related storage, boat building and repair, bicycle rental and repair, etc	- Thoughtful site design to allow for public use, outdoor concerts, theatrical performances, clam bakes, retail kiosks, farmers markets, seafood markets, food carts, etc.
- Support/Office space for Excursion and Marina operators		

ORDER-OF-MAGNITUDE SCALE									
Floor	Gross Square Feet*	Circulation, Common Restroom, Elevator Lobby, Potential Space for Kiosks/ Studios (SF)	Useable/Active Square Footage	Restaurant	Marina Office	Excursion Office	Office Space	Event/Banquet	All values approximate for purposes of scale and recommended balance. Subject to design process.
First	9,500	2,375	7,125	4,000				3,125	plus expansive deck/patio
Second	8,000	1,440	6,560		800	800	4,000	960	plus rooftop deck
Total	17,500	3,815	13,685	4,000	800	800	4,000	4,085	

\*Conceptual square footage and building assumptions are based on the best information available and will need to be confirmed through greater access and diligence. Due to the lack of private access to the site, the PGP effort has not been able to properly assess the existing physical conditions of the Subject Property.



It is contemplated that selective demolition will occur to the existing structure. Given the recommendation of a thorough structural engineering report, as well as an updated flood study, it is assumed that a portion of the existing structural platform (currently, an area of roughly 13,717 SF)<sup>xi</sup> can likely be reused as a foundation or platform for the proposed new construction. This conclusion assumes that the foundation and substructure was initially constructed to support a much larger building mass.

Based on a survey of the site and a review of structural drawings, there seems to be potential to simply remove the upper floors of the former nightclub, in order to create a clean, structurally-sound, and cost efficient platform for new construction. Construction of finished space will need to be elevated to a height above the calculated flood level. The current concrete structure rests at 12 feet above the rough grade of India Street due to this consideration.<sup>xii</sup> The reuse of portions of the existing concrete platform, given sufficient engineering results, will likely provide construction cost savings, as well as the potential for relief on the time frame and expense of certain entitlements.

It is beyond the scope of this report to provide design and construction-related recommendations beyond the conceptual level, due to limited familiarity and access to the existing structure. As a result, opinions of cost provide only order of magnitude-level data - as a basis for more detailed analysis in the future. Regardless of the existing physical condition, the recommended vision and development program remain valid, although the order of magnitude opinions of cost would need to be adjusted to reflect increased demolition, as well as subsurface and foundation-related work.



"In the midst of an economy in recession and a great need for development across a vast number of public functions, it is up to our leaders to allocate our recovery stimulus in the most efficient way possible, maximizing the general welfare of the greatest number of our citizens. The India Point project will achieve that outcome."<sup>z</sup>

Lincoln D. Chaffee, Governor-elect.



## MARINA

Outside of the Fox Point Hurricane Barrier, at the apex of the Narragansett Bay, and at the southernmost point of the Capital City, the Subject Property has the potential to attract boaters from Providence, the Providence and Seekonk Rivers, and throughout the bay. A detailed market survey, including interviews and a review of comparable properties, has concluded that the site will attract the following groups of recreational boaters:

- Boaters living or working in Providence and seeking seasonal rental slips for the boating season (typically May-Oct).
- Boaters from outside the local area looking for transient (< 10 days) slips for short-term visits. The marina use will provide a destination for those seeking a metropolitan destination with sophisticated dining and cultural options, shopping and entertainment – akin to the heavy transient traffic in Newport.
- Boaters from the local region, mostly from the upper Narragansett Bay, looking for casual-transient (staying for a few hours or overnight) slips in order to dine at local restaurants, visit downtown, or enjoy cultural events such as Waterfire. This market was identified through interviews with a number of local marina operators who forecast a great potential for such users.

[Please see EXHIBIT 2.0 Marina Market Assessment for more detail.]

The marina would offer attractive options for the general public through the following:

- Recreational rentals including kayaks, stand-up paddleboards, or sailboats, with the potential for an affiliation with the adjacent Community Boating Center and/or Brown University facilities. A variety of watersports rentals will add vibrancy to the facility, and greatly enhance the public access and activity on the waterfront.
- Excursion/ferry trips into the Bay [see 'BAY EXCURSIONS'].
- The potential for visiting vessels for cultural and/or tourism related endeavors, such as the Liberty Ship USS John W. Brown, which visited the city in September 2010, or cruise ships akin to those currently utilizing the Conley's Wharf location.
- City and state service or research boats have also expressed interest in utilizing slips at this location.



Cruise ship docked at India Point Park

### Future Expansion Opportunity

- Trolley /Street car service
- Rental kiosk that could offer bicycles, scooters and Segways
- Launch/seasonal water taxi/ferry service that can receive and drop off people between the site and the many existing waterside landings along the Providence Riverwalk as it extends to Waterplace Park



Photo courtesy of Baltimore Business Journal, 8/11/2010

"Many cities that have opted for a tall or dense edge of development right at their waterfront have experienced a precipitous drop in land value a block or two away from the edge – and with it a drop in the quality of the urban environment."  
– Alex Krieger, the state's consultant on Interstate 195 lands, Remaking the Urban Waterfront, ULI, 2004.<sup>z</sup>



The attached Marina Market Assessment, as prepared by *Harbor Engineering*, took into consideration eight (8) marina facilities from around the region, looking at their size, offerings, occupancy, and rates. The study identified and focused on key support services and amenities for a successful marina, including an office, visitor's desk, excursion boat ticket desk, bathrooms, and showers. Key findings indicated that in order for the marina to be a successful operation, it will be important to plan its offerings and amenities carefully. This will keep the Subject Property vibrant over twelve months compared to a limited 4-6 month seasonal time period.

