Josh Green, M.D. Governor

Sylvia Luke Lt. Governor

JAMES KUNANE TOKIOKA DBEDT DIRECTOR

DANE K. WICKER DBEDT DEPUTY DIRECTOR



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 ECONOMIC DEVELOPMENT AND TECHNOLOGY

Wednesday, March 12, 2025 10:00 AM State Capitol, Conference Room 423

In consideration of S.B. 1589, SD3 RELATING TO THE STADIUM DEVELOPMENT SPECIAL FUND.

Chair Ilagan, Vice Chair Hussey and members of the Committee.

The Stadium Authority provides the following comments regarding Senate Bill 1589, SD3 which requires that any conditions imposed by the Legislature on appropriations to the Stadium Development Special Fund be met before expenditure. The Bill also appropriates \$49.5M in budget ceiling for Fiscal Year 2025-2026 but subjects expenditures by the Stadium Authority from the Stadium Development Special Fund on the completion of specific project readiness conditions. Furthermore, the Bill restricts private donations to be used on stadium infrastructure and stadium development costs and lapses all funds in the stadium development special fund to the general fund if the New Aloha Stadium Entertainment District (NASED) project is terminated.

BRENNON T. MORIOKA CHAIR, STADIUM AUTHORITY

> CHRIS J. SADAYASU INTERIM STADIUM MANAGER

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Act 248, Session Laws of Hawaii 2022, appropriated \$350 million of general obligation bond funding for the Capital Improvement Program (CIP) and \$49.5 million of general funds for the NASED project. While the general obligation bond funds are blanket-encumbered and will fund the stadium development and operations agreement and master development agreement for the NASED project, the \$49.5 million in general funds has been deposited in the Stadium Development Special Fund and has been reserved for project consultant fees, construction management services and contingency costs for the project. The Stadium Authority supports the proposed increased Stadium Development Special Fund ceiling to contract these expenditures. With respect to the addition of conditions on the expenditure of such appropriations, our primary concern is that these conditions are unknown and unspecified at this time.

Additionally, the Stadium Authority is very concerned about the immediate lapse of all unexpended and unencumbered funds to the general fund if the NASED project is terminated. The stadium development special fund consists of all of the revenues generated by the stadium authority from the stadium swap meet and marketplace as well as other events on and rentals of the stadium property above and beyond the funds appropriated or donated for the NASED Project. If all unexpended and unencumbered funds are transferred to the general fund, the stadium authority will be forced to cease its operations.

Thank you for this opportunity to testify.



HAWAII REGIONAL COUNCIL OF CARPENTERS

March 12, 2025

TO: The Honorable Greggor Ilagan, Chair
The Honorable Ikaika Hussey, Vice Chair
and Members of the House Committee on Economic Development & Technology

RE: STRONG SUPPORT FOR SB1589 SD3

Aloha Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

The Hawaii Regional Council of Carpenters (HRCC) strongly supports Senate Bill 1589 SD3, which sets prudent conditions on appropriations to the Stadium Development Special Fund and ensures timely and accountable development of the new Aloha Stadium Entertainment District.

The redevelopment of Aloha Stadium represents an unprecedented opportunity for Hawaii to create jobs, enhance local infrastructure, and stimulate economic growth through construction and related industries. By clearly requiring project readiness conditions and safeguards for public investments, this bill assures accountability and responsible stewardship of public resources, essential for large-scale public-private partnerships.

The construction of the new stadium and surrounding district will significantly boost employment opportunities for skilled local craftspeople and small businesses. The development also guarantees that private contributions are strategically invested into necessary infrastructure, further leveraging public funds to achieve maximum community benefit.

HRCC is committed to ensuring quality workmanship, fair wages, and safe working conditions throughout the project's duration. We applaud the legislature's proactive approach in establishing conditions that protect public funds, enhance transparency, and encourage timely completion of this important community project.

We respectfully request your favorable consideration of SB1589 SD3. Thank you for the opportunity to provide testimony.

Mahalo for your time and consideration.

Mitchell Tynanes Hawai'i Regional Council of Carpenters

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