

Slipping away: Water access for boaters often comes at a high price (if you can get it)

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Dry-stacks aren't made to be beautiful. The huge metallic barns with rows and rows of suspended boats are like vertical parking lots.

But for members of marinas such as Creekside Yacht Club near Wrightsville Beach, the buildings represent a handsome investment, indeed.

Three years ago, a spot in one of Creekside's storage sheds with quick access to Bradley Creek would have set you back between \$18,000 and \$45,000. Today they range from \$90,000 to \$159,000 - and that's if you can find one for sale.

Only nine of nearly 400 slips have changed hands in the past 15 months despite a waiting list dozens deep. Members are holding on, general manager Tommy Vann said.

"It has been one of the best investments anyone could have made," he said. "It's been crazy."

Such appreciation is dazzling, but far from unique. Soaring demand for waterfront property has turned coastal marinas from Southport to Scotts Hill into hot commodities, pushing price tags for docks and dry storage to ever higher levels.

But the rising costs and a related decline in boat ramps is also ringing alarms that the area's blue-collar boating tradition is in peril. A recently formed state committee is looking at ways to preserve access, though some worry the time for action has passed.

"It's going to get to the point that the everyday-working person has no access to the water," said Bobby Musselwhite, a mill worker at International Paper who moved to Middle Sound Loop Road in the mid-1980s to be close to the Intracoastal Waterway.

His 16-foot aluminum johnboat has rarely left his yard in the past year since nearby Johnson Marine Services moved, closing with it the \$15-a-day ramp Musselwhite used to go fishing. The 40-year-old marina will be replaced with 25 high-end homes, each with its own boat slip.

Johnson, a repair, sales and storage boat yard, was one of three marinas off Middle Sound Loop Road to sell to developers in quick succession. Musselwhite said he thinks about leaving New Hanover County, but the issue goes up and down the coast.

People have always longed for life on the water, but recent years have transformed the market, said Robert Glenn, an appraiser and president of Robert Glenn Associates. Five years ago, the rule of thumb for a dock's value was \$1,000 a linear foot. At Wrightsville Beach and even Hampstead, some are now worth six times that and up, he said.

"It's all about supply and demand," Glenn said, adding that prices were pushed up by a limited number of existing marinas, difficulties getting permits for new ones and the strong desire of a growing population for boating and living on the water.

The demand is such that investors are snatching up slips on the Cape Fear River, generally not considered prime waters for recreational boating. In June, developer Dave Spetrino held a pre-sale on a 42-slip marina he's building as part of mixed-use project on the old Dean Hardwoods site just north of the PPD headquarters in downtown Wilmington. He was taken aback by the response.

Based only on word of mouth, people from as far away as Connecticut were sending deposits, he said. The slips ranged from \$90,000 for a 30-foot slip to \$150,000 for a 40-foot slip. Spetrino took them off the market after selling more than a dozen, though checks kept coming, he said.

"It was a land grab, an absolute land grab," Spetrino said.

As prices roar up, the tradition of family boating is hanging in the balance for those who don't live on the water, said Mike Bradley, director of N.C. Marine Trade Services at the University of North Carolina Wilmington, which studies and supports the state's boating-related industries.

For generations, North Carolina boaters of all incomes could turn to family-owned marinas, he said. But up and down the coast and on the state's major lakes that option is disappearing as owners face the choice of continuing an endeavour for modest profit or selling land that has increased in value by leaps and bounds.

"Lots of guys are really torn by taking away services at a reasonable cost to families they've known for generations," Bradley said. "But they have one major asset - that's the waterfront property they have been managing and operating for years."

Roger Johnson is a case in point. The only way he wanted to leave his marina was dead in a box, he said. The land off Middle Sound Loop Road had been in his mother's family for generations, and he and his father made the marina from scratch.

But with mounting taxes, debt from hurricane damage and losses from employee

embezzlement, the only light at the end of the tunnel was to build dry-storage, he said. With a group of neighbors in the now high-priced area against the change, Johnson said, county officials made it clear he would not get permission.