**Table 1. Comparable Marina Facilities**

Map Location	Facility	Municipality	Proximity to Site (mi)
A	Downtown Marina	Providence	0.25
B	Oyster House Marina	East Providence	0.5
C	Port Edgewood Marina	Cranston	3.0
D	Pawtuxet Cove Marina	Cranston	3.5
E	Brewer Greenwich Bay Marina	Warwick	16.0
F	Milts Marina / 20 Water St	East Greenwich	16.0
G	Hemingways	East Greenwich	16.0
H	Harborside Lobstermania	East Greenwich	16.0

List of comparables from EXHIBIT 2.0 by *Harbor Engineering*: expert coastal and waterfront engineers with extensive project experience internationally and particularly along the Northeastern U.S. coastline.

Keeping the needs of the various vessel types in mind by retaining flexibility in design and construction is deemed essential for long term success. The study also highlighted the importance of intermodal transportation as a critical component in getting people to and from the site and various points throughout Providence.

The "upland" (land-based) offerings and uses of the site, such as an indoor/outdoor café and ice cream stand, retail offerings, and outdoor event/music venue, would greatly bolster the marina operation, as the uses would be mutually reinforcing. Through the study of comparable local marinas, as well as similar models around the country, the upland offerings provide increased demand, traffic, and lead to increased marina rate structures.

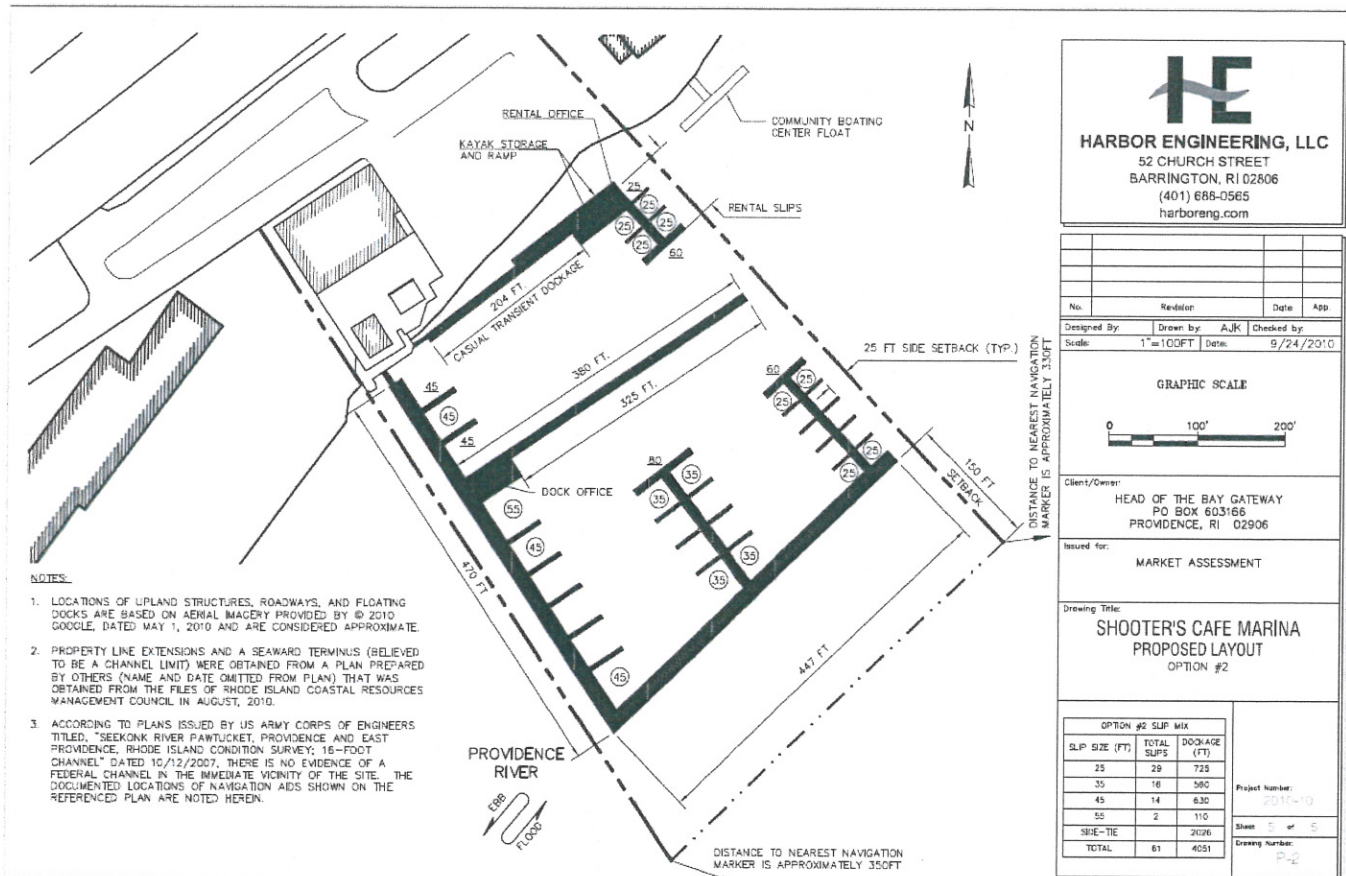
"As a citizen of Rhode Island for most of my 52 years of life, I have always felt strongly that Providence should have this type of waterfront location. My husband and I frequently go to Newport, but would prefer to have this type of venue closer to home." <sup>z</sup>

- Anonymous - one of nearly 850 online signatures for "Save our Waterfront! Make Shooters Public!"



