Seattle Center Arena Development Agreement:

Agreements Exhibit Inventory - Council Bill 119345

	DATER	DATE RECEIVED	
	8/29/2018*	9/7-11/2018**	
HANDOUT 1A: ATTACHMENT 1 - LEASE AGREEMENT			
Exhibit A-1: Depiction of Premises	Х		
Exhibit A-2: Legal Description of Premises	Х		
Exhibit A-3 Northwest Rooms Courtyard Access Locations		Х	
Exhibit A-4 Reserved Rights Areas	Х		
Exhibit B: Existing Encumbrances on Title to Fee Estate		Х	
Exhibit C: Form of Non-Disturbance Agreement		Х	
Exhibit D: Form of Estoppel Certificate		Х	
Exhibit E: Form of Memorandum of Lease	Х		
Exhibit F: Environmental Reports		Х	
Exhibit G: Insurance Requirements	Х		
Exhibit H: Form of Operating Term and Rent Commencement Date Acknowledgment Letter		х	
Exhibit I: Salvage FF&E		х	
Exhibit J: Initial Seattle Center Rules	Х		
Exhibit K: Form of Seattle Storm Lease Assignment	-	Х	
Exhibit L: Form of Pottery Northwest Lease Assignment	-	х	
Exhibit M: Rent Adjustment Threshold Substitution for Mercer Street Parking Garage Replacement	х		
Exhibit N: Initial Sign Plan		Х	
HANDOUT 1B: ATTACHMENT 2 - DEVELOPMENT AGREEMENT			
Exhibit A: Approved Baseline Plans		Х	
Exhibit B-1: Depiction of Development Premises		х	
Exhibit B-2: Legal Description of Development Premises		X	
Exhibit C-1: Construction Site Logistics Plan		х	
Exhibit C-2: Form of Crane Overhang License Agreement		Х	
Exhibit D: Shoring and Tie-Back Plan		Х	
Exhibit D-1: Form of Shoring and Tie-Back Easement		Х	
Exhibit E: Construction Impact Mitigation Plan		Х	
Exhibit F: Design and Construction Schedule		Х	
Exhibit G: List of Major Events	Х		
Exhibit H: Memorandum of Agreement for Event Curbside Management dated June 20, 2011	X		
Exhibit I: List of Arena Contracts		х	
Exhibit J: Form of Collateral Assignment of Arena Contracts		Х	
Exhibit K: Initial Sign Plan	-	Х	
Exhibit L: Project Budget	-	х	
Exhibit M: Seattle Center Site Standards	Х		
Exhibit N: [Reserved]			
Exhibit O: Inclusion of Women and Minority Businesses and Labor and Social Equity Provisions for Development			
Project		х	
Exhibit P: Additional Contingency Reduction Schedule	Х		
Exhibit Q: Team Non-Relocation Agreement	Х		
Exhibit R: Collaborative Turnover Schedule		Х	
HANDOUT 1C: ATTACHMENT 3 - SEATTLE CENTER INTEGRATION AGREEMENT			
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Exhibit B: Initial Sign Plan		Х	
Exhibit C: Arena Domain Names and Social Media Accounts	Х		
Exhibit D: Form of Estoppel	Х		
Exhibit E: Approved Sponsorship Categories	X	1	

*Exhibits Included with Executive Transmittal of Legislation

** Exhibits Received after Executive Transmittal

Handout 1a - Amendment 1(Blue paper)

Council Bill 119345, Attachment 1, Substitute version 2 for version 1b, to include omitted Exhibits

LEASE AGREEMENT (ARENA AT SEATTLE CENTER)

by and between

THE CITY OF SEATTLE,

a Washington municipal corporation,

as Landlord

and

SEATTLE ARENA COMPANY, LLC,

a Delaware limited liability company,

as Tenant

Dated: [•], 2018

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Att 1 - Lease Agreement (Arena at Seattle Center) V2

Exhibits

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- Exhibit A-2: Legal Description of Premises
- Exhibit A-3 Northwest Rooms Courtyard Access Locations
- Exhibit A-4 Reserved Rights Areas
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- Exhibit L: Form of Pottery Northwest Lease Assignment
- Exhibit M: Rent Adjustment Threshold Substitution for Mercer Street Parking Garage Replacement
- Exhibit N: Initial Sign Plan

LEASE AGREEMENT (ARENA AT SEATTLE CENTER)

This LEASE AGREEMENT (ARENA AT SEATTLE CENTER) (this "<u>Agreement</u>"), dated this [•] day of [•], 2018 ("<u>Effective Date</u>"), is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation ("<u>Landlord</u>" or "<u>City</u>"), and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("<u>Tenant</u>"). Landlord and Tenant are referred to in this Agreement individually as a "<u>Party</u>" and jointly as the "<u>Parties</u>".

RECITALS

WHEREAS, on January 11, 2017, the City released a Request for Proposal (as amended, the "<u>RFP</u>") for the redevelopment of KeyArena at Seattle Center as a world-class, multi-purpose sports and entertainment facility. The City developed the RFP with input from ten City departments and in consultation with constituencies throughout Seattle. The City's objectives for the redevelopment of the Arena (as such term is defined herein) include each of the following (collectively, the "<u>Arena Objectives</u>"):

A. To provide a world-class civic arena to attract and present music, entertainment, and sports events, potentially including National Basketball Association ("<u>NBA</u>") and National Hockey League ("<u>NHL</u>") events, to Seattle and the region;

B. To provide for Arena design and operations in a manner that integrates with and enhances connections to Uptown and adjoining neighborhoods and aligns with the Urban Design Framework;

C. To provide for design, permitting, development, demolition and construction of the Arena with minimal City financial participation;

D. To provide for the continuous, successful, and sustainable operation of the Arena as a world-class civic venue with minimal City financial participation;

E. To provide for mitigation of transportation impacts due to Arena construction and operations;

F. To provide Arena construction and operations in a manner that is equitable for workers and consistent with the City's Race and Social Justice Initiative; and

G. To provide for Arena design and operational integration with Seattle Center, contributing positively to the vibrancy of Seattle Center; and

WHEREAS, on February 23, 2017, the City formed an advisory body known as the Arena Community Advisory Panel (the "<u>Advisory Panel</u>") to provide counsel to the City to consider proposals responding to the RFP, comprised of ten (10) Advisory Panel members chosen based on their various expertise, including, but not limited to, music, sports, transportation, neighborhood interests, and design; and

WHEREAS, on April 12, 2017, Oak View Group, LLC, a Delaware limited liability company ("<u>OVG</u>"), submitted to the City a proposal in response to the RFP entitled "Proposal for the Transformation of the Arena at Seattle Center" (as subsequently amended, the "<u>OVG</u><u>Response</u>"); and

WHEREAS, between April 12, 2017 and June 2, 2017, each of (1) the Advisory Panel, (2) a City executive review team comprised of the Director of the Office of Economic Development, the Director of Seattle Center, and the Director of the City Budget Office (collectively, the "<u>Executive Review Team</u>"), and (3) a team of City staff members in the areas of design/constructability, finance, operations, social equity, and transportation (collectively, the "<u>City Staff Review Team</u>") carefully evaluated the various proposals in response to the RFP to determine, amongst other things, how the proposals met the Arena Objectives; and

WHEREAS, on June 2, 2017, the Advisory Panel submitted its Final Summary Report and Observations to the Mayor of the City and the Executive Review Team regarding the RFP proposals; and

WHEREAS, on June 7, 2017, based upon the input of the Advisory Panel, the Executive Review Team, and the City Staff Review Team, the City selected the OVG Response as the preferred proposal for the renovation of the Arena; and

WHEREAS, between June 7, 2017 and December 4, 2017, OVG and the City negotiated the terms of that certain Memorandum of Understanding (Arena at Seattle Center) (the "<u>MOU</u>"), regarding, amongst other terms, the Parties' commitment to negotiate this Agreement in good faith consistent with the terms, conditions, and limitations set forth in the MOU; and

WHEREAS, on August 14, 2017, the Seattle City Council adopted Resolution 31764, which set forth the City Council's expectations for the negotiation of, and approval process for, the MOU; and

WHEREAS, on December 4, 2017, the Seattle City Council adopted Ordinance 125480 approving the MOU; and

WHEREAS, on December 6, 2017, the Mayor, on behalf of the City, and OVG executed and delivered the MOU; and

WHEREAS, on $[\bullet]$, 2018, Landlord and Tenant received the notice of adequacy of EIS (defined below); and

WHEREAS, on [•], 2018, the Seattle City Council adopted Ordinance [•] authorizing the Mayor to enter into this Agreement for and on behalf of the City; and

WHEREAS, between December 4, 2017 and the Effective Date of this Agreement, (a) all conditions precedent to Landlord and Tenant entering into this Agreement (as set forth in Sections 21 and 22 of the MOU) were fully and irrevocably satisfied, subject to those provisions thereof that have been expressly restated in this Agreement, the Development Agreement and the Seattle

Center Integration Agreement¹, and (b) all reimbursements of Development Costs by OVG to Landlord were paid in full (as set forth in Section 4 of the MOU)²; and

WHEREAS, concurrently with the execution of this Agreement, Landlord and Tenant have executed a Development Agreement relating to construction of the Initial Tenant Improvements (as may be amended from time to time in accordance with its terms, the "<u>Development Agreement</u>"), and that certain Seattle Center Integration Agreement relating to certain operational matters (as may be amended from time to time in accordance with its terms, the "<u>Seattle Center Integration Agreement</u>");

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as to the following:

AGREEMENT

ARTICLE I Definitions

As used in this Agreement, the following terms will be defined as follows:

"<u>Access Agreement</u>" is defined in <u>Article II, Section 2</u>.

"Act" is defined in Article XIV, Section 4.

"<u>Admission Tax</u>" means the admission tax imposed pursuant to SMC Chapter 5.40 or any successor provision.

"<u>Affiliate</u>" means, with respect to a specified entity, any other individual or entity that directly or indirectly, through one or more intermediaries Controls, is Controlled by or is under common Control with the specified entity. For purposes of this definition, the terms "Controls," "Controlled by" or "under common Control" mean the direct or indirect power to direct or cause the direction of the management and policies of an individual or entity.

