

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DBEDT DIRECTOR

DANE K. WICKER
DBEDT DEPUTY DIRECTOR



BRENNON T. MORIOKA
CHAIR, STADIUM AUTHORITY

CHRIS J. SADAYASU
INTERIM STADIUM MANAGER

An Agency of the State of Hawaii

Statement of
CHRIS J. SADAYASU
Interim Stadium Manager
Stadium Authority
Department of Business, Economic Development, and Tourism
before the

HOUSE COMMITTEE ON FINANCE

Monday, February 24, 2025
2:00 PM
State Capitol, Conference Room 308

In consideration of
H.B. 1494, HD2
RELATING TO SPORTS FACILITIES.

Chair Yamashita, Vice Chair Takenouchi and members of the Committee:
I am writing to strongly oppose House Bill 1494, HD2 which proposes to lapse appropriations of funds previously authorized for the planning, design, and construction of the New Aloha Stadium Entertainment District (NASED) at Halawa, instead suggesting relocation of this project to the University of Hawaii at Mānoa campus. This proposal is untimely and counterproductive as the NASED project is already in the advanced stages of development. After extensive planning and due diligence, we are now in the third and final phase of procurement, with Aloha Halawa District Partners (AHDP) designated as the Preferred Offeror. AHDP is actively preparing detailed plans to design, build, operate, and maintain the new stadium along with components of the mixed-use district. This work is being conducted with the \$350M in general obligation bonds and \$49.5M in general funds appropriated by the Legislature in 2022 under Act 248, SLH 2022.

Canceling or relocating the NASED project at this stage undermines the significant progress made since 2018 and risks damaging confidence among development partners and other stakeholders. A project of this magnitude requires consistent government support and collaboration, and the introduction of this bill sends mixed messages to developers who require stability and assurance when committing to long-term, high-value projects like NASED.

Key Justifications for the Halawa Location

1. Comprehensive Planning and Site Selection:

In 2019, a rigorous site selection process evaluated 18 potential sites across Oahu, including the University of Hawaii at Mānoa campus. The Halawa site emerged as the most suitable option based on criteria such as infrastructure readiness, development costs, community impact, and economic potential. Halawa's existing transportation infrastructure, including nearby highways and a new rail stop, makes it ideal for accommodating large-scale events while minimizing community disruptions.

2. Community and Economic Benefits:

NASED is envisioned as a vibrant, community-centric mixed-use district anchored by a state-of-the-art stadium. This model not only provides modern amenities for sports and entertainment but also leverages the surrounding development to create additional revenue streams for ongoing operations and maintenance—maximizing benefits for the people of Hawaii.

3. Significant Timeline Impacts of Relocating the Project:

Relocating the project to the University of Hawaii campus would likely push the timeline for opening a new stadium to approximately 2035. This delay is due to the necessity of restarting the Environmental Impact Study (EIS) process, which was already completed for the Halawa site. Additionally, new designs and approvals for the UH Mānoa site would require significant time and resources, further extending the timeline. By contrast, the current Halawa site is fully

prepared for development, having undergone extensive planning, environmental review, and due diligence to streamline the construction process.

4. Preservation of Project Timeline and Momentum:

Delays associated with relocating the project would not only postpone benefits for the State and the community but also directly affect the University of Hawaii football program and other community stakeholders. If construction does not proceed as planned at Halawa, the completion of a new stadium would extend well beyond the 2028 football season, leaving Hawaii without a reliable venue for major events during this prolonged gap.

Impact on Developers and Stakeholders

The Preferred Offeror, AHDP, has already made substantial investments in the proposal development process under the presumption of governmental commitment to NASED. Introducing legislation to redirect funds and reconsider locations undermines trust and could jeopardize the successful completion of this critical project.

By proceeding with NASED at Halawa as planned, the State reaffirms its commitment to fostering economic growth, delivering much needed workforce housing, providing construction jobs, improving community resources, and delivering a project that benefits Hawaii's residents and visitors for generations to come.

For these reasons, the Stadium Authority respectfully urges the Committee to oppose House Bill 1494, HD2 and allow the NASED project to continue as planned at Halawa.

Thank you for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKAI

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Monday, February 24, 2025
2:00 PM
State Capitol, Conference Room 308

In consideration of
HB 1494, HD 2
RELATING TO SPORTS FACILITIES.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee:

I **strongly oppose** House Bill 1494, HD 2, which seeks to lapse funds previously approved for the New Aloha Stadium Entertainment District (NASED) and instead relocate the project to the University of Hawai'i (UH) at Mānoa campus, transfer \$49.5M from the Stadium Development Special Fund to the general fund, and renames and amends the duties and powers of the Stadium Authority and Stadium Authority District. This bill contradicts the Legislature's prior decision to fund and advance NASED, undermines years of planning and procurement efforts, and threatens to disrupt Hawai'i's ability to leverage sports facilities for economic development and tourism growth.

