



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
SENATE BILL NO. 1200
Relating to Development**

February 10 , 2017

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

The Office of the Lieutenant Governor **supports** SB 1200, which appropriates funds for the development of a new stadium.

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.

DAVID Y. IGE
GOVERNOR

RODERICK K. BECKER
COMPTROLLER



An Agency of the State of Hawaii

ROSS I. YAMASAKI
CHAIRMAN, STADIUM AUTHORITY

SCOTT L. CHAN
MANAGER

RYAN G. ANDREWS
DEPUTY MANAGER

TESTIMONY
OF
ROSS YAMASAKI, CHAIRMAN
STADIUM AUTHORITY
TO THE
SENATE COMMITTEES
ON
ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY
AND
GOVERNMENT OPERATIONS
ON
February 10, 2017

S.B. 1200

RELATING TO DEVELOPMENT

Chairs Wakai and Kim, Vice Chairs Taniguchi, and Ruderman, and members of the respective Committees:

Thank you for the opportunity to submit testimony in SUPPORT of S.B. 1200. The Stadium Authority (Authority) appreciates the Legislature's consideration of this appropriation bill to support the planning, design, construction, and equipment for a new Aloha Stadium facility. In its January 2017 meeting, the Authority approved a resolution stating its intention to build a new stadium as the most financially prudent course of action. The Authority has also established new goals and objectives in planning, building, and financing a new stadium facility that builds upon several of the major projects that the Authority and stadium management have been working on over the past several years.

These major projects are important to the overall redevelopment of the Aloha Stadium complex, and include:

- Lifting of the Federal and City deed restrictions – The deed restrictions currently restrict the stadium property to recreational use. Lifting the deed restriction will allow ancillary development to support Aloha Stadium and other operations and provide a destination along the Honolulu rail line. This project is expected to be completed in the upcoming weeks.
- The Honolulu Rail Transit Project – An important rail transit station will be located on stadium property and provide another connection between Aloha Stadium and West and East Oahu. Construction of this rail transit station is underway and will be completed in the next few years. It is expected that the rail transit station will be one of two anchor tenants on stadium property that will provide support for ancillary development on and around stadium property.
- Capital improvement projects - In the interim, the Authority is engaged in ongoing major repairs and maintenance to address the major health and safety issues identified by our consultants. These major repair and maintenance projects are necessary and essential to ensure continued operation of the Aloha Stadium facility.

These major projects are important steps in moving towards meeting our goals and objectives. However, to move forward with the replacement of the 41 year old stadium, the Authority needs additional financial support to ensure proper planning for the stadium complex and ancillary development.

SB 1200 provides the critical funding component that will enable the project to continue to move forward and bring all of the concurrent projects into alignment. We appreciate the opportunity to submit this testimony and are available to address any questions that you may have regarding the Authority's goals for a new facility or on any of our aforementioned ongoing projects.

Mahalo for the opportunity to provide this testimony in support of SB 1200.

WILLIAM F. ANONSEN
1221 Kapiolani Blvd. Suite 1032
Honolulu Hawaii, 96814

February 10, 2017

COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Sen. Glenn Wakai, Chair; Sen. Brian Taniguchi, Vice Chair; and Members

COMMITTEE ON GOVERNMENT OPERATIONS

Sen. Donna Mercado Kim, Chair; Sen. Russell Ruderman, Vice Chair; and Members

Public Hearing, February 10, 2017 at 1:15 p.m., Conference Room 414

TESTIMONY of WILLIAM F. ANONSEN
IN SUPPORT of S.B. 1200
(APPROPRIATIONS for NEW ALOHA STADIUM)

My name is William Anonsen, I'm submitting this testimony and comments as a private citizen and sports fan. I support SB 1200 which proposes to appropriate funds to the Department of Accounting and General Services for the development and construction of a new Aloha Stadium.

The most successful sports facilities align themselves with the overall objectives of a college or university. Sports centers impact everything from traffic patterns, parking requirements to revenue sources, community engagement and a university's recruitment capabilities. It is strongly recommended that a comprehensive master plan be incorporated into the provisions of this bill, which would enable the sports complex to capitalize on its overall objectives by supporting them with appropriate structures.