## BAY EXCURSIONS

An established tour operator has shown consistent interest in this location as a hub for passenger boat excursions (meeting tours, weddings, dinners, etc). This use would be dependent on an attractive "upland" area, sufficient dockage and approach, as well as a reasonable parking solution. EXHIBIT 2.0: Marina Market Assessment; Conceptual Marina Layout drawings address the anticipated access and slip needs.



From EXHIBIT 2.0: Marina Market Assessment; Harbor Engineering

The excursion concept includes market offerings such as narrated bay tours, luncheon cruises, and elegant dinner cruises. An excursion operation would provide an ideal venue for corporate events, office parties, and meetings or social events for groups up to 120 people. The venture, based on local comparables and projections, will complement and enhance an upland event space - for corporate and private events, including weddings, that would utilize the bay outing as part of the overall event.

Obvious connections and efficiencies could be gained through catering, shared kitchen facilities, and cross-marketing and promotions.

A regional excursion operator provided the following projections, based on a terminal at this location. Forecasts were driven by local historic data and by accounting for the direct connectivity within the city, as well as the proximity to Interstate 95 and 195, nearby Amtrak and MBTA connections, and the central location within the capital region. The projections illustrate a viable and active 9 month program of activity, including the potential to leverage visitors from



events at Brown University, RISD, and other local institutions (graduation, parent's weekend, and alumni events). The following table indicates the potential for stabilized operations, with the caveat that the existing site must be marginally improved to not detract from the excursion operation. Also, as stated in other aspects of the program, a basic parking solution must be implemented.

Bay Excursion Forecast (Annual):

	Description	Number of Trips/Year	Number of Passengers/Year
Harbor Tours	Reservations, walk-up, school trips, etc	68	5100
Lunch Cruises	Corporate, civic, retirement/assisted living, professional associations	55	4950
Public Dinner Cruises	Dinner cruises, open to reservations, walk-up	50	4500
Specialty Cruises	To coincide with existing fireworks displays along the bay, limited lighthouse/seal tours, Waterfire, etc	7	910
Charters	Weddings, graduations, anniversaries, proms, etc	51	6120
TOTAL		231	21,580

The forecast indicates over 21,000 passengers per year, from April through December. This would be a key source of traffic and activity to help support and energize the other program elements. Many of the listed excursion users would also utilize the land-based conference or banquet facility. And, the catering service/kitchen/restaurant operation would be bolstered by all of the activity.

With the vibrancy generated by weddings and events, local pre-existing restaurants, shops, and hotels would greatly benefit - generating business as well as creating a direct economic benefit to the state and city through increased hotel, meal and beverage tax, sales tax, and secondary economic activity.

#### ▫ RECREATIONAL RENTALS

A portion of the marina facility is being recommended as space/slips for a public or private rental operation that would allow users short-term access to a number of activities, namely kayak rental, canoe rental, and the potential to rent small sailing vessels. Other marina operators in the upper bay and in other urban markets offer similar activities with much success. The recreation would reinforce and complement the Community Boating Center (CBC), which is adjacent to the Subject Property. The CBC, founded in 1994, is a non-profit organization which offers sailing lessons and fleet rentals, as well as community outreach programs. Last year alone, CBC reached 800 Providence children, by providing access to the bay through educational marine and sailing-based programs.



## MARINA: CONCEPTUAL OPINION OF COST

OPINION OF COST			Order of Magnitude
<i>DOCKS &amp; MARINE FACILITIES</i>			See EXHIBIT 2.0 for detail
<u>Marina</u>			
Hard Costs	\$4,000,000	(Equipment and Construction)	
Soft Costs	\$485,000	(Engineering, Entitlements, Permitting)	
	\$4,485,000		

## MARINA: CONCEPTUAL OPINION OF REVENUE/FEASIBILITY

OPINION OF REVENUE						Order of Magnitude
<i>DOCKS &amp; MARINE FACILITIES</i>						See EXHIBIT 2.0 for detail
		Rate (PLF)	Average Occupancy (Annualized)	Average Boat Size	Annual Rent	
<u>Marina</u>						
	<u>Slips/LF</u>					
Transient Slips	10	\$3.50	40%	30		\$153,300
Seasonal Slips	46	\$120	85%	30		\$140,760
Recreational Rental Slips	5				\$10,000	\$10,000
Dockage Fee - Bay Excursion					\$25,000	\$25,000
Potential Gross Annual Income						\$329,060
(minus) Vacancy & Collection Losses (5%)						(\$16,453)
Effective Gross Income						\$312,607
(minus) Operating Expenses (35% of EGI)						(\$109,412)
Net Operating Income						\$203,195
[Market Value (8.0% Capitalization Rate)]						\$2,539,932

As in many marina developments and operations that lack sufficient scale, the infrastructure costs present a significant burden to the economic feasibility of the initial investment. The true economic value is created through the traffic generated by the combination of all of the activities within the recommended development. As the upland attractions are stabilized, revenue projections for the marina operator (who is often also the restaurant operator), through increased transient customers, boating amenities, as well as increased slip rates lead to a more robust cash flow.

For the purposes of this conceptual report, it is generally assumed that comprehensive marina improvements are made, rather than the reuse of existing infrastructure. This approach has been consistently supported by industry professionals in an evaluation of the existing conditions, including the lack of wave attenuation. A phased build-out approach is recommended based upon the timing and structure of the synergistic uses on site.



## MIXED USE BUILDING

### ▫ RESTAURANT

In surveying a sample of the region's top restaurant owners, managers, and developers (including those who simultaneously operate waterfront, marina, and event spaces) the following consistencies were gathered:

#### Factors and Considerations:

- The location, although highly visible, may not provide enough foot traffic to support a large - scale restaurant in early years. The establishment of a marina, as well as the steady flow of the proposed excursion operation would greatly increase the foot traffic to the site.
- Limited parking availability is a concern.
- A "clam shack" or "shore dinner hall" use, which has been clearly expressed as an attractive use by the community, often relies on heavy site traffic because relatively low margins and high food costs (fresh seafood) present the need for a high volume business. This could be mitigated by an operator with established supply-chain systems, such as Blount Seafood of Fall River, MA/Warren, RI.