"Affordable Housing Payment" is defined in Article VIII, Section 3(f).

"<u>Agreement</u>" is defined in the Preamble to this Agreement.

"<u>Alteration</u>" means any alteration, modification, replacement, addition, or removal of an Improvement.

¹ Drafting note – revise as needed at the time of lease execution depending on then-current status.

 2 Drafting note – revise as needed at the time of lease execution depending on then-current status, as there may still be Development Costs invoices coming in.

"<u>Ancillary Agreements</u>" means the Development Agreement and the Seattle Center Integration Agreement, as well as the documentation of the security interests and/or letters of credit to be provided pursuant to the Development Agreement.

"Annual Art Investment" is defined in Article VIII, Section 10(a)(i).

"Annual CapEx Report" is defined in Article VII, Section 3(d).

"<u>Annual Transportation Payment</u>" means the amount of One Million Twenty-Five Thousand Six Hundred Forty-One Dollars and Two Cents (\$1,025,641.02) per year, which amount represents the sum of Forty Million Dollars (\$40,000,000) amortized and payable over the first thirty-nine (39) years of the Initial Term.

"<u>Arena</u>" means the arena located on the Premises, as expanded, altered and improved according to the terms of this Agreement and the Development Agreement, including the underground parking garage, loading dock, and (unless the context clearly indicates otherwise) the adjacent exterior plaza areas so designated on <u>Exhibit A-1</u>.

"Arena Objectives" is defined in the Recitals to this Agreement.

"ARTS" is defined in Article VIII, Section 10(a)(ii).

"Bankruptcy Proceeding" means (A) if Tenant (i) makes an assignment for the benefit of creditors or admits, in writing or in any legal proceeding, its insolvency or inability to pay its debts as they become due, (ii) files a voluntary petition in bankruptcy, (iii) is adjudged bankrupt or insolvent, or has entered against it an order for relief, in any bankruptcy or insolvency proceedings, (iv) files a petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, or acquiesces in or joins in any involuntary petition filed against it, (v) files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against it in any proceeding of this nature, or (vi) seeks, consents to or acquiesces in the appointment of a trustee, receiver or liquidator of Tenant or of all or any substantial part of its assets, or (B) if ninety (90) days after the commencement of any proceeding against Tenant seeking reorganization, arrangement, composition, readjustment, liquidation or similar relief under any statute, law or regulation, if the proceeding has not been dismissed, or if within ninety (90) days after the appointment without Tenant's consent or acquiescence of a trustee, receiver or liquidator of Tenant or of all or any substantial part of its assets, the appointment is not vacated or stayed, or within ninety (90) days after the expiration of any such stay, the appointment is not vacated.

"<u>Baseline Historic Average</u>" means \$2,810,662, which the Parties agree is the amount equal to the four (4)-year trailing historical annual average amount of the facility revenues that Landlord has received from the operation of the Arena and related business operations as set forth below for the complete calendar years 2014, 2015, 2016, and 2017, calculated based on the following existing revenue streams: (A) Landlord's net revenues from the operation of the Arena, excluding tax revenues attributable to Arena operations with respect to the applicable taxes in the Baseline Tax Guaranty Payment; (B) Landlord's net parking revenues from the operation of the First Avenue North parking garage; and (C) Landlord's net revenues from sales of Seattle Center Sponsorship Rights (without duplication of any amounts already included in clauses (A) and (B) above). For each of calendar years 2014, 2015 and 2016, the amount for such calendar year has been escalated by the Escalator for an applicable escalation period that is the number of calendar years from December 31 of such year until December 31 of calendar year 2017.

"<u>Baseline Rent Payment</u>" means an annual payment that is calculated as follows: (i) for the period between the Rent Commencement Date and December 31 of the year in which the Rent Commencement Date occurs, an amount equal to the Baseline Historic Average, adjusted by the Escalator for the period from December 31, 2017 until January 1 of the calendar year in which the Rent Commencement Date occurs (such adjustment to be made on a calendar year basis for yearly changes in such period), with such adjusted annual amount then being prorated from the Rent Commencement Date through December 31 of such year; and (ii) for each succeeding calendar year during the Term, the Baseline Rent Payment shall be the amount payable in the preceding calendar year (with the full (and not prorated) annual amount being deemed the amount payable in the first calendar year), as adjusted by the Escalator provided, with respect to each of the first ten (10) full calendar years after the initial calendar year in which a Baseline Rent Payment is due, such amount shall then be reduced by Three Hundred Fifty Thousand Dollars (\$350,000).

"Baseline Tax Guaranty Payment" means the annual tax receipt shortfall payments, if any, calculated on a tax by tax basis for each of the taxes described in the definition of "Baseline Tax Threshold;" calculated for each tax as the positive difference (if any) between the Baseline Tax Threshold for such tax less the applicable tax revenues received by Landlord during a calendar year of this Agreement for such tax. Baseline Tax Guaranty Payments shall be made on a calendar year basis with respect to the prior calendar year's tax revenues received by Landlord and corresponding Baseline Tax Thresholds; provided that as applicable to the partial calendar year that commences on the Operating Term Commencement Date, (A) the tax revenues received shall be measured from and after the Operating Term Commencement Date, and (B) the corresponding Baseline Tax Thresholds shall be prorated for the number of days from the Operating Term Commencement Date through December 31 of such year to determine the Baseline Tax Guaranty Payment with respect to such partial calendar year. If City tax receipts for a tax for a calendar year are less than the Baseline Tax Threshold for such tax for such calendar year, a shortfall payment is due to Landlord by Tenant. The total amount of all tax shortfall payments as calculated above, if any, is the Baseline Tax Guaranty Payment for a calendar year of this Agreement. For clarity, tax revenue receipts in excess of the Baseline Tax Threshold for any tax for a calendar year of this Agreement are not netted against any tax shortfall payments, but instead are part of the computation of the Rent Adjustment for such year.

"<u>Baseline Tax Threshold</u>" means the following baseline calendar year tax revenue amounts (which amounts are subject to further escalation as provided below): (A) \$ 55,648 is the City's portion of Sales Tax revenue attributable to Arena operations; (B) \$105,595 is the Business and Occupation Tax revenue received by the City attributable to Arena operations; (C) \$1,300,907 is the Admission Tax revenues attributable to Arena operations; (D) \$17,439 is the City's portion of Leasehold Excise Tax revenue attributable to the Arena; and (E) \$762,830 is the Commercial Parking Tax and City's portion of Sales Tax revenues attributable to the First Avenue North parking garage, the Fifth Avenue North parking garage, and the Mercer Street parking garage. The Parties agree that the foregoing amounts represent the tax revenues the City received in a calendar year from the operation of the Arena and related business operations (regardless of whether a City or State of Washington assessed tax) as measured, for each tax, using a four (4)-year trailing historical annual average using the complete calendar years 2014, 2015, 2016, and 2017. For each of calendar years 2014, 2015 and 2016, the amount for such calendar year has been escalated by the Escalator for an applicable escalation period that is the number of calendar years from December 31 of such year until December 31 of calendar year 2017. For the calendar year in which the Operating Term Commencement Date occurs, such Baseline Tax Threshold shall be adjusted by the Escalator for the period from December 31, 2017 until January 1 of the calendar year in which the Operating Term Commencement Date occurs (such adjustment to be made on a calendar year basis for yearly changes in such period), with such adjusted annual amount then prorated for purposes of the Baseline Tax Guaranty Payment (as provided in the definition thereof) from the Operating Term Commencement Date through December 31 of such year. For each succeeding calendar year during the Term, the Baseline Tax Threshold amount shall be the amount determined for the preceding calendar year (with the full (and not prorated) annual amount being deemed the amount determined for the first partial calendar year), as adjusted by the Escalator. Certain of the taxes above (specifically the Sales Tax and Leasehold Excise Tax) are subject to apportionment between the State of Washington, the City, and other municipalities, and the tax revenue receipts for the City for purposes of this definition are the City's allocable portion of such tax receipts.

"<u>Benchmark Arenas</u>" means, collectively, (i) United Center (Chicago), (ii) Pepsi Center (Denver), and (iii) TD Garden (Boston); <u>provided</u>, <u>however</u>, that in the event that any of the Benchmark Arenas shall be closed or shall permanently cease to host NBA and NHL home games or shall, as generally recognized in the industry, cease to be maintained and operated to the standards generally recognized in the industry as first class multi-purpose sports and entertainment arenas, such arena shall cease to be a Benchmark Arena and the Parties shall agree in good faith upon a replacement Benchmark Arena that is a first class multi-purpose sports and entertainment arena that meets at the time of such replacement the Operating Standard.

"<u>Business and Occupation Tax</u>" means business license taxes imposed pursuant to SMC Chapter 5.45 or any successor provision.

"CapEx Reserve Account" is defined in Article VII, Section 3(e).

"<u>CapEx Year</u>" means a calendar year during the Operating Term, and if the Operating Term Commencement Date is not January 1, the first CapEx Year shall be the first full calendar year commencing after the Operating Term Commencement Date.

"<u>Capital Expenditures</u>" means the purchase, installation, improvement, repair, or replacement of items or systems constituting Alterations or Tenant Improvements with a life expectancy of at least three (3) years, at a cost of Five Thousand Dollars (\$5,000) per item or system, including labor costs, and that are necessary or appropriate to maintain the Improvements throughout the Term of this Agreement in the condition required by <u>Article VI</u> or which may be required by Legal Requirements, including but not limited to, all capital improvements necessary to maintain the structural integrity of the Arena.

"Charitable Funding Commitment" is defined in Article VIII, Section 2.

"City" is defined in the Preamble to this Agreement.

"<u>City Advance</u>" is defined in <u>Article III, Section 6(d)(v)</u>.

"City Transportation Fund" is defined in Article VIII, Section 6.

"Code" means the Internal Revenue Code of 1986, as amended.

"<u>Commercial Parking Tax</u>" means commercial parking taxes imposed pursuant to SMC Chapter 5.35 or any successor provision.

"Community Event" is defined in Article VIII, Section 4.

"Community Event Designees" is defined in Article VIII, Section 4.

"Community Fund" is defined in Article VIII, Section 2.

