



PRESERVATION SOCIETY of CHARLESTON

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CRUISE SHIP TOURISM IN CHARLESTON AND RELATED PORT ISSUES

July 27, 2010

It is the position of the Preservation Society of Charleston that specific steps should be taken to protect the quality of life of the residents of the City of Charleston from the significant economic, social and cultural impacts caused by increased cruise ship traffic at the Port of Charleston. Reasonable, written and enforceable regulations should be put in place to ensure that negative tourism impacts are managed and that the integrity and character of our city is not diminished. We believe that five considerations are utmost in charting an appropriate course:

1. The **quality of life** of the citizens of the city should be the primary factor in weighing any decisions that are made about the cruise ship industry and the Union Pier property. Tourism and the local economy flourishes when the citizens of the city are pleased with how it is managed.
2. **Maximum transparency** and public input is essential for ensuring that future plans for the cruise ship industry and Union Pier property consider potential negative impacts before future contracts are signed. Written commitments, timely public release of relevant documents and the use of impartial data (economic impact, traffic, etc.) should be the basis of decision making.
3. **Reasonable regulations** are the responsibility of the City of Charleston to ensure that the cruise ship industry is managed in the same way that all other tourist-related industries (pedicabs, walking tours, carriage tours) have been regulated. While imperfect, tourism management regulations are an essential tool for minimizing negative social and cultural impacts.
4. **Appropriate redevelopment** of the Union Pier property should be integrated into the existing fabric of the City of Charleston in order to enhance the sense of place that distinguishes our historic district with appropriately scaled new construction, compatible uses, quality materials, and the protection and preservation of existing historic resources. This should include a reconsideration of the present accommodations overlay as it relates to the property and the final location of a new terminal.
5. **Stabilization and restoration of the Bennett Rice Mill façade** should not be contingent on any future cruise ship contract or Union Pier redevelopment plan. It is urgent that the at-risk physical condition of this historic facade, owned by the State Ports Authority, be addressed so that this unique piece of industrial architecture can stand as a testament to our collective commitment to the historic legacy of our city. The SPA should consider placing a historic preservation easement on the façade.

In support of these objectives we present to the City of Charleston, the State Ports Authority and to the general public the attached set of "Recommendations for Sustainable Cruise Ship Tourism" that we have prepared for consideration and debate. We believe that these recommendations provide a basis for appropriate action by the City of Charleston and the State Ports Authority to manage cruise ship tourism so that we can protect the quality of life and historic resources of our world-renowned historic city and still derive an economic benefit from the cruise ship industry.

**RECOMMENDATIONS FOR
SUSTAINABLE CRUISE SHIP TOURISM**

Prepared by the

Preservation Society of Charleston

July 2010

The Preservation Society of Charleston

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RECOMMENDATIONS FOR SUSTAINABLE CRUISE SHIP TOURISM

Summary of Recommendations

- # 1 Limit the number of cruise ships and passengers on a daily and annual basis.
- # 2 Ban port-of-calls by ships with more than 500 passengers.
- # 3 Reaffirm SPA commitment to abide by local zoning ordinances.
- # 4 Establish a remote parking facility near I-26 and I-526.
- # 5 Direct pedestrians away from Ansonborough.
- # 6 Ban "late departure" offerings by cruise lines.
- # 7 Make use of independent economic data and surveys.
- # 8 Educate passengers about their impact.
- # 9 Create a Marine Passenger Fund.
- # 10 Establish a Cruise Tourism Advisory Committee.

1. LIMIT THE NUMBER OF CRUISE SHIPS AND PASSENGERS ON DAILY AND ANNUAL BASIS	
Problem	Managed impacts are still impacts. Even a one-berth facility creates the possibility of daily cruise departures and arrivals, 365 days per year. Additionally, rapid increases in the number of cruise ships would not allow for the community to assess ongoing impacts and prepare for additional impacts. Passenger limits should also be imposed, as ships are growing ever larger, so a limit on the total number of ships could still lead to unexpected levels of passenger impacts.
Solution	In conjunction with the Cruise Tourism Advisory Committee, set a reasonable limit on the number of cruise ships permitted annually at the Port of Charleston. This should be based in part on what is the maximum carrying capacity for tourism downtown. Significant mitigation efforts, including relocation of passenger vehicular traffic, would still enable profitable economic development. In exceptional circumstances, written approval may be granted by the Cruise Tourism Advisory Committee to alter the agreed-upon schedule.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority.
Result	Cruise ships will benefit the local economy, the SPA will ensure its own success but cruise ships will not become a daily logistical challenge for local residents. The quality of life of citizens will be protected, and negative impacts limited to a manageable quantity.
Reference	There have been too many articles written about the negative quality of life impacts of cruise ships in ports throughout the Western Hemisphere to list here.

