

New Aloha Stadium Entertainment District

Quad Chambers

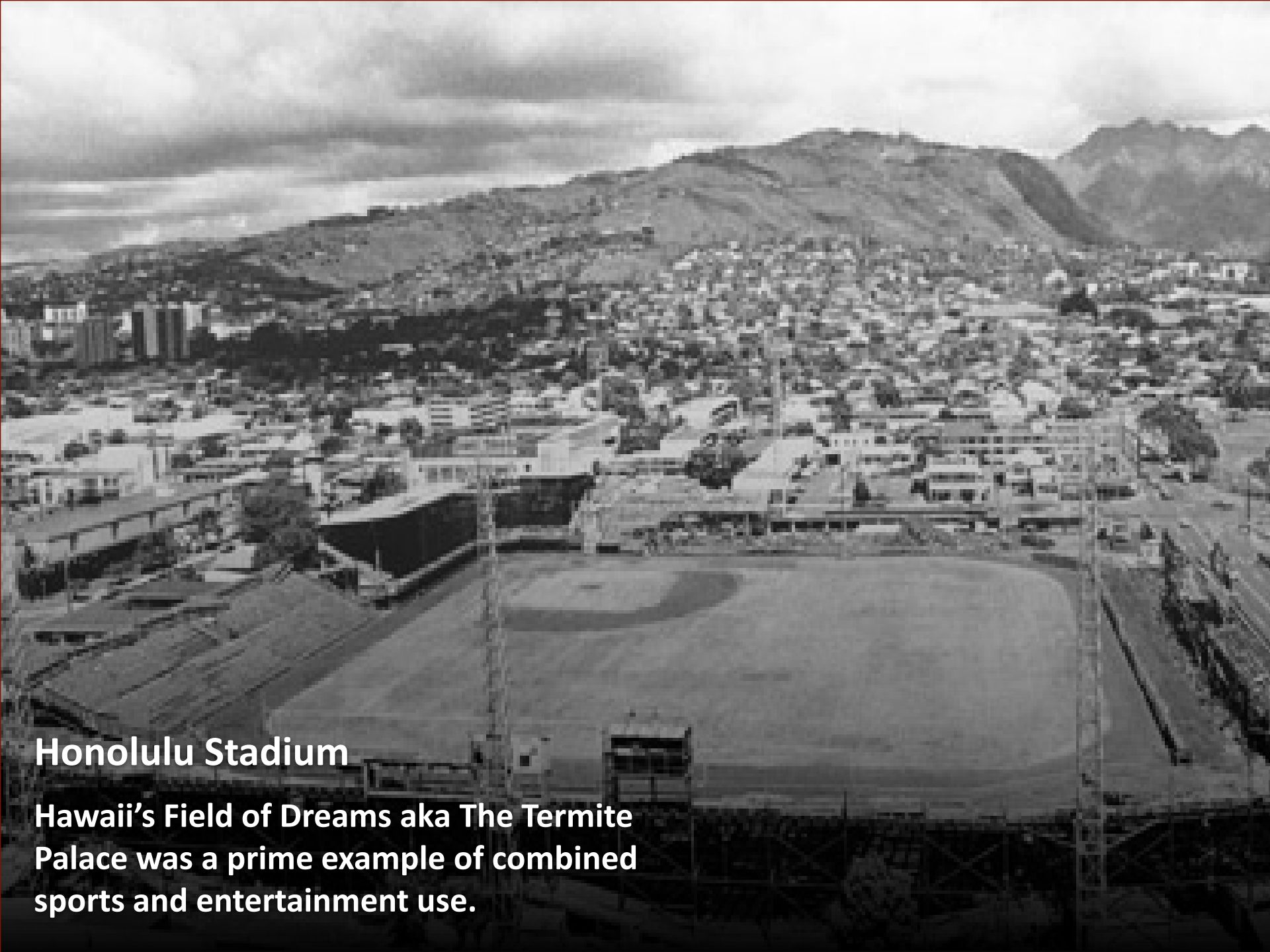
***Filipino Chamber of Commerce of Hawaii
Honolulu Japanese Chamber of Commerce
Hawaii Korean Chamber of Commerce
Chinese Chamber of Commerce of Hawaii***

March 11, 2024

1. HISTORY & BACKGROUND
2. MILESTONE DECISION
3. VISION FOR FUTURE
4. PROCUREMENT PROCESS
5. ECONOMIC IMPACT
6. QUESTIONS & ANSWERS

HISTORY AND BACKGROUND

Why we are here ...



