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Summit to explore ways to preserve marinas

Fast-rising insurance costs and development are top concerns.

By Michelle Sheldone
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Jupiter · Insurance companies are dropping policies for marinas, and property taxes have soared, in one instance, from $98,000 last year to more than $300,000 this year.

"It's devastating," Loggerhead Club & Marina co-owner Raymond Graziotto said, noting that the taxes on his Palm Beach Gardens facility increased 300 percent for 2006. "We're a strong company, we've got lots of wherewithal, but these costs are going to have to be passed on to boaters."

Graziotto and other marine industry representatives from Palm Beach through Monroe counties, along with elected officials, will unite from 1 to 5 p.m. today to come up with ways to prevent the loss of working waterfronts.

Their slogan for the gathering at the Broward County Convention Center: "Waterline Doesn't Stop at the Countyline."

One of the first Marine Industries Association of South Florida summits resulted in an economic impact study. Now, with taxes and insurance draining the industry, development poses a threat.

"Most of us love the business," said John Sprague, the state legislative coordinator for the Marine Industries Association of Palm Beach County and chairman of legislative and government affairs for the Marine Industries Association of South Florida. "But if you can't afford it and get to the point where you're losing money, you've got to do something else."

Ultimately, solutions may have to come from the state, because property appraisal methods vary from county to county based on interpretation of state law, and the state-backed Citizens Property Insurance Corp. doesn't cover businesses like marinas.

"The state really needs to come up with changes," said Palm Beach County Commissioner Warren Newell, who is participating in the summit on behalf of the commission. "Something's really unfair in equity here. It's really gotten out of line."

Public marinas supply around 98 percent of boater access, with free enterprise providing the marinas and government providing boat ramps, according to Sprague.

Graziotto says marinas provide a public service and that the state, from which many lease the water's bottom, needs to look at property tax changes for the industry or give appraisers directives regarding valuation methods.

Sprague wants about $10 million of the state's marine fuel tax fund to help seed a catastrophic fund for the industry's uninsured.

"If you can get insurance, and I think we're down to two companies now, you're looking at a minimum half-million-dollar deductible and half-million-dollar cost," he said.

"So what's happening is the majority of our marinas, when it comes to their docks, are going bare-boned, because they can't afford [to insure] them."

Michelle Sheldone can be reached at michelle.sheldone@scripps.com.