



Narragansett Chamber of Commerce

PO Box 742

Narragansett RI 02882

401-783-7121 www.narragansettcoc.com

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PUBLIC UTILITIES COMMISSION

July 31, 2013

Public Utilities Commission
Division of Public Utilities and Carriers
89 Jefferson Blvd
Warwick, RI 02888

The Board of Directors of the Narragansett Chamber of Commerce voted to oppose the application for Public Convenience and Necessity submitted to the Rhode Island Public Utilities Commission from the RI Fast Ferry seeking permission to operate a seasonal fast ferry from the Quonset Industrial Park to Block Island. The vote was taken at the Chamber's regular board meeting on July 24.

The Board voted unanimously to oppose the project based on the financial ramifications to the businesses operating in the Town of Narragansett and specifically along the Route 108 corridor and ultimately in the Port of Galilee. Any reduction in visitors to the Port of Galilee will cause certain financial harm to existing businesses that rely on the summer swell of commercial trade to sustain their ventures through the off-season in order to remain viable. All sectors of commerce will be affected. Restaurants, gas stations, hotels, motels, bed & breakfasts, fish markets, parking lots, charter fishing boats, amusements, sundries, sandwich shops, liquor stores and ice cream shops all operate along Point Judith Rd (Route 108) and in the Port of Galilee. Consequently, all stand to lose tourist generated revenue.

Parking fees paid to the State of Rhode Island from the State owned lots, local food and beverage taxes, local hotel taxes and retail tax sales will all diminish when the traffic heading to the Port of Galilee lessens. Many travelers stay the night in Narragansett prior to boarding the early morning ferries. They pay the hotel tax, eat and shop before and after their trip to the Island. Narragansett will lose that revenue when the passengers choose the RI Fast Ferry in the Quonset Industrial Park. There are no amenities surrounding the dock in Quonset. No restaurants, t-shirt shops, ice cream vendors, fish markets etc... that passengers can avail themselves of while they wait to board or disembark the ferry in Galilee. There will be no overnight stay in a Narragansett hotel, motel or B & B before or after a trip to Block Island. That reduction in occupancy generates no hotel tax for Narragansett and no ancillary spending that goes along with an overnight stay. Businesses that have grown in direct correlation to the success of Block Island bound travelers will be put in financial risk.

The RI Fast Ferry to Block Island at the Quonset Industrial Park option will only siphon travelers who otherwise would be headed for Galilee. There is not enough of a geographical distance to attract new travelers from a new market. Currently, no one is opting not to travel to Block Island, who would otherwise do so, because Galilee is 18 miles south of the Quonset Industrial Park.

The majority of Block Island -bound visitors will travel south on Route 4 to Route 1 to Pt. Judith Road to board the Ferry to Block Island that departs from Galilee. Route 403 is the highway artery that feeds the Quonset Industrial Park, and is accessed from Route 4. There is no elusive new market to draw from to fill the RI Fast Ferry at Quonset. They will have to rely on enticing existing Galilee passengers to veer off Route 4 onto Route 403 into the Quonset Industrial Park.

The Galilee landing fee, which generated \$82,000 for the Town of Narragansett in FY/2012, will be reduced by the number of passengers diverted to Quonset. The .35 per passenger landing fee is collected by Interstate Navigation, operators of the traditional as well as high speed Block Island ferry. This state law is specific to Narragansett landings and does not currently pertain to any other company or ferry operating in the State of Rhode Island. Revenue to the Town of Narragansett will also be diminished by the loss of food and beverage tax as well as the town's share of hotel taxes.

The RI Public Utilities Commission regulates public transportation based on need. Cabs, PMV's, buses etc... all must demonstrate an underserved populace to be granted a license to operate in a given geographic area. The current High Speed Ferry operating from Galilee does not operate at 100% capacity. The need for a second service in such close proximity is not apparent. The time saved by traveling from Quonset for visitors from the north of Washington County would be eaten up by the time on the ferry. There is little benefit to saving 20 minutes of driving time only to spend an additional 25 minutes on a ferry.

The Quonset Industrial Park is a vibrant area and port. The operative word, however, is "industrial". It is not an area that speaks to the beauty of the Ocean State. Narragansett is a beautiful town with a great mixed use venue in the Port of Galilee. The commercial fishing boats, the newly renovated Salty Brine State Beach, interesting shops, restaurants and seafood retailers all speak to the experience of the Ocean State and encourage future visits to explore what the town has to offer. The RI Fast Ferry dock and parking area is uninviting. There are no mixed use services. The closest retailer is 3.5 miles away. The dock is surrounded by industrial behemoths. Visitors enter the Port of Galilee by traveling along the Escape Road. This is natural Rhode Island beauty at its finest. Travelers can peruse the shops adjacent to the ferry dock and satisfy last minute needs or wants. Upon return the restaurants and retailers make for easy souvenir shopping or a spot to gather with friends and family. We should be showcasing the marvelous vistas and history of Rhode Island to our out of town guests. There is only asphalt and Jersey barriers on the approach to Quonset. It is simply not the image we want to leave in the minds of visitors.

The Narragansett Chamber of Commerce applauds the efforts of any business that would bring more visitors to the area, grow the tourism trade and create jobs. The proposed RI Fast Ferry from the Quonset Industrial Park to Block Island will only serve to redistribute travel revenue, harm existing Narragansett businesses and reduce ancillary tourism spending.

On behalf of the Board of Directors,



Deborah Kelso

Executive Director

Narragansett Chamber of Commerce