

# New Aloha Stadium Entertainment District (NASED)

Project Summary  
January 17, 2025

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; approximately 98 Acres

**Stadium Authority**

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

**Hawaii Community  
Development  
Authority**

**Department of  
Accounting and  
General Services**

**Crawford  
Architects /  
WT Partnership**

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

**Aloha Halawa  
District Partners**

## 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.**

**Long-term partnership with the developer**



**Fit for purpose, well maintained new Aloha Stadium.**



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



**The new Aloha Stadium continues to be a community asset**



**No ongoing State payments beyond the upfront contribution**



## 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.



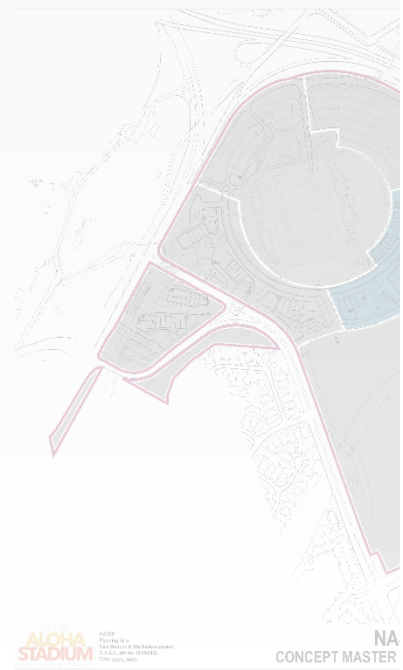
## Office

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

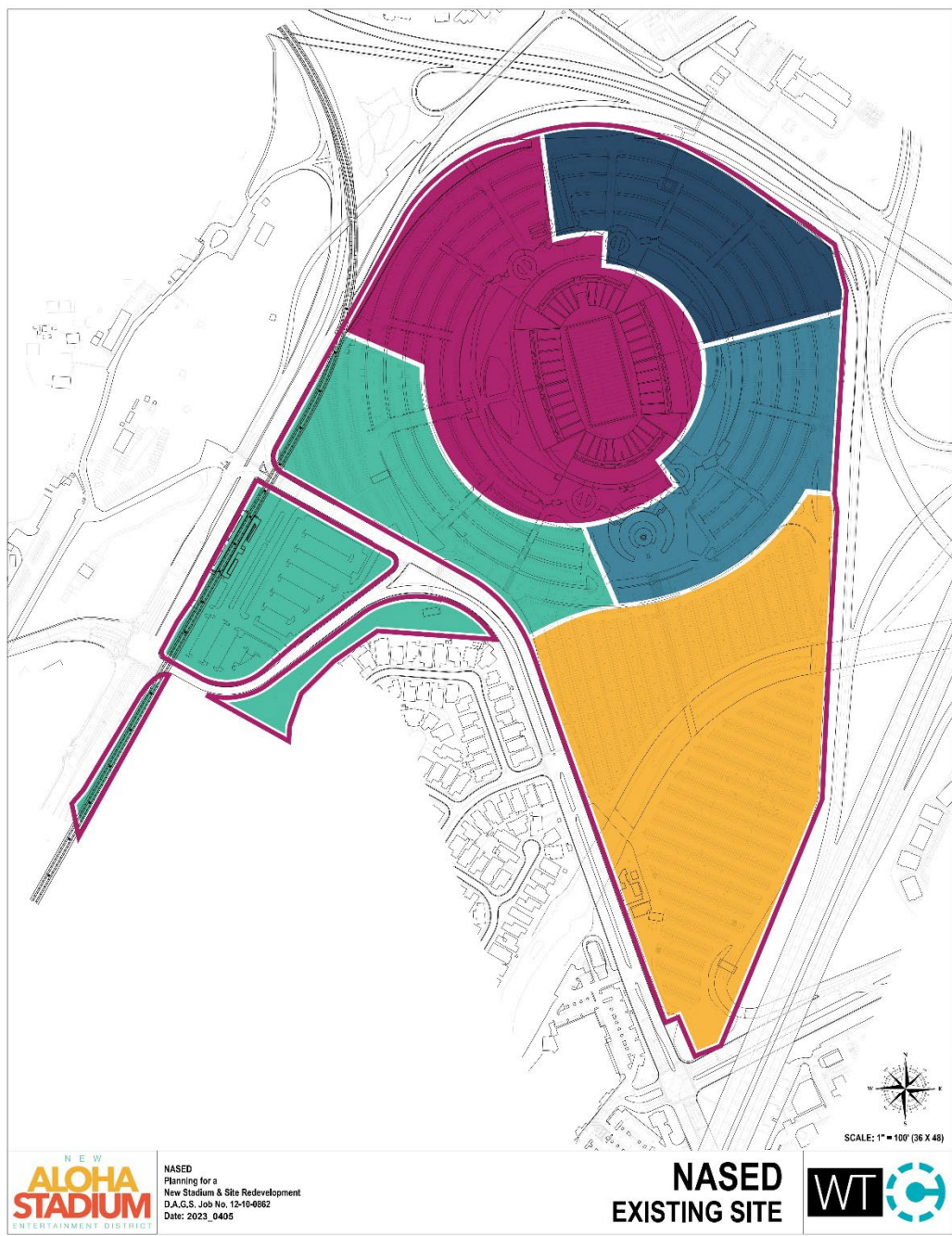
While office supports the NASED vision, it will likely need to be value-engineered.



