



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Ways and Means
April 1, 2021 at 9:30 a.m.

by
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
University of Hawai'i System

HB 1348 HD2 SD1 – RELATING TO THE STADIUM DEVELOPMENT DISTRICT

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Committee:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) is supportive of House Bill No. 1348 HD2 SD1, Relating to the Stadium Development District, and requests further amendments to the bill where it relates to the UH. Among a number of things, this bill seeks to establish a special fund, broadens development authority of the Stadium Authority, amends the bond financing structure for the new stadium project, and adds two members to the Stadium Authority.

The UH requests that the bill be revised to allow the UH representative to have a vote on the Stadium Authority Board. Considering that the new stadium project is primarily for, and will rely on the UH use of the stadium as a major activity, it is more prudent to ensure that UH is a contributing participatory decision maker in the Authority decisions. I recommend the bill (page 7, lines 12 through 17) be amended, as follows:

Each member of the authority shall have been a citizen of the United States and a resident of the State for at least five years next preceding the member's appointment. The eleven members shall include the president of the University of Hawaii and the superintendent of education, or their designated representatives, who shall be ex-officio members of the authority [~~but shall not vote~~].

The inclusion of the UH President to the Stadium Authority Board originated out of the recognition that UH athletics was a primary anchor of the stadium and a foremost purpose for the stadium itself. This purpose remains a prominent component of the planned new stadium and the broader stadium district project. Having the UH President, or their designee, serve in a full capacity on the Stadium Authority will ensure that the broader project and eventual operation of the completed project has the governance input and involvement of one of the primary users and beneficiaries.

Lastly, the UH recently provided a list of desired objectives to the State's project leadership (Department of Accounting and General Services) that should be incorporated as business outcomes as part of the structure for the new stadium and district project. Those items can be more thoroughly considered once the State gets underway negotiating terms with the project partners.

Thank you for this opportunity to testify.