

PORT OF SOUTH WHIDBEY MARINA PLAN 2024

6/17/2024

Marina Plan 2024



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Port of South Whidbey Marina Plan 2024

FINAL REPORT

CHAPTER 1. EXECUTIVE SUMMARY

BST Associates was retained by the Port of South Whidbey to prepare a marina plan. As described in the Port's mission statement, one of the Port key goals is to:

"Enhance the economic well-being of the community and improve public access to marine areas while respecting the unique rural character and environment of South Whidbey Island."

The Port currently provides public access to marine areas at several boat ramps and at a marina (South Whidbey Harbor), and is evaluating ways to improve and expand access for hand-powered craft, access for trailerable boats, and the availability of wet moorage.

Tourism is one of the major economic drivers of Island County, and boating is key part of the tourism economy. South Whidbey accounted for 40% of Island County visitor spending in 2021 but has only 19% of Island County's population.

This report discusses potential options for improving and expanding the boating facilities in South Whidbey, and describes the key variables behind these options.

Demand-Supply

Demand is strong for all types of boating in South Whidbey. The number of watercraft based in South Whidbey is large and growing, and includes human-powered craft, trailered boats, and boats that require wet moorage. South Whidbey Harbor is also a popular destination for guest boaters, and draws customers from around Puget Sound as well as from Whidbey Island.

There is limited public moorage available in South Whidbey, all of which is located at South Whidbey Harbor. Maintaining existing moorage, expansion of the moorage, and placement of mooring buoys would help meet some of the potential demand.

Economic Impact

The economic impact from guest boaters was estimated at \$408,000 for the period from July 2022 to August 2023. Spending by visiting boaters was strong for restaurants/bars, lodging, groceries, and gifts/souvenirs.

The economic impact from long-term moorage (monthly and annual) is limited, because much of the boat-related spending takes place outside the Port District and Island County. Repair and maintenance are the largest source of expenditures by boaters, and these services are limited in Island County.

Cost

The proposed expansion of South Whidbey Harbor would increase the amount of public moorage from 42 slips to 67 slips. The estimated cost of the expansion is \$10.1 million. This equates to \$150,000 per slip (across all 67 slips), or \$400,000 per slip (across the additional 25 slips).

Mooring buoys represent a potential alternative to wet moorage that is significantly less expensive, with an estimated cost of less than \$10,000 per buoy. Other options (dinghy dock et al) are expected to have small costs.

Financial Performance

South Whidbey Harbor currently operates on a break-even basis at present, with operating revenues covering operating expenses. Net revenue is not available to cover the capital costs for expansion or improvements.

BST Associates recommends that the Port increase net revenue by raising moorage rates (monthly, annual, and guest moorage), and by lowering costs through the acquisition of a reservation system. These improvements will generate some additional net revenue, but it will not be enough to cover the costs of the more expensive capital improvements.

Funding

Grant funding for recreational marina projects is generally available in relatively small amounts, and must be packaged with other funding sources.

Funding for guest moorage and for trailerable boat facilities (ramps, floats, and restrooms) is provided by the Washington State Recreation and Conservation Office (RCO).

Funding for long-term moorage facilities (monthly and annual moorage) is often linked to economic development (number of jobs created), and may come from federal, state, and local resources. For example, RAISE Discretionary Grants (Rebuilding American Infrastructure with Sustainability and Equity), are based on several factors, including: economic competitiveness and opportunity including tourism, safety, environmental sustainability, and quality of life, among others.

All of these grant programs are competitive and have limited funding available. This generally means that larger projects are more difficult to fund than smaller projects.

Priority Assessment

Based on the above factors, BST Associate ranked the potential improvements, as follows:

- Highest priority
 - Marina repair and maintenance
 - Placement of buoys
- Next highest priority
 - Ramp improvement
 - Paddle sport facilities
 - Improve access and bluff improvements
- Lowest priority
 - Marina expansion

CHAPTER 2. RECREATIONAL BOATING MARKET

The following section reviews the demand and supply of moorage in Island County, focusing on South Whidbey Island.

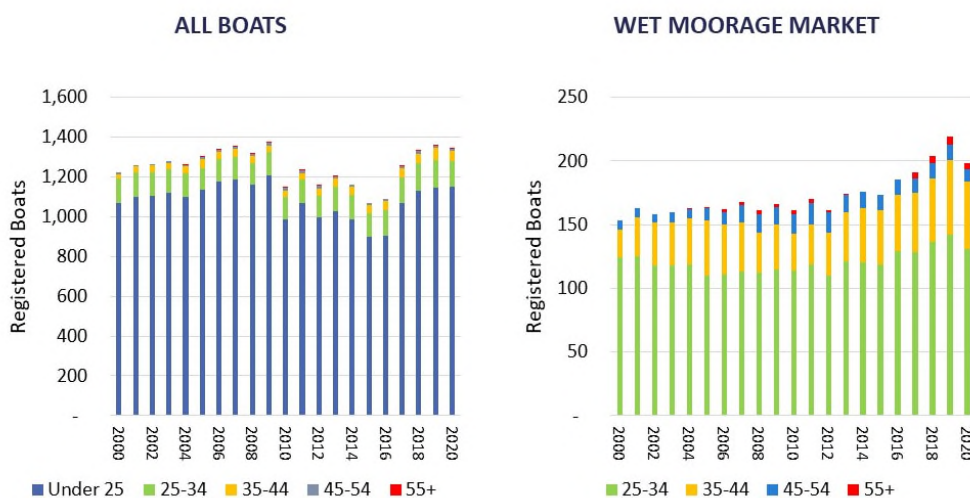
- Defining the market area served by the Port boating facilities
- Projecting demand and occupancy based on expected growth.

Demand for Moorage

Boat Registration Trends

The number of boats registered in South Whidbey ranged from approximately 1,000 to 1,400 between 2000 and 2020. The number of boats in the Port District saw strong growth in the early 2000s, but the recession that started in 2008 caused a decline in boat ownership that continued until 2015. Since 2016, boat ownership has rebounded to the peak number of boats. (See Figure 2-1).

FIGURE 2-1: PORT OF SOUTH WHIDBEY MOORAGE MARKET



Source: BST Associates, Washington Dept. of Licensing

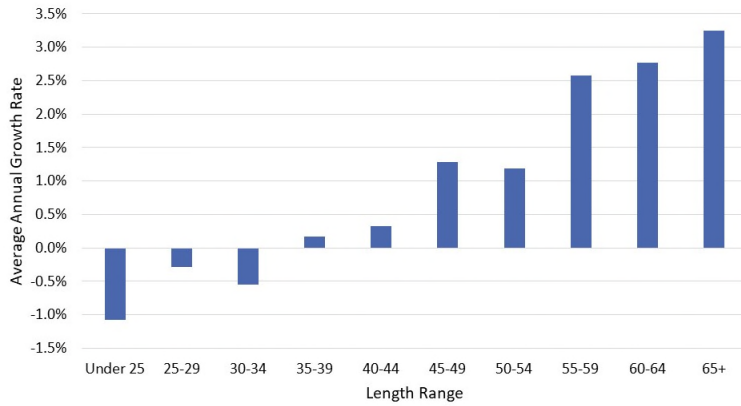
As shown in Figure 2-1, the South Whidbey fleet is heavily weighted toward smaller boats. Specifically:

- Vessels under 25 feet account for approximately 86% of the fleet
- Vessels 25 to -34 feet account for 10%
- Vessels 35 to -44 feet account for 3%
- Vessels 45 to 54 feet account for 1%
- Vessels 55 feet or longer account for 0.2%.

