

Long Island's Summer Tourism Outlook Depends On The Weather

JAMES BERNSTEIN | JUNE 18, 2019



If you build a huge hotel near the beach, complete with pool, sauna, and steam room on Long Island's East End, will more and more visitors come each year?

Maybe, and maybe not.

Most major indices point to a healthy summer season on the Twin Forks this year. The economy is strong, unemployment is low at about 3.8 percent, gas prices have remained steady at about \$2.70 to \$2.75, a few cents lower than last year at this time, the cost of airfare to Europe and Asia is high, keeping more people closer to home, the stock market keeps rising, and consumer confidence is high.

But there is one constant that no one can predict.

"It is always, always, always about the weather," says Steve Haweeli, a veteran East Ender and former president of the East Hampton Chamber of Commerce. "If it's a cold summer, it's not going to bode well for the East End."

As always, most on the East End are optimistic.

"I'm always looking for a better summer than the last one," says Mark Smith, owner of Nick and Toni's in East Hampton, and several other high-end restaurants. "The economy is better. That should be good for business out here. But people say the real estate market is overpriced, and there could be a correction. You just never know."

Long Island's East End is made up of five towns — Riverhead, Southampton, East Hampton, Southold and Shelter Island — that offer a sweeping vista of Atlantic Ocean shoreline, Long Island Sound waters, dense forests populated by deer and other wildlife, and majestic images like the Montauk Lighthouse, whose construction was approved by George Washington in 1792. The East End is dotted by charming Victorian homes in East Hampton and Southampton, and quaint bungalows and wineries on the bucolic North Fork. Winters, most of the East End is a ghost town. Summers, it is teeming with visitors, all-night dance clubs, bars, tony restaurants, and farm stands where farm-fresh food is sold.

The East End is also big business. According to Discover Long Island, the tourism-promoting agency, tourism on the Island is a \$5.9 billion industry that supports some 100,000 jobs and expects this year to generate more than \$720 million in local and state tax revenues. The agency says that 48 percent of visitors come to Long Island in the summer, 22 percent in the spring, 21 percent in autumn, and 9 percent in winter.

"Our trends show year-over-year growth in tourism, of from 3 percent to 5 percent," says Kristen Jarnagin, Discover Long Island's president and chief executive. "But you just never know," she added, citing the uncertainty of the weather and limited new hotel inventory.

Gurney's, for decades one of the biggest names in the hotel business on the East End, has become even larger with its recent purchase of the Montauk Yacht Club Resort & Marina. Now known as Gurney's Montauk Yacht Club & Resort, owner George Filopoulos expects a banner year.

"We are so pleased to launch a second location that will extend the Gurney's experience...while introducing a new type of stay in the marina setting," Filopoulos says.

Erin Keneally, a real-estate agent with the Corcoran Group, says that in the last few years, renters have been making their summer plans later than in the past, just because they are busier in the hyper-cyber age. Rentals this year so far have been slow, "but are picking up."

Summer rentals are going from anywhere between \$50,000 for a cottage to \$1 million for beachfront property in Southampton and East Hampton, Keneally says.

One major factor on the real estate scene this year is the growing presence of lodging arranged through the San Francisco-based internet company Airbnb. Judy Desiderio, CEO of Town & Country Real Estate, estimates that about 50 percent of summer renters are now Airbnbs — generally meaning shorter-term stays — compared with about 40 percent who are seasonal, meaning stays of about two months.

Most on the East End have come to accept it.

"Change is inevitable," Desiderio says.

Fairly or not, the mostly youngish Airbnb people have been accused of hosting loud, late-night parties and cramming more people into a house than town and village codes permit. The villages have struck back.

There is now a mandatory rental registry in East Hampton, which includes Montauk, Amagansett and Springs. Landlords must fill out two-page forms, have them notarized and pay a \$100 fee. They must also verify their certificates of occupancy. They then get a registry number, which must appear in all ads for their homes.

Southampton has similar rules and regulations in place. On the North Fork, Southold has imposed a minimum 14-day stay at homes. Airbnb spokeswoman Liz DeBold Fusco says the company urges renters to cooperate with the towns and villages.

"The rules and regulations seem to be working," says David Betts, director of public safety in East Hampton.

About that long-range weather forecast: The National Weather Service at Brookhaven National Laboratory in Upton says there's about a 50 percent chance of above-normal temperatures and precipitation on the East End this summer.

So, will there be a good summer? Flip a coin.