



Testimony of Roland Lewis, President and CEO

On Cruise Ships and Expanded Dock Access

THE METROPOLITAN WATERFRONT ALLIANCE

**Before the Committee on Waterfronts Official Hearing
on the Manhattan Cruise Terminal**

250 Broadway, 14th Floor Hearing Room, New York, NY

Thursday, December 13, 2007

Good afternoon and thank you for the opportunity to testify today.

We applaud the Council for drawing attention to this critical component of our maritime and tourist economy. We also think that the Mayor and the Economic Development Corporation should be praised for mustering the resources -- nearly \$200 million in public and private monies -- to expand the Passenger Ship Terminal and create the new Cruise Terminal in Brooklyn. Still, there are some major issues that remain unaddressed:

The cruise industry is a key component of our tourism sector and we should keep seeking ways for it to grow.

As recently as a few years ago, the Port of New York was the nation's fifth busiest cruise port behind the three major Florida ports and the Port of Los Angeles. In 2002, 326,000 passengers embarked on their cruises from Manhattan's West Side terminals. This number more than doubled in 2004, according to the City Council's own research.

Passengers and crews were estimated to have spent \$20 million in New York City in 2002 with approximately half (\$9.4 million) spent on embarking passengers who stayed one or more nights in New York City. Passengers who stayed overnight in New York spent an average of over \$355 during their stay, which averaged 2.1 nights.

While much of the largest investment underway is designed to serve the largest of large cruise ships we should also remember that the small scale cruise industry is growing too. For instance, the Connecticut based American Cruise Lines just christened a new ship this past June. Their business, using ships mostly less than 300 feet in length, provides seven to fourteen day voyages cruising the Hudson Valley, Long Island Sound, and the cities and towns of the northeast. This model represents an important and growing trend in the industry for more and smaller ships.

Even if Pier 92 will not serve the largest of cruise ships, it is possible its perimeter or some portion of it could be open to welcoming and serving smaller ships that now have to fight for a slip at Chelsea Piers or at South Street Seaport.

But we also need to push to make this industry cleaner: ocean going ships are widely known to use the dirtiest fuel on the market (bunker fuel; literally, the bottom of the barrel). We should do what California does and make sure that any Ship within 12 miles of their shore switches their engines to a much cleaner fuel as they come in. As the Mayors 2030 plan acknowledges, we need to improve our air quality across the board, on land and in the water.

In San Francisco, they are adapting their cruise terminal to allow for dockside hookup to the electrical grid. This way the ship doesn't have to run their engines dockside to power the boat.

Public Agencies, ranging from the Port of San Francisco to USEPA have put in more than five million dollars to reduce emissions from Cruise Ships in that city through the Cruise Liner Emissions Reduction Incentives Project. Organizations such as Blue Water Network are leading the charge <http://www.portwatch.net/>

Just as we create a public policy framework for supporting the growth of the cruise industry, so should we use the same or a similar strategy for prioritizing the use of the waterfront first and foremost for water-based activities. Luxury condominiums and other non-maritime uses may generate more immediate revenue on waterfront space, but we need to remember the waterfront is first and foremost a gateway for people--and all people: cruise passengers, ferry commuters, tourists, and everyday people who want and deserve to make better use of the waterfront for their own enjoyment.

Thank you for the opportunity to testify today and I'd be happy to answer any questions you might have.