

**Frequently Asked Questions  
Demolition of Uncle Billy's on Hawai'i Island  
August 2023**

In July 2023 Hawai'i Gov. Josh Green, M.D. issued an Emergency Proclamation mandating the state "urgently" secure the property of the former Uncle Billy's Hotel and Resort on Banyan Drive, Hilo, HI. This includes building a perimeter fence, demolishing, and removing the 148-room hotel's structures and hazardous materials. The following frequently asked questions (FAQs) were prepared by the Hawai'i Department of Land and Natural Resources which owns the land the hotel sits on.

**The hotel has been vacant since 2020, why has it taken so long, and an Emergency Proclamation, for work to begin?**

- Illicit activities at Uncle Billy's, the drain on public resources, and most importantly the unsafe, unhealthy, and hazardous conditions at Uncle Billy's had increased to the point of requiring emergency action.
- The Department has been planning for the demolition of the hotel for many years and has been seeking legislative appropriations for the demolition since 2019.
- In the 2022 session, the State Legislature appropriated \$13.5 million out of the Department's Special Land and Development Fund (SLDF) for the demolition of the hotel. However, the SLDF account balance does not have the \$13.5 million to pay for the demolition.
- In the 2023 session, the Legislature appropriated \$8 million in reimbursable general obligation bond funds that the Department will have to pay back over time with interest.
- DLNR is using the 2023 appropriation of \$8 million to pay for the demolition of the above ground hotel structures under the emergency proclamation. Additional funds for removal of the subsurface structures/utilities will be sought in the 2024 legislative session.
- DLNR believes the Emergency Proclamation will allow the use of the appropriated funds to timely and safely demolish the Uncle Billy's structure.
- The Emergency Proclamation speeds up the permitting and contracting process by suspending certain State and County permitting and procurement requirements.

**What is the timeline for the demolition work and to keep people out of the building in the meantime?**

- Andrew's Fencing LLC of Hilo was awarded a contract to install security fencing around the entire perimeter of the property. This work is expected to begin in August and take approximately one month to complete.
- The perimeter fence physically secures the site from further occupation and addresses public health and safety concerns stemming from the occupation.
- DLNR is currently working with Hawai'i County government, engineering consultants and contractors to plan the safe demolition of the above ground structures. It expects the abatement to begin no later than 2023 and structure demolition to follow the abatement phase. DLNR will continue to work closely with Hawai'i County government on all necessary steps.

**Given that time frame and with the emergency period only through Sept. 15, 2023, is that enough time to do what the governor is mandating?**

- The emergency proclamation can be extended or superseded by separate proclamation as necessary.
- Any contracts that are entered into during the effective period of the proclamation, can continue until completion.
- The construction timeline to demolish the structure will depend on the contractor's schedule, including BMPs for erosion/pollution control, mobilization, removal of vegetation, addressing hazardous materials found on-site, demolishing the hotel structure, and proper disposing of all demolished materials.
- DLNR will have a better idea of the schedule and a demolition start date as negotiation with the contractor progresses.

**In the State's view how will the removal of the structure and cleanup of this property improve the Banyan Drive corridor?**

- DLNR has long sought a solution to the problems associated with the Uncle Billy's site and appreciates the emergency proclamation as a tool to facilitate and expedite the demolition process.
- The timely demolition of Uncle Billy's will immediately address the public health and safety hazards posed by the current condition of the building and property.
- It will provide an opportunity to transform the site into positive values for the community: including those such as economic, aesthetic, and cultural resources.
- The DLNR is part of a coordinating group working on plans for Banyan Drive, so the vision will not be the DLNR's alone.
- The DLNR, in coordination with the Hawaii Community Development Authority (HCDA), will be conducting a planning process over the next several months with the Banyan Drive business community, elected officials, cultural community, and all interested stakeholders in developing recommendations for the future of Banyan Drive.

**The Uncle Billy's property is not the only distressed property on State-owned land on Banyan Drive. What's next for the entire area?**

- One priority is the renovation of the former Country Club Condominium Hotel.
- Negotiations are underway with Banyan Drive Management LLC for a development agreement for the Country Club Condominium Hotel.
- Another priority is to conduct an updated strategic assessment of the Banyan Drive area. The DLNR Chair is negotiating a Memorandum of Agreement with the Hawai'i Community Development Authority to identify a management consultant for this assessment.
- DLNR believes with continued coordination with Hawai'i Island community, in particular the Hilo community, Banyan Drive can be an economic engine and cultural resource for this community.
- The Governor, the Hawai'i County Mayor, State elected officials and the Hawai'i County Council have all supported the Emergency Proclamation as vital to addressing the immediate public health, safety, and welfare issues posed by the distressed condition of Uncle Billy's - as well as the future of Banyan Drive.