Legislative Approval and Commitment to NASED

The Legislature has already approved and funded NASED, demonstrating a clear and deliberate commitment to its development:

- **Funding Already Approved:** In 2022, the Legislature appropriated \$350M in general obligation bonds and \$49.5M in general funds under Act 248, SLH 2022 for the planning, design, and construction of NASED at Hālawā. Redirecting these funds now would send an inconsistent message to developers, investors, and the public.

- **Advanced Stage of Development:** The project is in its final phase of procurement, with Aloha Halawa District Partners (AHDP) designated as the Preferred Offeror to design, build, operate, and maintain the stadium and mixed-use district. At this point, halting progress would cause irreversible setbacks and significant financial losses.
- **Extensive Due Diligence and Site Selection:** The Hālawā site was selected after a rigorous evaluation of 18 locations, including UH Mānoa. Factors such as infrastructure readiness, community impact, and transportation accessibility determined Hālawā as the most viable and cost-effective option.

Negative Impacts of Relocating the Stadium

Redirecting this project to UH Mānoa would create significant obstacles and delays, including:

- **Prolonged Construction Timeline:** The Environmental Impact Study (EIS) for Hālawā is already complete, while moving to a new site would require an entirely new EIS and redesign process, delaying a new stadium's opening until 2035 or beyond.
- **Disrupting UH Operations:** The UH Mānoa campus lacks the necessary space and infrastructure for a stadium of this scale without major disruptions to academic and athletic facilities.
- **Undermining UH Football:** Hawaii's football program depends on the timely completion of a modern stadium, and moving this project would leave the program and local sports community without a suitable venue for years.

Sports Facilities as Economic Drivers

Other states have successfully leveraged stadiums and sports complexes to drive economic development through sports tourism, job creation and local business growth. Hawai'i must follow this proven model:

- **Arizona:** State investments in the State Farm Stadium in Glendale have transformed the region into a major event destination, attracting Super Bowls, college football championships, and international soccer matches, generating millions in tourism revenue.
- **Florida:** The ESPN Wide World of Sports Complex at Walt Disney World hosts major youth sports tournaments and training camps, boosting hotel occupancy, restaurant sales and tourism tax revenue.

- Nevada: The construction of Allegiant Stadium in Las Vegas has significantly increased visitor spending, job creation, and year-round economic activity beyond just football games.

Hawai'i, with its unique location and tourism-driven economy, is well-positioned to capitalize on sports tourism—but only with consistent, strategic investment in properly planned and executed facilities like NASED.

The Legislature has already spoken by approving the necessary funds and endorsing NASED's development at Halawa. Moving this project jeopardizes years of progress and delays much-needed economic benefits for Hawai'i's residents.

For these reasons, I respectfully urge the Committee to oppose HB 1494, HD 2 and allow the NASED project to proceed as planned at Hālawā.

Mahalo for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented to the
House Committee on Finance
February 24, 2025 at 2:00 p.m.

By

Kalbert K. Young

Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 1494 HD2 – RELATING TO SPORTS FACILITIES

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

The University of Hawai'i (University or UH) would like to provide comments on HB 1494 HD2 which among other things, transfers certain special fund moneys earmarked for the development of a new stadium in Hālawā to the general fund and reappropriates those funds to plan, design, and construct a new stadium at the University of Hawai'i at Mānoa (UH Mānoa) campus.

The prolonged project to replace Aloha Stadium has been detrimental to the University. The abrupt closure of the stadium and start-stop-restart-stop-start again progress to the project has resulted in UH having to undertake extraordinary efforts to build a temporary facility and find millions of dollars over the last five years to address the state's deficiency of a stadium facility. The University had to find a suitable location and funds to construct the T.C. Ching Athletic Complex (Ching Complex) as the temporary venue for UH Football contests beginning in the 2021 season. The Ching Complex was never intended to be a permanent long-term venue for UH Football because the State had plans that a new Aloha Stadium was anticipated to be constructed in time for 2026 contests. The current facility will need to be re-enforced for continued use. In losing Aloha Stadium, UH and other users have been displaced for a lack of a stadium venue – many of those users have also had to be accommodated at UH.

As we sit now in 2025, the New Aloha Stadium and Entertainment District (NASED) project has finally reached a critical milestone. UH has always maintained that the University's interest is in seeing a path forward where a state stadium will be constructed timely, and with conditions that are attractive for UH to eventually play there. The NASED project has recently finalized selection of a proposed developer and is negotiating for a development agreement to get the project underway. However, the NASED project will not be complete by the date originally forecasted when Aloha Stadium was closed, and this means that UH will need to evaluate and execute a

plan to extend the temporary life of the Ching Complex in order to keep it safe, sound, and viable for contests until the new NASED delivery date can be achieved.