"Community Liaison" is defined in Article VIII, Section 3(a).

"Control of the Arena" is defined in Article XIII, Section 7(i).

"<u>Controlling Person</u>" means, with respect to Tenant, any individual or entity that directly or indirectly controls Tenant. As used in this definition, the term "control" means the possession, directly or indirectly, of the power either to (i) vote fifty percent (50%) or more of the securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of Tenant, or (ii) direct or cause the direction of management or policies of Tenant, whether through the ownership of voting securities or interests, by contract or otherwise, excluding in each case, any lender of Tenant or any Affiliate of such lender.

"<u>CPI</u>" means the United States Department of Labor, Bureau of Labor Statistics Consumer Price Index for all Urban Consumers (Seattle-Tacoma-Bremerton Local Area). If publication of CPI is discontinued or is published less often than bi-monthly, or if the basis of calculating CPI is materially changed, Landlord, with the reasonable approval of Tenant, shall substitute for CPI comparable statistics for the Seattle-Tacoma-Bremerton local area, as computed by an agency of the United States government or, if none is available, by a substantial and responsible periodical or publication of recognized authority most closely approximating the result which would have been achieved by utilizing CPI.

"<u>Default Rate</u>" shall mean an interest rate equal to the prime rate in effect on the date that the applicable underlying payment was made or required to be made (as reported in The Wall Street Journal or, if the Wall Street Journal stops reporting the prime rate, then such other similar periodical agreed to by Landlord and Tenant in their reasonable discretion) plus four percent (4%).

"Development Agreement" is defined in the <u>Recitals</u> to this Agreement.

"Effective Date" is defined in the Preamble to this Agreement.

"<u>EIS</u>" means that certain Final Environmental Impact Statement (Seattle Center Arena Renovation Project) prepared by Environmental Science Associates and dated August 2018.

"Enforcement Action" means, with respect to any Leasehold Mortgage and Leasehold Mortgagee, the occurrence of any of the following events: (A) any judicial or nonjudicial foreclosure proceeding, the exercise of any power of sale, the taking of a deed or assignment in lieu of foreclosure, the obtaining of a receiver, or the taking of any other enforcement action against the Leasehold Estate or any portion thereof, including the taking of possession or control of the Leasehold Estate or any portion thereof, (B) any acceleration of, or demand or action taken in order to collect, all or any indebtedness secured by all or any portion of the Leasehold Estate (other than giving of notices of default and statements of overdue amounts), (C) any exercise of any right or remedy available to Leasehold Mortgagee under the Leasehold Loan Documents, at law, in equity, or otherwise with respect to any portion of the Leasehold Estate, other than the giving of notices of default and statements of overdue amounts, or (D) any active negotiation (including the exchange of written correspondence regarding the same and the scheduling and subsequent attending of negotiations, whether in person or via telephone) between Tenant and Leasehold Mortgagee with respect to a workout following any default by Tenant under the terms and conditions of the Leasehold Loan Documents; provided, however, that so long as Leasehold Mortgagee continues to diligently prosecute to completion Mortgagee's Cure, any Enforcement Action shall be deemed to continue until the earlier of completion of Mortgagee's Cure or 60 days following final non-appealable judgment of a court of competent jurisdiction or cessation of any of the events or activities identified in clauses (A) through (D) above.

"<u>Environmental Complaint</u>" shall mean any written complaint by any governmental authority or any claim by a third party setting forth a cause of action for property damage, natural resource damage, contribution or indemnity for response costs, civil or administrative penalties, criminal fines or penalties, or declaratory or equitable relief arising under any Environmental Law or any order, notice of violation, citation, subpoena, request for information or other written notice or demand of any type issued by any governmental authority pursuant to any Environmental Law.

"<u>Environmental Event</u>" shall mean the occurrence of any of the following: (a) any noncompliance with an Environmental Law; (b) any event on, at or from the Premises or related to the operation of the Premises which requires reporting to applicable governmental authorities under any Environmental Law; (c) the existence or discovery of any spill, discharge, leakage, pumpage, drainage, pourage, interment, emission, emptying, injecting, escaping, dumping, disposing, migration or other release of any kind of Hazardous Substance on, at or from the Premises which exceeds required reportable thresholds or may cause a material threat or actual material injury to human health, the environment, plant or animal life; or (d) any Environmental Complaint.

"<u>Environmental Law</u>" means all applicable laws as amended, replaced or re-codified from time to time, including any consent decrees, settlement agreements, judgments or orders, issued by or entered into with a governmental authority pertaining or relating to: (a) pollution or pollution control; (b) protection of human health or the environment; (c) the presence, use, management,

generation, processing, treatment, recycling, transport, storage, collection, disposal or release or threat of release of any Hazardous Materials; or (d) the protection of endangered or threatened species, including, without limitation, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act of 1980, 42 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 93 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seg., Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder from time to time.

"<u>Environmental Reports</u>" means written final reports prepared by a third-party professional environmental firm and dated on or after July 18, 1986.

"<u>Escalator</u>" shall be the lesser of (x) three percent (3%), or (y) the positive (but not any negative) percentage change in CPI for the applicable escalation period. The applicable escalation period shall be the preceding calendar year, or as expressly provided in the definitions of "Baseline Rent Payment" and "Baseline Tax Threshold" and <u>Article III, Section 6(b)</u>, the number of calendar years as therein determined for the applicable escalation calculation (such adjustment to be made on a calendar year basis for yearly changes in such period).

"Event of Default" is defined in Article XIX, Section 1.

"Existing Encumbrances" means those matters set forth on Exhibit B attached hereto and incorporated herein by reference.

"Existing Storm Agreement" is defined in Article XII, Section 4.

"Existing Storm Lease" is defined in Article XII, Section 4.

"Extension Term" is defined in Article II, Section 6.

"Extension Option" is defined in Article II, Section 6.

"Federal Historic Tax Credits" is defined in Article XIV, Section 2.

"Fee Estate" is defined in Article XIII, Section 1.

"Fifth Avenue North Lease" is defined in Article II, Section 12(a).

"Fifth Avenue North Lease Expiration Date" is defined in Article II, Section 12(a).

"Final Design" is defined in Article II, Section 3(f).

"First Extraordinary CapEx Investment" is defined in Article VII, Section 3(b)(ii).

"First Leasehold Mortgagee" is defined in Article XIII, Section 9.

"Force Majeure" means, whenever any time period or deadline is set forth in this Agreement, such period or deadline shall be extended by the number of days that completion of an obligation is actually delayed due to acts of nature or of the public enemy: governmental action or inaction not reasonably anticipated, including by Landlord in its capacity as a regulatory authority; acts of terrorism; fires; floods; tidal waves; epidemics; quarantine restrictions; freight embargoes; earthquakes; unusually severe weather; strikes or other substantial interruption of work because of labor disputes; inability to obtain materials or acceptable substitute materials on a timely basis, not reasonably anticipated; failure or delay in delivery of utilities serving the Premises not caused by, or outside the reasonable control of, the Party claiming an extension; previously unknown (by the Party claiming the extension) environmental conditions discovered on or affecting the Premises or any portion thereof, in each case including any delay caused or resulting from the investigation or remediation of such conditions; existing unknown (by the Party claiming the extension) or newly discovered geotechnical conditions, including any delay caused or resulting from the investigation or remediation of such conditions; litigation that enjoins construction or other work on the Premises or any portion thereof, causes a lender to refuse to fund, disburse or accelerate payment on a loan, or prevents or suspends construction work except to the extent caused by the Party claiming an extension; and any action or proceeding before any judicial, adjudicative, or legislative decision-making body, including any administrative appeal, that prevent the action that is being delayed, brought by a third party that challenges any of the Permits and Approvals or other approval, action or consent required to implement the Tenant Improvements; provided, however, that the foregoing events shall only be considered Force Majeure if the Party claiming Force Majeure delay gives prompt notice thereof to the other Party, and only to the extent the same (i) do not arise from the acts or negligent omissions of the Party claiming Force Majeure delay and (ii) are not within the reasonable control of such Party.

"<u>Foreclosure Event</u>" means an Enforcement Action in the category that is described in clause (A) of the definition of "Enforcement Action."

"<u>Future FF&E</u>" means all furniture, fixtures and equipment that might be located on the Premises at a future point in time.

"Garages" is defined in the definition of "Parking Operating Expenses."

"Giving Council" is defined in Article VIII, Section 2.

"Grant Manager" is defined in Article VIII, Section 2.

"<u>Hazardous Substance</u>" means any matter, including petroleum products and by-products, asbestos, infectious waste and any other materials, which is now or hereafter designated as a

hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 *et seq.*, or that is now or hereafter regulated by applicable Environmental Laws.

"<u>Improvements</u>" means any improvements, additions and Alterations constructed on or provided or added to the Premises from time to time, including the Arena and other improvements existing on the Premises on the Initial Commencement Date, the Initial Tenant Improvements and any other subsequent Tenant Improvements, and all rights, interests, privileges, and appurtenances thereto.

"Indemnitor" is defined in Article XVII, Section 4.

"Indemnitee" is defined in Article XVII, Section 4.

"Initial Commencement Date" means October 15, 2018.

"<u>Initial FF&E</u>" means all furniture, fixtures and equipment located on the Premises on the Initial Commencement Date other than the Salvage FF&E.

"Initial Sign Plan" is defined in Article XXI, Section 2.

"<u>Initial Tenant Improvements</u>" means the initial Alterations to the Arena and the First Avenue North parking garage, together with the subterranean tunnel to be constructed beneath Thomas Street, all as more completely described in the plans approved by Landlord and constructed by Tenant under the terms and conditions of the Development Agreement.

"Initial Term" is defined at Article II, Section 5.

"Insurance Standard" means such insurance policies, coverage amounts, types of coverage, endorsements or deductibles, as applicable, that a Reasonable and Prudent Operator would reasonably be expected to obtain, keep, and maintain, or require to be obtained, kept, and maintained with respect to the Premises and the ownership, operation, and use thereof.

"Insurance Trustee" is defined at Article IX, Section 3.

"IRC Deemed Completion Date" is defined at Article II, Section 5.

"IRIS" means IRIS Holdings, LLC, a Washington limited liability company.