Photo courtesy of HOBG, The Riverhouse; Portsmouth, NH., May 2010

#### Opportunities:

- Unequivocal, unanimous agreement that the site presents a great opportunity for a destination dining location, as well as exceptional visibility.
- A consistent desire for a flexible, multi-use event space - with strong sentiment regarding the synergistic value created by a marina, bay excursion operation, recreation rentals, outdoor performance/music venue, as well as the appeal of tugboats and other working waterfront elements.
- The importance of outdoor space to capitalize on water views, via a deck or rooftop full service dining option.
- The potential for a phased approach to development and investment that matches market expectations in early years with the appropriate level of investment and product offering.
- All of the parties surveyed understood the positive impact that the redevelopment of the I-195 land, including increased transit, improvements to circulation, and enhanced visibility, would have on the development.

Photo courtesy of HOBG,  
Michaels' Restaurant,  
Newburyport, MA., June 2010



Photo courtesy of The Barking Crab; Newport, RI/Boston, MA  
<http://www.barkingcrab.com/>; October 2010





The Recommendation (a compilation of market input):

- Seafood-themed bistro with take-out area, bar, and informal ice cream/coffee counter.
- Approximately 4000 SF, including a 1200 SF kitchen and 2800 SF of indoor dining area. An emphasis was placed on the need for a thoughtful kitchen design, the planned potential for kitchen expansion, and other efficiencies due to the catering needs of an excursion operator and event space.
- Seating for roughly 100-150 people indoors.
- Outdoor seating for 50-100 people (roughly 1000 SF of clearly delineated dining space).
- Take-out area to serve boaters, visitors to India Point Park, and the neighborhood, as well as the potential for a small (200 SF) ice cream/coffee counter, and a small, casual bar area.
- Forecasted average check amount of \$12/ person lunch (takeout), \$18-20/person lunch, \$28-30/person dinner is anticipated to support the necessary improvement budget and fixed operating costs.

Other considerations

- Common area restrooms to be shared with the other components of the development.
- Access to the Event/Banquet space, including potential for hosting outdoor events.

#### ▫ **EVENT/BANQUET** (Indoor)

The market potential for an event space is evident for a number of functions:

- Weddings, meetings, and events related to the bay excursion operation (see 'BAY EXCURSIONS' above).
- Private and corporate function space related to the restaurant (see 'RESTAURANT' above).
- Independent meetings and gathering for social and professional events. Discussions with the Rhode Island Economic Development Corporation, the Providence-Warwick Convention and Visitors Bureau, as well as a number of local developers and commercial brokers have indicated the need for a simple gathering space for 100-200 people. In recent years, mill rehabilitation projects which have not been fully tenanted have hosted a consistent flow of holiday parties, professional and cultural association events, seminars, and symposiums. In Providence, it has been evident that these event planners and organizers are seeking space that differs from the typical monotonous hotel banquet space, and are looking for a space that offers a more unique and distinct setting.
- An emphasis has been placed on creating a flexible and divisible space to accommodate various types and sizes of events with the creation of an oversize space.

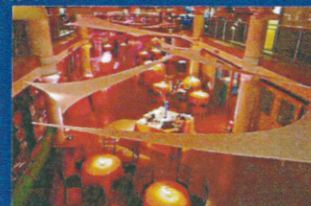
#### Case Study:

##### EVENTS & MARKETPLACE /STUDIOS



The Torpedo Factory Art Center is the highlight of Alexandria's (VA) Potomac River waterfront, attracting approximately 500,000 visitors annually. The building contains 82 artist studios, six galleries, two workshops, and a small museum.

In the center of the artist's studios/kiosks (which are simple stalls lining the walls) an event space thrives. Weddings, corporate and professional events take place within the market-place after hours. Public events, exhibits, and classes are constant. People "stroll along the waterfront, shop and sightsee on nearby historic streets, have a picnic on the dock behind the art center, or eat in the area's many fine restaurants".





- As a long term opportunity, there is a potential to incorporate events into properly designed common areas, or integrate events within space that is programmed for retail kiosk or artist studio space (see 'RETAIL KIOSKS/MARKETPLACE' below or the Case Studies highlighted). It is contemplated that such an active marketplace could organically develop over time by leveraging Providence's vibrant arts and local food scene into an area of high traffic and enhanced visibility.

#### ▫ RETAIL KIOSKS/MARKETPLACE (Indoor)

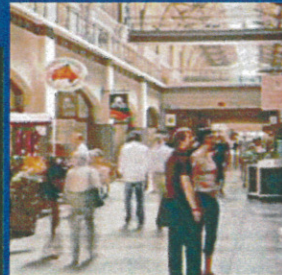
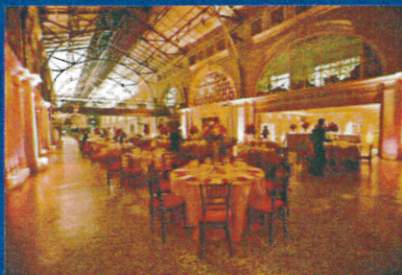
Retail kiosks for local artisans, fresh seafood, flowers, farmers' markets, specialty foods, and seasonal goods have often been mentioned as a component of the larger vision for a regional waterfront destination. Arts-related small studio ("work/sell") stalls have also been repeatedly discussed. With the activity generated from the mixed-use redevelopment, a retail or arts-related presence, particularly focused on seasonal highpoints and events, would be a fitting use of the location – as well as a key source of public engagement, increased foot traffic, and as a generator of ancillary economic development.

