

March 16, 2023

Brennon Morioka, Vice-Chair  
Stadium Authority  
99-500 Salt Lake Boulevard  
Aiea, Hawaii 96701

Subject: Aloha Stadium Redevelopment

Aloha Vice-Chair Morioka and Members of the Stadium Authority,

This is to express my **strong opposition** to the latest change in the Stadium's procurement plans. My name is Rodney Funakoshi, recently retired from the State of Hawaii Office of Planning and Sustainable Development where I served as the Land Use Division Administrator. My Division was primarily responsible for coordinating and promoting Transit-Oriented Development (TOD) among State and county agencies. From its inception, I have closely followed the planning for the New Aloha Stadium Entertainment District which was identified early on as a high priority project intended to catalyze the region and epitomize TOD values. I continue to be interested in its successful pursuit as it represents a pivotal opportunity with lasting benefits for Hawaii.

Following Governor Ige's ill-advised and last-minute attempt to cancel the P3 process, and just when I thought that the Stadium was finally getting back on track with Governor Green, we now have another major change that threatens the project with significant delays

1. New P3 Study. I was very surprised to learn that a new P3 study dated February 16, 2023, was just released by the Department of Budget and Finance (Star Advertiser, March 7, 2023). Why was this B&F study done when the Stadium Authority/DAGS is responsible for procurement and has spent several years and considerable resources to craft the P3 plan? Who commissioned this and when? What was its cost? Were the draft findings reviewed by the Stadium Authority and DAGS-led procurement team, including the general public? If not, why not?
2. Assigning Operational Costs to the P3 developer. The major new twist is that, in addition to the Design-Build-Finance-Maintain program, Operational costs have been assigned to the P3 developer. Curiously, the new P3 Study did not recommend adding Operational costs. So whose recommendation is this? What are the qualifications and experience of this person (or firm) with P3? And under what authority is this redirection being made? And how is this simplifying the process (as claimed by the B&F Director per the article)? Instead, it only adds more uncertainty for the qualifying development teams who are enduring ever-changing ground rules. Further, I can only imagine the difficulty for any developer to project operational costs given the high variability in use and uncertain revenue generation potential from University of Hawaii, high school, soccer, concerts, special events and swap meets. And, wouldn't the public unions need to be consulted if Operations is included? Significant delays are inevitable.

3. The Planning Process has been exemplary. In following the progress of the Stadium redevelopment and NASED plans over the past five plus years, I have been impressed by the quality of the Crawford/WT consultant team, leadership from the DAGS Public Works team, and the interest and involvement by the Stadium Authority and Stadium management. They have actively engaged with potential developers and the affected community, exhaustively studied environmental and infrastructure needs, and melded with the City's Neighborhood TOD plans. The master plan's vision seeks not only to redevelop the Aloha Stadium, but to integrate an economically and socially viable new community which capitalizes on a central coastal location, adjacency to the Rail, proximity to our No. 1 visitor attraction, with an exciting mix of residential, commercial, visitor and entertainment uses, including much-needed affordable housing.
  
4. The Project is ready to go. All environmental and land use requirements have been met, a short-list of development teams has been qualified and selected, the RFP has been prepared, and the community is anxiously awaiting action.

I strongly urge the Stadium Authority to exercise their development authority (as confirmed by the Stadium Deputy Attorney General) to reject the proposed procurement changes and expedite issuance of the Stadium RFP which has been delayed since September 2022.

Thank you for this opportunity to testify.

*Rodney Funakoshi*

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