"Labor Harmony Agreement" is defined at Article VIII, Section 8.

"Landlord" is defined in the Preamble to this Agreement.

"<u>Landlord Party</u>" or "<u>Landlord Parties</u>" means individually or collectively, Landlord or any of Landlord's elected officials, advisory bodies, directors, employees, contractors, agents or representatives, but not any of the Tenant Parties.

"Lease Impairment" means any (A) cancellation, material amendment, material modification, rejection, surrender (whether voluntary or otherwise), or termination of this Agreement (other than a termination or eviction by Landlord pursuant to Landlord's rights as provided in and expressly limited by this Agreement, including upon a casualty or condemnation affecting the Arena or the Premises), (B) consent, or affirmative acquiescence, by Tenant to a sale of any property, or interest in any property, under 11 U.S.C. § 363 or otherwise in any Bankruptcy Proceeding by Landlord, (C) exercise of any right of Tenant to treat this Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i) or any comparable provision of law, or (D) subordination of this Agreement or the Leasehold Estate to any other estate or interest in the Arena or the Premises, subject to Permitted Encumbrances.

"Leasehold Estate" is defined at Article XIII, Section 1.

"<u>Leasehold Excise Tax</u>" means leasehold excise taxes imposed by the State of Washington on the lease of public property under RCW Chapter 82.29A_or any successor provision. Leasehold Excise Tax is allocated between the State of Washington, King County and the City, with the City's portion set forth in SMC Chapter 5.56 or any successor provision.

"Leasehold Loan Documents" means any and all loan documents evidencing the debt secured by the Leasehold Estate.

"Leasehold Mortgage" is defined at Article XIII, Section 1.

"Leasehold Mortgagee" is defined at Article XIII, Section 1.

"<u>Legal Requirements</u>" means all applicable laws, ordinances, regulations and other applicable legal requirements, including requirements of applicable Permits and Approvals.

"Lien" is defined at Article XV, Section 1.

"Major Damage" is defined at Article X, Section 3.

"<u>Major League Team</u>" means member franchise teams of the NHL and NBA, and not any other types of teams associated with the NBA or NHL (such as, for example, WNBA teams), and not minor league, developmental, or other teams (for example, an NBA G-League team).

"MAP" means the North Downtown Mobility Action Plan.

"<u>Material Alterations</u>" means those Alterations and Tenant Improvements, other than the Initial Tenant Improvements and routine maintenance, repair, and like-kind replacement, that would (i) affect the structural portions of any of the Improvements, (ii) materially modify the exterior appearance of any of the Improvements, or (iii) materially adversely affect the functionality of the Arena for its Permitted Uses, and in the case of (i) through (iii) either cost more than \$500,000 (as adjusted by the CPI from the Effective Date) to complete or for which a Certificate of Approval under the Landmarks Controls and Incentives Agreement is required; (iv) require the Arena or any other material Improvement to cease operating for more than ten (10) Att 1 - Lease Agreement (Arena at Seattle Center) V2

days, or (v) create a new building or other new exterior Tenant Improvement on any portion of the Premises.

"Mediation Period" is defined in Article XIX, Section 3(b).

"Memorandum of Lease" is defined in Article XXII.

"<u>Mezzanine Financing</u>" means a financing transaction which is secured by, *inter alia*, a pledge or collateral assignment of any or all of the limited liability company or limited partnership interests or the corporate stock of Tenant (or any entity holding a direct or indirect interest in Tenant), as applicable, either together with or in lieu of a Leasehold Mortgage (<u>provided</u> that if the same lender holds both a Leasehold Mortgage and such a pledge or collateral assignment, such lender shall be a Leasehold Mortgagee, and such financing transaction shall be a Leasehold Mortgage, hereunder).

"<u>Mezzanine Lender</u>" is defined in <u>Article XIII, Section 12</u>.

"Minor Damage" is defined at Article X, Section 2.

"Mortgagee's Cure" is defined at Article XIII, Section 7(e).

"Mortgagee's Cure Rights" is defined at Article XIII, Section 7(e).

"<u>MOU</u>" is defined in the <u>Recitals</u> to this Agreement.

"<u>NBA</u>" means the National Basketball Association.

"<u>Net Parking Receipts</u>" means, for an applicable Garage, the net positive difference between Parking Receipts and Parking Operating Expenses during a specified period of time. If the difference is negative, Net Parking Receipts would be zero.

"<u>Net Sponsorship Revenue</u>" means the net positive difference between Sponsorship Receipts and Sponsorship Operating Expenses during a specified period of time. In the event such difference is negative, Net Sponsorship Revenue would be zero.

"<u>New Agreement</u>" is defined at <u>Article XIII, Section 8(b)</u>.

"New Agreement Delivery Date" is defined at Article XIII, Section 8(b).

"<u>New Encumbrances</u>" means rights of possession, Liens, encumbrances, covenants, assessments, easements, leases, licenses, or other use agreements other than the Existing Encumbrances that (x) are subordinate to this Agreement, or (y) are made or suffered by Tenant or parties claiming by, through or under Tenant (including a Leasehold Mortgage as permitted hereunder), or (z) are within the scope of Landlord's Reserved Rights.

"<u>New Operator</u>" is defined at <u>Article XIII, Section 3</u>.

"<u>NHL</u>" means the National Hockey League.

"<u>NHL Entities</u>" means, collectively, the following entities and each of their respective subsidiaries and other past, present or future Affiliates: the NHL, the NHLE Partnerships, the NHLE GPs, ICE, NHL Enterprises B.V., NHL Interactive CyberEnterprises, LLC, NHL Network US, L.P., NHL Network US, Inc., NHL WCH 16, LP, NHL WCH 16, Inc., NHL WCH 16 US, LP, NHL WCH 16 US GP, LLC, NHL WCH 16 Canada Holdco, Inc., NHL WCH 16 US Holdco, LLC and any other entity that may be formed by the NHL member clubs generally after the date hereof.

"<u>NHL Rules</u>" means, collectively: (i) the NHL Constitution, (ii) the NHL By-laws, (iii) the governing documents of each of the NHL Entities, (iv) all other existing or future rules, regulations, interpretations, memoranda, procedures, directives, policies, guidelines, positions, and resolutions of, including, without limitation, positions taken with, and covenants, representations and warranties made to, any governmental authority by, each of the NHL Entities, the Board of Governors and the Commissioner of the NHL, (v) the current and future Collective Bargaining Agreements between the NHL and the National Hockey League Players' Association and between the NHL and the National Hockey League Officials' Association, and all other agreements, consent agreements, decrees, cooperation agreements and settlement agreements presently or hereafter in effect or entered into between or among any NHL Entity or Entities, on the one hand, and the NHL member clubs generally, on the other hand, or any NHL Entity or Entities and/or the NHL member clubs generally, on the one hand, and other Persons, on the other hand, in furtherance of the NHL's (or any other NHL Entity's) business or interests or as otherwise authorized, directly or indirectly, by the NHL Board of Governors, the NHL Commissioner, the applicable NHL Entity, the NHL Constitution or the NHL By-laws, (vi) the Expansion Agreement and (vii) the NHL Commissioner's interpretation of, opinions concerning, and the custom and practice under, any of the foregoing, in each case as they may be amended, modified or otherwise changed from time to time.

"<u>Northwest Rooms Courtyard</u>" means that portion of the Seattle Center campus located north of the Arena, as depicted on <u>Exhibit A-4</u>.

"Operating Costs" means all expenses or obligations of whatever kind or nature for the management, operation, or maintenance of the Premises, including, but not limited to, all of Tenant's expenses (to the extent not duplicative of other expenses enumerated herein), all reasonable costs of Landlord related to the Seattle Center Representative; all payments to be made by Tenant or its Affiliates under the terms of this Agreement, including but not limited to: impositions; expenses related to parking areas (if applicable); box office expenses; all expenses incurred to obtain revenues from the Premises; salaries, wages and benefits of personnel working at the Premises including personnel employed by Tenant or through its Affiliates or service contractors; human resource support services and training and development expenses; contract labor expenses; maintenance and repairs; utilities; deposits for utilities; telephone expenses; telescreen, video and/or scoreboard operation expenses, dues, memberships and subscriptions; security expenses; police, fire, emergency services and other public safety expenses related to the Premises; at the Premises; all expenses related to the Premises; all expenses related to the Premises; other event-handling activities at the Premises; all expenses payable by Tenant under

any license agreements with NBA, WNBA or NHL teams or other tenants; audit fees; legal fees; other professional fees; fees payable to concessionaires or other subcontractors; refuse removal expenses; cleaning expenses; taxes (but excluding any taxes, fees or charges Tenant may be obligated to collect and submit to a taxing or other government authority on behalf of others); building maintenance supplies; ticket commissions; insurance premiums; data processing expenses; advertising expenses relating to Arena or other Premises advertising and sponsorships; maintenance of advertising and signage relating to all advertising, sponsorships and naming rights; marketing; public relations expenses; expenses and losses (to the extent not duplicative of other expenses enumerated herein) incurred in the production and promotion of events at the Premises; pest control; office supplies; employment fees; freight and delivery expenses; expenses for leasing of equipment; credit and debit facilities and telecheck fees and expenses; Premises-related travel, lodging and related out-of-pocket expenses for officers, employees and directors of Tenant or an Affiliate; and all damages, losses or expenses incurred by the Tenant or its Affiliates as the result of any and all claims, demands, suits, causes of action, proceedings, judgments and liabilities, including reasonable attorneys' fees incurred in litigation or otherwise, assessed, incurred or sustained by or against any of them. Operating Costs do not include any payments to third party lenders.

"Operating Standard" means an operating standard suitable for professional basketball and ice hockey arenas in the NBA and NHL to serve as the home facility for NBA and NHL teams, which is consistent with the standards of quality and performance that exist at the pertinent time for the Benchmark Arenas, taken as a whole without the operations of any single Benchmark Arena, or any single attribute of a Benchmark Arena alone being determinative and with due consideration to any unique market conditions (such as climate, surrounding landscape, local laws and regulations, ability to attract certain events to particular markets, and serving as the home venue for other than a Major League Team).

