

STAND. COM. REP. NO. 1145

Honolulu, Hawaii

MAR 25 2021

RE: H.B. No. 1348  
H.D. 2  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committees on Energy, Economic Development, and Tourism and Water and Land, to which was referred H.B. No. 1348, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE STADIUM DEVELOPMENT DISTRICT,"

beg leave to report as follows:

The purpose and intent of this measure is to provide the necessary powers, appropriations, and guidance to ensure optimal development of the Stadium Development District as intended by Act 268, Session Laws of Hawaii 2019, which established the Stadium Development District.

Specifically, this measure:

- (1) Amends the membership, responsibilities, powers, and duties of the Stadium Authority;
- (2) Exempts lands to which the Stadium Authority holds title from designation as public lands, but subjects the lands to legislative approval if sold or gifted;
- (3) Establishes the Stadium Authority Special Fund;



- (4) Clarifies the governance and management of the Stadium Development District;
- (5) Authorizes the Hawaii Community Development Authority, with approval from the Governor, to delegate to other state agencies implementation of capital improvement projects, under certain conditions;
- (6) Amends the general bond authorization enabled through Act 268, Session Laws of Hawaii 2019; and
- (7) Makes the financial disclosure of a member of the Stadium Authority a public record.

Your Committees received testimony in support of this measure from the Department of Accounting and General Services, University of Hawai'i System, Stadium Authority, General Contractors Association of Hawaii, Pacific Resource Partnership, Hawaii Operating Engineers Industry Stabilization Fund, Operating Engineers Local Union No. 3, LiUNA! Hawaii Laborer's Union Local 368, Hawai'i Construction Alliance, and two individuals. Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO. Your Committees received comments on this measure from the Department of Budget and Finance and Hawaii Community Development Authority.

Your Committees find that effective development of the Stadium Development District is crucial to the overall welfare of the State because it allows the State to leverage the best of both public and private sector investments to develop a vibrant planned community for generations to come. Your Committees also recognize that collaboration between the Stadium Authority and the Hawaii Community Development Authority is important to continue on-going efforts to ensure proper development of the stadium area. Your Committees further recognize the unique opportunity for Hawaii to upgrade needed sports facilities, develop critical infrastructure, and provide much-needed affordable housing in an important transit-oriented development district.

Your Committees further find that the State has the potential to establish the Stadium Development District as a premier destination for sports and events, and as a vital center for



residential housing, retail, and other transit-oriented development. Your Committees also find that this measure provides clarity and guidance for the development of the Stadium Development District and a basis to advance the progress of the Stadium Development District.

Your Committees have amended this measure by:

- (1) Deleting its contents and inserting language from S.B. No. 1423, S.D. 2, a substantively similar measure, which provides for clarity and consistency in the measure as a whole;
- (2) Providing for the closure of the stadium special fund after all remaining moneys in the stadium special fund are depleted;
- (3) Enhancing and clarifying the roles of and dynamic relationship between the partnering agencies, primarily supporting the implementation and management of the Stadium Development District and requiring the Stadium Authority and the Hawaii Community Development Authority to enter into a memorandum of agreement regarding the implementation responsibilities of the respective agencies;
- (4) Providing for the continued expenditure of the general obligation bond proceeds previously appropriated by Act 268, Session Laws of Hawaii 2019, as amended by Act 4, Session Laws of Hawaii 2020, in accordance with the memorandum of agreement between the Hawaii Community Development Authority, Stadium Authority, and Department of Accounting and General Services;
- (5) Establishing the stadium development special fund under chapter 109, Hawaii Revised Statutes, instead of chapter 206E, Hawaii Revised Statutes, into which all funds collected by the Stadium Authority shall be deposited upon passage of this measure;
- (6) Making the Stadium Authority, rather than the Hawaii Community Development Authority, the expending agency



for the appropriation of general obligation bond proceeds;

- (7) Making the appropriation of general obligation bond proceeds for fiscal year 2021-2022 effective on July 1, 2021; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Energy, Economic Development, and Tourism and Water and Land that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1348, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1348, H.D. 2, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Energy, Economic  
Development, and Tourism and  
Water and Land,

  
LORRAINE R. INOUE, Chair

  
GLENN WAKAI, Chair