2. BAN PORT-OF-CALLS BY SHIPS WITH MORE THAN 500 PASSENGERS	
Problem	Port-of-call passengers provide a minimal economic impact while overcrowding streets and sites. An average of 2/3 of port-of-call ship passengers disembark. For a ship of 3,500 passengers, this would mean over 2,300 tourists would arrive at one time in one location, something that we are unprepared for. Smaller ships with passengers focused on heritage tourism will have a greater economic impact and a minimal impact on quality of life issues.
Solution	Ban port-of-calls by ships with a capacity of more than 500 passengers, and/or consider imposing a graduated fee based on the number of passengers on board.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority.
Result	Tourist impact on fragile historic district and overcrowding of constrained streets and sites will be minimized. Demand for ground transportation and resulting street congestion will be limited.
Reference	The economic impact study presented by the State Ports Authority, while flawed, documents the meager economic impact of port-of-call passengers when contrasted with economic impact of passengers who embark/disembark at the Port of Charleston. See www.unionpierplan.com

3. REAFFIRM SPA COMMITMENT TO LOCAL ZONING ORDINANCES	
Problem	In the past, the City of Charleston had to sue the State Ports Authority to force its compliance with local zoning ordinances for a construction project, which led to a state Supreme Court ruling that supported the City of Charleston.
Solution	Reaffirm the requirement that SPA submit all plans for new construction, renovation and development on its property to the appropriate local boards (BAR, zoning, etc.) and that no special exceptions or exemptions from this process will be sought by the SPA or approved by the City of Charleston.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority.
Result	Citizens will have confidence that public input and accountability will be safeguarded prior to construction of a new terminal, associated parking and baggage-handling facilities, the restoration of the Bennett Rice Mill, and redevelopment of the Union Pier property.
Reference	See <u>City of Charleston v. South Carolina State Ports Authority (1992)</u> .

4. ESTABLISH A REMOTE PARKING FACILITY NEAR I-26 AND I-526	
Problem	Cruise passenger traffic is currently directed to Interstate 26, exiting onto East Bay Street down to Chapel Street. The idea that all passengers will arrive by this route is unrealistic. No cruise passenger traveling north on 17 without a GPS system will take I-526 to I-26. Also, passengers who come early to Charleston will need to drive from their hotels to the port, which more often than not will put them on various side streets in the City. Consequent traffic delays cause economic harm to the City of Charleston and its businesses, and diminishes the quality of life for residents.
Solution	Invest in planning and creating a remote parking location with mass-transit (shuttle, rail) into the Port of Charleston, ideally located near the intersection of Interstate 26 and Interstate 526.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority.
Result	The majority of cruise passengers will not need to drive downtown, minimizing traffic impacts. Downtown cruise passenger traffic would be limited to those staying in downtown hotels prior to or following the cruise. This might make cruise passenger check-in more efficient downtown if passengers check-in at the remote facility, which would shorten the time during which streets would need to be closed. Shuttles would provide a source of revenue for CARTA operating shuttles.
Reference	Current parking routes and procedures document from the SPA website. See www.scspa.com/cruises/passengers/getting_to_charleston.asp

5. DIRECT PEDESTRIANS AWAY FROM ANSONBOROUGH	
Problem	Relocation of the passenger terminal to the northern portion of the Union Pier property will inevitably increase cruise passenger pedestrian traffic in Ansonborough, which could negatively impact the quality of life of its residents.
Solution	Develop maps and signage which discourage pedestrian routes through the neighborhood but instead direct them around the neighborhood toward Market and Calhoun streets.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority. City to install wayfinding signage and SPA to provide maps prepared with appropriate local input.
Result	Cruise tourism impacts on Ansonborough will be minimized and tourists will be directed to areas designed to handle and service their needs and interests.
Reference	See the Union Pier Plan's map showing the location of the proposed terminal.

