

TRAVEL | UPDATE

Is This Giant Baja Resort Sustainable? Depends Who You Ask.

By KIRK SEMPLE JULY 20, 2016

The night was quiet except for the sounds of the waves brushing the shore and the wet slap of the Pacific sierra as the fishermen, working by the light of a battery-powered lantern, pulled them two at a time from their boat and slung them into crates to be carted away to customers around the southern Baja Peninsula.

This same scene had unfolded every night for generations: The boats would push off empty in the evening and return before dawn full of whatever was running.

“I started working on the sea on the fifth of June, 1952, at the age of 12, with my friends, the fishermen,” said Luis Núñez Cadena, who at 75 is a wise elder of the Todos Santos fishing community. “We are noble people.”

But that way of life, he said, is under threat. He gestured north along the shoreline toward a construction site silhouetted against the night sky: a two-story 32-room boutique hotel.

“I welcome development, but it must be sustainable,” Mr. Núñez said. “That hotel? I look at it with hate.”

The hotel is one of the first manifestations of an ambitious resort project that includes plans for more than 1,000 “artisanal homes,” some costing more than \$1 million, as well as shops, restaurants and a private beach club.

But the project, called Tres Santos, has angered some members of this quiet,

laid-back community, foremost Mr. Núñez's group, the Punta Lobos Fishing Cooperative, one of two fishing associations in Todos Santos. The cooperative's members say that the developers have been insensitive to the town and have damaged the natural ecosystem and encroached on a stretch of beach the fishermen have used for generations to park their vehicles, store their boats and handle their catch.

The group's campaign has included two extended round-the-clock blockades of a road leading to the construction site, one of which lasted three months. They have also lobbied politicians and gained the sympathy of a significant share of the town's growing expatriate population.

Even Peter Buck, the former guitarist for the band R.E.M. and a homeowner in town, appeared to weigh in on the matter at this year's iteration of the Todos Santos Music Festival, an annual event he founded in 2011. Speaking from the stage, Mr. Buck said: "What's gone on in this town in the last two years is a crime," modifying the word "crime" with an unpublishable expletive.

"This town is not owned by crooked politicians, sleazy developers or Cabo silver merchants," he told the crowd. "These people can't run your lives."

The developers, however, say they have received all their regulatory permits and have done nothing illegal. They say they have been an open-minded and collaborative partner with the town and have received the backing of many residents and much of the town's tourism industry, not to mention the other fishing cooperative.

"We've showed good will," Beatriz Ledesma, development sub-director of the project, said in an interview in Todos Santos.

The conflict has generated lawsuits, fueled a nonstop rumor mill, poisoned lifelong relationships and divided families. John Moreno, a local lawyer representing the protesting fisherman, said he had received death threats for his involvement.

The conflict is, in some ways, a reflection of Todos Santos's increasing complexity. Until recently, the town — which sits between La Paz, the political and

industrial capital of the state of Baja California Sur, and Cabo San Lucas, the state's tourism capital — kept a very low profile. For much of the 18th century it was the site of a Jesuit mission, and during the 19th century it became a center of sugar cane cultivation and sugar production.

But beginning in the 1980s, after Highway 19 from La Paz to Cabo San Lucas was paved, Todos Santos started drawing an increasing number of visitors from elsewhere in Mexico and abroad. Among them are surfers, artists, yogis, retirees and the sort of scruffy Americans who look as if they took a wrong turn on their way home from an Allman Brothers concert, ended up on the Baja Peninsula and decided to stay.

The land speculators have descended, too. In the last two decades, Todos Santos has experienced a miniboom in real estate development, mainly driven by expatriates building homes on sandy tracts near the beach or restoring colonial buildings in town. Art galleries, restaurants and hotels have opened, and annual film and music festivals have gained traction.

“The foreigners have fallen in love with the setting we've built here,” said Rosario Salvatierra Cadena, a member of the Punta Lobos Fishing Cooperative, who has spent his entire life in Todos Santos, working as a fisherman for 39 of his 59 years.

Still, despite its increasing popularity, Todos Santos, with a population fluctuating by the season between around 6,500 and about 9,000, has remained somewhat sleepy, and has been spared — so far, at least — the party culture and overdevelopment that have come to characterize Cabo San Lucas to the south.