Regarding indoor space, one could envision the potential for simple stalls (retail kiosks, or work/sell artist spaces of various sizes) as part of a flexible indoor marketplace. In creating a flexible destination event space, with ample common area, central facilities and restrooms, it is conceivable that the Event space could evolve to include a full marketplace that can be utilized for private and public events. Such a scenario is mentioned as a long-term vision, due to the fact that the economic success of retail kiosks would depend on a fully-stabilized and successful hub of excursion passengers, transit users, an active arts-related attractions and other generated traffic. National examples of similar concepts (albeit at varying scales) include the Ferry Terminal in San Francisco, the Torpedo Factory in Alexandria, Virginia, and others throughout the country.

#### Case Study:

#### EVENTS & MARKETPLACE /STUDIOS

The Ferry Building Marketplace is located at the center of a transit/ferry hub that connects all of San Francisco's neighborhoods and the surrounding bay communities. The historic trolley cars stop directly in front of the building which hosts stalls/kiosks of local, specialty, and artisan foods. The halls host public and private events, weddings, and corporate/professional events. Two cafes, as well as limited office use, and open-air market events bolster the waterfront activities.



Photos and information abstracted from *Ferry Building Marketplace*, San Francisco, CA; Equity Office; <http://www.ferrybuildingmarketplace.com>; October 2010

## OFFICE/COMMERCIAL

In order to establish a constant presence on site, to bolster the economics and efficiency of the project, and to reflect the tenets of an effective public/private partnership, there is great potential for locating a few key offices and training areas for state professional use. Given the unique nature of the site and the balance of uses, it is logical to implement community-related and marine-related professional activity. Public interaction, such as boat licensing, training, and recreation-related uses would complement the vision for the site, while adding traffic and engaging the greater public. Parking needs, especially in mid-boating and excursion season, would need to be properly managed, and/or the use would need to be addressed through a transit-related solution in parallel with the broader vision.

The proper balance of office and agency use is approximated to be 3,000 - 4,000 square feet.

### CONCEPTUAL OPINION OF COST

("Upland" Development, including demolition, RESTAURANT, EVENT, OFFICE)

OPINION OF COST		Order of Magnitude	
RESTAURANT, EVENT, OFFICE SPACE			
		PSF	Total
Demolition of structure			\$100,000
Rehabilitation of existing platform/foundation			
Base Building/Core and Shell		\$125	\$2,187,500
Fit-out: Restaurant		\$150	\$600,000
Fit-out: Office(s)		\$35	\$196,000
Fit-out: Event Space		\$60	<u>\$245,100</u>
			\$3,328,600
limited FFE			

### CONCEPTUAL OPINION OF REVENUE/FEASIBILITY

OPINION OF REVENUE		Order of Magnitude
RESTAURANT		
Restuarant	(Stabilized)	
	Gross Revenues	\$2,000,000 per pricing and size assumptions listed above
	<u>State and Local Meals Tax, Other Adjustments</u>	<u>(\$386,000)</u>
	Effective Gross Income	\$1,614,000
	<u>Total Operating Expenses</u>	<u>(\$1,229,000)</u>
	Net Operating Income	\$385,000
	[Market Value (8.0% Capitalization Rate)]	\$4,812,500
EVENT	Valid revenue assumptions are contingent on the occupancy as generated through affiliation with the restaurant and excursion operations, as well as the defined public/private structure that is yet to be determined.	
OFFICE	Valid revenue assumptions are contingent on the defined public/private structure that is yet to be determined. Current market rate rent assumptions, applied to the recommended scale, would produce stabilized rental Net Operating Income of roughly \$40-60,000. [Market Value (8.0% Capitalization Rate) = \$540,000]	



## MARINE-RELATED LIGHT INDUSTRIAL/STORAGE

At the existing ground level, below the previously described platform area, there is potential for creating an active and revenue-generating use. This space resides below the flood elevation levels of the structure and would imply minimal investment and relatively modest rental rates. But, with storage at the neighboring Community Boating Center at a premium, and with expressed local interest from craftsman regarding boat building and/or repair, or the potential for bicycle repair, rental, or storage along the existing bike paths, the space could be activated. This use would contribute to the potential revenue generation on site, and lead to increased rental income for the operation of the overall facility, as well as adding to the diversity of activity at this key location.

OPINION OF COST			Order of Magnitude
<i>MARINE-RELATED LIGHT INDUSTRIAL/STORAGE/ BICYCLE</i>			
<u>Approximate</u>			
Hard Costs	\$180,000	(Construction & Improvements)	
Soft Costs	<u>\$18,000</u>	(Engineering, Entitlements, Permitting)	
	\$198,000		

OPINION OF REVENUE				Order of Magnitude
<i>MARINE-RELATED LIGHT INDUSTRIAL/STORAGE/ BICYCLE</i>	Rent (PSF) (NNN)	Useable SF (APPROX)	Annual Potential Rent	
Rent per Square Foot	\$6.00	6,000	\$36,000	
Potential Gross Annual Income				\$36,000
(minus) Vacancy & Collection Losses (7%)				<u>(\$2,520)</u>
Effective Gross Income				\$33,480
(minus) Operating Expenses (NNN)				<u>\$0</u>
Net Operating Income				\$33,480
[Market Value (8.0% Capitalization Rate)]				\$418,500

**OUTDOOR SPACE (Flexible for Retail ▫ Event ▫ Performance)**

Throughout the PGP process, there has been constant and unmistakable interest in a location and infrastructure for outdoor music, theater, arts, and private functions. A flexible outdoor space has drawn interest from local artists and performers. Others have envisioned civic and cultural functions related to the existing July 4th fireworks and other celebrations, clam bakes, as well as market-uses such as produce stands, seasonal seafood kiosks, or arts-related market events, sales, and festivals. The potential for outdoor concerts has been universally expressed as a market need, a fitting physical use of the Subject Property, and a key element in stimulating public activity. The desire for private events, related to the bay excursion operation or restaurant, has also been consistently expressed.