In contrast, most of the growth in the Puget Sound region (and South Whidbey) has occurred in longer boats. As shown in Figure 2-2, the average annual rate of growth in boat registrations was higher as the length of the boat increased from 2000 to 2020. This has created a problem throughout the region for marinas that were built 30 or more years ago, where the sizes of slips were matched to the fleet of that era. Most marina projects now focus on larger slips, in order to accommodate the existing and expected future market.

Focusing on larger slips also increases marina occupancy throughout the year. Most marinas in the region are at or near full occupancy in larger slips, but have significant vacancies in smaller slips for much of the year. Smaller boats can generally be stored on a trailer and launched at boat ramps, or kept in dry storage (in single tier and/or stacked storage in open and covered facilities).

FIGURE 2-2: GROWTH IN THE PUGET SOUND MOORAGE MARKET BY BOAT LENGTH RANGE (2000-2020)



Source: BST Associates, Washington Dept. of Licensing

South Whidbey Harbor Permanent Moorage Market

The South Whidbey Harbor primarily serves transient boaters, but also accommodates a small number of permanent tenants.

Monthly and annual moorage trends at South Whidbey Harbor are presented in annualized equivalents (12 months) in Table 2-1. The number of annual tenants increased from six in 2013, peaked at 10 in 2016 and fell to four in 2021 and 2022. The annualized number of monthly tenants ranged from 0.6 to 1.2 annual slip equivalents.

TABLE 2-1: SOUTH WHIDBEY HARBOR ANNUAL & MONTHLY MOORAGE TRENDS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Avg
Number of Slips											
Annual	6.0	8.0	7.0	10.0	6.0	6.0	5.0	5.0	4.0	4.0	6.1
Monthly	0.8	0.8	0.7	0.8	0.6	0.6	0.9	1.2	1.0	1.1	0.8
Total	6.8	8.8	7.7	10.8	6.6	6.6	5.9	6.2	5.0	5.1	6.9
Long-term %	16%	21%	18%	26%	16%	16%	14%	15%	12%	12%	17%
Linear Feet											
Annual	201	264	229	346	228	228	194	194	156	156	219.6
Monthly	31	30	25	27	19	19	29	39	34	35	28.7
Total	232	294	254	373	247	247	223	233	190	191	248.3
Long-term %	17%	21%	18%	27%	18%	18%	16%	17%	14%	14%	18%
Average Length											
Annual	33.5	33.0	32.7	34.6	38.0	38.0	38.8	38.8	39.0	39.0	36.5
Monthly	37.1	35.4	37.3	35.8	33.0	32.0	32.1	33.1	33.8	32.6	34.2
Total	33.9	33.2	33.1	34.7	37.6	37.5	37.8	37.7	38.0	37.6	36.1

Source: Port of South Whidbey, BST Associates

Combined monthly and annual tenants currently account for approximately 5 slips, which represents approximately 14% of the linear feet at the harbor.¹ The average length of monthly and annual boats from 2013 to 2022 was:

- Annual - 36.5 feet (ranging from 32.7 to 39.0 feet),
- Monthly - 34.2 feet (ranging from 32.0 to 37.3 feet),

The Port has very little space for permanent moorage. As a result, the Port stopped updating the moorage waitlist. There appears demand for more moorage in South Whidbey. However, providing additional moorage for long-term tenants could impact transient moorage, which is explored in the next section.

South Whidbey Harbor Transient Moorage Market

From 2018 through 2022, South Whidbey Harbor accommodated an average of 1,923 boats per year, and these boats stayed for an average of 3,133 nights per year. The average number of nights gradually increased from around 1.6 to 1.7 nights during this period. (See Table 2-2)

The average boat size increased from 34 feet in 2018 to around 37 feet to 38 feet from 2019 through 2022. The average boat length varies significantly between the Inner Harbor at 30.4 feet and the Outer Harbor at 47.6 feet.

TABLE 2-2: SOUTH WHIDBEY HARBOR TRANSIENT MOORAGE TRENDS

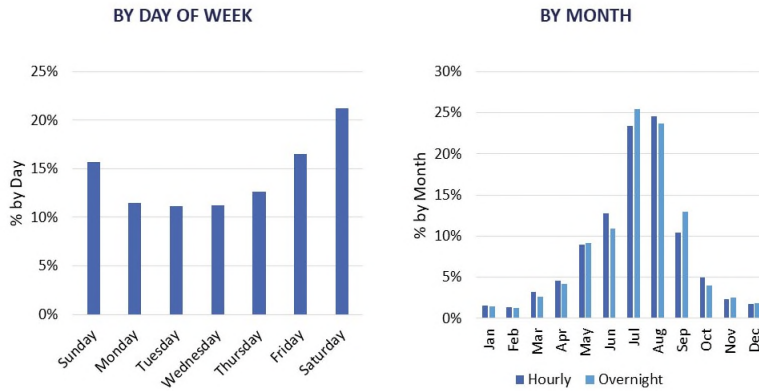
Year	# Boats	Nights	Avg Length	Avg Nights per Boat
2018	2,201	3,436	34.2	1.56
2019	1,898	2,916	38.2	1.54
2020	1,661	2,743	37.5	1.65
2021	1,988	3,368	38.1	1.69
2022	1,866	3,203	37.6	1.72
Average	1,923	3,133	37.0	1.63

Source: Port of South Whidbey, BST Associates

Most transient moorage occurs during the weekend; Friday through Sunday accounts for 54%, while Monday through Thursday accounts for 46%. Approximately 80% of transient moorage occurs from May to September, and 20% from October to April. Opportunities to extend moorage into shoulder months (April and October) are constrained by weather. (See Figure 2-3).

¹ See Appendix for table

FIGURE 2-3: TRANSIENT MOORAGE BY DAY AND MONTH



Source: Port of South Whidbey, BST Associates

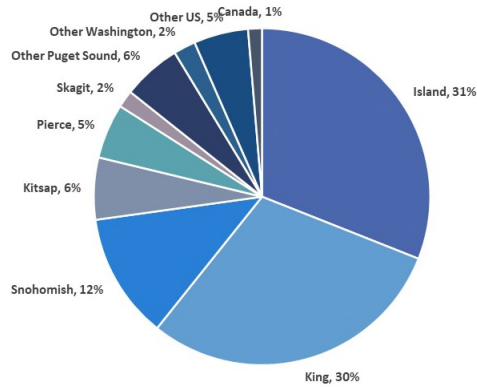
BST Associates surveyed boaters who were recent transient moorage customers at South Whidbey Harbor. Questions in the survey included where the boater was from, and how long their boat is. As shown in Table 2-3 and Figure 2-4, nearly one-third of transient customers are from Island County and nearly one-third from King County. Snohomish County, Pierce County, and Skagit County account for a combined one-fourth of customers. The remainder come from other Puget Sound (6%), other US (5%), other Washington (2%) and Canada (1%).

TABLE 2-3: SOUTH WHIDBEY HARBOR TRANSIENT CUSTOMER COUNTY AND BOAT LENGTH

County	Share of Market	Average Boat Length
Island	31%	21.9
King	30%	36.7
Snohomish	12%	34.5
Kitsap	6%	36.8
Pierce	5%	42.7
Skagit	2%	37.0
Other Puget Sound	6%	39.5
Other Washington	2%	57.1
Other US	5%	37.4
Canada	1%	43.6

Additional detail is provided in Table 5-2 in the Appendix.