“You can go to sleep with five pesos in your pocket and you can wake up with 10. That's how calm it is here,” said Miguel Angel Torres Villalobos, a native of Todos Santos and owner of Miguel's Restaurant, a mainstay. “You can sleep wherever and nobody will bother you.”

The Tres Santos project, however, is development on a scale that the town has never seen.

The project is the work of MIRA, a real estate investment firm based in Mexico City that is half-owned by the Black Creek Group, a Denver-based real estate company.

MIRA bought up a 1,100-acre crescent of land that stretches from the foothills of the Sierra la Laguna northeast of the town of Todos Santos to the shoreline, and work began in May 2014, though the formal public announcement did not come until the following December. In a news release that month, MIRA described Tres Santos as “a new mindful living community” and a “Silicon Valley of Well-Being.”

The news release said the project would feature two “villages” — one on the beach and the other about a mile inland, on the eastern fringe of the town — and would include the boutique hotel, beachfront homes, a small campus of Colorado State University, a farm-to-table restaurant, a private beach club “and other unique experiences.”

“Todos Santos is a magical place and we are excited to contribute to its charm through the creation of Tres Santos,” Jimmy Mulvihill, chairman of MIRA and founding partner of the Black Creek Group, said in the news release.

The company received government permission to build nearly 4,500 residences on the land and created a master plan for about 2,000. But in recent interviews in Todos Santos, company officials spoke of less ambitious goals, including 620 houses and condominiums on the shoreline and another 500 residences inland.

The company’s sales office, in an artfully renovated brick building in the center of Todos Santos, projects a culture of youthful vibrancy and healthfulness. Mountain bikes are suspended from the wall, seemingly as decorative elements. A quiver of surfboards is propped up in a corner. Rolled-up yoga mats are stored to one side. A video showing surfers and cyclists in action plays on a loop. “This is where grounded and sustainable living is possible,” a promotional pamphlet offered. “This is life, at its essence.”

The university campus, a small cluster of buildings, has already opened on the edge of town. Several model homes have been built nearby, fronting on a large organic vegetable garden, and a restaurant is under construction. The beachfront

hotel's official opening is scheduled for January. But the schedule for much of the rest of the project remains uncertain and will depend on sales, Shannon Gillespie, a Tres Santos sales executive, said.

“Where it goes from there is anybody's guess,” he said, as he looked over drawings for the development in what he called the company's “pitch room.” “Who knows if it will ever get built.”

The biggest base of local opposition has come from the Punta Lobos Fishing Cooperative. The town's other fishing association, which uses the same stretch of beach, has not challenged the project. “It's a good thing for the community,” said that group's president, José Agustín Orozco Cota. “We don't understand what the others are fighting for, what they're looking for.”

Punta Lobos's main contention is that the development has encroached on their traditional work area. But their opposition has also grown to include a number of concerns including the project's impact — past and future — on the natural ecosystem and the effects of a new sea wall on beach erosion. And they contend that certain aspects of the beachfront construction violate the town's urban development plan.

Among their greatest worries, shared by many townspeople, is the project's stress on the water supply, a vulnerability of the region.

For their part, Tres Santos officials, in interviews, sounded both frustrated and puzzled by the opposition. They say they've made a series of concessions to the fishermen to resolve the dispute, agreeing to build them a parking area and a new work space on the beach and relinquishing concession rights in the area where the fishing cooperatives have traditionally worked.

The developers say it has never been their intention to drive the fishermen out of business. Just the opposite. “People in the hotel are going to love it,” Ernie Glesner, project director of Tres Santos, said.

As for the water concerns, the developers say they will fulfill their promise, made at the outset of the project, to build a desalination plant for all their potable

water needs, that way sparing the municipal water supply additional burden.

As the various sides in the dispute jockey for position, townspeople point out that other developers are reportedly drafting plans for other resorts in the area. These sorts of debates won't end with Tres Santos, they suspect, but are only just beginning.

Correction: July 21, 2016

An earlier version of this article misidentified the mountain range that runs north to south through Baja California Sur, near land bought by a real estate investment firm. It is Sierra la Laguna, not Sierra de la Luna.

A version of this article appears in print on July 24, 2016, on page TR5 of the New York edition with the headline: Conflict Surfaces in a Sleepy Baja Town.