

---

# SODO ARENA

CITY COUNCIL BRIEFING MEETING  
February 25, 2013

# MOU REVIEW

---

Agreement between City, County and ArenaCo

Establishes timeline for future decisions

Outlines mutual understanding of key expectations

Identifies potential funding obligations contingent upon and following:

- Completion of permitting and environmental review
- Satisfactory negotiation of more detailed “transaction documents”
- Completion of a number of “conditions precedent”
- Future agreements will be reviewed and subject to approval by City & County Councils

# OVERVIEW

---

1. City and County Working Together
2. Team Acquisition
3. Permitting Process
4. Implementation of MOU
5. Economic Impact Analysis
6. SODO Transportation Fund
7. DPD Studies
8. Key Arena

# TEAM ORGANIZATION

---

1. City of Seattle and King County executive and legislative staffs working together on all aspects of project
2. Weekly subgroup meetings on transaction documents, Key Arena and permitting

# STATUS REPORT ON TEAM ACQUISITION

---

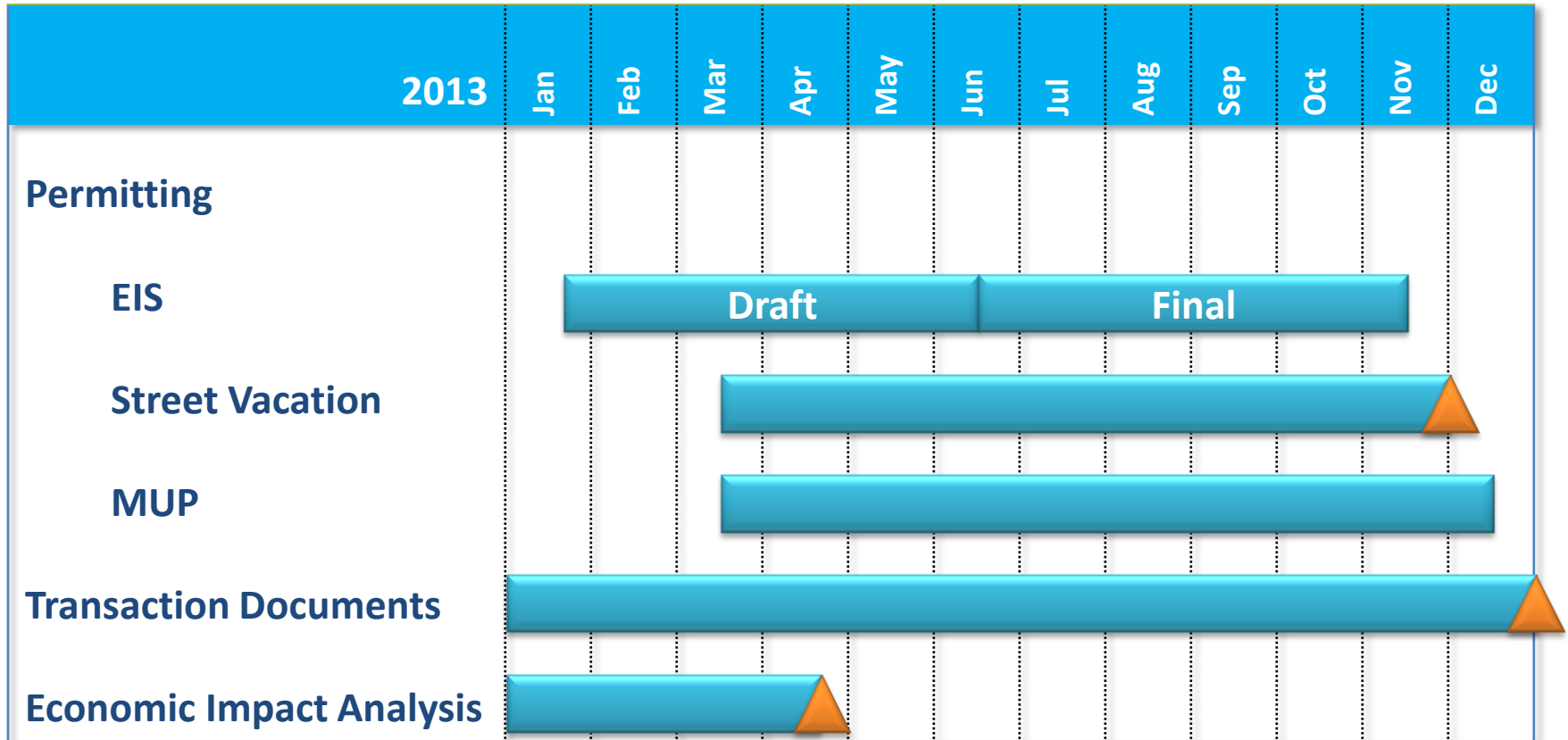
1. Chris Hansen negotiated deal to acquire Sacramento Kings from Maloof family and Bob Hernreich (65% share) for an enterprise value of \$525 million on January 21<sup>st</sup>
2. Application materials to acquire team and relocate team to Seattle being delivered to NBA in February and March
3. NBA Board of Governors' meets on April 19<sup>th</sup> to make decision on acquisition and relocation

