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# Turtle Bay fight moves to high court

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Keep the North Shore Country — one of two community groups fighting development at Turtle Bay Resort — is scheduled to go before the Hawai'i Supreme Court today to argue for a supplemental Environmental Impact Statement for the resort's planned expansion.

The group's president, Gil Riviere, is optimistic the court will require a supplemental EIS, but a ruling either way won't settle the many issues that continue to swirl around the North Shore's only resort, he said.

"It's not going to end instantly — whatever the court rules," Riviere said. "There's going to be a lot to discuss for the future of the property."

The Lingle administration remains interested in acquiring the resort property. And city officials are tracking potential development that could lead to creation of a city park.

At the same time, an agreement to end a foreclosure suit over the resort could happen by the end of the year because Oaktree Capital Management LLC is prepared to deed over property at Turtle Bay Resort to lenders Credit Suisse and Wells Fargo & Co. to resolve \$400 million in loans by Kuilima Resort Co., the parent company of Turtle Bay Resort.

The terms of the deed-in-lieu-of-foreclosure have not been finalized, but may include up to three parcels owned by Oaktree, said Richard Riegles, vice president of Stanford Carr Development LLC, interim manager of Kuilima Resort Co.

The properties are the 880-acre Turtle Bay Resort, a 470-acre agriculture property mauka of the resort and a privately owned wastewater treatment plant, also mauka of the resort, Riegles said.

Under Carr's management, the resort is moving closer to obtaining a subdivision permit that sets in motion expansion of the resort under a 23-year-old unilateral agreement that allows for up to five new hotels with 3,500 rooms and condominium units, as well as four public parks.

The widening of Kuilima Drive is the last of the required conditions for the subdivision permit, Riegles said. The other major requirements are a traffic analysis and wells, which will be dug by the developer and dedicated to the Board of Water Supply, he said.

The transfer and road widening could be completed by the end of the year, he said.

City officials said the subdivision application would allow them to carve out a park site, which is a condition of the original agreement. "This is just a step in creating a park," said city spokesman Bill Brennan. "Turtle Bay really has a long way to go before it can build hotels."

The expansion plan has raised widespread opposition throughout Windward and North Shore communities, which found support in Gov. Linda Lingle last year, when she announced a plan for the state to purchase the resort land to preserve it as open space.

Offers were made in August and November 2008 that never received a response, said Denise Antolini, who sits on the governor's Turtle Bay Advisory Working Group.

At a community meeting early this month, Antolini read from a letter authorized by Linda Smith, Lingle's senior policy adviser, that said "the administration continues to remain committed to the preservation of this area."

In support of the plan, the Legislature in 2008 passed a bill authorizing the state to acquire the resort. The administration and lawmakers never wanted to reveal how much they were willing to spend for the property.

The Trust for Public Lands launched a fundraising campaign to raise \$5 million to assist in protection of the property.

Lea Hong, a program director at the land trust, also has said that the Army may be a willing partner with the state or a group to help purchase the land to create a buffer zone between military use and urban use.

Some aspects of the future of Turtle Bay Resort also may soon come before the state Land Use Commission.

The Defend Oahu Coalition has asked the LUC to hold hearings on whether the property — or a portion of the property — which was rezoned urban to build the hotels, should revert to agriculture zoning because 23 years have passed since the zoning change and nothing has been built.

Tim Vandever, co-chairman of Defend Oahu Coalition, said the group has been before the LUC six times and the commission has yet to vote on motions for the hearing, causing frustration among members who flew to Honolulu for the meetings.

But Abbey Mayer, head of the state Office of Planning, which advises the LUC, said a meeting on the issue should be held in the near future.

At this month's community meeting, Mayer said the LUC could amend its decision and impose a timeline for development, which he said could end up accelerating development at Turtle Bay.

But Vandever said a timeline could also work to the community's advantage.

"That would start the clock," he said. "The developer would be forced to take action. We don't really feel they've got the financing."

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