FIGURE 2-4: SOUTH WHIDBEY HARBOR TRANSIENT MOORAGE BY HOMEPORT OF BOATER



Source: Port of South Whidbey, BST Associates

The survey of guest boaters also asked information on what the primary reason they chose South Whidbey Harbor. The most common responses included:

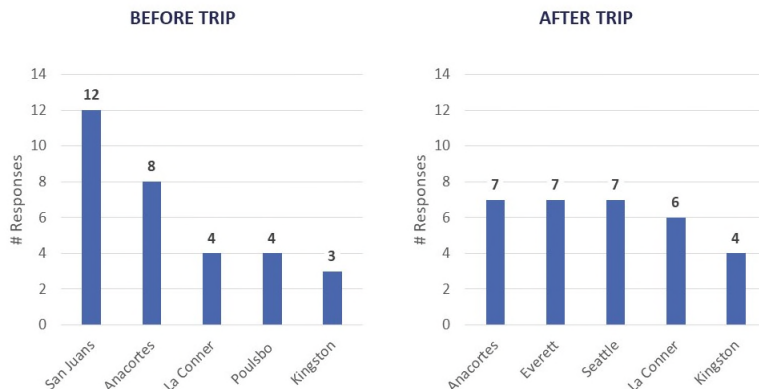
- They wanted to visit Langley
- It was a key part of the trip
- It was a convenient location

Other responses included:

- Been there before and loved it
- Visit friends
- It is my home port
- Lunch/dinner
- Whale watching

Boaters were also asked if their visit to South Whidbey Harbor was part of a longer trip, and if so, where they stopped before and after staying at South Whidbey Harbor. As illustrated in Figure 2-5, visiting Langley was a key part of north-south trips.

FIGURE 2-5: IF YOUR STAY WAS A STOPOVER ON A LONGER TRIP, WHERE DID YOU STOP?



Source: BST Associates guest boater survey

Guests were asked if they visited locations onshore during their stay at South Whidbey Harbor, and most did:

- Yes (95% of respondents)
- No (5%)

Guests were asked how they travelled between the marina and downtown Langley; a large majority walked:

- On foot (104 responses)
- Golfcart (11 responses)
- Bicycle (2 responses)
- Other 7 (responses)

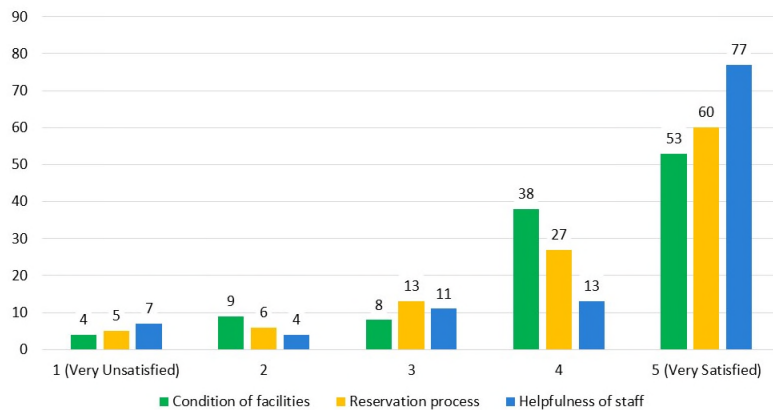
The majority of guest boaters (52%) indicated an interest in visiting other parts of Whidbey Island. The areas of interest were numerous specific locations and businesses (see Table 5-6 in the Appendix).

There appear to be opportunities to enhance the guest experience by improving the transit from the harbor to downtown Langley as well as other parts of Whidbey Island.

Guest boaters reported the following level of satisfaction with the marina:

- Helpfulness of staff had an average score of 4.3 out of 5,
- Reservation process had an average score of 4.2 out of 5, and
- The condition of facilities had an average score of 4.1 out of 5.

FIGURE 2-6: LEVEL OF SATISFACTION WITH THE SOUTH WHIDBEY HARBOR

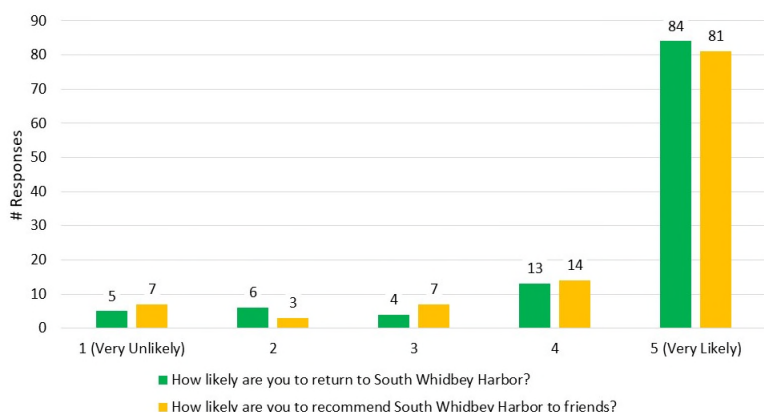


Note: Rating Scale: 1 to 5 where 1 = Very Unsatisfied, 5 = Very Satisfied
 Source: BST Associates guest boater survey

As shown in Figure 2-7, guest boaters said they were very likely to return to South Whidbey Harbor and to recommend that friends visit Langley:

- “Likely to return to South Whidbey Harbor” had an average score of 4.5 out of 5
- “Likely to recommend South Whidbey Harbor” had an average score of 4.4 out of 5.

FIGURE 2-7: WOULD YOU RETURN? WOULD YOU RECOMMEND?



Note: Rating Scale: Rating Scale: 1 to 5 where 1 = Very Unlikely, 5 = Very Likely
 Source: BST Associates guest boater survey

Other Users

In addition to permanent and guest moorage, the South Whidbey Harbor serves a variety of other users.

The *Washington State Recreation and Conservation Plan*, which is updated every five years by the Recreation and Conservation Office (RCO) and the Recreation and Conservation Funding Board, serves as Washington’s Statewide Comprehensive Outdoor Recreation Plan (SCORP).² It is required for use in accessing grant funds from the National Park Service’s Land and Water Conservation Fund, and the Federal Highway Administration’s Recreational Trails Program, among other sources. An important step in the SCORP process was a statewide survey of residents, which asked residents how many times during the previous 12 months they had participated in 88 different activities.

Hand powered craft

Paddle sports are well utilized on Whidbey Island, ranking 10th overall among residents of the Islands (San Juans, Whidbey and Camano Islands). The Port could provide improved facilities for paddle sports, including secure storage racks.

Boat Ramp

Motorboating ranked 13th, shellfishing ranked 19th and fishing from a boat ranked 24th on the Islands. The Port rebuilt the boat ramp in 2012.

Charter boats

There are several charter boats that call occasionally at the South Whidbey Harbor, including fishing and excursion itineraries as well as visiting boats of interest, such as the Lady Washington. Efforts to promote charter and visiting boats should be undertaken.

Supply of Moorage

There are estimated to be more than 800 moorage spaces on Whidbey Island. As shown in Table 2-4, most of the moorage on Whidbey Island is located in North Whidbey, including the Oak Harbor Marina,

² Washington Recreation and Conservation Office. 2023 Recreation and Conservation Plan, March 2023.

Deception Pass Marina, Coronet Bay Marina, and the Island County dock. These facilities account for 575 moorage spaces, or more than 71% of the moorage on the island.

In South Whidbey there are three main moorage facilities, South Whidbey Harbor, Sandy Hook, and Lagoon Point. These facilities have an estimated 217 slips, but more than 80% of these are private docks. South Whidbey Harbor is the only public facility in South Whidbey.