To implement and create such a space, there is ample opportunity for a thoughtfully-designed deck area, as well as for flexibility within the site improvements. Site parking could be designed upon an attractive and potentially permeable surface that could allow for infrastructure for a stage based on the site grading, lighting, and planting. Also, utility planning, as well as the layout, circulation, and land design could accommodate the potential for a vibrant and successful outdoor pavilion space.

Please see the 'Case Study: Louisville Waterfront Park; "The Wharf"' for more detail regarding a property of similar location, scale, use, and the simple, yet thoughtful approach to creating a flexible outdoor venue.

**Case Study:****FLEXIBLE OUTDOOR EVENT SPACE****Louisville Waterfront Park - "The Wharf"**

One component of a larger waterfront park system, the Wharf is a simple outdoor area with "...interlocking paver blocks to provide the nostalgia of an old-time Wharf while offering the conveniences of a modern event space suitable for a variety of activities, such as concerts, sailing regattas, athletic events or commercial boat docking."

**The active venue features:**

- Thoughtful design of a small, multi-use, inexpensive outdoor space
- Electrical and lighting to accommodate events
- 100 feet of the river's edge.
- Sloped concrete surface - 7% grade as a simple amphitheater effect
- Adjacent to a crab shack/restaurant





## F. CONCLUSION

The proposed mix of complementary active uses and amenities reflects the feedback and analysis from a series of industry professionals, business owners, public stakeholders, and seeks to capture the sentiment of the community. The *Providence Gateway Plan* balances the need for retaining and enhancing the city's connection to the bay while introducing a redevelopment program that could be implementable, bolster and promote economic activity, and expand the tax base for decades to come. The proposal is scalable, allowing for growth and additional components over time. Most of all, the plan offers a first step in moving forward in the creation of a vibrant, and impactful use for one of Providence's most visible and influential development parcels.



## ENDNOTES

<sup>i</sup> City of Providence Tax Assessment Database; Tyler CLT, Big Room Studios, City of Providence, RI; <http://providence.ias-clt.com/parcel.list.php?parcel.search>; October, 2010

<sup>ii</sup> Daniel Barbarisi; "Moving Rte 195 Might Reshape City's Skyline", April 2, 2008; Providence Journal; Providence, RI

<sup>iii</sup> Project for Public Spaces, <http://www.pps.org/about/approach/>, December 2010

<sup>iv</sup> "Save Our Waterfront! Make Shooters Public!"; Care2 Online Petition; <http://www.thepetitionsite.com/1/make-shooters-public/>; November, 2010

<sup>v</sup> Head of the Bay Gateway; Providence, RI; <http://www.makeshooterspublic.com/endorsements.html>; November, 2010

<sup>vi</sup> "Save Our Shore", "Vote Yes on Referendum #4"; Save Our Shore RI; 2010; <http://www.saveourshoreri.org/read-the-referendum/> Referendum # 4: Open Space and Recreation; October, 2010

<sup>vii</sup> Chris Barrett; "Panel Votes on Shooters, not Allens Ave"; April 28, 2010; Providence Journal; Providence, RI

<sup>viii</sup> National Flood Insurance Program, FEMA US. Department of Homeland Security, Map #44007C0309G, March 2, 2009

<sup>ix</sup> Head of the Bay Gateway; Providence, RI; <http://www.makeshooterspublic.com/endorsements.html>; November, 2010

<sup>x</sup> "What would you like to see at the Shooters waterfront site in Providence's Fox Point?"; PBN Staff-Online Reader's Poll; February 12, 2009; Providence Business News; Providence, RI.

<sup>xi</sup> Shooters structural engineering drawings; Yoder Engineering Group; December, 27, 1989; Providence, RI

<sup>xii</sup> Ibid

<sup>z</sup> All Quotations from Head of the Bay Gateway; Providence, RI; <http://www.makeshooterspublic.com/endorsements.html>; November, 2010



# Providence Gateway

A unique and distinctive waterfront



View from upper floor of existing building



Similar waterfront (Portsmouth, NH)





## Unique Urban Waterfront Setting

- Iconic shoreline destination with sweeping water views, easily accessible to over 10 million interstate travelers a year
- Centrally located at the head of Narragansett Bay in the heart of the I-195 redevelopment district
  - Adjacent to India Point Park and I-195 on/off ramps
  - Short walk ( $\frac{1}{2}$  mile or less) to Benefit St. historic sites; Brown campus; restaurants, shops & galleries at South Main & Wickenden Streets, Davol Square & Jewelry District
  - Direct access (1 mile or less) via riverwalks to downtown Providence, RISD, Johnson & Wales, East Bay Bikepath
- Deepwater port with docks for marina, excursion boats, ferries
- Ideal location for waterside restaurant, retail kiosks, visitors center
- Dramatic event space for weddings, festivals, corporate functions



Existing Building



Patio and docks

## The Site's Development Potential

- Adaptive reuse of highly divisible existing structure
- Open, south-facing floor plans: main floor, 9400 sq. ft.; 2<sup>nd</sup> floor, 7400 sq. ft.
- Potential function space for mid-size (150-250) events
- Shorefront lot (40,000 sq ft) ideal for tent, outdoor events
- Potential for efficiencies and synergies, i.e., shared restrooms, lobby, patio, utilities, marketing complimentary uses
- Parking: 100 spaces on site or within  $\frac{1}{4}$  mile; 160 more spaces within  $\frac{3}{4}$  mile



The **GATEWAY VISION** for the 1.4-acre property, currently owned by the Rhode Island Department of Transportation, encompasses:

- **Waterfront and marine uses**, for excursion vessels, private boats, kayak and small boat rentals, workshops, sailing programs, and ferries connecting East and West Bay towns to the capital region.