**ALOHA STADIUM**  
NOTES:  
 Planning for a  
 New Stadium and Site Redevelopment  
 D.A.G.S. Job No. 12-10-6662  
 Date: 2023\_0405



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# CONCEPTUAL PHASING

## Market Sounding & Financial Analysis

June – November 2023

## RFP Publication

Qualifications Phase: December 2023

## “Progressive” Procurement Process

Proposals Phase: Spring 2024

Discussions Phase: Fall 2024

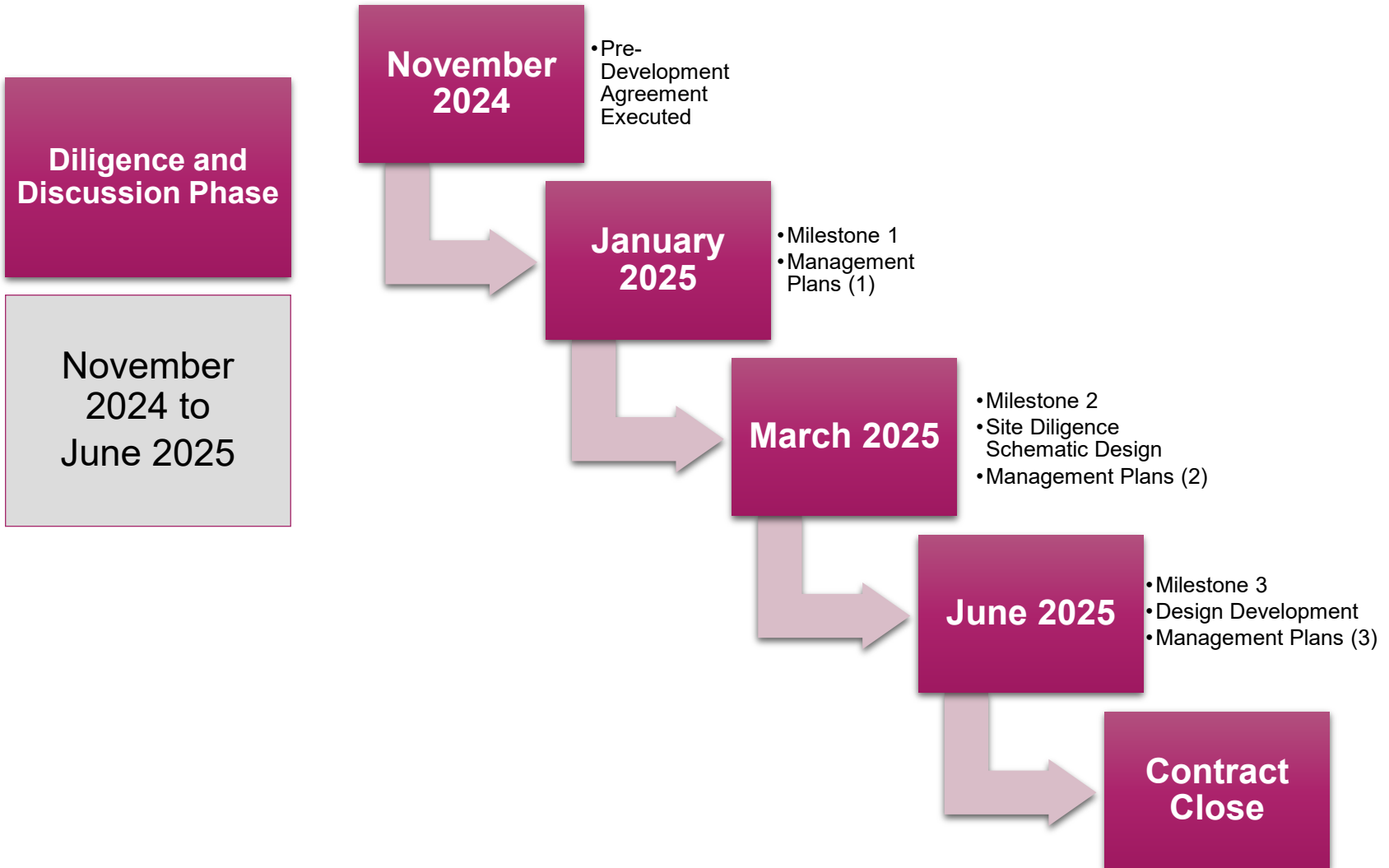
## Contract Award

Summer 2025

## Anticipated Stadium Opening

UH Season Opener 2028

# DILIGENCE AND DISCUSSION PHASE



## Pre-Development Agreement

- Terms and conditions for Preferred Offeror to, among other things, conduct due diligence and for the State and the Preferred Offeror to finalize the State Project Documents

## Stadium Development and Operation Agreement

- Master Developer's rights and obligations to design, construct, operate, and maintain the new Stadium during **a 30-year term** that will be coterminous with the term of the Master Development Agreement

## Master Development Agreement

- Requirements, processes, and procedures for the Master Developer **to lease** from the State and develop individual components of the Development Site during a development period of **up to 30 years**

## Form of Ground Lease

- Form of ground lease pursuant to which the Master Developer will lease individual parcels for periods of **up to 99 years**

## Shared Infrastructure and Reciprocal Easement Agreement

- Various reciprocal easements, covenants, rights, and restrictions permanently encumbering the site, and will include, among other things, an allocation of maintenance and operational obligations for shared infrastructure and facilities.

