

PUERTO RICO

Golf resorts up their game

■ **Tourism promoters are counting on new and renovated luxury resorts to drive more affluent crowds to Puerto Rico.**

BY MERCEDES M. CARDONA
Associated Press

RIO GRANDE, P.R. — This seaside stretch, a half-hour's drive east of the airport in San Juan, is not placid in midday. Construction equipment rumbles through the beachfront while workers sweat out installing the marble floors and granite countertops in developer Donald Trump's latest Caribbean venture.

The 700-villa Trump International Golf Club and Residences is among several golf resorts on this Caribbean island that are either under construction or being upscaled. Some have famous course designers like Robert Trent Jones, and many are attached to luxury resorts with well-known hotel brand names like St. Regis and Mandarin Oriental.

Golf is one of three tourism niches being targeted for promotion here, along with water sports and food, said Mari Jo Laborde, former deputy executive director of marketing and promotions of the Puerto Rico Tourism Company. Golf is a big part of the island's "Explore Beyond the Shore" campaign highlighting activities outside beaches, she said. And although Puerto Rico has long been a golf destination, the combination of a growing local golf market and a drive to attract more affluent tourists is putting an emphasis on luxury.

This might seem like a risky approach given the current economic downturn. Puerto Rico, like many tourism destinations, is experiencing a drop in visitors. Tourist visits to the island fell 4.7 percent in early 2009, compared to the same months in 2008, according to the Caribbean Tourism Organization.

But hoteliers and course owners are hoping that a more affluent crowd will



GRAN MELIA RESORTS

BIG CHANGES: The Gran Melia Puerto Rico Golf Resort and Villas has upgraded from the Paradisus all-inclusive brand to a more upscale Gran Melia hotel.

Diaz, partner of Empresas Diaz, the developer of the project. In addition to the existing 36-hole Tom Kite golf course, all of the 56 "Founder Residences" are now built and a 10-acre beach club is underway, with completion scheduled for mid-2011. Later this year, construction is set to begin on golf villas and beach villas.

Next door to the Trump course, the Gran Melia Puerto Rico Golf Resort and Villas has upgraded from Melia's Paradisus all-inclusive brand to a more upscale Gran Melia hotel. All rooms in the 486-suite hotel were redecorated, restaurants upgraded to focus on fine dining and staff retrained. The upgrades were coincidental, but the Trump project, "goes on a par with the Gran Melia brand," said Evy Garcia, director of sales and marketing. "We get many golfers, especially now, with the PGA (tournament)."

The Trump course hosted in 2008 the inaugural Puerto Rico Open, a PGA tournament that returned to the course a

second time earlier this year.

GOING UPSCALE

"Some of the hotels just needed an upgrade," said Lydia Feliciano, internal communications manager at the El Conquistador Resort & Golden Door Spa in Las Croabas, in the northeast coast. The 750-room resort completed a \$120 million renovation that added 237 rooms, new restaurants and a new convention center. LXR Luxury Resorts, the hotel's new corporate parent, also renovated the existing facilities, including the guestrooms and casino. The latest addition is a seaside water park with slides, an infinity pool and activities.

The hotel also has plans to expand its golf facilities by adding a second course to the hilly 18 holes designed by Arthur Hills. Construction on the new nine-hole course is not scheduled yet, but the plans have been drawn, said golf director Trent Bluemel.

"They're trying to make the hotels a bit more

upscale to attract another kind of tourist," said Veronica Taveira, a spokeswoman of the 600-room Wyndham Rio Mar Beach Resort resort, in Rio Grande.

The Wyndham, formerly a Westin hotel recently completed a \$40 million renovation. Westin had already spent \$16 million renovating the pool and beach areas before the brand switch more than a year ago, and Wyndham spent another \$15 million, including nearly \$4 million in improvements to the clubhouse and two 18-hole golf courses, designed by pros Tom and George Fazio and Greg Norman.

While most golf resorts have traditionally been on the greener northern coast, the last couple of years have seen new courses appear in the more arid south. In Guayama, on the southeast coast, veteran golf pro Chi Chi Rodriguez designed the course in El Legado, his 200-villa resort, and the Hilton Ponce Resort in the southern coast opened a country club with 27 holes of PGA championship play.

But hoteliers and course owners are hoping that a more affluent crowd will be less vulnerable to the economy's swings than the package-tour-and-cruise market concentrated around the port of San Juan.

LONG-RANGE PLANS

High-end projects can also take years to come to fruition after they are planned and financed. "They are definitely an investment in the future," said Peter Finch, senior editor at Golf Digest magazine. "It takes years and in some cases decades to get everything lined up for these courses to open. These golf courses are major undertakings across hundreds and hundreds of acres, if not thousands of acres. You can't just snap your fingers and they appear."

Not far from the Trump villas, St. Regis Hotels & Resorts in 2007 opened the Bahia Beach golf course, designed by Robert Trent Jones; a luxury hotel and spa are scheduled to open in 2010. Diaz noted a 369-room J.W. Marriott hotel is expected to open in early 2011 next to the Trump property. Mandarin Oriental Hotel Group and Regent Hotels & Resorts have both announced they will open new luxury hotels in 2011 in Palmas del Mar, a resort southeast of San Juan with championship golf courses designed by Reese Jones and Gary Player. Existing hotels are also raising their game with renovations and additions.

The number of residential units at the Trump resort in Puerto Rico, a \$600-million project, was halved from an initial plan of 1,400 villas, while other aspects of the project were upgraded, said Jorge L.