Honolulu Stadium

Hawaii's Field of Dreams aka The Termite Palace was a prime example of combined sports and entertainment use.



- Located in the Mo'ili'ili district of Honolulu.
- Built by a private developer for about \$150,000
- Opened in 1926; seating for 25,000



Honolulu Stadium

- By the 1960s, the Honolulu Stadium reached the end of its useful life.
- It was replaced by the Aloha Stadium in September 1975 (49 years old).
- Then demolished in 1976 (50 years old).





Aloha Stadium 1975 -

- Opened in 1975 at a cost of \$37M.
- 50,000 seat state-of-the-art facility
- First of its kind to offer four movable sections.
- Seating and event configurations for a variety of sports and entertainment events.

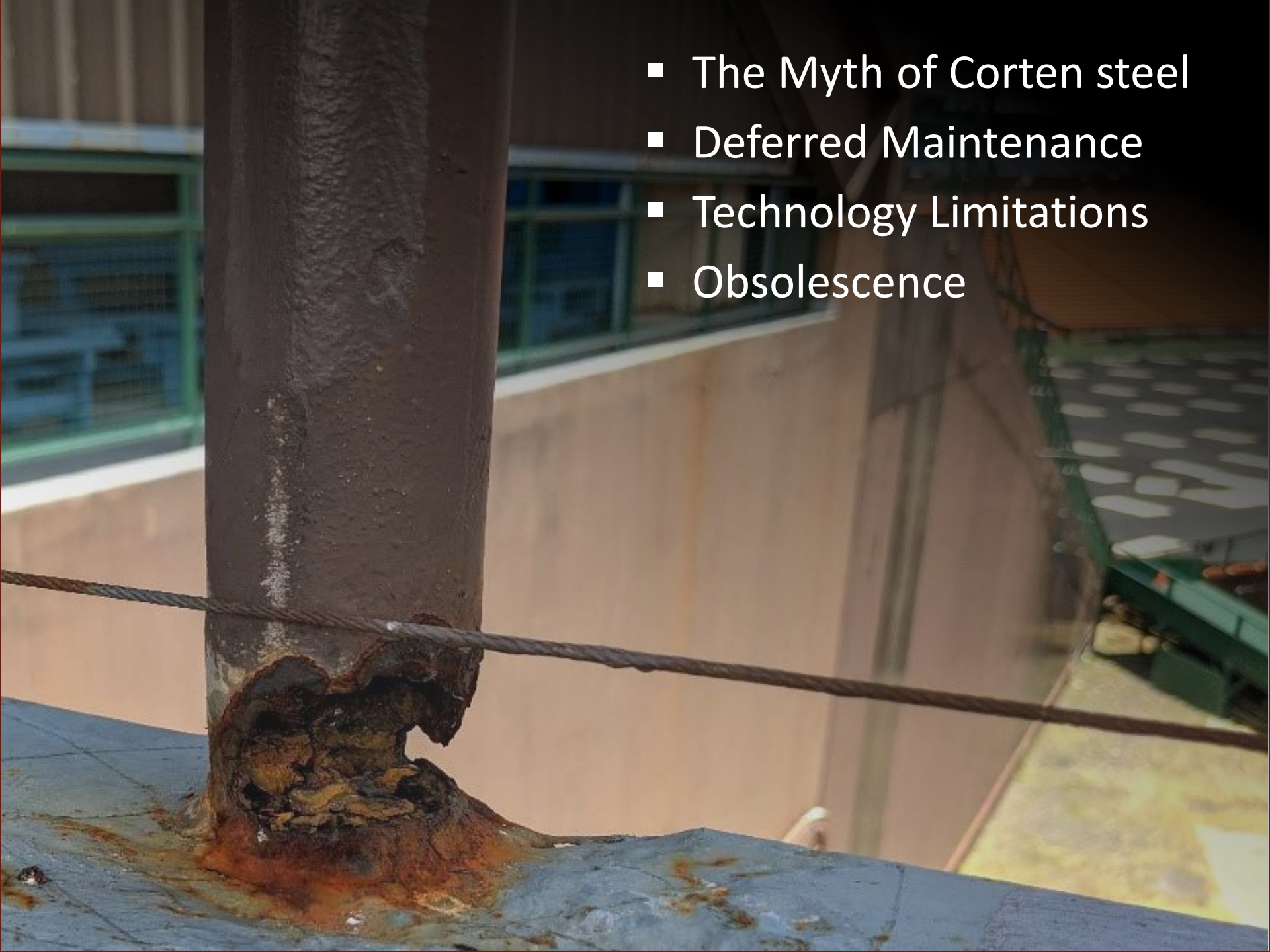




The Aloha Stadium is constructed of the now infamous Corten steel combined with concrete lower-bowl components in the North and South End Zones

Aloha Stadium Coating Observations
2005 Examples of Corrosion and Deterioration

Edge Corrosion

- 
- The Myth of Corten steel
 - Deferred Maintenance
 - Technology Limitations
 - Obsolescence

2005 Metal Roof Deck Re-replacement Current Roof Is Early 1990s Replacement Roof



Fractured Screw



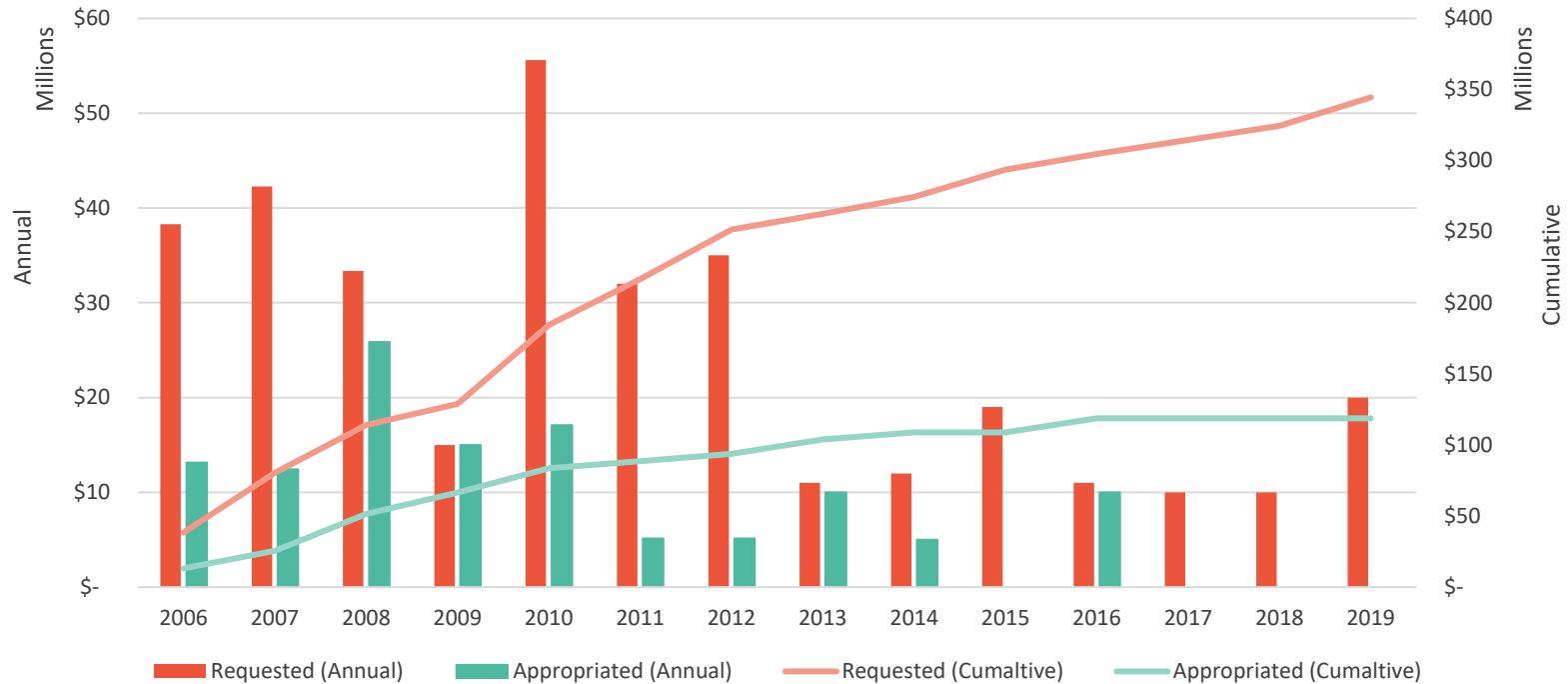
Zinc protective coating is
being rapidly consumed



