

## Environmentalists, state spar over beachfront hotel and conference center



The swimming pool at the Gulf Shores State Park Lodge completely collapsed and broke apart following Hurricane Ivan in 2004. An \$85 million replacement facility featuring a hotel and conference center is being planned for the park. Approximately \$58 million would be paid for through BP fine money, an amount that is currently being challenged in federal court. (file photo).

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The process for awarding \$58 million of BP oil spill fines for a beachfront hotel and conference center at Gulf State Park was flawed and failed to consider alternative projects, an attorney with an environmental advocacy group argued before a federal judge Tuesday.

But attorneys representing the U.S. Department of Justice and the state of Alabama, along with a representative of the Gulf Shores-based project, said they were in the legal right to do what they did in 2014, **when the project was initially approved.**

Both sides argued their cases before U.S. District Judge Charles Butler, whose decision could have a wide-ranging impact on more than 60 projects approved from an initial settlement agreement with BP totaling \$1 billion.

The fines were part of an early pot of money that BP made available to coastal states following the 2010 Deepwater Horizon disaster. The spill poured 134 million gallons of oil into the Gulf of Mexico.

"If this court finds that alternatives should've been considered that were not negotiated with BP, it invalidates the entire early restoration process," said Jane Calamusa, an attorney for Gunter Guy, commissioner of the Alabama Department of Conservation and Natural Resources.

"It would jeopardize the early restoration projects. We have a total of 64 projects and \$852 million that would be up in the air."

Representatives with the New Orleans-based Gulf Restoration Network said that Butler's decision won't leave the other 64 projects in limbo.

Among other coastal Alabama projects being funded with BP fines are a \$5 million shoreline project in Bon Secour Bay and \$3.2 million project to create oyster reefs.

"The law says you have to look at alternative ways to do things," said Robert Wiygul, attorney with the restoration network. "That's not what happened with this project."

He said the alternatives that should be examined include the restoration of wetlands and the development of recreational opportunities such as snorkeling reefs.

The Gulf Restoration Network, founded in 1995, has argued that the hotel and conference center is a misuse of money that is supposed to restore natural resources.

Cooper Shattuck, executive director with the Gulf State Park enhancement effort, said the project selection process – spearheaded by a group of federal and state trustees – was within the framework that the government negotiated with BP.

The 350-room hotel and conference center would be built on the site of an old lodge that was destroyed by Hurricane Ivan in 2004.

The entire project, estimated to cost \$85 million, also provides for such things as dune restoration, a new research and education center and trail improvements in the park.

Butler told both sides that he will rule in the case sometime soon.

The judge, at times, appeared to grill the government attorneys on whether the Gulf State Park project was properly vetted. Among the questions he raised was whether it was appropriate for the government to cite 2001 tourism estimates and make a claim that that the completed project could lure 120,000 visitors a day to Gulf Shores.

The attorneys used those estimates to demonstrate a need for the conference center and hotel as the Alabama beach economy recovers from the spill and rebuilds itself as a tourism magnet.

"That (study) was done 15 years ago today," Butler said. "Are you really telling me this is a legitimate, reasonable basis to say that problem still exists? We all know that in the past 15 years, Gulf Shores has again had another explosion. You'd have to have an additional analysis to support a contention to say there is a need to replace visitors."

Shattuck said the 2001 figures was only one basis for evaluating the project. "We had teams of economists and environmental engineers pouring over all these projects to study, evaluate and analyze them," he said.

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