6. PROHIBIT "LATE DEPARTURE" OFFERINGS BY CRUISE LINES	
Problem	Some cruise lines are now offering passengers an opportunity to remain on-board a ship once it has returned to home port in order to let them use ship facilities. This further limits the positive economic impact of passengers on the local community, particularly restaurants.
Solution	Prohibit cruise lines from using this practice in Charleston.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and the State Ports Authority.
Result	Passengers will spend money in the City of Charleston at the conclusion of their cruise, not on cruise ships, ensuring that the economic impact on the region is as strong as possible.
Reference	See "Would you pay \$35 to have a few extra hours on a cruise ship?" on USA Today website, July 8, 2010.

7. MAKE USE OF INDEPENDENT ECONOMIC DATA AND SURVEYS	
Problem	An economic impact figure of \$37 million has been repeated in written correspondence by the SPA, in newspaper articles and on the SPA website. This is misleading, as it only provides an estimate of spending by passengers and cruise ships and takes no account of costs and burdens on the community, the effects of displacement, and other consequences. The IMPLAN model used for the study is a model that has been criticised by economists for inaccurate results.
Solution	A new, independent economic impact study should be prepared as part of a review of tourism impacts in the City of Charleston. Impacts should be regularly measured against this study. Merchants and citizens should be regularly polled to measure impacts as well.
Means of Effecting Solution	This should be handled by a Cruise Tourism Advisory Committee.
Result	Decision-making will be based on facts, and impacts will be monitored to see if predicted results measure up against actual results.
Reference	See "The Number Factory" in the February 2008 issue of Twin Cities Business Magazine.

8. EDUCATE PASSENGERS ABOUT THEIR IMPACT	
Problem	Cruise ship passengers do not want to harm Charleston, but they likely do not fully appreciate their own impacts on the fragile nature of the historic district as well as the importance of local regulatory efforts and investments to ensure its preservation.
Solution	Provide cruise ship passengers with information about the national significance of Charleston's historic neighborhoods and sites, the laws that are designed to protect them, standards of conduct appropriate in the historic district particularly in residential areas.
Means of Effecting Solution	Memorandum of Agreement (MOA) between the City of Charleston and State Ports Authority. The Preservation Society of Charleston can assist with development of content. Information can be distributed through SPA website, cruise line website, cruise passenger information packets, and on board ships (particularly in the case of port-of-calls).
Result	Cruise ship crew and passengers will have a greater sensitivity to their own impact on the historic neighborhoods and sites in Charleston and which will adjust behavior accordingly.
Reference	Belize Environmental Compliance Plan Section III(2).

9. CREATE A MARINE PASSENGER FUND	
Problem	Cruise ship passengers and associated traffic place burdens on infrastructure and public services of the city which must be mitigated through public expenditures.
Solution	Impose a modest \$5-per-passenger Marine Passenger Fee following the successful model of Juneau, Alaska and deposit the fee in a Marine Passenger Fund. The Fund would be used for annual grants made to applicants for municipal and port safety, infrastructure and tourism enhancement projects related to said tourism.
Means of Effecting Solution	City council passage of a Marine Passenger Fee ordinance.
Result	The city will have a pool of funds available for projects that mitigate the impact of cruise tourism.
Reference	Juneau, Alaska passed a successful ordinance nearly a decade ago. Support for the ordinance came from a grassroots effort by citizens. The fund distributes over \$1 million per year for relevant projects. When the cruise industry sued the State of Alaska over a statewide cruise passenger tax, the industry pointed out the reasonable, limited nature of the Juneau fee and did not challenge its validity.

The Preservation Society of Charleston -- Recommendations for Sustainable Cruise Ship Tourism

10. ESTABLISH A CRUISE TOURISM ADVISORY COMMITTEE	
Problem	There is no independent mechanism for monitoring the impact of cruise tourism which provides for regular citizen input.
Solution	A Cruise Tourism Advisory Committee comprised of representatives of appropriate groups should be created to ensure compliance monitoring, serve as a forum for discussion of cruise-related issues and offer advice and recommendations to the City of Charleston.
Means of Effecting Solution	Charleston City Council creation of a Cruise Tourism Advisory Committee.
Result	A formal mechanism is in place that can be a point of contact for cruise issues.
Reference	This was recommended by the 2003 task force.