2005 Seating Bowl

- Replace all traffic membrane topping in seating bowl (functions waterproofing membrane for corrosion protection)
- Replace all seats
- Stiffen bowl rails
- Repair low spots to improve drainage

Aloha Stadium CIP Requests



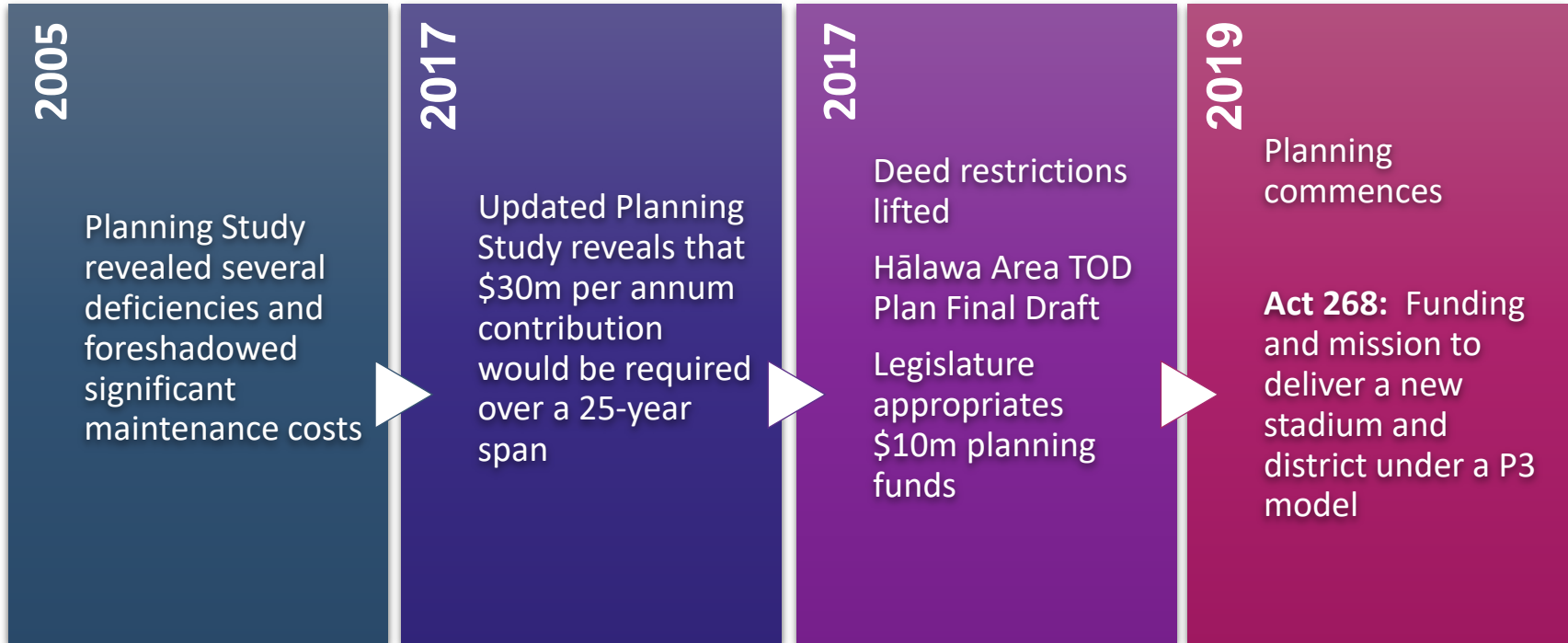
- Since 2006, only ~33% of requested CIP funding has been provided for structural and safety works
- From 2016 to 2018, the number of steel members categorized as ‘severely corroded’ has increased by approximately 300%

