NEIL ABERCROMBIE GOVERNOR

DEAN H. SEKI COMPTROLLER



CHARLES T. TOGUCHI CHAIRMAN, STADIUM AUTHORITY

> SCOTT L. CHAN MANAGER

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October 10, 2014

An Agency of the State of Hawaii

Mr. Carroll Cox

(via email: carroll@carrollcox.com)

Honolulu, Hawaii

Dear Mr. Cox:

Thank you for providing the Stadium Authority with an opportunity to clarify and elaborate on statements made in your email of October 7, 2014. In following with the organization and flow of your letter, I am providing responses in two parts:

- I. Responses to specific questions raised at the beginning of your letter, and
- II. A summary and supporting documentation to address and clarify statements that have been extracted from the Auditor's report

PART I

In reference to your specific questions, please refer to our responses below:

Question: Has an alternate definition of recreational activities been issued? If yes, when was it issued? please provide a copy of the new definition.

Response: No alternate definition of recreational activities has been issued to this point.

Question: Has a determination by the National Park Service determined that the proposed uses does or doesn't fit within the definition of recreational activities state and city's plans? If Yes, Please provide a copy of that determination.

Response: We have received correspondence from the NPS addressing the "rapid transit easement and associated structures" which defers to "local land-use decisions and the Stadium Authority's determinations regarding the usefulness of that rapid transit station to stadium operations and public access." Please refer to the bottom of page two of the attached letter dated April 5, 2013 from Federal Lands to Parks Program Coordinator, David Siegenthaler to Stadium Manager, Mr. Scott L Chan.

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Question: The Auditors report states "By September 2011, the park service indicated it would support the non-exclusive easement because the transit stop can support the purposes of the park. It expressed concerns, however, about more elaborate development of the site and reserved the right to review the plans again." Have any plans been submitted by your agency, or other agencies for the National Parks' review to address the concerns by the National Parks?

Response: No plans have been submitted by the Aloha Stadium Authority to the NPS for review at this time.

Question: Recent news reports claim that a new site will be picked for the stadium. If a new site is picked how will that effect the original site of the stadium and it's deed restrictions? Will the city or state continue to use the land as a recreational site? If yes, how will the rail related activity comply with the original deed restrictions?

Response: The recent news reports are premature. Discussions are ongoing regarding the future of the existing structure and any new structure and/or site.

PART II

In reviewing your letter, the one message that consistently rises to the forefront is the question on whether the Stadium Authority's present utilization of federally deeded land is in compliance with the requirements, conditions, and parameters set forth by the Federal Lands to Parks Program.

While the Auditor's report may cast doubt and present a picture of noncompliance, we disagree. The facts show that the Stadium Authority Board and Stadium Management continue to be diligent and mindful of the Department of the Interior's limitations on the acceptable use of deeded land at the Aloha Stadium. To clarify and further validate conditions of land use and to ensure proper compliance with federal deed restriction requirements, the Stadium Authority sought clarification from Mr. David Siegenthaler, Program Coordinator, Federal Lands to Parks Program Coordinator for the Pacific West Region. In a letter dated April 5, 2013, Mr. Siegenthaler validates, among other things, the following:

 "Our records indicate that the biennial performance report requirement has been met, and that the last biennial report we received was dated May 1997. Even though the regular reporting requirement has been met ...the National Park Service reserves the right to request further such reports at any time."

- "It is conceivable that all or most of the uses that the Stadium has in mind for its stadium site would be determined eligible uses under our interpretation of the public park and recreational requirement. For instance, on March 22, 1977, we approved a Swap Meet Concession for use of the parking area provided it did not conflict with normal stadium activities."
- "The general rule is that concessions may be used to support the public recreational use of the site, and reasonable fees may be charged to support that use."

Based on Mr. Siengethaler's letter of April 5, 2013, the Stadium Authority feels confident that it is working within the boundaries and requirements of the Federal Lands to Parks Program. We hope that this information helps to clear any misunderstandings and/or misconceptions with regard to appropriate compliance on utilization of deed restricted land.

Please feel free to call or email me if you have any further questions.

Sincerely,

Scott L. Chan
Stadium Manager