"<u>Operating Term Commencement Date</u>" means the date of the first ticketed event held at the Arena that includes attendees who are not employees, directors, contractors or otherwise direct un-ticketed invitees of OVG, Tenant, or the City.

"<u>OVG</u>" is defined in the <u>Recitals</u> to this Agreement.

"OVG Party" is defined in Article V, Section 1.

"<u>Parking Operating Expenses</u>" means all expenses or obligations, as determined on a cash basis, of whatever kind or nature made or incurred by Landlord for the management, operation, and maintenance of the Fifth Avenue North parking garage and the Mercer Street parking garage (the "<u>Garages</u>"), salaries, wages and benefits of personnel, including the manager, working at the Garages, including personnel employed by Landlord or through its affiliates or service contractors; human resource support services and training and development expenses; contract labor expenses; maintenance and repairs; utilities; deposits for utilities; telephone expenses; expenses incurred under use agreements with other tenants or users of the Garages; dues, memberships and subscriptions; security expenses; traffic management expenses; audit fees; legal fees; other professional fees; fees payable to concessionaires or other subcontractors; refuse removal expenses; cleaning expenses; taxes (but excluding taxes Landlord may be obligated to collect and submit to a taxing or other government authority on behalf of others); building maintenance and operating supplies; insurance premiums; data processing expenses; advertising expenses relating to parking services; signage; pest control; office supplies; employment fees; freight and delivery expenses; expenses for leasing of equipment; credit and debit facilities and telecheck and credit card fees and expenses; contractually required revenue share payments remitted to others, but excluding the parking revenue of the Garages, annual Rent Adjustment made to Tenant, and all damages, losses or expenses incurred by Landlord and paid by Landlord as the result of any and all claims, demands, suits, causes of action, proceedings, judgments and liabilities, including reasonable attorneys' fees incurred in litigation or otherwise, assessed, incurred or sustained by or against any of them (to the extent not covered by insurance proceeds actually received) at or for the Garages. Parking Operating Expenses do not include any payments to third party lenders or personnel costs associated with Seattle Center's executive management staff.

"Parking Receipts" means all parking revenues received by Landlord on account of any parking use of the Garages, including all amounts paid by direct customers at the Garages, and all amounts paid by Tenant (if any) for use of the Garages pursuant to the Seattle Center Integration Agreement, but not including any Commercial Parking Tax, Sales Tax or other tax receipts; provided, that if Tenant charges a stated amount for a Tenant-provided parking pass that exceeds the generally applicable rate for the day and time used, then such excess shall also constitute "Parking Receipts"; provided further that (a) the foregoing shall not apply to a parking pass that is bundled, without a separately specified parking charge, with an Arena ticket, and (b) if Tenant charges a stated amount for a Tenant-provided parking pass that is less than the generally applicable rate for the day and time used, then that shortfall shall not constitute a negative Parking Receipt nor shall it reduce the amount payable by Tenant to Landlord on account of such parking pass. Parking Receipts do not include any amount imputed on account of Landlord's obligation to provide the Bill & Melinda Gates Foundation free use of parking spaces (pursuant to that certain Ground Lease dated July 16, 2008, by and between IRIS and The City of Seattle) or the parking revenue share paid to MoPop pursuant to that certain Ground Lease dated June 1, 1997, by and between MoPop (f/k/a Experience Music Project) and The City of Seattle).

"<u>Partial Condemnation</u>" and "<u>Partial Taking</u>" mean any condemnation of the Premises other than a Total Condemnation or Total Taking, each as defined below.

"Party(ies)" is defined in the Preamble to this Agreement.

"<u>Permits and Approvals</u>" means all permits and approvals required to comply with Legal Requirements for Tenant to construct the Initial Tenant Improvements, to construct any Alterations or additional Tenant Improvements, and to maintain and operate the Premises and Improvements.

"<u>Permitted Encumbrances</u>" means, collectively, the Existing Encumbrances, the New Encumbrances, and all rights of Landlord and its designees to use the Premises pursuant to the Seattle Center Integration Agreement.

"Permitted Uses" is defined in Article II, Section 9.

"<u>Person</u>" means an individual, a corporation, an association, a partnership, a limited liability company, a joint venture, an organization, a trust, or any other business entity, or a governmental or political unit or agency.

"Personal Default" is defined in Article XIII, Section 7(g).

"Premises" is defined in Article II, Section 1.

"Prohibited Uses" is defined in Article II, Section 10.

"Proposed Alteration Plan" is defined in Section VII, Section 2(c).

"Qualified Financial Institution" means an institution that, as of the closing date of the Leasehold Mortgage, is (a) a nationally chartered bank, national association, federal association bank, savings and loan association, investment bank, state chartered bank, trust company, non-bank entity whose primary business is commercial lending, pension fund, insurance company, or other institutional lender which is duly established and regularly in the business of financing the size and type of development contemplated by this Agreement, and that has a long term credit rating of at least "BBB" or its equivalent by at least two major credit rating agencies, at least one of which is either Moody's or S&P, and an equivalent short term credit rating in the top two categories by Moody's, S&P or Fitch, and a minimum of Five Hundred Million Dollars (\$500,000,000) of assets on its most recent balance statement, (b) the NBA or NHL, or (c) any other entity that Landlord approves in writing. For the avoidance of doubt, each of the following and their affiliates shall be considered a Qualified Financial Institution for the purposes of this Agreement: SunTrust Bank, UBS, JPMorgan Chase Bank, N.A., US Bank National Association, KeyBank National Association, Citizens Bank, N.A., MUFG Union Bank, Bank of America, N.A., Citibank, N.A., and City National Bank.

"<u>Qualified Future Renovation</u>" means a major renovation program for the Arena that would have a project budget of at least Two Hundred Fifty Million Dollars (\$250,000,000).

"Qualified Transferee" means shall mean an entity which would immediately prior to such transfer (A) if a private company, have a minimum tangible net worth of at least \$100,000,000, according to its most recent audited financial statements; (B) if a public company, (1) have a minimum Tangible Net Worth of at least \$100,000,000, according to its most recent financial statements, or (2) have an enterprise value of at least \$100,000,000, according to its most recent financial statements and public equity value based on a 60-day trailing volume-weighted average price; (C) have, or have contracted with an entity that has, at least ten (10) years' demonstrable experience in operating a live concert and performance venue of a similar type and scale as the Arena.

"<u>Reasonable and Prudent Operator</u>" shall mean an operator of multi-use athletic and entertainment projects similar in scope, size, and complexity to the Premises exercising that degree of skill, diligence, and prudence that would reasonably and ordinarily be expected from such an operator.

"Rent Adjustment" is defined in Article III, Section 6(a).

"Rent Adjustment Table" is defined in Article III, Section 6(a).

"Rent Adjustment Threshold" is defined in Article III, Section 6(c)(i).

"<u>Rent Commencement Date</u>" means the Operating Term Commencement Date, <u>provided</u>, <u>however</u>, that if the Operating Term Commencement Date has not occurred within twenty-four (24) months from the date of issuance of the first Shoring and Excavation permit for the Initial Tenant Improvements for any reason other than delays caused by the actions or inactions of Landlord (acting in its proprietary and/or regulatory capacity) or due to Force Majeure (not including any delay due to delay in Tenant's applications for Permits and Approvals), then Landlord shall provide written notice of same to Tenant, at which time the Rent Commencement Date shall be the earlier to occur of (1) the date that is six (6) months from the date of such Landlord notice or (2) the Operating Term Commencement Date.

"<u>Repair Time</u>" is defined in <u>Article X, Section 2</u>.

"<u>Reserved Rights</u>" means the rights reserved by Landlord pursuant to the express terms of this Agreement, including those reserved pursuant to <u>Article II, Section 3</u>.

"<u>Reserved Rights Area</u>" means those portions of Vacated Second Avenue North and the Northwest Rooms Courtyard that are located within the Premises and that are subject to Landlord's reserved rights under Article II, Section 3. The Reserved Rights Areas are depicted on <u>Exhibit A-4</u>.

"Review Notice" is defined in Article III, Section 6(d).

"<u>RFP</u>" is defined in the <u>Recitals</u> to this Agreement.

"<u>Sales Tax</u>" means the retail sales and use tax imposed by the State of Washington and local taxing authorities. The City's portion is set forth in SMC Chapter 5.60 or any successor provision.

"Salvage FF&E" means the FF&E described on the attached Exhibit I.

"Seattle Center" means the City of Seattle civic center under the jurisdiction of the Seattle Center Director, as reduced, expanded, or altered by the Seattle City Council from time-to-time. As of the Effective Date, the Seattle Center includes (i) all City-owned property and facilities within the boundaries established under SMC 17.12.010, (ii) the Seattle Monorail System, and (iii) the Garages, and the City's leasehold at the Fifth Avenue North Garage. As used in this Agreement, "Seattle Center" does not include property which is within the boundaries established under SMC 17.12.010 but which is not owned by the City.

"<u>Seattle Center Common Areas</u>" means any areas that are at the pertinent time (i) within the Seattle Center boundaries, and (ii) not outside the boundaries designated on <u>Exhibit A-1</u>, and (iii) designated by Landlord from time to time as being for the general use of tenants, licensees, concessionaires, patrons, employees, and invitees of the Seattle Center, and (iv) that are not within the Premises or areas that are under the control of any other Seattle Center tenant or licensee (as more particularly described in the Seattle Center Integration Agreement); and subject to the foregoing may include, but not be limited to, public parking areas, landscaped areas, vacated streets, walkways, corridors, public restrooms, public stairs, ramps, elevators, and shelters.

"<u>Seattle Center Director</u>" means the director of the Seattle Center Department, a department of the City that oversees the Seattle Center, or the head of any successor department established by the City with such function.

"Seattle Center Integration Agreement" is defined in the <u>Recitals</u> to this Agreement.

"<u>Seattle Center Representative</u>" means the Seattle Center employee assigned to manage coordination and integration of Seattle Center operations with Tenant operations.

"<u>Seattle Center Sponsorship Agreement</u>" means an agreement between Tenant and a sponsor granting Seattle Center Sponsorship Rights as more particularly described in the Seattle Center Integration Agreement.

"Seattle Center Sponsorship Rights" means those certain sponsorship rights more particularly identified in the Seattle Center Integration Agreement.