He sold and moved his repair and sales operation in March to Hampstead. Once an operation right on the water, it is now on U.S. 17, seven miles from the nearest public boat ramp.

By his own reckoning, David Floyd is the last of the old guard in the Wrightsville Beach area, the sole remaining proprietor of a dry-stack facility that leases spots, Atlantic Marine. The rest, such as MarineMax, Bradley Creek and Creekside, have all converted into "boataminiums," marinas where ownership splits between private members, he said.

"There are a few die-hards lefts. I'm trying to hang in there," he said. But the day will come to sell. His retirement is his real estate.

And whoever buys the property will have no way to continue leasing, he said. The revenue wouldn't cover 10 percent of costs. Land prices will necessitate it be redeveloped or turned into boataminiums too, he said.

Masonboro Yacht Club & Marina at the end of Trails End Road, sold two-and-a-half years ago with such changes ensuing. Tim Miles, a community college lecturer who lived on his sailboat, had to move after his lease went from \$360 to \$490 a month over eight months.

More recently, the club closed its boat ramp to the public for insurance reasons and removed the repair yard to make way for dry-stack storage, office manager Tammy Brown said. There was much higher demand for storage, she said.

"It's just capitalism," said Miles, who relocated his boat to a friend's dock and moved his residence to land.

But Bradley thinks government needs to find a way to nudge capitalism's laws of supply and demand in a way that allows marinas to survive through zoning changes or the kind of tax break given to agricultural lands.

Otherwise, he said even those who can afford access may find themselves pinched for repairs as land becomes too valuable on the Intracoastal for boat yards like those once at Masonboro's, Johnsons' or Coastal Carolina Yacht Yard, which have all closed down or moved in the past year.

If that trend continues, it would be the navigational equivalent of taking all the service stations off U.S. 95, Bradley said.

The crunch has been a long time coming, said Neal Lewis, New Hanover County's parks and recreation director. He's now serving on the 21-member committee tasked with

sending a report to the General Assembly this spring on ways to counteract declining public access to the water, as well as related matters like protecting commercial docks.

Unchecked, affordable access to coastal boating is only going to decline, he said. An obvious way out would be to buy waterfront land for ramps to add to the scattering of state facilities in Southport, Carolina Beach, Wrightsville Beach and Surf City. But with quarter-acre waterfront lots going for more than \$1 million, it's an expensive solution.

"There isn't money really at any level of government for acquisition of waterfront property," he said.

Still, tiny Topsail Beach stepped up this spring and did just that after residents grew alarmed when the town's two marinas changed hands, one of them closing to nonmembers, and the other about to follow suit. The town paid more than \$2 million to buy back one of the marinas, threatening to use eminent domain when discussions got sticky.

Not all growth is bleak for public boating. Scott Shuttleworth, a developer leading the purchase of Scotts Hill Marina, is planning to use water access and forthcoming dry-stack storage as an enticement for a 4,000-unit subdivision he is building nearby. But the marina's ramp will continue to be open to the public, he said.

"It's one of the last remaining boat ramps in Pender County," he said.

"We do not want to price out the individual boat user in southeastern Pender County."

And away from in-demand coastal waters, opportunities for affordable access remain for boaters. Watermark Marina, a 900 unit dry-stack facility on the Cape Fear River, is soon opening with leases of about \$150 a month.

"They don't have to go get a loan to come here," said sales manager Kim Loyd.

But with the trend nearer the coast pointing to reduced affordable access, pressure for solutions will likely grow, said Courtney Hackney, a UNCW marine biologist, chairman of the N.C. Coastal Resources Commission and a member of the state committee studying the issue of water access.

The water is state owned and public money pays to dredge the waterways, he said. If opportunities continue to narrow, taxpayers may question what they're getting for their money, he said.

It may be too late to increase access to the Intracoastal Waterway in densely developed New Hanover County, he said. But in Brunswick, Pender, other coastal counties and along the Cape Fear, there are still opportunities to buy land for ramps and marinas, but it will entail tough decisions.

"There are no solutions that are so obvious that it's a 'no-brainer,'●" he said. "Everything is going to be hard and or expensive."