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## **Hawaii community tries to preserve wild North Shore**

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KAHUKU, Hawaii (AP) -- Far from the bustle of tourist-filled Waikiki, a rare stretch of undeveloped Hawaii beachfront on Oahu's North Shore has long been under dark clouds of economic troubles and fears of irreparable environmental loss.

Now, the state is stepping in to offer what Gov. Linda Lingle and others call a "green lining" - an opportunity to buy and conserve land surrounding the Turtle Bay Resort that might not be available in better financial times.

The owner appears open to selling the verdant shoreside land to the state and giving up ambitious plans to build up to five hotels. And local residents, cherishing their rural life, finally see some reason for hope in their long campaign to "keep the country country."

Famous for its surfing and sea turtles, these five miles of coastline offer isolated beaches and clear waters that are part of the Turtle Bay Resort, a 500-room hotel on a finger of land jutting into the ocean wind.

Folks who live in nearby communities want the undeveloped areas to stay that way. The resort's owners had planned to add 3,500 tourist units with the new hotels.

"To me, this place is the soul of the people. This is all we have left, and we're not going to sell it," said Bobby Thurston, who rents a house overlooking Kawela Bay, a stunning, sparsely populated semicircular beach nearby that's one of the prime lands sought for conservation.

The movement to save these 880 acres owned by the resort gained momentum when Lingle made the surprise announcement in her State of the State speech in January that she wants the state government to find a way to buy the Turtle Bay land. She later said such opportunities to purchase and conserve land represent a "green lining of the nation's economic downturn."

Besides the beaches, the property includes a world-class golf course, thick forests with giant banyan trees and 12 miles of hiking trails. It's close to a two-lane highway, but visitors have to cross private property to reach the ocean.

No one knows exactly how much it will cost, but estimates range from \$100 million to even \$1 billion. The Republican governor sees an opportunity to put these lands in public hands forever because of the resort owners' financial troubles. She has said she expects the price to fall in the lower part of the range.

Oaktree Capital Management, a multibillion-dollar investment company, bought the property in 1998 and set up Kuilima Resort Co. to develop it. But the resort has been looking for a buyer or development partner since June 2006. The company now faces potential foreclosure by its international lender, Credit Suisse. Starwood Hotels & Resorts had negotiated to buy the resort but pulled out last year.

"We appreciate her reaching out. It's John F. Kennedy saying we're going to put a man on the moon in 10 years," said Bob Boyle, general manager for Turtle Bay Resort. "It would certainly be a legacy. But the devil's always in the details."

Both sides hope the 40-acre resort hotel and golf course can be sold to a new private owner, while many of the surrounding lands like Kawela Bay would be dedicated for public use.

There are more than a few sticking points.

Would Turtle Bay have to be compensated for not developing the property, an issue now caught up in court with challenges from environmentalists?

Why should taxpayer money be used to buy this beautiful land rather than other endangered Hawaii parcels?

Will private partners step forward to make the deal work?

"We're getting to a critical point where people are realizing Hawaii isn't going to be Hawaii anymore unless we consciously set aside certain areas," said Lea Hong, director of The Trust for Public Land in Hawaii.

The Turtle Bay area is billed as one of the last untouched parts of Oahu, an exclusive getaway offering a "true Hawaii" experience without the clutter of overbuilt storefronts and packaged vacation tours.

It gained increased attention when Hawaii-filmed "Blue Crush" was released in 2002 and environmental tourism began to draw visitors for its endangered sea life, horse rides and yellow sand. Rooms start at \$219 per night.

Even locals who have stood against development for years acknowledge the need for the hotel and the 800 jobs it provides to the community. They hope nothing changes their piece of paradise.

"Everybody wants the thing to succeed. It's just the impacts of the expansion need to be addressed," said Mark Manley, who has lived on the beach within walking distance of Kawela Bay since 1972. "People come to Hawaii for the beaches and the sea area. They don't want to ride in elevators and parking structures."

The coast looks so perfect, so unblemished, that both the developer and residents worry about outsiders having easier access to their beaches.

People can get there currently, but they usually have to park on the side of the road and hike across the resort's property first. The resort's development plans call for more parking lots and entry points.

"I don't think anyone wants to see a huge parking lot and bathrooms on the shoreline," said Denise Antolini, a board member for the North Shore Community Land Trust. "The resort has greatly discouraged any sort of access. There has to be a balance, allowing access but maintaining wilderness."

The resort, originally built in 1972, was bought by multibillion-dollar investment company, Oaktree Capital Management in 1998, which set up Kuilima Resort Co. to revive the development. The owners are now trying to sell the property as they face foreclosure by their international lender, Credit Suisse, after they failed to make a \$685,500 payment on a \$275 million loan.

The resort itself is profitable, but the vast surrounding areas of the property are not because of high maintenance costs, Boyle said.

Some residents take a more straightforward view: the fewer people, the better. They oppose both development and state parks that would draw people to the beaches.

"In the last six or seven years, there are a lot more tourists," said Kolohe Dahlin, who was patiently waiting on beach rocks with a net in hand to catch fish when they came close enough. "Fish don't like people."

A lawsuit pending before the Hawaii Intermediate Court of Appeals is trying to take away Turtle Bay's right to develop the property because so much time has passed since the expansion project was approved in 1986.

If the court rules against Turtle Bay, the property would lose value, making a publicly funded purchase more feasible.

"The North Shore community generally feels that this is an opportunity that may not come again in our lifetime," said Bill Paty, chairman of the governor's Turtle Bay Advisory Working Group. "If hotels show up there, your great-grandkids might say, 'Why didn't you stop this when you could? We can't see the ocean anymore.'"

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On the Net:

Turtle Bay Resort: <http://www.turtlebayresort.com/>

The Trust for Public Land: <http://www.tpl.org/>

North Shore Community Land Trust: <http://www.northshoreland.org/>

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