

# #64 RETURN TO BERMUDA

Spurred by the America's Cup, the island of pink-sand beaches is relaxuriating.

BY MICHAEL GROSS

It doesn't take long to get to Bermuda—it's only a 90-minute flight from the East Coast, less onerous than a drive from New York to East Hampton. It doesn't take long to move through its airport, either. And its gracious inhabitants are represented right outside the door: the cab drivers who double as guides. A few turns past the airport, you're enveloped in its lush, verdant landscape and candy-colored architecture. Further on, along its south shore road, there are vistas of pinkish sand kissed by crystal-clear turquoise waters.

A few years ago, a visitor to Bermuda would have found it in a subtropical slumber. The tentpoles of its economy were shaky: A once thriving tourism industry had been snoozing for 30 years. The British territory's business culture, rooted in the shade of a tax-free, regulation-light society and dominated by off-shore finance and reinsurance (aka the business of insuring insurers), had been knocked around in the Great Recession.

Previously chic hotels and cottage colonies were decaying. Some were demolished, and many others were insolvent or for sale in a market that thought them obsolete. Membership in once prestigious private clubs was stagnant. The number of air arrivals had withered: from 435,000 in 1990 to 220,000 in 2015, while cruise ship arrivals jumped from 113,000 in 1990 to 416,000 in 2011. Unfortunately, cruise passengers spend one-tenth as much money on the island as air arrivals.

But Bermuda's delights were undiminished, while competing destinations had suffered from the vagaries of fashion and the fickle crowd it attracts, rising prices, terrorism, political instability, and insect-borne illnesses. Pristine, safe, even predictable (it can be visited year-round), Bermuda was a sleeping beauty.

Suddenly, signs of revival are everywhere. Most obvious are the literal ones—hanging in the capital, Hamilton, and from the 1846 Gibbs Hill Lighthouse—advertising the 35th America's Cup, coming this spring. "America's



Bermuda's Hamilton Princess Hotel & Beach Club, dating to 1885, recently finished a \$100 million renovation.





Actor-producer Michael Douglas (top, at left) broke ground in November 2014 for the future Ariel Sands resort, shown here in a rendering.

Cup is putting us back on the screen,” says Raj Tolaram, a former interior designer and descendent of a typical mixed-race Bermudan family. Tolaram has formed the Bermuda Company, a “carefully chosen collection of private homes and cottages for rent,” he says. His career change was inspired by the realization that “Bermuda has woken up.”

New residential developments, superyacht marinas, and casinos and hotels by St. Regis and Ritz-Carlton Reserve are coming. Icons of Bermuda’s past are being rebuilt or refreshed. The **Hamilton Princess Hotel & Beach Club** (rooms from \$399; 441-295-3000), first opened in 1885, has emerged from a \$100 million facelift. Older resorts like The Reefs, Coral Beach, Cambridge Beaches, and Elbow Beach, owned by Saudi Arabian Prince Khaled bin Sultan bin Abdulaziz al Saud, are sprucing up. Another legacy property, Ariel Sands, mostly

demolished, was long owned by the Dill clan, which has been in Bermuda for “about 400 years,” says actor-producer Michael Douglas, a family member and the island’s highest-profile celebrity. He’s planning to rebuild the 26-cottage boutique property on one of the island’s south shore beaches.

Douglas may be the most famous living Bermudan, but he’s only one of the wealthy notables who have embraced the islands. Billionaires Michael Bloomberg, Ross Perot, and Silvio Berlusconi all own homes in Tucker’s Town, which encircles the most luxurious extant resort, **Rosewood Tucker’s Point** (rooms from \$295; 441-298-4000)—itself about to undergo a \$25 million “full facelift.”

Then there are the moguls who merely house companies and cash here: a brace of Brits headed by the latest Duke of Westminster; East Coast hedge fund runners like Steven

A. Cohen, Daniel Einhorn, and Daniel Loeb; rich-list fixtures Charles and David Koch, Ronald Lauder, Rupert Murdoch, Mitt Romney, and George Soros; and West Coast techies Bill Gates and Larry Ellison, whose Oracle racing team chose to hold the latest America’s Cup here—setting off the Bermuda boom.

Sailors discovered the fishhook-shaped archipelago of volcanic rock in the early 1500s and named it for a Spanish seafarer, Juan de Bermudez. Today, visitors can experience what those sailors first found at the 12-acre Walsingham Nature Reserve, aka Tom Moore’s Jungle, after a 19th-century Irish poet. “You can feel the aura of the surrounding ancient limestone cave formations nestled within this subtropical rain forest,” says Lynn Thorne, a naturalist and guide.

