



**HAWAI'I LODGING & TOURISM**  
**A S S O C I A T I O N**

Testimony of

Mufi Hannemann  
President & CEO  
Hawai'i Lodging & Tourism Association

Senate Committees on  
Economic Development, Tourism, and Technology  
Government Operations  
Public Safety, Intergovernmental, and Military Affairs

Senate Bill 994, Relating to the Stadium Authority

Chair Wakai, Chair Kim, Chair Nishihara, and committee members:

Mahalo for the opportunity to testify. On behalf of the more than 700 members of the Hawai'i Lodging & Tourism Association, we support Senate Bill 994, which would expand the powers and duties of the Stadium Authority in order to develop the stadium property and establish a stadium complex.

The Aloha Stadium has been our largest sports facility since its opening in 1975. Now approaching its 42<sup>nd</sup> anniversary, the facility has been the home of University of Hawai'i Rainbow Warriors football, host for the National Football League Pro Bowl and prep football, and the site of major concerts and large gatherings, but has not fully realized its potential as a major sports and entertainment venue.

The Aloha Stadium and its environs soon will be a major stop on O'ahu's rail line. As the former mayor of the City and County of Honolulu, I was and continue to be a staunch advocate of transit-oriented development, or the development of the property at and surrounding the rail stations. Very early in the planning process, we identified the Aloha Stadium area as a prime location for a transit stop and future development, given the expanse of public land and prime location. This proposal presents an excellent opportunity to construct a new multi-purpose stadium, which appears to be more economical than repairing and maintaining the existing facility. As envisioned, this stadium could attract more sports and entertainment events to our islands and benefit not only our residents but diversify our tourism attractions.

We also applaud the bill's emphasis on a public-private partnership for development. In addition, we believe that community involvement and input at every step of the process are essential. The stadium property could be revitalized with a blend of affordable housing, commercial and retail space, recreation, and entertainment that will balance the community's needs with the developer's need for a return on investment. Senate Bill 994 represents a bold, decisive, and very timely step in this direction, and the HLTA urges its approval.

Mahalo



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## **TESTIMONY FOR SENATE BILL 994, RELATING TO THE STADIUM AUTHORITY**

**Senate Committee on Economic Development, Tourism, and Technology**

**Hon. Glenn Wakai, Chair**

**Hon. Brian T. Taniguchi, Vice Chair**

**Senate Committee on Government Operations**

**Hon. Donna Mercado Kim, Chair**

**Hon. Russell E. Ruderman, Vice Chair**

**Senate Committee on Public Safety, Intergovernmental, and Military Affairs**

**Hon. Clarence K. Nishihara, Chair**

**Hon. Glenn Wakai, Vice Chair**

**Monday, February 13, 2017, 1:20 PM**

**State Capitol, Conference Room 414**

Honorable Chair Wakai, Chair Kim, Chair Nishihara, and committee members:

I am Kris Coffield, representing IMU Alliance, a nonpartisan political advocacy organization that currently boasts over 350 members. On behalf of our members, we offer this testimony in support of Senate Bill 994, relating to the Stadium Authority.

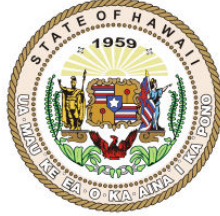
In January, the Aloha Stadium Authority recommended that the state invest in a new, smaller arena on land surrounding the deteriorating 42-year-old Aloha Stadium. The Authority also recommended that the state engaged in additional development of the site to help fund a stadium rebuild, capitalizing on the construction of a rail station on the stadium site.

Our current stadium opened in 1975 at a cost of \$37 million, but, according to a Department of Accounting and General Services study, “as of 2016, Aloha Stadium requires approximately \$300 million in critical health and safety repairs to extend the facility’s useful life and that the cost of such repairs, if unaddressed, would grow at a rate of approximately 7 percent per annum.” Even if the state funds repairs at \$25.5 million per year, it would take 25 years to complete all necessary repairs at a total cost of \$637.5 million. Such dilapidation is unsustainable for the state’s largest outdoor arena, which is home to the UH-Mānoa football team, numerous high school athletic competitions, secondary school and collegiate graduation ceremonies, and more. Repairing the stadium at such a high cost, moreover, would be fiscally irresponsible.

To build a facility that attracts world class talent, including concerts and professional athletic events, and rewards resident ticket buyers, we must give the Stadium Authority the power to plan and develop space for a 30,000- to 35,000-seat facility, in accordance with the Authority's January recommendations. While smaller than our current 50,000-seat stadium, an intimate venue would provide a family-friendly environment that enhances the fan experience, reduces operational and maintenance costs, and employs an efficient and state-of-the-art design.

For the current and former University of Hawai'i students who are members of our group and who crave a stadium that matches the vibrancy of their school spirit, we ask you to begin the redevelopment our neglected Aloha Stadium property this year. Mahalo for the opportunity to testify in support of this bill.

Sincerely,  
Kris Coffield  
*Executive Director*  
IMUAlliance



OFFICE OF THE LIEUTENANT GOVERNOR  
STATE OF HAWAII  
STATE CAPITOL  
HONOLULU, HAWAII 96813

SHAN S. TSUTSUI  
LIEUTENANT GOVERNOR

**TESTIMONY OF  
THE OFFICE OF THE LIEUTENANT GOVERNOR  
TO THE  
SENATE COMMITTEES ON  
ECONOMIC DEVELOPMENT TOURISM AND TECHNOLOGY  
AND  
GOVERNMENT OPERATIONS  
AND  
PUBLIC SAFETY INTERGOVERNMENTAL AND MILITARY AFFAIRS**

**SENATE BILL NO. 994**  
Relating to the Stadium Authority

**February 13, 2017**

Chair Wakai, Kim and Nishihara, Vice Chair Taniguchi, Ruderman, and Members of the Committee:

The Office of the Lieutenant Governor **supports** SB 994, which expands the power and duties of the Stadium Authority to develop the stadium property and establish a stadium complex area.

With the current stadium reaching the end of its useful life cycle, recommendation by the state's hired consultants are that the State seek opportunities to build a new smaller facility that will better align with our community needs. Cost estimates for a new stadium facility have been estimated at \$250 to \$300 million. With this cost estimate in mind, stakeholders and advisers are endorsing that the possible ancillary development to the stadium property be used to offset the cost of building a new facility and provide for a revenue source for ongoing repair and maintenance.

The Office of the Lieutenant Governor respectfully ask that you pass the measure out of committee. Thank you for the opportunity to submit testimony.