TABLE 2-4: RECREATIONAL MOORAGE FACILITIES IN ISLAND COUNTY

Marina	Slips	Comment
South Whidbey		
South Whidbey Harbor	42	Primarily transient moorage
Sandy Hook	70	Private, 10' to 28'
Lagoon Point	<u>105</u>	Private docks. Number estimated from Google Earth
Subtotal	<u>217</u>	
Central Whidbey		
Coupeville Wharf	<u>16</u>	Side-tie float
subtotal	<u>16</u>	
North Whidbey		
Oak Harbor Marina	416	~50 slips transient moorage, rest is monthly/annual
Deception Pass Marina	92	Includes open, covered and boat house moorage.
Coronet Bay Marina	47	Transient moorage
County dock	<u>20</u>	Side-tie moorage
subtotal	<u>575</u>	
Total	808	

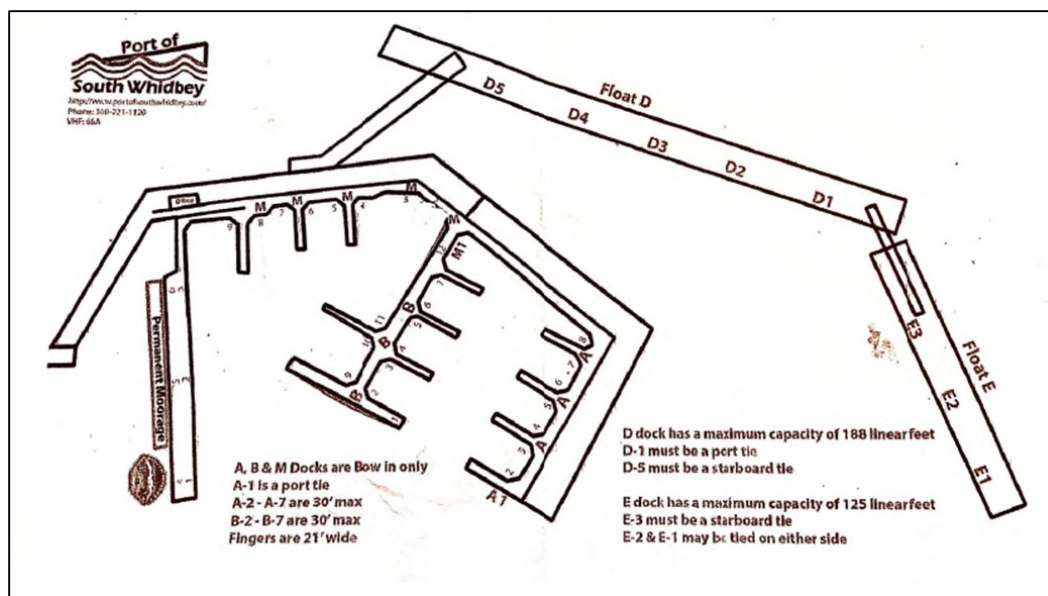
Source: BST Associates, websites, Google Earth

South Whidbey Harbor Existing Moorage

South Whidbey Harbor provides 42 moorage slips. These slips range in length from 30 feet to 50 feet, but the Float D and Float E can accommodate longer boats as side-ties. The average slip length is 33.0 feet. (See Figure 2-8 and Table 2-5).

Most of the slips are used for transient moorage (hourly or overnight), although a small number are used for monthly and annual customers.

FIGURE 2-8: SOUTH WHIDBEY HARBOR EXISTING DESIGN



Source: Port of South Whidbey

TABLE 2-5: SOUTH WHIDBEY HARBOR EXISTING SLIP DISTRIBUTION

Length	Existing Slips	
	Number	Percent
30	26	62%
34	3	7%
35	2	5%
37	5	12%
38	1	2%
40	1	2%
41	3	7%
50	1	2%
Total	42	100%
Average	33.0	

Source: Port of South Whidbey, RMI Engineers

Potential Harbor Improvements

The Port of South Whidbey capital improvement list includes a number of items for South Whidbey Harbor³. However, there is no cost estimate for these improvements but most costs are expected to be relatively small. The list of improvements includes the following:

- Uplands
 - Bluff stability report to expand trailer parking lot, Eco block wall
 - Regrade, or pave parking lot and paint new markings
 - Restroom⁴
 - Floor heater, better ventilation

³ Harbormaster’s list of potential improvements

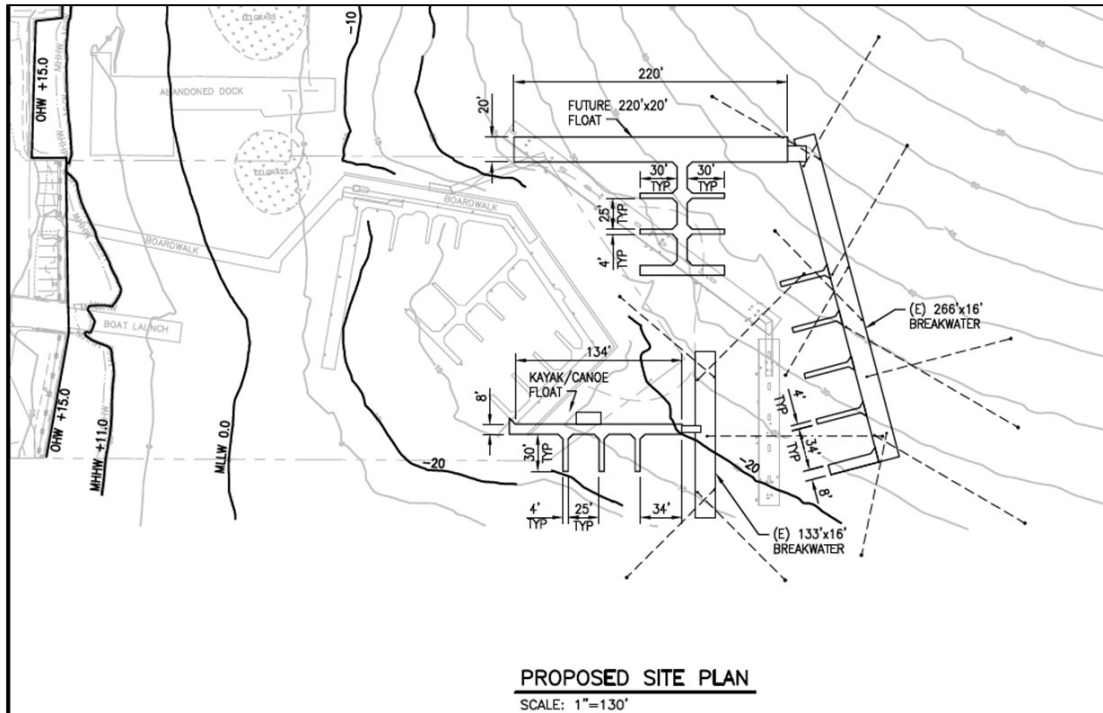
⁴ New shower-timer was recently installed

- More security cameras
 - Restrooms
 - D&E dock
 - Park
- Marina
 - Scope floats and conduits and inspect all power stations and pilings annually, replace if necessary
 - Replace all whalers and rub rails
 - Repair concrete where needed
 - Add gate for inner harbor
 - Replace pump out
 - Add a designated recreation dock for fishing, kayaks, day stops
 - Add a day use dock
 - Add Port mooring buoys
 - Improve dinghy storage
 - More bulkhead at boat ramp
 - Add fish and crab cleaning station
 - Add bird spikes on lamps
- Other
 - Informational display for mountain range, harbor wild life, public binocular
 - Knot tying station and boating terminology station (kid friendly)
 - Zero-tide depth chart and/or yard stick type for piling
 - Remove creosote
 - Add bike rack, lending library and gazebo in the park
 - Fix sunken pavers in park
 - Add water bottle fill station
 - Refinish the Phil Simon Park sign
 - Add proper workshop
 - Add safety ladders not in the water
 - Add permanent mounted VHF radio system
 - Add outdoor kiosk
 - Add weather station (weather underground)
 - Add bigger office

South Whidbey Harbor Proposed Expansion

The Port of South Whidbey is considering a harbor expansion that would increase the number of slips from the current 42, to 67 after expansion. (See Figure 2-9).