A Bay excursion boat company with decades of experience in the cruise and hospitality industry envisions operating 200 public and charter cruises carrying 20,000 passengers from April-December from the site, generating incremental traffic to other establishments and furthering the city's cultural and recreational appeal to residents and visitors alike.

- **Restaurant and function space** for festivals, concerts, weddings, corporate and charity events with sweeping views of the Bay and the downtown skyline, and superior access, visibility, and signage potential.
- **Retail/marketplace** for specialty food kiosks, café/bakery, artist stalls, fresh produce and seafood markets, bike rentals, and other year-round and seasonal uses.



View Down the Bay

**Head of the Bay Gateway (HOBG)** is a citizens organization working to create a public-private partnership that would develop and operate this unique waterfront asset. HOBG has the support from more than 50 local businesses and regional and neighborhood organizations.

HOBG and its consultants are bringing together a critical mass of complimentary users in an effort to capitalize on the inherent market appeal of the project and create a vibrant, economically viable waterfront development at this unmatched location at the head of Narragansett Bay.



Waterfront Festival at adjacent India Point Park



Excursion Cruises on the Bay





For leasing or inquiries, please contact:

[info@headofthebaygateway.org](mailto:info@headofthebaygateway.org)  
(401) 521-7929

Head of the Bay Gateway  
Post Office Box 603166  
Providence, RI 02906



## Head of the Bay Gateway – Shooters Redevelopment

### MARINA MARKET ASSESSMENT

#### *EXECUTIVE SUMMARY*

The *Head of the Bay Gateway Committee* (HOBG) hired *Harbor Engineering, LLC* (HARBOR) to assess the former *Shooters Waterfront Café* (Site) by providing professional services including a limited marina market assessment, a marina conceptual planning exercise, and to report on economic factors useful in the evaluation of the potential financial viability of redeveloping the property.

The Site has great potential to attract various user groups who seek access between Providence and local waters, including the Providence and Seekonk Rivers and Narragansett Bay. The Site will attract the following groups of recreational boaters:

- Boaters who either live or work in Providence looking for seasonal (staying all summer long) slips
- Boaters from outside the local area looking for transient (short-term stays up to 10 days) slips who are looking for a metropolitan destination that offers more sophisticated dining options, shopping and entertainment
- Boaters from the local region, mostly from upper Narragansett Bay, looking for casual-transient (staying only part of a day) slips in order to dine at the local restaurant, walk in the park, or take a quick jaunt into downtown. All of the marina managers interviewed felt that their customers would find this appealing and believed they too would benefit by having their marina located in close proximity to the Site

Beyond those with boats, HARBOR sees the potential for the Site to welcome the general public, including those who wish to rent a boat (including kayaks, stand-up paddleboards, or sailboats) or take a ride on an excursion/ferry boat into the Bay. A variety of watersports rentals will add recreational vibrancy to the facility, boosting the overall vision of providing public access to the waterfront.

Now approximately 1.4 acres in size, the Site is in a strategic location for Providence in that it is unfettered by navigational restrictions such as the Hurricane Barrier, nor does it conflict with the working waterfront along the west side of the Providence River. Situated adjacent to India Point Park and the Community Boating Center, the Site is in a prime location to provide public access to the navigable waters of the Providence and Seekonk Rivers and Narragansett Bay. Additionally, it can offer an ideal gateway to the Bay that can receive a variety of different excursion and recreational vessels.

HARBOR took into consideration eight (8) marina facilities from around the region, looking at their size, offerings, occupancy, and rates. The best comparable facilities to the Site were Downtown Marina (located in Providence) and Milts Marina/20 Water Street, Hemmingways, and Harborside Lobstermainia (all three located in East Greenwich). The Downtown Marina currently experiences less-than-ideal occupancy that is believed to be a result of the present economic climate as well as the physical restrictions of the Hurricane Barrier, which prevents larger boats from reaching the facility. The facilities in East





Greenwich offer water-enhanced dining combined with limited marina services. These facilities are generally near full capacity and do draw casual transients from around Upper Narragansett Bay who prefer to come to the area restaurants by boat.

HARBOR prepared two (2) conceptual marina layouts, taking into account a variety of physical limitations for the marina basin and the potential market demand obtained from the market assessment effort. Both layouts were able to achieve greater than 4,000 linear feet of leasable dockage arranged in a layout to support all of the potential users groups identified. One option focused more on reserving 84 dedicated slips for specific size vessels and the balance of the facility having open areas able to accommodate a wide range of vessel sizes. The Second option has a more flexible layout, offering 61 dedicated slips with significantly more open dock space to a variety of vessel sizes. Associated construction cost for each layout ranges from \$4–6 million. It is strongly recommended that any potential project be discussed with the various regulatory agencies to understand how far the marina can protrude into the harbor.

To ensure that the marina and upland facility is a successful year-round operation, it will be important to plan its offerings and amenities carefully. This will keep the Site vibrant over twelve months compared to a limited 4-6 month seasonal window. For the marina, the most important element will be security (including both passive and active considerations) and providing sufficient utilities, keeping the needs of the various vessel types in mind. For the inland development, intermodal transportation is critical to get people to and from the Site and various points throughout Providence. Methods of transportation to consider include:

- Trolley service
- Rental kiosk that could offer bicycles, scooters and Segways
- Launch service that can receive and drop off people between the Site and the many existing waterside landings along the Providence Riverwalk as it extends to Waterplace Park

Other upland offerings to consider for the Site include a marina center (including office, visitor's desk, excursion boat ticket desk, bathrooms, and showers), fine dining restaurant, seafood shack, indoor/outdoor café and ice cream stand, retail shops, interactive classroom, professional office space, gym, venue for outdoor music and harbor walk that connects with India Point Park. Of course, the challenge will be to fit everything on the site including the building space (additional floors beyond what is currently in place would most likely be needed) and parking.