2017 Aloha Stadium Conceptual Development Report

- \$350 million to develop a new stadium
- \$421 million to maintain existing stadium or \$30 million per year for the next 30 years
- Issues have only gotten worse (and more expensive) since 2017

“Untreated corrosion increases exponentially”

From Renovate → Replace NASED IS BORN



...the challenge to optimize the Stadium has been our focus for a decade and a half, and the inevitable was revealed in 2017.

- ***Existing Aloha Stadium and lands are underutilized.***
- ***Stadium facility has been in dire need of significant repair and maintenance for many years.***
- ***The Stadium Authority has considered repairing, upgrading, and replacing the existing facility to optimize the public's enjoyment and ensure public safety.***
- ***Redeveloping, renovating, or improving these public lands in a manner that will provide suitable recreational, residential, educational, and commercial areas, where the public can live, congregate, recreate, attend schools, and shop, as part of a thoughtfully integrated experience, is in the best interests of the State and its people.***

NASED APPROACH

NASED will be a vibrant, community-centric mixed-use district, anchored by a new sports and entertainment venue, that celebrates Hawaii's culture and embodies the aloha spirit for the community and visitors alike.



NASED: 4 Parcels Encompass 98 Acres



Single Integrated Project

- 1. Design, build, operate and maintain the new Aloha Stadium.**
- 2. Develop a portion of the surrounding district.**
- 3. Use revenue from development to supplement State funds for the stadium construction and fund ongoing operating and maintenance costs.**

Stadium Authority

**Department of
Business,
Economic
Development &
Tourism**

**Hawaii Community
Development
Authority**

**Department of
Accounting and
General Services**

**Crawford
Architects /
WT Partnership**

**O'Melveny and
Myers -Legal
Goldman Sachs -
Financial**

Programmatic Master Plan

**Programmatic Environmental
Impact Statement**

Halawa Area TOD Plan

State's Conceptual Master Plan

Developer Master Plan

Long-term partnership with the developer

An integrated, mixed-use, live-work-play-thrive district.

Fit for purpose, well maintained new Aloha Stadium.

The new Aloha Stadium continues to be a community asset

No ongoing State payments beyond the upfront contribution



Stadium:
Multi-use;
25,000 seats (min)

Real Estate:
~4,500 Residential Units
(Mix of affordable, workforce, premium)
Hotels, retail, office
Supporting infrastructure
(Figures indicative based on absorption projections)



Design and Construction

- Base Scope
 - Capacity of no less than 25,000 seats
 - Must be multipurpose and support a variety of events (soccer, concerts, etc.) with a focus on user experience
 - Must meet other defined technical requirements
 - State funds design and construction costs
- Enhanced Scope
 - Developer financing to enhance scope and quality of stadium

Operations and Maintenance

- Developer responsible for operations and maintenance for 20 to 30 years
- Must be operated and maintained to defined performance requirements
- Developer retains stadium revenues and responsible for all operations and maintenance costs
- State-prescribed terms and conditions impacting scheduling, pricing, cost recovery and revenue sharing for a limited number of community events (e.g., University of Hawaii, scholastic sports etc.)