FIGURE 2-9: SOUTH WHIDBEY HARBOR PROPOSED DESIGN



Source: RMI Engineers

The expansion would increase the number of 30-foot slips by 18, and the number of 40/41-foot slips by seven. After expansion the average slip length would be 32.0 feet. (See Table 2-6). However, if the Port decides to undertake the expansion, BST Associates recommends that longer slips be considered.

TABLE 2-6: SOUTH WHIDBEY HARBOR PROPOSED SLIP DISTRIBUTION

Length	Proposed		Change from Existing
	Number	Percent	
30	44	66%	18
34	3	4%	-
35	2	3%	-
37	5	7%	-
38	1	1%	-
40	11	16%	10
41	-	0%	(3)
50	1	1%	=
Total	<u>67</u>	<u>100%</u>	<u>25</u>
Average Length	32.9		

Source: Port of South Whidbey, RMI Engineers

The cost of this expansion is estimated at approximately \$10.1 million. (See Table 2-7).

TABLE 2-7: SOUTH WHIDBEY HARBOR EXPANSION COST ESTIMATE

Description	Cost Estimate
Mob / Demob, Tesc, & Site Controls	\$144,000
Demolition	\$525,700
"E" Dock	\$2,282,500
"F" Dock	\$658,500
"G" Dock	\$1,392,500
Base Const. Cost (2023 Dollars)	\$5,003,200
Design Contingency @ 20%	\$1,000,600
Permitting & Engineering @ 20%	\$1,000,600
Construction Contingency @ 20%	\$1,000,600
Escalation To 2025 (5% / Yr)	\$718,000
Anticipated Agency Mitigation Costs	\$623,000
Sales Tax @ 10.2%	\$787,700
Cost (Rounded)	\$10,134,000

Source: RMI Engineers

Mooring Buoys

Mooring buoys represent a potential cost-effective alternative for providing additional moorage. As shown in Figure 2-10, mooring buoys are already common east of South Whidbey Harbor.

A number of requirements govern the placement of mooring buoys. These include:

- The location must offer sufficient water depth, preferably in sheltered waters.
- The location may not interfere with any existing buoys or docks within a specified radius.
- The location may not be in a Channel and interfere with boat navigation.
- The buoys are rated for boats under 65 feet in length only.

FIGURE 2-10: SOUTH WHIDBEY MOORING BUOYS



Source: Google Earth

The Port could consider hiring a consultant to evaluate the suitability of the best vicinity for buoy placement. If the location meets the requirements listed above, the next step would be to obtain permits.

The process of obtaining permits Permitting is relatively complex and time-consuming, and requires consultation with a number of entities, including affected Tribes, Island County, Washington State agencies (Fish and Wildlife, Natural Resources et al), national agencies (US Army Corps of Engineers, NOAA, National Marine Fisheries et al).

The cost of placing mooring buoys is substantially lower than the cost for building new moorage slips. A recent mooring buoy project had a cost of \$8,000 per buoy, although the cost has likely risen since. In contrast, the proposed \$10.1 million expansion of South Whidbey Harbor would cost an average of \$150,000 per slip (across all 67 slips), or \$400,000 per slip (across the additional 25 slips).

Washington State Parks owns mooring buoys at a number of locations, and estimates that annual repair and maintenance costs are approximately \$2,500 per buoy.

There are charges for using mooring buoys:

- Washington State Parks charges \$15.00 to moor overnight at a buoy. "Overnight" is defined as any time between 1 p.m. and 2 a.m., and applies year-round. Boats over 45 feet are not permitted on buoys. Rafting vessels is also not permitted on buoys.
- Washington State Parks also offers an annual moorage pass for \$5.00 per foot, with a minimum of \$60.00. This permit is not valid at reservable marina slips. Vessels that are rafted to other vessels must pay the regular moorage fee of \$0.70 per foot.

CHAPTER 3. FINANCIAL AND ECONOMIC IMPACT ANALYSIS

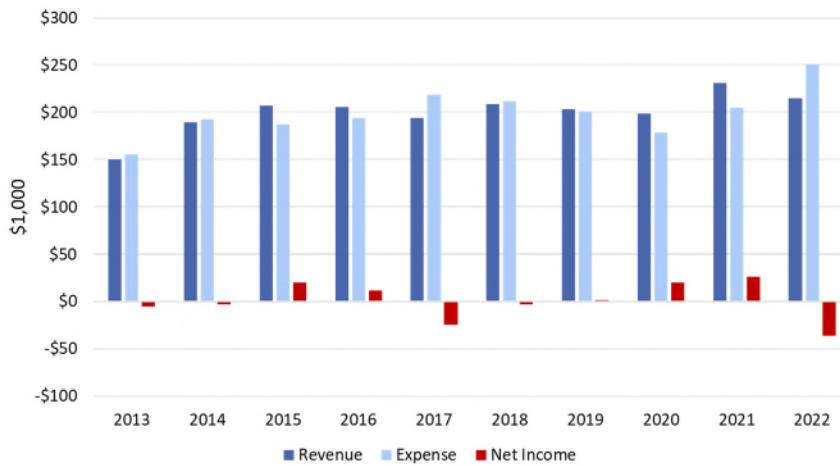
This section reviews the historical financial and economic performance of the South Whidbey Harbor.

Financial Performance

Net Revenue

The Port acquired the Langley Marina from the City of Langley in 2009. After acquisition, the Port improved the marina (renamed South Whidbey Harbor) by acquiring a large float for use as a breakwater with moorage capability. The Marina is essentially a break-even venture, with operating revenues covering operating expenses. As shown in Figure 3-1, from 2013 through 2022 net income averaged \$1,000 per year.

FIGURE 3-1: SOUTH WHIDBEY HARBOR FINANCIAL TRENDS



Source: Port of South Whidbey

Gross Revenue

Gross revenue at South Whidbey Harbor increased 3.9% annually from 2013 to 2020, but much of the growth in revenue occurred in 2014, when the harbor was expanded. From 2015 to 2022 revenues were flat, with average annual growth of 0.1% per year. (See Figure 3-2).

The harbor serves both transient and monthly/annual tenants. Transient moorage is the largest source of income, accounting for an average of 65% of revenues (2013 to 2022). Transient overnight moorage and transient daily moorage account for 60% and 5%, respectively. Over the past 10 years, annual transient use averaged:

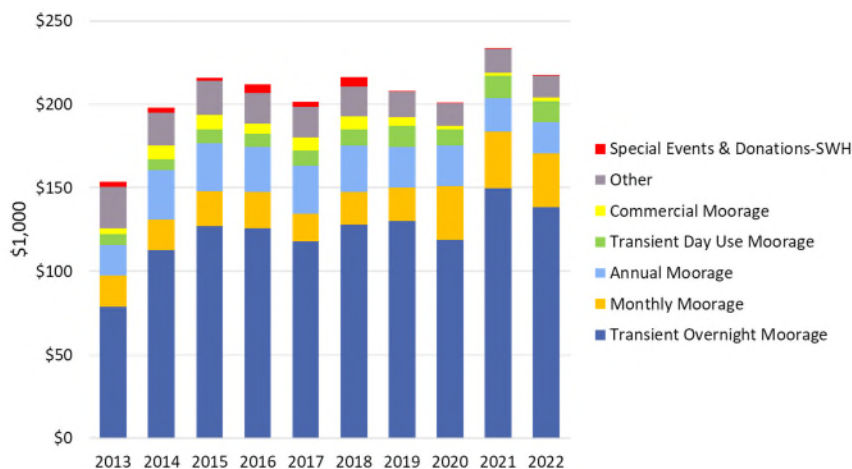
- Daily transient: 1,346 boats (2-hour to 5-hour visits)
- Overnight transient: 3,152 boats.