I believe HB 1494 HD2 may be partially driven by the shared frustration of the NASED project's progress. However, the University continues to support the NASED project as the path for the state to construct its stadium. And, the University expects that the development and business structure of the project will result in a facility that makes financial sense to the state and the University to utilize. NASED has been promised to give the University a better financial arrangement than previously existed with Aloha Stadium. Given the current status of the procurement process for NASED, the University wants to see NASED succeed – and, get underway expeditiously.

I do recognize that given the amount of time that has transpired since Aloha Stadium closed, and the overall project status for NASED, that moving funding may be a timely decision on NASED. However, given the current milestone status of the NASED project if the funding was removed, the University and the State would have to recognize that the project would be even further delayed.

Please also consider that while, hypothetically, the \$350,000,000 in funds contemplated in HB 1494 HD2 for construction of a stadium at the UH Mānoa campus could be a sufficient amount for a collegiate-level stadium facility. However, it would not be enough to construct the type of stadium that is contemplated in Hālawa at the UH Mānoa campus. Additionally, the engineering requirements to build such a facility on the UH Mānoa campus would also entail costs for more than the stadium itself – such as, water, sewer, electrical infrastructure costs, traffic and roadway improvements, etc. So, please do not expect that UH would be able to construct a \$350,000,000 stadium if this bill were to pass. While a stadium on campus would support UH collegiate football, it would probably not be able to support the same community expectations that are being sought at Hālawa due to community traffic and parking needs at an already saturated Mānoa campus. As has already been experienced over the past five years, UH is not adequately staffed or managed to support broad community (non-UH) events on campus.

For these reasons, UH supports and expects the NASED project to be successful. We do appreciate the forethought of addressing the stadium needs of the State and UH with HB 1494 HD2. On the unlikely chance that the NASED project is not able to execute in time, HB 1494 HD2 could be strategically important to find a new path to deliver a stadium – in which case, UH would appreciate being part of that consideration.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELAWE LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

WRITTEN TESTIMONY
OF
KEITH A. REGAN, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
COMMITTEE ON FINANCE

FEBRUARY 24, 2025, 2:00 P.M.
CONFERENCE ROOM 308 AND VIA VIDEOCONFERENCE, STATE CAPITOL

H.B. 1494, H.D.2

RELATING TO SPORTS FACILITIES

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee, thank you for the opportunity to submit testimony on H.B. 1494, H.D.2.

The Department of Accounting and General Services (DAGS) joins with the Stadium Authority in **strong opposition** to this bill. This proposal is untimely, counterproductive, and not advantageous to the state for the following reasons:

1. The New Aloha Stadium Entertainment District (NASED) project has already progressed through extensive planning and due diligence and is now in the third and final phase of procurement, with Aloha Halawa District Partners (AHDP) designated as the Preferred Offeror. AHDP is actively preparing detailed plans to design, build, operate, and maintain the new stadium along with components of the mixed-use district. This work is being conducted with the \$350M in general

obligation bonds and \$49.5M in general funds appropriated by the Legislature in 2022 under Act 248, SLH 2022.

2. Canceling or relocating the NASED project at this stage undermines the significant progress made over the last 10 years and will reduce industry confidence among development partners and other stakeholders in the state's commitment and capacity to undertake significant, singular projects. Projects of this magnitude require consistent government-wide support and collaboration, and the introduction of this bill sends mixed messages to developers who require stability and assurance when committing to long-term, high-value projects like NASED.
3. Relocating the new stadium to an alternate location will reverse progress back to the earliest stage of site selection, which determined the current Halawa location to be optimal. The University of Hawaii alternatives at Mānoa and West Oahu fell far short with more costly challenges in infrastructure and access. All planning and due diligence efforts for alternate sites would have to begin from scratch, negating a majority of the \$30 million of work completed thus far.
4. Timing for completion of the project at a new location would be roughly ten years out, beginning with all new land entitlements and environmental review due diligence, leaving Hawaii without a reliable venue for major events during this prolonged gap, and severely compromising the University of Hawaii's athletic program.
5. While the bill provides for upgrading of the stadium on the UH-Manoa campus it does not recognize that:

- a. The interim improvements to that stadium are at or near the end of their useful life and will require replacement rather than upgrading;
- b. The traffic impacts of conducting NCAA events at the existing UH-Manoa stadium have required the interruption or suspension of academic activities at the campus, and have negatively impacted residents and businesses located within Manoa valley;
- c. Other infrastructure in and near the UH-Manoa stadium will also require significant upgrades to support the increased capacity;
- d. The university may decide to restrict use of the on-campus stadium which may limit alternative uses that are being proposed at NASED.

By proceeding with NASED at Halawa as planned, the State reaffirms its commitment to fostering economic growth, delivering much needed workforce housing, providing construction jobs, improving community resources, and delivering a project that benefits Hawaii's residents and visitors for generations to come.

For these reasons, the department respectfully urges the Committee to oppose House Bill 1494 and allow the NASED project to continue as planned at Halawa.

Thank you for the opportunity to provide testimony on this measure.