If developed properly, the project can have an amazing synergy with all of Providence's current offerings and attract people to the area throughout the year. This revitalization of the city's waterfront is the economic boon Providence needs and an offering that the rest of the state can benefit from as well. The potential success of this proposed redevelopment can be easily measured by the successful waterfront revitalization implemented by other cities including but not limited to Boston, Chicago, Baltimore and Charleston.



## EXHIBIT 3.0: SUMMARY OF CONCEPTUAL OPINIONS OF COST & REVENUE

cost:

OPINION OF COST			Order of Magnitude
<i>DOCKS &amp; MARINE FACILITIES</i>			See EXHIBIT 2.0 for detail
	<u>Marina</u>		
	Hard Costs	\$4,000,000	(Equipment and Construction)
	Soft Costs	<u>\$485,000</u>	(Engineering, Entitlements, Permitting)
		\$4,485,000	

OPINION OF COST			Order of Magnitude
<i>RESTAURANT, EVENT, OFFICE SPACE</i>			
	PSF	Total	
Demolition of structure		\$100,000	
Rehab of existing platform/foundation			
Base Building/Core and Shell	\$125	\$2,187,500	
Fit-out: Restaurant	\$150	\$600,000	
Fit-out: Office(s)	\$35	\$196,000	
Fit-out: Event Space	\$60	<u>\$245,100</u>	
		\$3,328,600	
	<i>limited FFE</i>		

OPINION OF COST			Order of Magnitude
<i>MARINE-RELATED LIGHT INDUSTRIAL/STORAGE/BICYCLE</i>			
	<u>Approximate</u>		
	Hard Costs	\$180,000	(Construction & Improvements)
	Soft Costs	<u>\$18,000</u>	(Engineering, Entitlements, Permitting)
		\$198,000	



revenue:

OPINION OF REVENUE						Order of Magnitude
<i>DOCKS &amp; MARINE FACILITIES</i>		Rate (PLF)	Average Occupancy (Annualized)	Average Boat Size	Annual Rent	See EXHIBIT 2.0 for detail
<u>Marina</u>	<u>Slips/LF</u>					
Rental Slips	56					
Transient Slips	10	\$3.50	40%	30		\$153,300
Seasonal Slips	46	\$120	85%	30		\$140,760
Recreational Rental Slips	5				\$10,000	\$10,000
Dockage Fee - Bay Excursion					\$25,000	\$25,000
Potential Gross Annual Income						\$329,060
(minus) Vacancy & Collection Losses (5%)						(\$16,453)
Effective Gross Income						\$312,607
(minus) Operating Expenses (35% of EGI)						(\$109,412)
Net Operating Income						\$203,195
Market Value (8.0% Capitalization Rate)						\$2,539,932

OPINION OF REVENUE		Order of Magnitude
<i>RESTAURANT</i>		
Restaurant (stabilized)		
Gross Revenues		\$2,000,000
State and Local Meals Tax, Other Adjustments		(\$386,000)
Effective Gross Income		\$1,614,000
Total Operating Expenses		(\$1,229,000)
Net Operating Income		\$385,000
Market Value (8.0% Capitalization Rate)		\$4,812,500
<b>EVENT</b>	Valid revenue assumptions are contingent on the occupancy as generated through affiliation with the restaurant and excursion operations, as well as the defined public/private structure that is yet to be determined.	
	Market Value	(TBD)
<b>OFFICE</b>	Valid revenue assumptions are contingent on the defined public/private structure that is yet to be determined. Current market rate rent assumptions, applied to the recommended scale, would produce stabilized rental Net Operating Income of roughly \$40-60,000.	
	Market Value (8.0% Capitalization Rate)	\$540,000

OPINION OF REVENUE				Order of Magnitude
<i>MARINE-RELATED LIGHT INDUSTRIAL/STORAGE/BICYCLE</i>	Rent (PSF) (NNN)	Useable SF (APPROX)	Annual Potential Rent	
Rental Slips				
Rent per Square Foot	\$6.00	6,000	\$36,000	
Potential Gross Annual Income				\$36,000
(minus) Vacancy & Collection Losses (7%)				(\$2,520)
Effective Gross Income				\$33,480
(minus) Operating Expenses (NNN)				\$0
Net Operating Income				\$33,480
Market Value (8.0% Capitalization Rate)				\$418,500



EXHIBIT 4.0: ANTICIPATED JOB CREATION

CONSTRUCTION-RELATED JOBS		Order of Magnitude	
(Approximate FTE)			
	Approx. Construction Cost	Construction Related Jobs (determined based on average wage rates)	
MARINA	\$4,000,000		
MIXED-USE BUILDING			
Demolition	\$100,000		
Base Building/Core & Shell	\$2,187,500		
Restaurant	\$600,000		
Event	\$196,000		
Office	\$245,100		
Light Industrial	\$180,000		
	\$7,508,600		78

PERMANENT JOBS		Order of Magnitude	
(Approximate FTE)			
	Useable SF	Approx Jobs PSF	Permanent Jobs
Marina	n/a	n/a	10
Restaurant	4,000	100	40
Event	4,085	350	12
Office	4,000	200	20
Light Industrial	6,000	300	20
			102

TOTAL JOBS			180
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