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'It's been like a shell game'



The long-abandoned Punalu'u Restaurant is fenced off near Punalu'u Black Sand Beach.

Ka'u residents offer strong opposition to Punalu'u Village project

By MICHAEL BRESTOVANSKY
Hawaii Tribune-Herald

A proposed resort development in Punalu'u is already making waves among residents planning a legal challenge against its construction.

The Windward Planning Commission today will discuss an application by developer Black Sand Beach LLC for a special management area permit that would allow it to build a roughly 225-unit "residential and commercial community" on a 147-acre parcel in Punalu'u.

The Punalu'u Village project, located makai of the Mamalahoa Highway, would restore several sites that have fallen into disuse — including the former Punalu'u Restaurant, the Aspen Institute building and the 18-hole Sea Mountain Golf course — in an effort to revitalize the area.

It also would include an open market space, 63 condo units, a 15,000-square-foot wellness center (itself including 130 rental units, 80 cottages and 50



KERN

bungalows), and more. The application estimates the total cost of the project could range between \$200 million and \$350 million, and that it could be completed within five years of receiving the necessary building permits.

Hawaii County Planning Director Zendo Kern in February issued a recommendation to grant the application, but the project already has attracted more than 100 letters of testimony from residents largely in opposition, with several seeking a contested case against the development.

Maxx Phillips, Hawaii Director of the Center for Biological Diversity, said her organization has filed for a contested case on behalf of several residents who live near the site. She said the project would be detrimental to local flora and fauna, as well as residents' rights.

"This is not a small upgrade to what's already there," Phillips said. "This is a 225-unit development in an already very overloaded area. That's going to have a huge impact on the species there."

Phillips said human activity in the area already has had a negative impact on the sea turtles that frequent the Punalu'u coast, and that a development drawing more tourism



In this file photo, visitors walk through the Sea Mountain Resort in Punalu'u. As part of a proposed development, Black Sand Beach LLC wants to restore the resort and nearby golf course.

KELSEY WALLING/Tribune-Herald

Other testifiers wrote that the failure of the Sea Mountain Resort — whose dilapidated facilities Black Sand Beach intends to restore — is an indication that such a development is a bad fit for the area.

"The previous development of the Sea Mountain Resort was a huge error from a time when aggressive and environmentally destructive development was prevalent, and that resort was also a huge business failure," wrote Lillie Makaila. "It actively displaced native plants and animals, destroyed cultural sites, disturbed iwi kupuna, and caused fulfill any of the promises that were made for improved economy and life in Ka'u, and this application follows suit."

With so many residents scrutinizing the project, Phillips predicted today's Planning Commission meeting will be "a party."

"Hopefully, the Planning Commission shows up with clear eyes and shuts this down," she said.

The commission will meet at 9 a.m. Thursday at the Hawaii County Building.

Email Michael Brestovansky at mbrestovansky@hawaiitribune-herald.com.

to deny the application.

"Often times community input is disregarded or misconstrued, and plans continued to change," a working group of Punalu'u residents said in a letter.

The letter went on to say the developers repeatedly presented renderings of the project but framed them as "schematics" and not true depictions of the project. "We believe that we cannot support something that is constantly changing and not being accurately portrayed."

regarding the project, Dedman and Phillips said the developers have been anything but forthcoming. (For a statement from the developer, see related story on A1).

"It's been like a shell game for the people down there," Phillips said. "The community very much feels like they can't trust these developers."

That lack of trust was hammered home in the dozens and dozens of letters from residents urging the Planning Commission

project is not included in the application.

Furthermore, replacing the wastewater systems would presumably require an environmental assessment or impact statement, she said, but Kern's recommendation in February stated the project does not meet state requirements for such reports.

Although the application states that Black Sand Beach President Eva Liu intends to "provide open and transparent lines of communication with the community"

to the site would harm them even more.

Elsa Dedman, who is one of those residents who would be part of the contested case, said Black Sand Beach LLC has not been transparent with the community since purchasing the land in 2020. She added that since the purchase, the developer has not fixed or replaced any of the wastewater systems on the parcels.