Equally renowned are Bermuda’s golf courses, starting with the public **Port Royal** (441-234-0974), longtime home of the PGA Grand Slam. But golf is hardly the only game in town. The country is ringed by reefs where divers search shipwrecks (more than 300) and snorkelers swim with turtles and tropical fish. Farther afield, sport fishermen catch marlin, tuna, and wahoo with charter captains like Steve Cabral, a native of St. David’s Island, traditional home of Bermuda’s mariners.

Tourism came to Bermuda in 1883, after a visit by Princess Louise, Queen Victoria’s daughter, who inspired the founding of the Hamilton Princess. The hotel passed through several hands before it was bought in 2012 by Peter Green, a British supermarket heir who inherited a second fortune from his wife, a British mining and rail mogul’s daughter. Their sons’ lavish remake of the sprawling property filled it with a collection of contemporary art so tasty, the staff give hour-long tours. The Greens have also attracted the island’s biggest culinary draw, Marcus Samuelsson (the chef behind New York’s Red Rooster), whose restaurant serves dishes like fish chowder bites that take Bermudan cuisine seriously.

Samuelsson is no outlier. Diners can now choose from microgreen-laden salads at the **Yacht Club** (441-295-2214); American-style steaks at **Harry’s** (441-292-5533); inventive sandwiches at **Devil’s Isle** (441-292-3284), about to open a second location in Flatt’s Village; fresh-caught seafood at **Wahoo’s Bistro & Patio** (441-297-1307); or the ever-changing menu at local favorite **Tribe Road Urban Eatery** (441-296-3261). There’s beachside dining at the eclectic **Sur Mer** (441-





Oracle Team USA, skippered by James Spithill, during the Louis Vuitton America's Cup World Series, October 2015

298-6990) at Tucker's Point, the Italian-tinged **Mickey's Beach Bistro** (441-236-3535) at Elbow Beach, and the ultratraditional **Coral Beach** (441-236-2233), where male customers and staff still wear blazers, Bermuda shorts, and kneesocks, summoning ghosts of the island's heyday.

**T**hat heyday began in 1908, with the opening of the first south shore resort, today's **Elbow Beach** (rooms from \$455; 441-236-3535). It accelerated in the 1920s, when a British shipping line began offering passage to the islands and built the 640-acre Mid Ocean Club, as well as a series of hotels, including what's now Tucker's Point, to house its passengers. In 1938, Pan Am flew its first flight from New York; the trip took five hours and 22 minutes. But then tourism stalled until after World War II.

In 1947, Pan Am founder Juan Trippe bought today's Tucker's Point; his family owned it until it entered receivership in 2011. Simultaneously, cottage colonies popped up around the island; one, Pink Beaches, just west of Tucker's Point, went into receivership in 2010 and was demolished. It will be reborn

over the course of this year as The Loren, a hotel and condominium complex.

After the high-rise Southampton Princess opened in 1972, followed by a six-story Holiday Inn with a Robert Trent Jones Jr. golf course in St. George's the next year, "we put in a moratorium," says Bermudan David Dodwell, chairman of the Bermuda Tourism Authority (BTA), who also owns **The Reefs** (rooms from \$365; 800-742-2008). "Everyone was making money. We were fat and happy and took our eye off the ball." Fortunately, the financial sector rose as development sank. "Reinsurance was business tourism," he says, and it brought in money year-round.

Only in the '90s did hotel owners "finally wake up" and reinvest in their properties, but they borrowed money, "and we all got hampered" in 2008, Dodwell notes.

Finally, privatizing tourism "became an idea whose time had come," says Dodwell. The BTA began operating in 2014 and has revitalized the island's marketing; created a blueprint for new investment and introduced legislation and tax incentives to help attract it; made it easier for foreigners to buy property; won au-

thorization for three luxury casinos; and encouraged the redevelopment of empty Morgan's Point and St. George sites.

The BTA's biggest coup, and the engine driving all these plans, is the America's Cup. The organizers are seeking to attract a record number of the world's finest yachts (and their owners) to the race by sponsoring regattas of both superyachts and J Class boats, the handful of Depression-era sailboats still on the seas, before the main event. They're also selling berths at three new superyacht marinas, complete with packages of race-related perks, under a new regulatory regime introduced by the government to "create a new industry," says Sam Hollis, an America's Cup executive. This will give superyacht owners (team sponsors like Ellison and Sweden's Torbjörn Törnqvist among them) not only front-row seats for the races, but "a chance to show off to a global audience."

"Ten years from now, we'll talk about Bermuda in the same breath as St. Bart's," predicts Greg Raiff, CEO of Private Jet Services, which is also touting the island. "It's heaven, magical, idyllic," Michael Douglas adds. "And it's a microcosm of making things work." ♦