Transient moorage is seasonal, which constrains annual facility utilization, and financial performance. Adding more transient slips may increase this seasonality, resulting in higher occupancy rates during the peak season and lower occupancy rates in the off-peak season.

From 2013 through 2022, monthly and annual moorage accounted for 11% and 12% of harbor revenue, respectively. Lack of parking is a constraint on providing additional monthly and annual moorage, and improved access to the uplands may be beneficial.

Other sources of revenue (commercial moorage, dinghy moorage, ice sales, showers, et al.) accounted for the remaining 12% of revenue from 2013 through 2022.

FIGURE 3-2: SOUTH WHIDBEY HARBOR REVENUE TRENDS



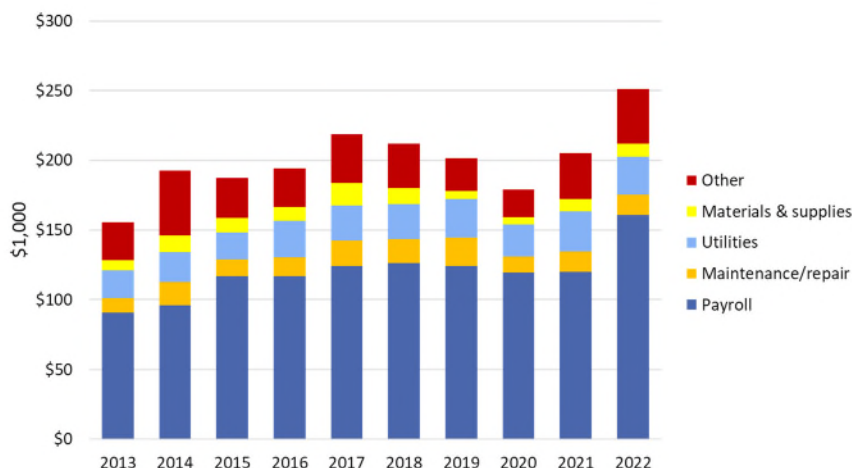
Source: Port of South Whidbey

Expenses

Expenses at South Whidbey Harbor increased from \$150,000 in 2013 to \$200,000 per year from 2014 through 2021. Expenses increased to \$250,000 in 2022.

Payroll is the largest expense, accounting for 60% of all expenses, and grew at 6.5% annually from 2013 to 2022. Utilities (12% of expenses), grew at 3.8% per year from 2013 to 2022. Maintenance and repair (6% of expenses), grew at 3.6% per year. Materials and supplies (5% of expenses) grew at 2.6% per year. Other expenses (merchant fees, DNR tideland lease and others) account for the remaining expenses (16%), and increased at 4.1% per year. (See Figure 3-3).

FIGURE 3-3: SOUTH WHIDBEY HARBOR EXPENSE TRENDS



Source: Port of South Whidbey

Recommendations

Moorage rates should be reviewed annually to assure that revenues are sufficient to cover O&M costs, as well as some capital costs. From 2013 through 2022, moorage rates were increased only once; in 2019; rates were increased modestly for transient moorage, but were not increased for monthly or annual moorage.

Monthly Moorage Rates

The median rates for moorage at other marinas in the region are significantly higher than the current rates at South Whidbey. At South Whidbey Harbor, the rate is \$11.00 per foot per month for annual moorage and \$11.50 per foot per month for monthly moorage, regardless of the length of the boat.

Other marinas:

- Typically raise rates every year, and
- Charge a higher rate for longer slips than for shorter slips.

Monthly moorage rates at other marinas in the region (i.e., selected marinas from Des Moines to Blaine) are summarized in Table 3-1.⁵ (See Table 5-4 in the Appendix for additional detail).

Table 3-1 also includes recommended moorage rates for South Whidbey Harbor in 2024. BST recommends that moorage rates remain unchanged for vessels up to 30 feet, but increase for vessels longer than 30 feet. The recommended rates for vessels longer than 30 feet are based on the median rates in the region (rounded up to the nearest dime).

Some marinas allow a discount for annual moorage. The recommended rates are based on the monthly rates with a 5% discount. However, the Port could consider eliminating the annual discount because of the strength of moorage demand.

TABLE 3-1: COMPARISON OF MONTHLY/ANNUAL MOORAGE RATES

Comparison with POSW Rates	Up to 26'	27' - 30'	31' - 34'	35' - 38'	40' - 48'	50' - 59'	60' +
Average in region	\$11.19	\$11.81	\$13.07	\$13.33	\$14.31	\$16.07	\$17.01
Median in region	\$10.48	\$11.25	\$12.21	\$12.98	\$13.98	\$14.50	\$14.90
90th percentile	\$14.39	\$14.62	\$17.72	\$17.44	\$18.56	\$21.65	\$24.35
South Whidbey Harbor	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
SWH compared to region							
Average in region	3%	-3%	-14%	-16%	-24%	-40%	-48%
Median in region	9%	2%	-6%	-13%	-22%	-26%	-30%
90th percentile in region	-25%	-27%	-54%	-52%	-61%	-88%	-112%
Recommended Rates 2024							
Monthly	\$11.50	\$11.50	\$12.30	\$13.00	\$14.00	\$14.50	\$15.00
Annual	\$11.00	\$11.00	\$11.70	\$12.40	\$13.30	\$13.80	\$14.30

Source: Individual harbors, BST Associates

⁵ Monthly moorage rate comparisons include data from Blaine, Cap Sante, Des Moines, Everett C/S, Friday Harbor, Kingston, La Conner, Oak Harbor, Port Townsend, Skyline, Squalicum and Winslow Wharf. The list excludes marinas in Seattle. See Appendix for more detail.

Guest Moorage Rates

The rate for transient moorage at South Whidbey is \$1.25 per foot for boats up to 24 feet and \$1.35 per foot per night for boats over 24 feet, for both peak and off-peak seasons. Based on a review of transient moorage rates in the region, BST Associates recommends increasing overnight moorage to \$1.35 per foot for the off-peak season and \$1.50 per foot for the peak season. Current transient rates in selected marinas in the region are presented in Table 5-5 in the Appendix.

TABLE 3-2: COMPARISON OF GUEST MOORAGE RATES

Marina	24-foot		30-foot		50-foot	
	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
South Whidbey	\$1.25	\$1.25	\$1.35	\$1.35	\$1.35	\$1.35
Average	\$1.53	\$1.39	\$1.52	\$1.38	\$1.52	\$1.35
Median	\$1.50	\$1.25	\$1.50	\$1.25	\$1.50	\$1.25
90th Percentile	\$1.93	\$1.85	\$1.93	\$1.85	\$1.93	\$1.85
Recommended Rates 2024	\$1.50	\$1.35	\$1.50	\$1.35	\$1.50	\$1.35

Source: Individual harbors, BST Associates

Other Fees

Other revenue sources at marinas in the region include liveaboard fees and environmental fees. These and other fees generate relatively little revenue compared with moorage.

Liveaboard fees at South Whidbey Harbor are \$67.70 per month. This is much lower than most other marinas, which range from \$78.48 at Oak Harbor to \$282.10 at the Port of Kingston.

Other ports charge a monthly environmental fee ranging from \$3.00 at Cap Sante to \$13.00 at Everett. South Whidbey Harbor does not currently charge an environmental fee.

Reservation System

Most marinas use online services to reduce the workload associated with managing transient moorage scheduling. This frees marina personnel to work on other tasks, and reduces administrative costs.

As part of the survey of guest tenants, respondents were asked what reservation systems they would recommend. Three potential systems were recommended by guests:

- DockWa (12 responses)
- Swift (1 response)
- Molo (1 response)

The Port should evaluate several of these systems, and compare key items including:

- Cost of system (set up and annual)
- Credit Card fees
- Reporting capabilities
- Integration with accounting software
- Website Integration
- User-Friendly
- Mobile
- Invoicing

- Payment Options
- Support

Some marinas have integrated all marina functions into the same software package. Their experience suggests that implementing such a system is an iterative process, and that it takes time to make sure all customer requirements are being addressed.