"They'll have to redo the entire wastewater treatment plant," Dedman said, noting that such a



HAWAII TRIBUNE HERALD 3-8-2014 KELSEY WALLING/Tribune-Herald

Former County Council member Emily Naeole speaks Thursday to the large crowd gathered outside the County Building in Hilo. Hundreds of people, many who drove up from Ka'u, showed up for a meeting of the Windward Planning Commission regarding a permit for a proposed development in Punalu'u.

No decision on Punalu'u Village

By Tribune-Herald staff

Hundreds of people gathered Thursday at the County Building in Hilo to express their opposition to a proposed development for the Punalu'u area of Ka'u.

Dozens testified before the Windward Planning Commission,

which met to decide whether to grant a special management area permit to developer Black Sand Beach LLC.

The permit would allow Black Sand Beach to build a roughly 225-unit "residential and commercial community," called Punalu'u Village, on

a 147-acre parcel. The price tag is estimated between \$200 million and \$350 million.

Following hours of sometimes emotional testimony, and with many still awaiting their turn to speak, the commission voted to continue the meeting at another time.

Developer pledges to protect 'this special place'

By Tribune-Herald staff

The project director for the Punalu'u Village development provided the Tribune-Herald with a lengthy statement Wednesday afternoon regarding the project.

A majority of the statement from Norman Quon is as follows.

"Black Sand Beach LLC is aware of the importance of the Punalu'u lands to the community, and its role as its steward. It further understands

the legacy should make the right mark on these lands for future generations. That is why we have spent the last three years living part-time within the project site, being part of this community and reaching out to those who

are willing to share their knowledge and emotions about this special place.

"Our current development effort reflects the challenges in maintaining the diversity of interests of the broader community. Collectively,

an environment must be created upon which all can thrive, while respecting the importance of the area.

"Our discussion with kupuna has taught us that history

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From the front page

and culture of the area is not static. It builds upon each successive layer as generations come and go. We wish to create a community where history of this special place where the culture created with-in can be promoted and nurtured. We are working to manage the ill-effects of decades of neglect and lack of on-site management.

"Rubbish is improperly dumped on the property and within the coastal area. Un-managed vegetation creates opportunities for wildfires that not only threaten

existing communities but destroy native species. The adverse effects of not allowing any reasonable use of the land will take away the resources needed to manage the project area and create a more detrimental situation by not being able to manage the coastal area, contain the vegetation overgrowth, and the constant upkeep and improvement of sewer system that protects the coastal waters.

"Punalu'u Village is a bold step towards creating an environment where the entire community has taken

a collaborative part in sharing a place that can be enjoyed by all, while protecting what makes this place so special. We worked to prioritize fixing what 30 years of neglect has brought to this place. Infrastructure is about 50 years old, and severely deteriorated. Punalu'u is an existing community, and a community resource, that requires proper management of infrastructure, recreational facilities, and the environment to ensure all remains in balance and in harmony.

"The development

concept represents the smallest footprint that provides the best opportunity to secure essential funding and create a consistent revenue stream that will maintain the land and supporting infrastructure that covers 434 acres and a modest 225 units in comparison. Previous proposals by past landowners have requested nearly 1,800 to 3,000 additional units.

"The project is being developed with sustainable water conservation, rainwater capture, and storm water system for irrigation. No potable water will be used for

irrigation. In addition, the existing golf course will be restored and restoration of the recycling wastewater irrigation system and related settling ponds.

"The project is moved away from the coastline to create areas for conservation management to protect and perpetuate the beauty of the Punalu'u coastline, protect the marine life habitats, protect gathering and fishing rights for the community, and protect the coastline's archaeological and natural resources."

The statement provide

by Quon also noted that Black Sand Beach will work with Ka'u High School and various agencies to create internships and develop "local hiring programs."

The statement also said Black Sand Beach is proposing a shoreline management plan that would be coordinated with the community. It will be comprised of five areas: (1) Old Punalu'u Village Restoration; (2) Punalu'u Black Sand Beach; (3) Punalu'u Bay Boat Ramp; (4) Punalu'u Beach Park; and (5) Punalu'u Conservation Management Area.