Remainder of NASED site (approximately 70 to 80 acres)

Mixed-use, live-work-play-thrive entertainment district

Expected to occur over 20+ years

Residential, hotels, office, retail / commercial and entertainment

Vertical and horizontal infrastructure



Retail / Entertainment

Will need to serve local households, stadium guests, employees and visitors.

Potential uses include grocer, restaurants, hard/soft good boutiques, and significant lifestyle/entertainment.



Residential

Pent-up demand for various unit configurations from professionals, lifestyle renters-by-choice, families, and military households.

Strong demand from singles, couples and families versus high-end/second-home buyers.

Opportunity to attract local, mainlander and international buyers who want to be in a vibrant mixed-use entertainment district project.



Hotel

Market could likely support new hotel rooms beyond known pipeline by 2026, especially given the new Stadium Project.

The likely candidates for hotel product are a mix of limited and full-service options.



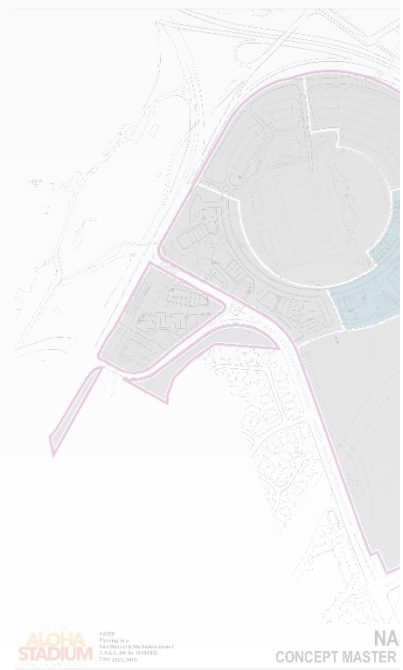
Office

Attractive location but key factors temper higher demand at the Site.