# PERMITTING PROCESS

---

1. Design Review underway
2. Draft EIS underway; Consultant hired, scoping meetings completed.
3. Street vacation part of project (Occidental between Massachusetts and Holgate). Design Commission will review

# SCHEDULE



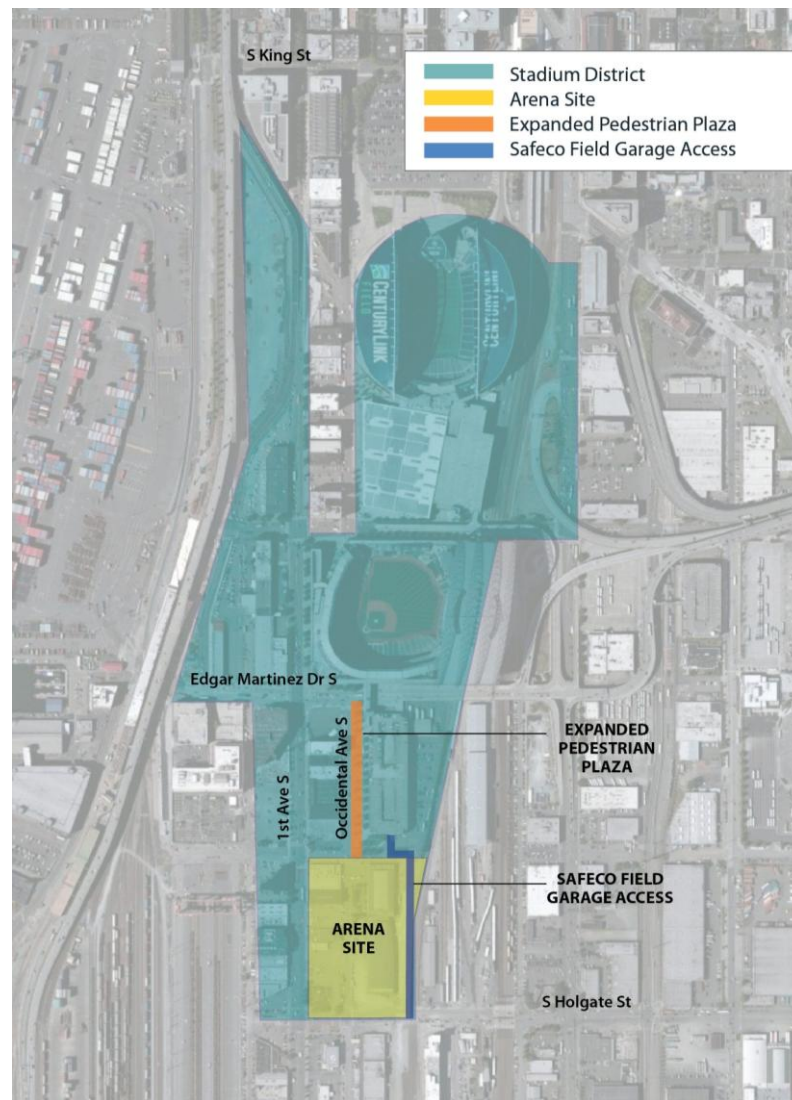
Council Action

# VIEW FROM BEACON HILL

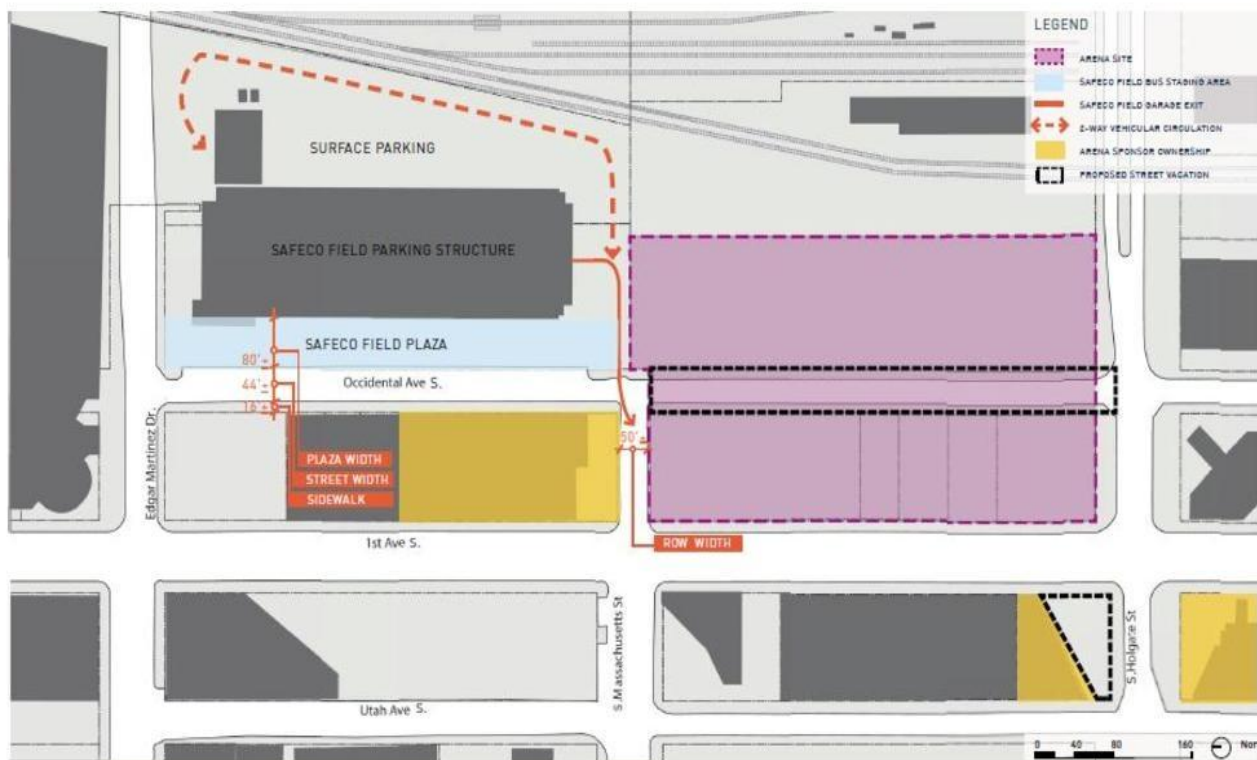




# SITE CONTEXT



# SITE MAP



# VIEW LOOKING NORTH ON 1<sup>st</sup> AVENUE





# VIEW LOOKING SOUTH ON 1<sup>st</sup> AVENUE



# IMPLEMENTATION OF MOU

---

1. City and County acting in good faith to implement and follow terms of MOU:
  - City and County conducting due diligence of property of proposed SODO Arena
  - City has right to approve Schematic Design package. Design standards include being substantially similar to 3 other arenas that can accommodate NBA/NHL and complying with City requirements for sustainable construction. City hiring operations/design expertise as part of this approval

# IMPLEMENTATION OF MOU

---

2. Per MOU City/County team in active discussions on highly specific transaction agreements:
  - Ground lease and Lease with Option to Purchase
  - Arena Use Agreement
  - Umbrella Agreement

**Council will review post environmental (SEPA) review so City can decide whether to proceed in light of that analysis.**

# ECONOMIC IMPACT ANALYSIS

---

1. ProForma Advisors from Los Angeles area selected to do analysis
2. Team of City and County executive and legislative staff reviewed 6 consultant qualification/project approaches
3. Work underway; draft will be completed in April and will be an appendix to June Draft EIS
4. **City Council to consider the Analysis and determine if it is appropriate to proceed**

# PLANNING AND TRANSPORTATION STUDIES

---

Per MOU, DPD undertaking two studies:

- Land use study to evaluate policies and land use in Duwamish MIC
- Land Use study to reevaluate effectiveness of Stadium Transition Overlay District

Stakeholder advisory groups formed for each study

DPD to issue public draft recommendations in July 2013

**Mayor send recommendations to Council late 2013**

Per MOU and only if project goes forward, SDOT will partner on Transportation Fund seeded with \$40 million



# KEY ARENA

---

1. Distinct issue from MOU
2. Negotiating terms for using City facility; all options being considered.
3. Dates being held for 2013-14 NBA season starting in November.
4. Team would play in Key Arena for up to 3 seasons
5. TeamCo will complete some capital Improvements
6. Key Arena Repurposing study