

# Treasure Island Luxury Resort — S.F., Businessman in Talks

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A billionaire Hong Kong businessman has been secretly exploring plans with San Francisco to transform Treasure Island into a paradise resort — featuring a sprawling hotel compound and an 18-hole golf course, The Chronicle has learned.

According to sources at City Hall, the city's possible partner in the venture is Li Kai Shing. Reputedly the wealthiest man in Hong

Kong, Li holds a vast Canadian real estate portfolio and is building a \$1.5 billion shopping, housing and office complex in Beijing.

Now, city officials are betting on Li committing at least \$500 million up-front to build the hotel and golf course, and to shore up the island against potential earthquakes.

According to Boris Dramov, a principal in the Roma Design Group, which helped draft the city's reuse plan for Treasure Island, several of Li's associates have been in San Francisco during the past 2½ months exploring the

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## ISLAND: Plan for Luxury Resort

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Treasure Island makeover.

The first step toward a possible deal will occur when San Francisco Mayor Willie Brown visits Asia next week.

The mayor has scheduled two days of meetings with Li and representatives of his shipping line, Hutchinson Co., beginning April 6 in Hong Kong. Brown has reportedly been trying to keep the plan under wraps until the trip.

Dramov and others say the Li plan for Treasure Island would feature:

- A resort hotel — similar to Oakland's Claremont Hotel or the Hotel Del Coronado in San Diego — with "a couple thousand" rooms.

- An 18-hole public golf course on the outer edge of the island.

- Public recreational facilities, including bike paths, baseball and soccer fields and tennis courts.

- A public promenade and wetlands.

- A small theme-entertainment park.

Most visitors would be shuttled to the island by ferries and water taxis, although there is also talk of

direct helicopter links to the San Francisco airport and downtown.

One thing the project would not include is gambling — an idea for the island the mayor floated two years ago when he was running for office.

"The chairman (Li) is not interested and wouldn't be involved in anything dealing with gaming," Dramov said.

Brown's meeting with Li next week, sources say, will be a "getting-to-know-you" session that could soon lead to Li making a formal offer to invest millions up-front in the Treasure Island deal.

Sources say the discussions may also include efforts to revitalize San Francisco's nearly dormant maritime industry. Already there is talk of Li investing in a new international cruise terminal downtown — something long sought by city officials.

The conduit for the Treasure Island-port plan is acting Port Director Doug Wong, who had extensive business dealings in China and knew of Li's interest in breaking ground in San Francisco.

In fact, it was Wong's connection to Li — and the hope that he could help move the project along — that apparently prompted the mayor three months ago to name

Wong as acting port director.

Sources say one of the factors driving the city into the deal is the estimated \$3 million to \$4 million annual maintenance bill for the former naval station.

So far, the mayor has been negotiating for a number of interim uses on the island, including a women's jail, police training center and housing for the homeless.

But Dramov and others say those things were always intended to be short-term uses until private development interests could be drawn to the island.

Until Li came along, however, San Francisco officials figured that realistically it would take years to attract any big money. Li has already made a big splash in Vancouver, where he built a giant downtown condominium and commercial development on the site of the city's Expo.

"They did it in Vancouver — the question is will they do it here?" says Dramov.

Chronicle columnists Matier and Ross can be heard on KGO Radio on Monday and Wednesday mornings and Thursday afternoon, and Phil Matier can be seen regularly on KRON-TV. Their e-mail address is: [matierandross@sfgate.com](mailto:matierandross@sfgate.com)

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