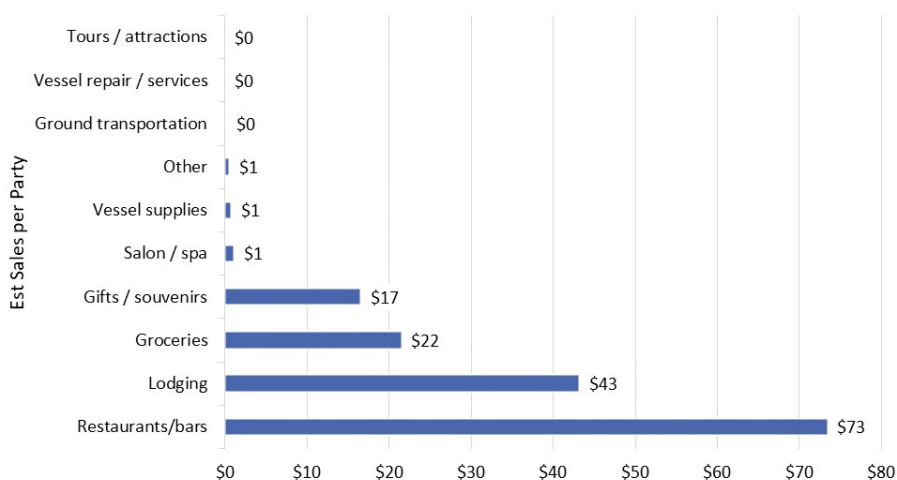
Economic Impact

Transient Boaters

An important consideration in evaluating moorage improvements is the economic impact of the proposed options. The survey of transient boaters included questioned designed to better understand the economic impacts associated with overnight guest moorage. The survey included boaters who stayed at South Whidbey Harbor between July 2022 and August 2023.

Spending per party averaged \$157 per night, with most of expenditures going to restaurants/bars, lodging, groceries, and gifts/souvenirs. The average party size was 2.38 people and the average number of nights per stay was 1.68. Extrapolating these results, the estimated direct sales associated with all guest boaters is estimated approximately \$408,000.

FIGURE 3-4: AVERAGE PURCHASES BY PARTY PER NIGHT



Source: BST Associates survey of guest boaters

Monthly & Annual Boaters

Monthly and annual boaters typically have a lower economic impact than transient boaters. Assuming that the monthly and annual boaters are from the local region, any non-boat related spending would likely occur anyway, and no additional spending is generated by the marina.

Boat-related expenditures, in contrast, do have an economic impact. However, a lack of boat service providers in South Whidbey means that this spending tends to occur outside of the area.

Findings

Transient moorage is likely to provide a greater economic impact to the South Whidbey area than monthly and annual moorage.

CHAPTER 4. REVIEW OF OPTIONS

This section reviews the options for marina redevelopment.

Potential improvements were assessed using the following factors:

- Supply/demand – how strong is the demand for the improvement?
 - South Whidbey has a large and growing population of paddle sport vessels, trailered boats and boats that require wet moorage. South Whidbey Harbor is also a popular destination for guest boaters, and draws customers from around Puget Sound as well as from Whidbey Island. Demand is strong for all types of boating.
 - There is limited public moorage available in South Whidbey, all of which is located at South Whidbey Harbor. Maintaining existing moorage, expansion and placement of mooring buoys would help meet some of the potential demand.
- Economic impact – what level of impact would the improvement make in the Port district?
 - The economic impact from guest boaters is estimated at \$408,000 for the period from July 2022 to August 2023. Sales were strong in restaurants/bars, lodging, groceries and gifts/souvenirs.
 - The economic impact from monthly and annual boaters is limited because much of the boat repair and maintenance, which is the largest source of expenditures by boaters, takes place outside the Port District or Island County.
- Cost – how expensive is the capital project?
 - The proposed expansion of South Whidbey Harbor would increase the amount of public moorage from 42 slips to 67 slips. The estimated cost of the expansion is \$10.1 million. This equates to \$150,000 per slip (across all 67 slips), or \$400,000 per slip (across the additional 25 slips).
 - Mooring buoys represent a potential alternative to wet moorage that is significantly less expensive.
- Financial performance – what is the expected financial result with the improvement?
 - South Whidbey Harbor is essentially a break-even operation at present with operating revenues covering operating expenses. Net revenue for improvements is not available to cover capital costs.
 - It is recommended that the Port increase monthly, annual and guest moorage rates and lower costs by acquiring a reservation system. These improvements will generate some additional net revenue but not enough to meet the needs of the more expensive capital improvements.
- Funding – is funding available?
 - Funding for recreational marina projects is generally available in smaller amounts and must be packaged with other funding sources. Many of these funding options are prioritized for:
 - Guest moorage funding is provided by the Washington State Recreation and Conservation Office.
 - Trailerable boat facilities (ramps, floats and restrooms) are also funded by the Washington State Recreation and Conservation Office,
 - Monthly and annual moorage is often linked to economic development (number of jobs created). Funding sources could include Island County Economic Development, as well as state and federal funding for economic development (EDA, Maritime Administration PIDP grants etc.).

CHAPTER 5. APPENDIX

TABLE 5-1: SOUTH WHIDBEY HARBOR MONTHLY AND ANNUAL TENANTS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Avg
Number of Boats											
Annual	6.0	8.0	7.0	10.0	6.0	6.0	5.0	5.0	4.0	4.0	6.1
Monthly	0.8	0.8	0.7	0.8	0.6	0.6	0.9	1.2	1.0	1.1	0.8
Total	6.8	8.8	7.7	10.8	6.6	6.6	5.9	6.2	5.0	5.1	6.9
Long-term %	16%	21%	18%	26%	16%	16%	14%	15%	12%	12%	17%
Linear Feet											
Annual	201	264	229	346	228	228	194	194	156	156	219.6
Monthly	31	30	25	27	19	19	29	39	34	35	28.7
Total	232	294	254	373	247	247	223	233	190	191	248.3
Long-term %	17%	21%	18%	27%	18%	18%	16%	17%	14%	14%	18%
Average Length											
Annual	33.5	33.0	32.7	34.6	38.0	38.0	38.8	38.8	39.0	39.0	36.5
Monthly	37.1	35.4	37.3	35.8	33.0	32.0	32.1	33.1	33.8	32.6	34.2
Total	33.9	33.2	33.1	34.7	37.6	37.5	37.8	37.7	38.0	37.6	36.1

Source: Port of South Whidbey, BST Associates

TABLE 5-2: SOUTH WHIDBEY HARBOR TRANSIENT MOORAGE MARKET

Area	Number of Boat-Nights					Total	% Total	Average Length
	<21 ft	21-30 ft	31-40 ft	41-50 ft	>50 ft			
Island	550	482	48	6	3	1,089	31%	21.9
King	70	303	315	239	118	1,044	30%	36.7
Snohomish	25	194	115	43	46	424	12%	34.5
Kitsap	10	40	90	50	18	209	6%	36.8
Pierce	-	25	69	46	46	185	5%	42.7
Skagit	-	13	30	8	8	58	2%	37.0
Other Puget Sound	3	17	104	49	24	198	6%	39.5
Other Washington	10	21	10	13	21	74	2%	57.1
Other US	8	66	49	45	16	184	5%	37.4
Canada	=	=	<u>18</u>	<u>25</u>	<u>3</u>	<u>47</u>	1%	43.6
Total	<u>676</u>	<u>1,161</u>	<u>849</u>	<u>523</u>	<u>303</u>	<u>3,512</u>	100%	32.7
Percent of Nights	19%	33%	24%	15%	9%			
Average Length	17.5	26.3	35.6	45.6	60.9			

Source: Port of South Whidbey, BST Associates, using transient moorage statistics from August 2022 to July 2023.