Stadium authorities that promptly complete plans and feasibility studies will be in a better position to determine their capital needs and timing strategy and obtain appropriate funding. In turn, these authorities will be able to benefit from lower building costs while gaining maximum flexibility in the range of uses for their sports facilities. A master plan allows stadium authorities to more effectively meet the needs of the any proposed stadium complex as a whole, than if a single facility were considered without embracing related needs and other ancillary uses.

Another benefit of master planning is to understand all of the uses that a multipurpose facility will endure. If the structure was only built for football, but the stadium authority subsequently desired to accommodate community events or concerts there, expensive renovations might be required to accommodate the thousands of attendees who will be sitting on the field. Such considerations can range from relocating or adding restrooms and concessions to ensuring a safe exit through ground-level tunnels.

A significant benefit of strategic thinking during the planning process is to fully recognize and leverage the long term revenue generating potential of the venue. In a well-designed sports facility, fans will spend more money and have a more pleasurable stadium experience. Many new stadiums incorporate small "neighborhoods" within and around the complex to encourage shopping and spending. These areas can provide a revenue stream during events and remain open between events, if desired. A master plan will help the stadium authority to leverage the full revenue generating potential of sporting activities, retail shops, special events, academic gatherings and other activities, during non-game periods.

Some suggestions to help ensure the most successful and effective outcomes for your consideration, should include, but are not limited to the following:

1. Using master plans to create more value from any proposed new sports facilities/entertainment complex that incorporates a new facility's impact into a holistic view of the overall complex.
2. Consider conducting a market study to determine how the sports facilities/entertainment complex fits into the community around it. The market study can be a critical tool to guide the design and building program. Such a study can determine, for example, if sufficient corporate support exists to build luxury boxes or the prospect of corporations being willing to pay for naming rights. A market study will help identify potential revenue streams.
3. Supplementing the master plan, should be a feasibility study for each new facility. This study enables the stadium authority to know if a planned project is actually feasible for construction and can be economically operated.
4. The master planning process can be complex, with the right professional partners; the stadium authority can complete their plans efficiently and gain a more focused vision of their new sports complex's long term impact and its service capabilities.
5. Implement a process that integrates facilities planning with the stadium complex's overall strategic plan so that the business aspects and requirements of the proposed complex are part of the process. A sports complex that is well integrated into a strategic business plan will significantly help the stadium authority generate more revenue, attract and retain more event attendees, and earn more favor and acceptance from the community.
6. To the maximum extent possible, recommend integrating athletic programs, sporting events, community events, and commercial opportunities into a singular plan with recommendations and expertise that combines these aspects of the new stadium, sport facilities, entertainment complex's development.

Mahalo for the opportunity to comment in support of S.B. 1200

Sincerely,

William F. Anonsen

William F. Anonsen

WILLIAM F. ANONSEN
1221 Kapiolani Blvd. Suite 1032
Honolulu Hawaii, 96814

February 10, 2017

COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Sen. Glenn Wakai, Chair; Sen. Brian Taniguchi, Vice Chair; and Members

COMMITTEE ON GOVERNMENT OPERATIONS

Sen. Donna Mercado Kim, Chair; Sen. Russell Ruderman, Vice Chair; and Members

Public Hearing, February 10, 2017 at 1:15 p.m., Conference Room 414

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Mahalo for the opportunity to comment in support of S.B. 1200

Sincerely,

William F. Anonsen

William F. Anonsen

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 3:43 PM
To: ETT Testimony
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for SB1200 on Feb 10, 2017 13:30PM*

SB1200

Submitted on: 2/6/2017

Testimony for ETT/GVO on Feb 10, 2017 13:30PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 6, 2017 4:48 PM
To: ETT Testimony
Cc: pulermq@gmail.com
Subject: *Submitted testimony for SB1200 on Feb 10, 2017 13:30PM*

SB1200

Submitted on: 2/6/2017

Testimony for ETT/GVO on Feb 10, 2017 13:30PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
RuthMarie Quirk	Individual	Oppose	No

Comments:

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