## Executed State Project Documents

- Stadium Development and Operation Agreement
- Master Development Agreement
- Ground Lease (initial Development Parcel)
- Shared Infrastructure and Reciprocal Easement Agreement

## Design Documents (Design Development Stage)

## Management Plans

- Project Management Plan
- Project Schedule
- Works of Art Strategy

## UH Licensee Agreement

## Financial Model

## Equity and Debt Commitment Letters

## Through one-off construction spending:

- More than \$2 billion in construction spending
- 12,000 construction jobs
- \$600 million 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)



Advisor

HR&A Advisors, Inc.

Completed

August 30, 2024

Inspired by

Clark County (Nevada) Stadium Authority Sports and  
Entertainment Improvement District  
Las Vegas A's (MLB) and Las Vegas Raiders (NFL) stadiums

- The NASED project will present significant benefits to the State of Hawai‘i and the City and County of Honolulu.
- The project carries significant infrastructure and development costs.
- Additional funding may be required to support all capital and operation and maintenance needs. Additional resources could also be needed if future changes in market conditions affect the project’s financial viability.
- The HR&A report presents a menu of alternative funding approaches, specifically value capture tools, that can mitigate the threats to NASED’s financial viability and its associated housing and economic opportunities.
- Value capture tools can enhance NASED’s financial feasibility by leveraging shared public funding to address the costs associated with area-wide infrastructure improvements, including [capex and opex].