TABLE 5-3: PORT OF SOUTH WHIDBEY MOORAGE RATES HISTORY

Description	Unit	2014-2018	2019-2023	CAGR 2014-2023
Transient Overnight Moorage				
All Vessels	per ft LOA per night	\$1.15		
All Vessels up to 24' LOA	per ft LOA per night	\$1.15	\$1.25	0.9%
All Vessels of more than 24' LOA	per ft LOA per night	\$1.15	\$1.35	1.8%
Transient Day Use Moorage				
	for up to 2 hours			
Vessels < 30' LOA	for up to 2 hours	\$5.00	\$7.00	3.8%
Vessels > 30' LOA	for up to 2 hours	\$10.00	\$12.00	2.0%
Vessels > 50' LOA		\$15.00	\$20.00	3.2%
	for up to 5 hours			
Vessels < 30' LOA	for up to 5 hours		\$12.00	
Vessels > 30' LOA	for up to 5 hours		\$22.00	
Vessels > 50' LOA			\$30.00	
Long-Term Moorage				
Annual Moorage	per ft LOA per month	\$11.00	\$11.00	0.0%
Seasonal Lease Moorage (Oct. 1 - Apr. 30, min. 90 days)	per ft LOA per month	\$11.00	\$11.00	0.0%
Month-to-Month Moorage (Oct. 1- Apr. 30, 30-89 days)	per ft LOA per month	\$11.50	\$11.50	0.0%
Live-Aboard Fee	per month	\$45.00	\$60.00	3.2%
Seasonal Lease Application Fee		\$20.00	\$20.00	0.0%
Annual Dinghy Moorage (Jun 1 – May 31)	per year	\$100.00	\$110.00	1.1%

Notes

All Moorage Rates include costs for use of the following utilities: electricity, lighting, sewer, water and garbage removal.

Overnight Moorage – Check in/Check out 2:00 pm

Day Use Moorage – Between 8:00 am and 4:00 pm only; subject to availability

Overnight charges apply for all vessels that will be moored in Harbor after 4:00 pm

Annual Moorage and Seasonal Lease tenants have additional insurance requirements per South Whidbey Harbor Regulations, as identified in Moorage Agreements. ALL Long-Term tenants pay 12.84% Leasehold Tax for Moorage and Live-Aboard Fees per WAC.

TABLE 5-4: REGIONAL MONTHLY/ANNUAL MOORAGE RATES 2023

Marina	Up to 26'	27' - 30'	31' - 34'	35' - 38'	40' - 48'	50' - 59'	60'+
Monthly Moorage Rate							
South Whidbey	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
Oak Harbor	\$8.56	\$9.23	\$8.92	\$9.37	\$9.40	\$10.40	\$10.76
Cap Sante	\$9.72	\$10.38	\$11.93	\$12.98	\$16.73	\$19.04	\$24.53
La Conner		\$10.27		\$10.98	\$11.83	\$12.55	\$14.32
Shelter Bay	\$8.27	\$8.27	\$8.27	\$8.27	\$8.91		\$10.79
Skyline	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50	\$14.50
Port Townsend	\$10.91	\$11.29	\$11.38	\$11.93	\$12.19	\$13.48	\$13.64
Elliott Bay			\$21.23	\$21.85	\$23.18	\$28.33	\$29.41
Des Moines	\$9.50	\$11.21	\$12.32	\$13.06	\$13.95	\$15.76	\$16.35
Shilshole Bay	\$17.22	\$17.57	\$18.96	\$19.15	\$19.91	\$21.55	\$24.22
Kingston	\$9.79	\$11.83	\$12.29	\$12.36	\$12.80	\$13.58	\$14.22
Winslow Wharf		\$13.07	\$13.80	\$14.63	\$15.52	\$16.75	\$18.75
Everett C/S	\$11.02	\$10.87	\$12.13	\$13.19	\$14.97	\$16.42	
Everett N					\$15.92	\$17.92	\$19.25
Edmonds	\$13.97	\$14.74	\$16.47	\$16.30	\$17.99	\$21.79	\$22.47
Blaine	\$10.08	\$10.29	\$10.79	\$11.23	\$11.90	\$12.42	\$14.47
Squalicum	\$10.48	\$10.70	\$11.22	\$11.67	\$12.37	\$12.92	\$15.04
Friday Harbor		\$13.21	\$13.38	\$13.60	\$14.02	\$14.28	\$14.90
Annual Moorage Rate							
South Whidbey	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00	\$11.00
Oak Harbor		\$8.46	\$8.56	\$8.73	\$8.77	\$9.67	\$10.00
Anacortes			\$13.59	\$16.38	\$17.57	\$18.65	\$21.92
Cap Sante	\$9.23	\$9.86	\$11.33	\$12.33	\$15.90	\$18.09	\$23.31
Skyline	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
Port Hadlock		\$11.65	\$11.74		\$11.98	\$13.65	\$14.02
Blaine	\$9.57	\$9.78	\$10.25	\$10.67	\$11.30	\$11.80	\$13.74
Squalicum	\$9.96	\$10.16	\$10.66	\$11.09	\$11.75	\$12.27	\$14.29

Source: Individual Harbors, BST Associates

TABLE 5-5: REGIONAL TRANSIENT MOORAGE RATES 2023

Marina	24-foot		30-foot		50-foot	
	Peak	Off-Peak	Peak	Off-Peak	Peak	Off-Peak
South Whidbey Harbor	\$1.25	\$1.25	\$1.35	\$1.35	\$1.35	\$1.35
Oak Harbor	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20	\$1.20
Cap Sante	\$1.74	\$1.10	\$1.74	\$1.10	\$1.74	\$1.10
La Conner	\$1.35	\$1.00	\$1.35	\$1.00	\$1.35	\$1.00
Shelter Bay	\$1.25	\$1.25	\$1.00	\$1.00	\$0.60	\$0.60
Skyline	\$1.80	\$1.20	\$1.80	\$1.20	\$1.80	\$1.20
Port Townsend	\$1.57	\$1.57	\$1.57	\$1.57	\$1.57	\$1.57
Des Moines	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Elliott Bay	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Shilshole Bay	\$2.27	\$1.95	\$2.27	\$1.95	\$2.60	\$1.95
Kingston	\$1.50	\$1.45	\$1.50	\$1.45	\$1.50	\$1.45
Winslow Wharf	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
Everett	\$1.50	\$1.25	\$1.50	\$1.25	\$1.50	\$1.25
Edmonds	\$1.85	\$1.70	\$1.85	\$1.70	\$1.85	\$1.70
Blaine	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
Squalicum	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25

Source: Individual Harbors, BST Associates

TABLE 5-6: GUEST BOATER SURVEY - WHAT OTHER LOCATIONS WOULD YOU VISIT ON WHIDBEY ISLAND?

Specific locations:

- Bayview,
- Coupeville,
- Deception Pass,
- Fort Casey,
- Freeland,
- Greenbank,
- Oak Harbor,
- Bailey's corner,
- Ebey's Landing,
- Mutiny bay,
- Useless Bay

Businesses:

- Groceries,
- Restaurants,
- Shopping,
- Wineries

Other responses:

- Don't really know/Haven't looked into it,
- Explore the island, Explore Whidbey, General exploration,
- Lots of places,
- Whidbey Island is wonderful from tip to tip,
- No particular destinations yet,
- Not sure – it would be fun to have the option,
- Other attractions but I don't know what is available.