

Presentation to Be Made
By F. Ned Dikmen, Publisher of *Great Lakes Boating* magazine
At the Ocean Policy Commission meeting on September 24, 2002

Over the past two decades, numerous large-scale marinas in excess of 500 slips have been built throughout the Great Lakes and Canada to fulfill the demand of a large recreational boating industry.

Sales in the recreational boating industry have fueled this growth. In the 1980s, retail expenditures increased more than 100 percent in the United States, from \$7.3 billion in 1980 to nearly \$18 billion in 1988. Just last year, retail expenditures topped more than \$25 billion. Presently, 69 million people enjoy nearly 17 million boats in the U.S. One-third of all registered recreational vessels, 4.3 million boats, are used in Great Lakes states alone.

Because of this number of boats and people on the water, building large-scale marinas became very fashionable in the Great Lakes in the 1980s. Marina operators saw that in certain locations, an impressive waiting list to dock in a specific marina existed, signaling the need for marina expansion and construction. In response, large, expansive marinas were built to fulfill the need for additional locales for boaters to dock. The state of Michigan first began the building initiative. Indiana and Illinois followed. Wisconsin and Minnesota were among the last to join in the building.

Actual occupancy has differed greatly from initial projected occupancy figures. The supply of boaters is not endless. A waiting list does not signal the desire of a boater to travel to a location 100 miles away to dock. Instead of these new marinas immediately reaching capacity, some found their facilities less than half-filled, never to reach the full occupancy they hoped to achieve. Some marinas on the western shores of Lake Michigan exist with 30 percent to 50 percent occupancy even after nearly 15 years of operation. This overbuilding might have been avoided, had communities required independent market research studies to be conducted prior to development. Marinas obviously do not fill like skyscrapers.

This has signaled a need for greater consideration to be taken when planning and building marinas on the Great Lakes, as expansion greatly affects the marina industry on both the American and Canadian sides.

Interest in boating is expected to continue to grow. With last September's tragic events, consumer studies have shown that time spent with family is the number one priority for the American people. And, boating provides the perfect opportunity for people to reconnect with family and friends. People increasingly have shown a desire to keep their money at home, in state, on high-end luxury items that provide opportunities for reconnection with family.

But, in spite of this growth, it must be remembered that each lake inextricably affects the next lake and its surrounding infrastructure. Large-scale marinas should be of great concern for every county and municipality and state in the Great Lakes region. I do not want to imply that we quit building marinas, but it is imperative that we scale them properly and allow for expansion, as the market requires. Therefore, before new marina building initiates, marinas should be reviewed with diligence and scrutiny for full approval from both local municipalities, and state and federal entities surrounding the Great Lakes.