

SQUARE FEET

Resorts Respond to the Yacht Parking Problem

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In a world where the lifestyles of the superrich are increasingly spectacular, it seems as though there is no end to the number of resorts under development and no limit to the luxuries they offer. And some resort developers have found a niche that has not been fully mined: luxe marinas with boat slips that can serve giant yachts.

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Yacht Haven Grande

A new resort, on St. Thomas in the United States Virgin Islands, can accommodate yachts up to 600 feet long.

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Yacht Haven Grande

One service of Yacht Haven Grande is dockside wireless Internet access.

These days there are more pleasure boats that are longer than 80 feet. In fact, they average nearly 100 feet and top out at about 500 feet, according to Yachts International Magazine, which publishes an annual survey, The Global Build Report.

These boats are floating mansions, often with their own management companies, captain and crew, chef, swimming pool, garages and helipad. More than 820 such megayachts are now under construction, according to Jamie Welch, the editor of Yachts International. That's just a 3 percent increase over last year, he said, but a 58 percent increase since 2002.

One reason for the growth is that larger boats are now being churned out on production lines. Baby boomers and a large number of young wealthy Russian entrepreneurs "are coming on the scene, and they want their yachts right now," Mr. Welch said, in contrast to traditional yachters who wanted their boats customized, much like their

mansions on land.

Given the numbers, a problem has emerged in recent years: finding a place to tie up giant yachts. Older marinas cannot accommodate the big boats or their needs for electricity, fuel and waste disposal.

Developers have caught on to the demand, and Mr. Welch said he sees, through announcements and advertising, three or four new marinas popping up every month, especially in the [Caribbean](#), Central America and Dubai.

Andrew L. Farkas, a New York developer who is the president of Island Global Yachting, has acquired 12 marinas around the world and is developing 15 more, in areas that include the Caribbean, Mexico and Dubai and [Long Island](#), where his company bought

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the Montauk Yacht Club in April. He estimates that Island Global will spend \$4 billion to develop the marinas.

In one of the most ambitious projects, Island Global is building and operating 20 marinas on artificial islands in Dubai. The marinas, part of a larger residential and commercial project by Nakheel Development, will have 40,000 slips to accommodate boats from 20 feet up to about 500 feet.

Mr. Farkas's goal is to build a circuit of resorts catering to the large yachts, under the brand Yacht Haven Grande. Some, like the smaller Montauk Yacht Club, are to be expanded with slips for large yachts, but at others there are plans for renovations on land to create stores, tennis courts, swimming pools and million-dollar-plus condominiums to serve those that come ashore from the big boats.

The initial phase of the first Yacht Haven Grande, a \$200 million project, was completed last year in the Caribbean. Now yachts up to 600 feet long have a place to park in the harbor in Charlotte Amalie on St. Thomas in the United States Virgin Islands.

The marina has 50 concrete boat slips for megayachts and, so far, 4 restaurants; 12 condos selling for \$2 million each; 80,000 square feet of retail space; and 30,000 square feet of office space.

When ships arrive, a tender leads them in, a dock crew ties the vessel to the slip, and services like those of a top-tier hotel are available to the yachting visitors.

"If their chef wants a Kobe steak flown in for them for dinner, we could get it for them," said Jeff Boyd, the vice president for global marina operations at Island Global Yachting. Concierge requests have included caviar, Champagne, private helicopters, a masseuse and a flight to bring a nanny from New York for the weekend, he said.

As for the large yachts, electrical power, fast-fueling diesel pumps, waste removal and wireless Internet service are provided at each slip, he said.

"That's the model for the industry in terms of where we see these entrepreneurial attempts to address the growth of the yachting industry and the incredible berthing shortage," said Bob Saxon, president of Camper & Nicholsons USA, a worldwide yacht brokerage and management firm.

Mr. Saxon said the numbers of megayachts are only the start of the trend. A growing charter industry, renting out large yachts for vacations in the Mediterranean or the Caribbean, has also increased the number of weeks when the most popular ports are asked to accommodate the big ships.

Some of these developments for the largest yachts are being created in previously unknown sites, like Porto Hussong, a resort under construction in Ensenada, Mexico, on the Pacific.

The appeal of resorts for large yachts is not only location, said Christopher S. Merson, chief executive of the Meridian Development Group, the developer of the resort, but also the feel of an Old World seaport, with modern amenities.

"In the Mediterranean — in southern [Spain](#) in particular and in [Italy](#) — they have the villages right there in front of the marina," Mr. Merson said. "It's a very nice atmosphere: bars, cafes and shops. It's an experience, like a destination resort of yachters."

In Ensenada, Meridian expects to attract many yachters from California sites, like Marina Del Rey, who have a limited number of ports accessible. “All they can do now is go to Catalina and back, from one parking-lot marina to another parking-lot marina,” Mr. Merson said.

On the East Coast, in [Florida](#), there are more marinas suited to the largest yachts, especially in [Palm Beach](#) and [Fort Lauderdale](#), Mr. Saxon said. But, he added, those places are not on a par with the Caribbean and the Mediterranean as destinations.

At least one developer hopes to buck that conception in the next two years, as the Island Gardens resort is completed in [Miami](#). It is being built by the Turkish developer Mehmet Bayraktar, chief executive of the Flagstone Property Group, on the 86-acre Watson Island. The company’s proposal was selected in 2001 by Miami, which owns the island and has given Flagstone a 75-year lease.

Mr. Bayraktar said Miami has made great progress in developing a reputation as a destination for yacht charters. “The superrich do hang out together,” Mr. Bayraktar said, and they tell one another about their travels.

Given Island Gardens’ location in Biscayne Bay, close to South Beach, Miami Beach and major roads and an international airport, Mr. Bayraktar said, “what better place can you think of that’s more of a happening place?”

The \$600 million resort will feature two modernist tower hotels: a Shangri-La, part of the chain based in Hong Kong, which will have fractional-ownership units, and a Westin. There will also be as many as 12 restaurants and high-end shops.

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