"Second Extraordinary CapEx Investment" is defined in Article VII, Section 3(b)(ii).

"SMC" means the Seattle Municipal Code, as may be amended from time to time.

"South Site" means the portion of the Premises designated as such on Exhibit A-1.

"Sponsorship Receipts" means any and all receipts from the sale of Seattle Center Sponsorship Rights by Tenant pursuant to an applicable Seattle Center Sponsorship Agreement. Sponsorship Receipts do not include activation, rental or other fees paid to City for the provision of space, materials or services to implement the associated Seattle Center Sponsorship Rights, all of which are to be retained in full by City. Sponsorship Receipts include cash receipts as well as, subject to Article III, Section 6(a) below, trade, barter, and/or value in kind consideration (collectively, "Trade Value") in exchange for Seattle Center Sponsorship Rights as set forth in a Seattle Center Sponsorship Agreement.

"Sponsorship Operating Expenses" means twenty percent (20%) of cash Sponsorship Receipts. Sponsorship Operating Expenses for Trade Value, if any, shall be as determined by the Parties in accordance with <u>Article III, Section 6(a)</u>.

"<u>Storm Subtenant</u>" means Force 10 Hoops, LLC, a Washington limited liability company, or its successor or assign as owner of the WNBA franchise currently known as the Seattle Storm.

"<u>Taxes</u>" means any assessment, license fee, license tax, business license fee, levy, charge, improvement bond, tax, water and sewer rents and charges, utilities and communications taxes and charges or similar or dissimilar imposition imposed by any authority having the power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement or special assessment district thereof, or any other governmental

charge, general and special, ordinary and extraordinary, foreseen and unforeseen, which may be assessed against any legal or equitable interest of Landlord or Tenant in the Premises or on the rents payable by Tenant under this Agreement, excluding net income taxes.

"Team" is defined in Article XII, Section 2(c).

<u>"TeamCo"</u> means Seattle Hockey Partners LLC and its successors and assigns as owner of the Team.

"Tenant" is defined in the Preamble to this Agreement.

"Tenant Advance" is defined in Article III, Section 6(d)(ii).

"<u>Tenant Improvements</u>" means any Alterations and Improvements made to the Premises during the Term by or on behalf of Tenant, including the Initial Tenant Improvements.

"Tenant's Cure Period Expiration Notice" is defined in Article XIII, Section 7(c).

"<u>Tenant Party</u>" or "<u>Tenant Parties</u>" means individually or collectively, Tenant, or any of Tenant's assignees, subtenants and licensees, and their respective agents, servants, employees, representatives, contractors, licensees (including a resident NBA, WNBA or NHL team) and invitees, including any guest of Tenant or any Tenant Party.

"Term" means, collectively, the Initial Term and any Extension Terms, as applicable.

"Termination" is defined in Article XIX, Section 2(b).

"<u>Total Condemnation</u>" and "<u>Total Taking</u>" mean the taking of the entire Premises under the power of eminent domain or a taking of so much of the Premises under such power as to permanently prevent or preclude its functionality as a live event venue for concert, sports, entertainment, and other performance events.

"Trade Value" is defined in the definition of Sponsorship Receipts.

"<u>Transfer</u>" means any assignment of Tenant's interest in this Agreement, in whole or in any material part, or any sublease for a term in excess of 30 days of the Premises or portions thereof that include all or substantially all of the Arena, as well as any issuance or transfer of any securities or interests having ordinary voting power for the election of directors (or other comparable controlling body) of Tenant or any transfer or any equity or beneficial interest in Tenant that results in either (i) a change of the Controlling Person, if any, of Tenant or (ii) creation of a Controlling Person of Tenant, where none existed before; provided, however, that any such transaction resulting in the controlling owner of TeamCo being the Controlling Person shall not be deemed a Transfer.

"Transfer Date" is defined in Article XII, Section 1(a).

Att 1 - Lease Agreement (Arena at Seattle Center) V2

"<u>Utility Costs</u>" means all charges for utilities used or consumed at or by the Premises during the Term, including during both construction and operations, including, but not limited to, gas, electricity, water, sewer, storm water, garbage and recycling collection, and telecommunication services.

"<u>Vacated Second Avenue North</u>" means that portion of vacated Second Avenue North located between Thomas Street on the south and Parcel D on the north, as depicted on <u>Exhibit A-3</u>.

"<u>VARA</u>" means the Visual Artists Rights Act of 1990, as now existing or hereafter amended.

"Working Drawings" is defined in Article VII, Section 2(c).

"WNBA" means the Women's National Basketball Association.

"YouthCare" means YouthCare, a Washington corporation.

<u>ARTICLE II</u> Demise and Use of Premises and Term of Lease

Section 1: Demise of Premises; Early Access

- (a) Subject to and upon the terms and conditions set forth in this Agreement, commencing upon the Initial Commencement Date Landlord shall lease to Tenant and Tenant shall lease from Landlord the property depicted on <u>Exhibit A-1</u> and legally described on <u>Exhibit A-2</u> (the "<u>Premises</u>"), together with all Improvements (including the Arena) located thereon.
- (b) For the period between October 1, 2018 and the Initial Commencement Date, Landlord agrees to provide to Tenant early access to portions of the Premises for limited purposes, as provided in and subject to and on the terms and conditions of Section 2.3 and Exhibit R of the Development Agreement. <u>Articles IX, XV, XVII and XVIII</u> of this Agreement shall apply to all such early access.

Section 2: Acceptance of Premises on "AS IS, WHERE IS" Basis

Tenant acknowledges and agrees that Tenant has been granted access to the Premises and existing Improvements pursuant to that certain KeyArena Access Agreement dated August 31, 2017 (the "<u>Access Agreement</u>") and the MOU that is fully sufficient for Tenant's inspection, testing, and due diligence purposes, and except for representations expressly set forth in this Agreement and the Ancillary Agreements, Tenant accepts the Premises and existing Improvements in the condition in which they exist on the Initial Commencement Date in as-is, where-is, with-all-faults condition.

<u>Section 3</u>: Landlord's Reserved Rights in and to the Premises

Notwithstanding anything to the contrary in this Agreement, Landlord hereby reserves and retains the rights and privileges described in this <u>Article II, Section 3</u>.

(a) Utility Easement Reservation

Notwithstanding anything in this Agreement to the contrary, Landlord reserves the right to grant the owner or operator of any utility lines, pipes, conduits, mains or transmission facilities non-exclusive easements over, across or below the Premises in locations reasonably acceptable to Tenant in order to install, operate, maintain, repair, replace, remove or modify such utility facilities and appurtenances related thereto that Landlord reasonably deems necessary; <u>provided</u>, <u>however</u>, that (a) Tenant shall have the right to use the areas in which such utilities facilities and appurtenances are located for any lawful purpose not inconsistent with the rights reserved by Landlord, (b) the location, route, installation, operation, maintenance, repair, replacement, removal or modification of such utility facilities and appurtenances must not materially interfere with operation and use of the Premises as a whole by Tenant pursuant to the terms of this Agreement, and (c) as reasonably necessary from time to time and with reasonable prior notice to Landlord and the easement holder, Tenant shall have the right, at Tenant's expense, to relocate any such utilities facilities and appurtenances to other locations reasonably satisfactory to Tenant, Landlord and the holder of the easement.

(b) Landlord Right to Enter

Landlord and its authorized representatives shall have the right to enter the Premises and to access any portion thereof, without charges or fees, at all reasonable times, subject to the limitations under this Subsection upon not less than twenty four (24) hours' advance notice for the purposes of (i) exhibition of the Premises to others interested in acquiring or operating the Arena and the Premises, or any part thereof, and their agents, contractors and consultants, at the end of the Term during the last thirty-six (36) months of the Term or (ii) inspection, installation, maintenance, repair and replacement of utility facilities installed consistent with Landlord's reserved rights under Subsection 3(a), or (iii) determining compliance by Tenant and the Premises with the terms and conditions of this Agreement; provided, however, that (A) such entry and Landlord's activities pursuant thereto shall be conducted subject to Tenant's then applicable security requirements, so long as those requirements are generally applicable to all parties entering into the Arena and Landlord has been given notice of such security requirements; (B) such entry and Landlord's activities pursuant thereto shall be conducted in such a manner as to minimize interference with Tenant's use and operation of the Premises then being conducted in the Premises pursuant to the terms of this Agreement and (C) nothing herein shall be intended to limit Landlord's exercise of its remedies pursuant to this Agreement in case of a Tenant Event of Default.

(c) Access During an Emergency

Notwithstanding the terms of <u>Article II, Section 3(b)</u>, Landlord shall have the right at any time of access, for itself and its representatives, to the Premises and any portion thereof,

without charges or fees, in connection with an emergency that threatens life or property to perform any activities reasonably necessary to safeguard lives, public health, safety, or the environment, so long as Landlord uses reasonable efforts to (i) notify Tenant by telephone of any such emergency prior to entering the Premises or, if said prior notice is not reasonably practical, as soon as reasonably practical thereafter, (ii) minimize interference with Tenant's use and operation of the Premises then being conducted in the Premises pursuant to the terms of this Agreement, and (iii) limits its activities to those reasonably necessary to safeguard lives, public health, safety, and the environment.

(d) Pedestrian Access

During the Term of this Agreement, Tenant shall provide 360-degree pedestrian access around the circumference of the Arena, and to the maximum extent feasible, for the exterior pedestrian walkways, landscaping and hardscaping, plazas and other exterior amenities in or on the Premises to remain available for public use and enjoyment, festivals, and other uses consistent with Seattle Center's purpose and the Seattle Center Century 21 Master Plan.