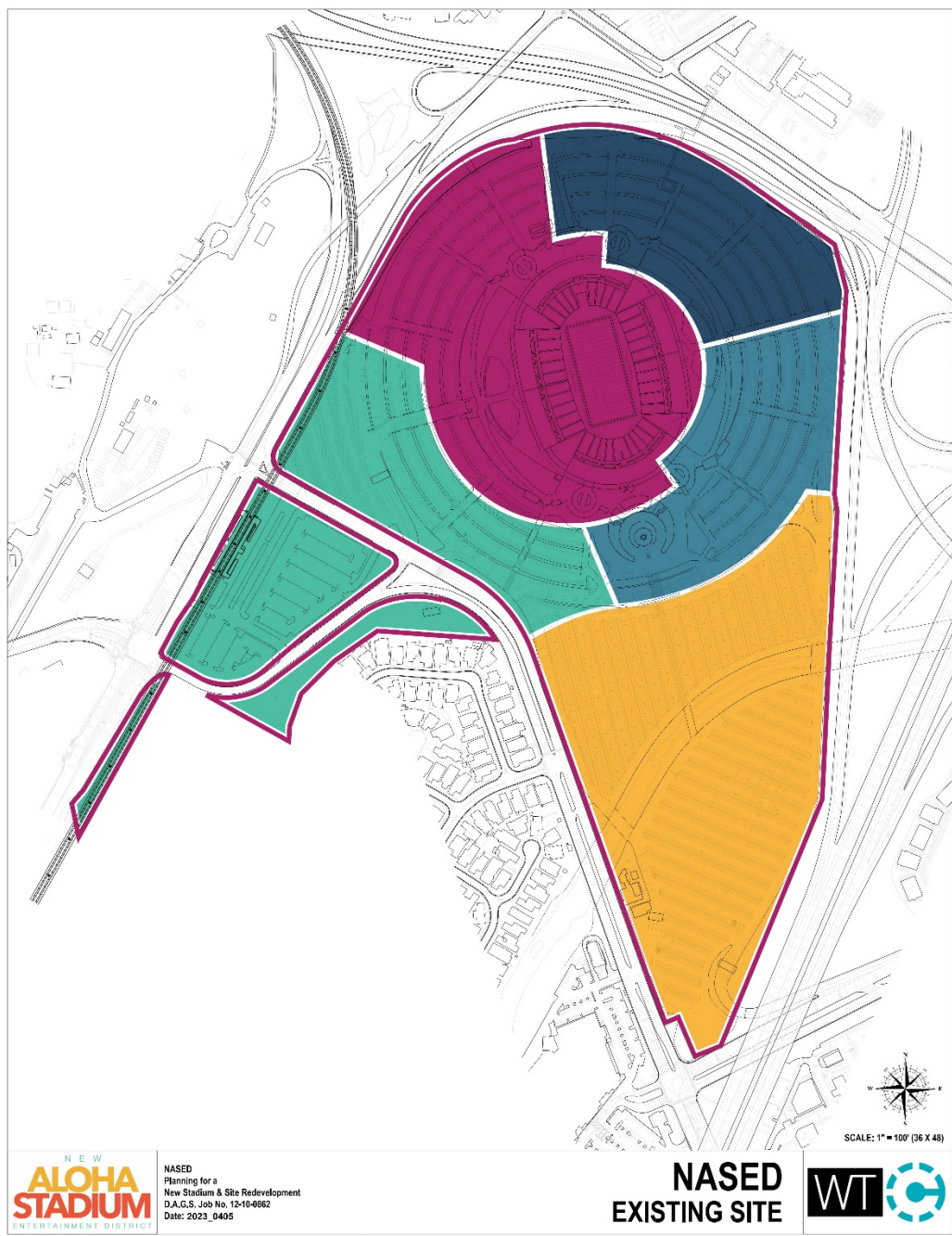
While office supports the NASED vision, it will likely need to be value-engineered.



ALOHA STADIUM
NOTES:
 Partially NA
 All other areas are the Stadium current
 D.A.G.S. Job No. 12-10-6662
 Date: 2023_0405



