

The man who sold Galveston?

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The Daily News

Published July 18, 2006

GALVESTON — In some circles, David Boatner is known as the man who sold Galveston Island.

While that may be the type of bold claim of which Texans are ever so fond, Boatner on Jan. 20 did broker one of the largest single land deals in Galveston's history involving 1,050 acres on the island's West End. It wasn't the entire island, but the land makes up about 4.2 percent of Galveston, excluding Pelican Island.

Chicago real estate firm Marquette Land Investments made national news for acquiring one of the last large tracts on the Texas coast known as Chapoton Ranch land for almost \$33 million. But few people know that Boatner, a former telecommunications executive, was behind the deal that could transform the pastureland, where cows still graze, into a gargantuan master-planned community between 8 Mile and 11 Mile roads on both sides of FM 3005.

The deal could bring resort-style hotels, condominiums and hundreds of homes to an already booming West End.

Long Meetings

Marquette Land Investments, a general partner in the development of the property, purchased the land from identical twins O. Donald and John "Buck" Chapoton, two high-powered attorneys and former assistant secretaries for tax policy in the Reagan administration.

Boatner has partial ownership of the project through a limited partnership.

The transaction was more than two years in the making and involved reluctant sellers, strong personalities, late-night meetings and land so coveted that Boatner and partners were raising money as competitors were offering substantially larger amounts, and in some cases in cash.

Boatner has a home in The Woodlands and a beach house on the island, where he also is broker for Castaway's Resort Properties. For years he's talked to friends about the Chapoton Ranch land's potential, he said.

"I often commented about the large tract of land on FM 3005 and thought it would be a great master-planned community," Boatner said.

But it wasn't until January 2004 that Boatner set out to find the owners of the land and begin talks. He soon learned that the land wasn't for sale.

The Chapotons, Boatner said, weren't interested in selling the land piecemeal, as they had with some of their ranchland in the past.

"Donald and Buck were very concerned about the planning and use of the land," Boatner said. "We had many meetings and discussions about it. The Chapoton family wanted to give the island a quality development. I know their decision was not based

on money.”

Boatner persisted, promising to find a buyer for the entire 1,050 acres and producing plans for a master-planned community, which the Chapotons approved.

Discussions became proposals that became hand-drawn sketches that became land-planning designs, Boatner said.

In October 2005, Boatner set out to find investors to raise the more than \$30 million for a master-planned community that will be called Tierra del Mar.

Boatner decided to approach Marquette Land Investments, which liked the Tierra del Mar concept. In turn, Marquette approached investors who wanted in, and negotiations began.

Observers say Boatner helped keep negotiations going, even when talks became tense.

“There were very strong personalities at the table; everyone wanted to ensure they were getting the best deal,” said Randy Almaguer of Octa Road Ltd., a commercial real estate development, brokerage and consulting firm of which Boatner is president. “There were so many late night meetings. We were up until 2 a.m. and back at 7 a.m.”

‘Rare In Texas’

Boatner and Marquette didn’t have a contract on the land until November 2005. In September and October that year, the Chapotons received other offers.

But the Chapotons kept their word, Boatner said.

“It’s very rare because, in Texas, a verbal agreement doesn’t mean anything,” he said. “When it comes to land, unless there’s an earnest money contract with both parties agreeing, then legally there’s no obligation; he (Don Chapoton) was an ethical guy.”

Boatner isn’t new to large and complicated business deals. He’s been a corporate executive with telecommunications corporations such as SBC and start-up companies such as Williams Telecommunications, McLeodUSA and Splitrock.

Boatner, 58, retired from the telecommunications industry in 2001.

Marquette, which primarily invests in real estate, will finalize the master plan for the project before selling land within Tierra del Mar. But before Marquette approaches developers, the company must work with regulatory agencies such as the Texas General Land Office, the Army Corps of Engineers and the city to receive permits.

About 30 percent of the land is wetlands, which are ecosystems essential to marine life and protected by state and federal regulations.

Marquette is expected to make the master plan for Tierra del Mar public in September, Boatner said.