(e) Access to Northwest Rooms Courtyard

During the Term of this Agreement, Landlord reserves 24/7 access rights across those portions of the Premises shown on Exhibit A-3 required for vehicular access for Seattle Center and City service vehicles and for vehicles of Northwest Rooms tenants and permitted Seattle Center licensees to the upper and lower Northwest Rooms Courtyard, including the right to grant and otherwise permit Seattle Center tenants and licensees in the Northwest Rooms, as well as licensees, vendors and other invitees of such tenants and licensees, to exercise the same access rights by license or other agreement, and the right to restrict time and durations of vehicular access thereto, and Tenant agrees not to unreasonably impair such access. Landlord recognizes the need for Tenant to ensure security to the Arena which may include providing setbacks for vehicular movements. To that end, Landlord and Tenant will develop a mutually-agreeable plan for security perimeters, siting bollards and built elements to restrict vehicular access to the Arena, and moveable bollards to provide for vehicular access. The plan will also address operating procedures for secured vehicular access to the Northwest Room Courtyards before, during, and after events. Notwithstanding anything to the contrary in this Subsection, any limitations with respect to access to the Northwest Rooms Courtyard from Republican Street or areas other than those areas of the Premises depicted on Exhibit A-3 shall remain subject to Landlord's discretion. Once agreed-upon, the security plan shall be added as an exhibit to the Seattle Center Integration Agreement.

(f) Reserved Rights Areas

Landlord reserves all rights to those portions of the Premises comprising the Reserved Rights Areas except for those rights which are expressly granted to Tenant under this Agreement and the Development Agreement. Beginning on the Initial Commencement Date and ending on the Operating Term Commencement Date, Tenant shall use and occupy the Reserved Rights Areas solely for constructing the Initial Tenant Improvements, subject to all limitations and requirements under the Development Agreement. Beginning on the Operating Term Commencement Date and for the duration of the Term, Tenant's lease of the Reserved Rights Areas shall be limited to use and occupancy of those subterranean areas which are actually occupied by tie-backs installed as part of the Initial Tenant Improvements, as depicted on final as-built design documents delivered to Landlord as required under the Development Agreement; provided that in no event shall Tenant's use and occupancy prevent Landlord from use, maintenance, repair or replacement, using customary cost-effective means and methods, of utility lines that exist in the Reserved Rights Area as of the date hereof. Tenant agrees that its Initial Tenant Improvements in Vacated Second Avenue North will be designed and installed to permit access for maintenance, repair and replacement, using customary cost-effective means and methods, to the existing utilities in Vacated Second Avenue North. Additionally, during the Term Tenant shall have the right to use the Reserved Rights Areas for purposes of maintenance, repair and replacement of the Initial Tenant Improvements with the prior written approval of Landlord, which shall not be unreasonably withheld or delayed, but may be conditioned in the reasonable discretion of Landlord. Landlord reserves all other rights in the Reserved Rights Areas, including all rights in subterranean areas, areas at grade, and air rights. By way of example, and not limitation, so long as Landlord does not materially and adversely impact the Initial Tenant Improvements that are located in the Reserved Rights Area, Landlord's reserved rights in the Reserved Rights Area include the right to grant access rights to the general public, to grant additional exclusive or non-exclusive rights to any third party, the right to install signage or promotional materials, to license, schedule or produce events, and the right to otherwise control the Reserved Rights Areas as Common Areas.

Section 4: Other Rights Granted by Landlord to Tenant

(a) Seattle Center Common Areas and Rules

Landlord hereby grants to Tenant and the Tenant Parties, the non-exclusive right during the Term of this Agreement to use the Seattle Center Common Areas as from time to time constituted by Landlord, which use shall be in common with all other visitors and users of the Seattle Center, for pedestrian access and other common area purposes, subject to the terms of this Agreement, the Development Agreement, the Seattle Center Integration Agreement, and rules and regulations of general applicability imposed on all users thereof, including fees or charges for parking and other uses as are generally applicable, as from time to time may be promulgated by Seattle Center, a current copy of which is attached as <u>Exhibit J</u>.

(b) Control of Seattle Center Common Areas

All Seattle Center Common Areas, including any parking areas, are subject to Landlord's exclusive control and management during the Term, subject to limitations expressly set forth herein and in any Ancillary Agreement (including, without limitation, the Seattle

Center Integration Agreement). Accordingly, Landlord may do any and all of the following without Tenant's prior consent:

- (i) increase, reduce, or change in any manner whatsoever the number, dimensions, and locations of the walks, buildings, landscaping, utility lines and poles, service areas, roads, sidewalks, parking areas or any other Seattle Center Common Area, in each case without regard to the proximity of such area to the Premises;
- (ii) reasonably regulate all traffic and curb use adjacent to the Premises, including the operation and parking of vehicles by Tenant and the Tenant Parties and use of curb zones for loading and other uses;
- (iii) erect, display, and remove promotional materials and permit special events on property adjacent to and nearby the Premises;
- (iv) determine or change the size, number, and type and identity of concessions, stores, businesses and operations being conducted or undertaken in the vicinity of the Premises and to operate and to authorize others to engage in any and all forms and locations of business activity at the Seattle Center;
- (v) impose reasonable charges for admission to the Seattle Center Common Areas, and the facilities thereon, and portions thereof, including the parking garages, and for temporary events and activities, including the Bumbershoot Festival; <u>provided</u>, <u>however</u>, that except for Landlord's Community Events no such general admission charge shall be charged or required by Landlord in connection with access to the Arena, it being the intent of the Parties that even during such times when a general admission charge for access to the Seattle Center grounds is charged, such general admission charge shall not apply to patrons or employees of the Arena whose sole purpose is access to the Arena for bona fide Arena purposes (x) that are not the pertinent Landlord Community Event, and (y) that, through mutually agreed access controls, can be made compatible with the pertinent Seattle Center Event; and
- (vi) Landlord may determine the days and hours the Seattle Center and various business operations other than the Premises will be open to the general public.

(c) From and after the Operating Term Commencement Date, the Parties acknowledge that in order to provide for the orderly operation and maintenance of the Premises, including any future Tenant Improvements or required Capital Expenditures, it may be necessary, mutually desirable, or required that water, sewer, drainage, gas, power line, and other utility easements, licenses or similar rights, be granted or dedicated over or relocated within portions of the Premises or other portions of the Seattle Center Common Areas. The Seattle Center Director shall, upon reasonable request of Tenant from time to time, consider such requests in good faith and shall make reasonable efforts to grant such requests, provided that Tenant shall bear all costs and fees payable to third-parties on account thereof and provided further that the Director shall have the right to approve the location, fees, and other applicable terms and conditions, and the form of any documents implementing the grant or relocation of such easements and dedications.

Section 5: Initial Term

The initial term of this Agreement (the "<u>Initial Term</u>") will commence on the Initial Commencement Date, and shall expire thirty-nine (39) years after the Operating Term Commencement Date; <u>provided</u>, <u>however</u>, that if such expiration date occurs during an NHL, NBA, or WNBA season for a resident tenant of the Arena, then unless Tenant shall have exercised an Extension Option, the Initial Term shall be automatically extended (as a holdover with consent) to the date that is five (5) Business Days after the end of the season during which such expiration date occurs, and <u>provided further</u>, <u>however</u>, that if such expiration date would result in the Initial Term being less than thirty-nine (39) years as measured from the date that the Initial Tenant Improvements are deemed to be completed for purposes of Code section 47(c)(2)(B)(vi) (the "<u>IRC</u> <u>Deemed Completion Date</u>"), then the Initial Term shall be automatically extended for the number of days necessary to have an Initial Term that is thirty-nine (39) years from the IRC Deemed Completion Date. Within thirty (30) days after the date of the Operating Term Commencement Date Landlord and Tenant shall deliver a letter (substantially in the form of <u>Exhibit H</u> attached hereto) confirming such date and, if different, the Rent Commencement Date and the IRC Deemed Completion Date.

Section 6: Extension Term

Tenant shall have two (2) options (each, an "<u>Extension Option</u>") of eight (8) years each (each, an "<u>Extension Term</u>") whereby Tenant may (but shall not be obligated to) elect to extend the Initial Term or the first Extension Term, as applicable, of this Agreement, conditioned upon (i) the Arena being, at the time of exercise, the designated home arena for an NHL or NBA Major League Team, (ii) not less than twenty-four (24) months prior written notice of unconditional exercise, (iii) at the time of exercise no uncured Event of Default by Tenant under this Agreement or under any Leasehold Mortgage, and (iv) compliance with the applicable terms described in <u>Article VII, Section 3(b)(ii)</u> ("Extraordinary Capital Expenditure Investment") below.

Section 7: Holding Over

If Tenant shall, with the prior written consent of Landlord, continue to remain in possession of the Premises after the expiration of the Term of this Agreement, such holding over shall be on a month-to-month basis and shall not constitute a reletting or releasing of the Premises. Said tenancy from month-to-month shall be upon the same terms and conditions herein specified, but without any reduction for any Rent Adjustment, and shall continue to be such until thirty (30) calendar days after Tenant shall have given to Landlord or Landlord shall have given to Tenant written notice of termination of such monthly tenancy. Nothing contained herein shall be construed as a consent by Landlord to the occupancy or possession of the Premises by Tenant after the expiration of the Term hereof.

In the case of any holding over or possession by Tenant without prior written consent of Landlord after the Term of this Agreement expires or is terminated, Tenant shall be a tenant from month to month and shall pay Landlord holdover payments equal to one hundred fifty percent (150%) of the then current Baseline Rent Payment, the Annual Baseline Tax Guaranty Payment, the Annual Transportation Payment, without any reduction for any Rent Adjustment. In addition, Tenant shall also reimburse Landlord for all actual reasonable expenses and losses incurred by Landlord by reason of Landlord's inability to deliver possession of the Premises free and clear of the possession of Tenant to a successor tenant on a delivery date occurring not earlier than thirty (30) days after the date that this Agreement expires or is terminated, together with interest at the Default Rate on such expenses and losses from the date such expenses are incurred until reimbursed by Tenant, together with Landlord's reasonable attorneys' fees, charges, and costs. Payment by Tenant of any holdover payments described in this Section shall not constitute an extension of the Term or afford Tenant any right to possession of the Premises beyond the date through which such Tenant payments have been paid by Tenant and accepted by Landlord. All holdover payments shall be due to Landlord for the period of such holding over, whether or not Landlord is seeking to evict Tenant. Unless Landlord otherwise then agrees in writing, any holding over shall be deemed without the consent of Landlord whether or not Landlord has accepted any sum due pursuant this Section. Landlord may pursue any and all remedies permitted in this Agreement if Tenant fails to timely surrender the Premises to Landlord, regardless of whether Landlord has accepted any holdover payments by Tenant under this Section. The provisions contained in this Section shall survive the expiration or earlier termination of this Agreement.

