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SENATE CONCURRENT RESOLUTION

REQUESTING AN UPDATE AND PRESENTATION ON THE STADIUM AUTHORITY'S EFFORTS TO TRANSFER THE RECREATIONAL USE RESTRICTION FROM THE STADIUM FACILITIES AND LANDS TO AN ALTERNATIVE STATE PARCEL.

WHEREAS, Aloha Stadium, which first opened on September 12, 1975, has served as the venue for numerous sporting, music, and other recreational events; and

WHEREAS, remediation of the corrosion of the Aloha Stadium's structural steel alone has cost over \$80,000,000, and numerous structural repair issues remain to be addressed concerning structural safety, compliance with the Americans with Disabilities Act, and general conditions; and

WHEREAS, a 2005 study by the State estimated repair costs at \$214,000,000 and replacement of the facility at \$225,000,000; and

WHEREAS, in today's economic climate, the magnitude of the investment needed to accomplish the necessary repairs has led the State to seek public-private partnerships for private investment in the facility and commercial uses of the property; and

WHEREAS, the land under Aloha Stadium was deeded to the City and County of Honolulu in 1967 for use as a public park or public recreational use in perpetuity according to a program of utilization approved by the National Park Service; and

WHEREAS, concession agreements may be entered into for the purposes of serving a public park and recreational purposes, but commercial purposes are not allowed; and

WHEREAS, the United States Department of the Interior approved transfer of title, with all of its terms and

restrictive covenants, from the City and County of Honolulu to the State of Hawaii for continued use as a public park in 1970, and amended the original program of utilization to allow the State to build Aloha Stadium on the property for public recreational use; and

WHEREAS, deed restrictions have allowed hosting the Swap Meet, concerts, and certain other events deemed "recreational" at Aloha Stadium, but prohibit developing the property for strictly commercial enterprises; and

WHEREAS, in December 2008, the National Park Service and the State of Hawaii signed a Memorandum of Understanding (Agreement) establishing a process to remove the deed restrictions if the State provided an alternative site of comparable value for recreational use; and the State is exploring the possibility of a land exchange to remove the restrictive covenants from its present deed; and

WHEREAS, the Comptroller (Department of Accounting and General Services) has been designated as the lead on behalf of the Director of the Department of Land and Natural Resources and the State of Hawaii for the Agreement; and

WHEREAS, since September 2009, the Comptroller has been engaged in discussions with the United States Department of the Interior over a list of potential state lands that could be exchanged to lift the deed restrictions on Aloha Stadium lands; and

 WHEREAS, under the terms of the current Agreement, the State must submit a formal proposal to the federal government identifying the lands that will be converted into new public parks and the value of the lands must be of at least equal fair market value and recreational utility to the fifty-six acres of restricted Aloha Stadium land; and

WHEREAS, the process required to complete a land exchange requires appropriate documentation, appraisal reports, justification of the public recreational utility of the lands proposed for exchange and their replacement; environmental assessments and a public process for an environmental impact analysis; plans for program utilization and development schedules; and an official acknowledgment of the requirement to

apply all of the restrictions contained in the original deed to the replacement lands; and

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WHEREAS, the Stadium Authority Board's minutes for the period September-December 2009 reflect substantial progress made by the Comptroller in identifying and conducting due diligence on a short list of lands suitable for land exchange; now, therefore,

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BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, the House of Representatives concurring, that the Comptroller of the Department of Accounting and General Services and the Stadium Authority is requested to provide an update and presentation to the State Legislature on their efforts to transfer the recreational use restriction from the Stadium facilities and lands to an alternative state parcel; and

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BE IT FURTHER RESOLVED that the report include projections for future funding or infrastructure obligations by state and county governments; and

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BE IT FURTHER RESOLVED that the Stadium Authority report to the Legislature no later than June 30, 2010; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Comptroller, to the Chair of the Stadium Authority, to state and county legislators representing the neighboring communities of Salt Lake, Moanalua, Aiea, and Pearlridge, and to the chairs of the Oahu Neighborhood Boards No. 18 (Salt Lake-Aliamanu), 20 (Aiea), and 21 (Pearl City).

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OFFERED BY:

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