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CONCEPTUAL PHASING

NEXT STEPS / PROCUREMENT

Market Sounding & Financial Analysis

June – November 2023

RFP Publication

Qualifications Phase: December 2023

“Progressive” Procurement Process

Proposals Phase: Spring 2024

Discussions Phase: Fall 2024

Contract Award

Summer 2025

Anticipated Stadium Opening

UH Season Opener 2028

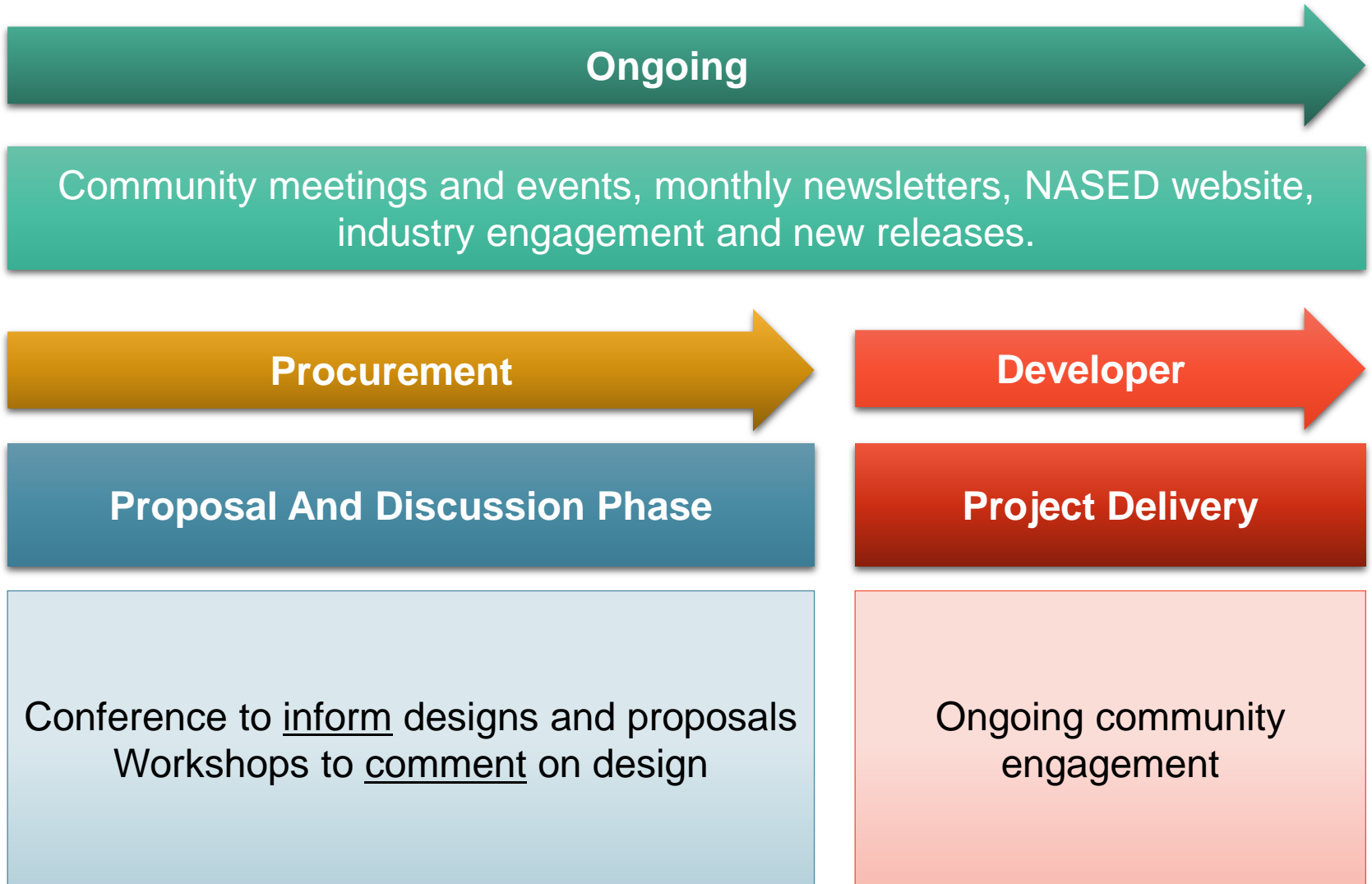
Through one-off construction spending:

- More than \$2 billion in construction spending
- 12,000 construction jobs
- \$0.6 billion in construction wages
- \$65 million in new GET

At full buildout, through ongoing district operation:

- 700 net annual jobs
- \$30 million in net annual wages on O'ahu
- \$23 million in new GET revenue (per year)
- \$6 million in transient accommodations tax (per year)
- \$17 million in real property tax (per year)

COMMUNITY ENGAGEMENT



nased.hawaii.gov

Register for the NASED e-Newsletter

nased.hawaii.gov/e-newsletter

Register Your Business' Interest

nased.hawaii.gov/doing-business

General Get in Touch

nased.hawaii.gov/reachout

- <https://nased.hawaii.gov/quickfactsfaqs/>

TOPICS:

- NASED Background
- Community Involvement
- Site Selection, Master Plan and -
Project Boundaries
- Finances
- Market Sounding
- Schedule
- Scope
- Due Diligence
- Procurement
- Housing
- Existing Stadium
- Construction
- Burials and Archaeological
- Utilities
- Parking, Tailgating and Traffic
- Environmental Impact Statement
- Geotechnical
- Ownership, Governance and
Management
- Operations and Events
- Swap Meet



QUESTIONS AND ANSWERS



Mahalo!

NASED.HAWAII.GOV