## Assessment Districts

- Special Improvement District (City)
- Community Development District (State)
- Community Facilities District (not investigated in detail)

## Tax Increment Financing

- Traditional TIF
- Pay-as-you-go TIF

## Tax Sharing Agreement

Value Capture Instrument	Source of Revenue	Can Back Public Debt Financing?	Can Provide Funding Upfront for Areawide Improvements?	Primary Parties Responsible for Implementation	Key Benefits and Challenges
<b>Special Improvement District / Community Development District</b>	<p>Revenue from a new special assessment/tax on new or existing development.</p> <p>Payment of the special tax/assessment can begin as soon as the district is created and is based on future development.</p>	<b>Yes.</b> Can underwrite bonds fully secured by proceed from the special assessments.	<b>Yes.</b> SIDs and CDDs can support bond issuances and produce a steady revenue cash flow once district is created.	<p><b>SIDs:</b> Developer or Property Owners, who often initiates SID. City Executive and City Council, who need to approve SID creation.</p> <p><b>CDDs:</b> State legislature, which creates the CDD. Governor approves CDP. HCDA governs the CDD.</p>	<p>Starts providing <b>revenues upfront</b>.</p> <p>Provides access to <b>public financing</b>.</p> <p>Requires project <b>financials that can absorb</b> the additional assessment.</p>
<b>Tax-Sharing Agreement</b>	<p>PILOT or revenue from taxes on a) New development; and b) Growth in taxable value of existing properties, which may be abated. Taxes included (RPT, sales, others) to be defined in agreement.</p> <p>After project completion, revenue grows gradually as development and appreciation of the taxable base takes place.</p>	<b>No.</b> Developer secures financing for initial capital investment.	<b>Yes.</b> Developer independently secures funding for development-enabling improvements and is later reimbursed through means such as the sharing of tax revenues generated onsite.	<p><b>Developer/Property Owners</b>, who is responsible to procure financing and execute site development.</p> <p><b>City Executive</b>, which negotiates agreement.</p> <p><b>City Council</b>, which needs to approve agreement.</p>	<p>Does <b>not entail the levying of new taxes</b>.</p> <p>It often <b>takes time</b> for the taxable base to grow sufficiently to support significant funding /financing capacity.</p> <p>Requires complex calibration and negotiation process.</p>
<b>Tax Increment Financing</b>	<p>Revenue from property taxes on a) New development; b) Growth in taxable value of existing properties.</p> <p>Other jurisdictions have allowed TIF to capture incremental taxes beyond RPT, including sales, hotel, and other taxes, and incremental revenues at the State and County levels.</p> <p>After the district's creation, revenue grows gradually as development and appreciation of the taxable base takes place.</p>	<b>Yes.</b> Can often underwrite bonds fully secured by incremental tax revenues (though it is unclear whether the State Constitution allows this). Can also help service debt of other debt instruments (which are not secured solely by the incremental tax revenue produced onsite).	<b>Yes, if paired with a TIF Bond or other bond issuance or if used to repay a developer loan.</b>	<p>City Government</p> <p>State Government (<i>if increment of State taxes also included as a TIF revenue source</i>).</p>	<p>Does not entail the levying of new taxes</p> <p>It often takes time for the taxable base to grow sufficiently to support significant funding /financing capacity.</p>

[nased.hawaii.gov](https://nased.hawaii.gov)

***Register for the NASED e-Newsletter***  
[nased.hawaii.gov/e-newsletter](https://nased.hawaii.gov/e-newsletter)

***Register Your Business' Interest***  
[nased.hawaii.gov/doing-business](https://nased.hawaii.gov/doing-business)

***General Get in Touch***  
[nased.hawaii.gov/reachout](https://nased.hawaii.gov/reachout)

# QUESTIONS?

[www.nased.hawaii.gov](http://www.nased.hawaii.gov)

## Aloha Halawa District Partners (AHDP)

### **LEAD EQUITY MEMBERS:**

Stanford Carr Development, LLC, Ameresco Inc., and Aloha Stadium Community Development LLC (The Cordish Company)

### **DESIGN TEAM:**

MA Architects, Populous, SB Architects, Henning Larsen, Alakea Design, and WCIT Architects

### **CONSTRUCTION TEAM:**

Hawaiian Dredging Construction and AECOM HUNT

### **OTHER TEAM MEMBERS:**

Castle & Cooke Hawaii and Wilson Okamoto