



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 Higher Education
February 12, 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 Proposed HD2 – RELATING TO SPORTS FACILITIES

Chair Garrett, Vice Chair Amato, and Members of the Committee:

The University of Hawai'i (University or UH) would like to provide comments on HB 1494 Proposed 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 Proposed 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 Proposed 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 Hālawā 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 Hālawā 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 Proposed HD2. On the unlikely chance that the NASED project is not able to execute in time, HB 1494 Proposed 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.