Section 8: Exclusivity

During the Term of this Agreement, (i) Landlord shall not negotiate with any person or entity, other than Tenant (or its designee or permitted assignee), regarding renovation or redevelopment of the Arena, or solicit or entertain bids or proposals to do so, and (ii) Landlord shall not provide financial support, benefits, or incentives (other than those that are generally available to any potential developer) with respect to the construction of any live entertainment venue with a capacity of more than 15,000 seats within the jurisdictional boundaries of the City of Seattle.

Section 9: Permitted Uses

The Premises shall be used only for the development, construction, operation, and maintenance of a live event venue for concerts, sports, entertainment, and other events, which events may also include, but shall not be limited to, social and civic events; movie premieres; e-sports competitions, vehicular competitive events and recreation and leisure events; convention and trade shows; and accessory uses associated with the efficient operation or conduct of any of the aforementioned permitted uses, including restaurants; concessions; retail; movie set locations; live telecasts; filming of commercials and documentaries; children's activities; game and video arcades and comparable family recreation centers; and public parking (collectively, the "<u>Permitted Uses</u>").

Section 10: Prohibited Uses

The Premises shall not be used for any uses, events, purposes, or retail areas showcasing guns, pornography or "adult" entertainment, or primarily dedicated to the sale of paraphernalia related to tobacco products, marijuana (or marijuana products), or illegal drugs (each, a "<u>Prohibited Use</u>").

Section 11: Quiet Enjoyment

Subject to the Existing Encumbrances, Tenant shall not be hindered or molested by Landlord or anyone claiming through Landlord in Tenant's peaceful and quiet possession and enjoyment of the Premises pursuant and subject to the terms of this Agreement. Except for the Permitted Encumbrances, Landlord shall not make or cause to be made any rights of possession, Liens, encumbrances, covenants, assessments, easements, leases, licenses, or other use agreements encumbering the Premises.

Section 12: Future Availability of Parking Garages

(a) Fifth Avenue North Parking Garage

The Parties acknowledge that Landlord's right, title, and interest in the real property underlying the Fifth Avenue North parking garage arises pursuant to that certain Ground Lease (Garage) dated July 16, 2008, by and between Landlord and IRIS, as amended (as may be further amended from time to time, the "<u>Fifth Avenue North Lease</u>"). Landlord has provided a full and complete copy of the Fifth Avenue North Lease to Tenant and will upon request promptly provide Tenant with any future amendments thereto. The Fifth Avenue North Lease is currently set to expire on July 15, 2058, or such earlier date as described in Section 2 thereof (the "<u>Fifth Avenue North Lease Expiration Date</u>"). Notwithstanding anything to the contrary set forth in this Agreement, Tenant acknowledges and agrees that Landlord cannot make any commitments as to the availability of the Fifth Avenue North parking garage for Arena parking or as to the future availability of Parking Receipts or Commercial Parking Tax revenues from the Fifth Avenue North parking garage beyond the Fifth Avenue North Lease Expiration Date are beyond the Fifth Avenue North Lease Expiration Date are beyond the Fifth Avenue North Lease Expiration Date are and agrees.

(b) Mercer Street Parking Garage

Landlord covenants and agrees that it shall not voluntarily demolish or demolish and rebuild the Mercer Street parking garage at any time prior to the earlier of (i) January 1, 2035, (ii) the date that extension of light rail to a station within an approximately one-half (1/2) mile walkshed of the Arena has been completed and is operational to the public, or (iii) the Parties agree to and document in writing a mutually-acceptable alternative agreement.

(c) Limitations

The obligations of Landlord as applicable to the Garages, including as provided above and as applicable to the Rent Adjustment, are subject to the following:

- (i) Loss of use of Garage(s) due to any Force Majeure event affecting such Garage;
- (ii) Loss of use of Garage(s) due to any repair, replacement, or renovation to such Garage as reasonably determined by Landlord in order to adequately and safely maintain such parking garage, or closure or demolition of Garage(s) if repair, replacement, or renovation is required and is not costeffective as reasonably determined by Landlord;
- (iii) Loss of use of the Mercer Street parking garage if replaced by a replacement garage with a capacity of not less than eight hundred (800) spaces;

<u>provided</u>, that in the event that Landlord intends to permanently close the Mercer Street parking garage, no later than one (1) year prior to such closure Landlord shall provide notice to Tenant of such closure and meet and confer with Tenant regarding same, and <u>provided</u>, <u>further</u>, that in the event of the loss of use by Tenant of either Garage, Landlord agrees to cooperate in good faith with Tenant to identify opportunities whereby Tenant may obtain replacement parking as part of Landlord's negotiations to seek its own replacement parking for Seattle Center. In connection with the opening of any replacement to the Mercer Street parking garage, the Rent Adjustment Threshold in Line 2 of the Rent Adjustment Table (as set forth in <u>Article III, Section 6(a)</u>) for the replacement parking garage shall be calculated as provided in <u>Exhibit M</u>.

Section 13: Permitted Encumbrances on Title to Fee Estate

Except for Permitted Encumbrances and except as otherwise provided in this Agreement and the Ancillary Agreements, Tenant shall lease the Premises pursuant to the terms and conditions of this Agreement, free and clear of (a) rights of possession by others claiming a possessory interest by or through Landlord; (b) liens, encumbrances, covenants, assessments, easements, leases, licenses, or other use agreements, but subject to the exclusivity agreements described in Section 6.4(e) of the Seattle Center Integration Agreement; and (c) delinquent charges and assessments. Tenant agrees to comply with all provisions of the Permitted Encumbrances that are applicable to Tenant's use of the Premises. For the avoidance of doubt, in no event shall Landlord encumber the Fee Estate with a mortgage (it being understood, for the avoidance of doubt, that a "mortgage" shall not include any local improvement district assessments, or any other tax or assessment).

Section 14: FF&E

Landlord retains all right, title and interest to the Salvage FF&E. Promptly after the Initial Commencement Date, Tenant shall at no expense to Landlord remove and deliver to Landlord the Salvage FF&E, on the terms more particularly described in <u>Exhibit I</u>. Tenant shall have the right to use the Initial FF&E during the Term at no charge. The Initial FF&E shall be provided in its as-is/where-is condition. Landlord has made no representations or warranties to Tenant with regard to the condition of the Initial FF&E, or the suitability thereof for any particular purpose, and Landlord shall have no obligation to repair, replace or otherwise maintain, or pay for any cost related to the Initial FF&E during the Term. Tenant will install, as part of the Initial Tenant

Improvements, all other furnishing, fixtures and equipment, including, without limitation, the seating, suite furnishings, offices, locker rooms, press areas, basketball/hockey floor, ice-making systems and equipment, dasher board systems, sound systems, scoreboards, ribbons, concession equipment, training equipment, and other items. The Initial FF&E and all other furnishing, fixtures and equipment owned (but not leased) by Tenant, as they may be repaired, replaced or augmented from time to time (but not any WNBA, NBA or NHL team-owned or leased equipment or fixtures), will be the property of Tenant during the Term and will be surrendered upon the expiration or termination of this Agreement in accordance with the terms of <u>Article XX</u>.

Section 15: Acceptance of Surrender

Landlord shall in no event be considered to have accepted surrender of the Premises unless the Seattle Center Director has accepted the surrender of the Premises in writing, or in the case of early termination, has executed a termination agreement.

Section 16: Failure of Conditions

Pursuant to Section 10.1 of the Development Agreement the City has the right to terminate the Development Agreement and this Agreement if certain conditions are not satisfied as provided therein. Any such termination if duly made is not subject to Article XIII or Article XIX.

ARTICLE III

Annual Payments, Additional Lease Consideration and Community Benefits

Section 1: Time and Place of Payment

(a) All sums due from Tenant under this Agreement shall be payable as and when specified in this Agreement, but if not specified, then within thirty (30) days of Tenant's receipt of invoice.

(b) Payments may be made by wire or check. Payments by check shall be addressed to the following, and payments by wire shall be pursuant to wire instructions that may be obtained from Landlord.

City of Seattle Treasury Department Accounts Receivable P.O. Box 94626 Seattle, WA 98124-6926

Section 2: Annual Baseline Rent Payment; Leasehold Excise Tax

On or before the sixtieth (60th) day following the Rent Commencement Date (or December 31 of the calendar year in which the Rent Commencement Date occurs, if earlier), and thereafter in each succeeding calendar year during the Term on or before February 15 of such calendar year, Tenant shall remit the Baseline Rent Payment and the Leasehold Excise Tax due under Article IV, Section 1(v) to Landlord in full, without deduction or offset.

Section 3: Annual Baseline Tax Guaranty Payment

On or before June 1 of each calendar year of the Term after the year in which the Operating Term Commencement Date occurs, Tenant shall remit any Baseline Tax Guaranty Payment for the prior calendar year to Landlord in full, without deduction or offset.

Section 4: Annual Transportation Payment

On or before the sixtieth (60th) day following the Initial Commencement Date and thereafter on or before each annual anniversary of the Initial Commencement Date during the Initial Term of this Agreement until paid in full, Tenant shall remit the Annual Transportation Payment to Landlord in full, without deduction or offset, to be deposited into the City Transportation Fund.

Section 5: Additional Lease Consideration and Community Benefits

Tenant's design, construction, and completion of the Initial Tenant Improvements at Tenant's sole expense and risk is a fundamental purpose of this Agreement and the transactions contemplated hereby. In addition to the completion of the Initial Tenant Improvements and the payments of the Baseline Rent Payment, the Baseline Tax Guaranty Payment, and the Annual Transportation Payment, Landlord shall receive additional consideration and financial benefit due to Tenant's significant investment in renovation of the Premises and operation of the Arena, including, without limitation: shifting of construction risk and potential cost overruns; assumption of operation risk, responsibility and associated costs such as Utility Costs, security, routine maintenance, and insurance; and historical preservation of landmark sites. As additional consideration and community benefits, the City shall receive funding for arts (see Section 11.2 of the Development Agreement and Article VIII, Section 10 of this Agreement); rent free use of the Premises, including the Arena for fourteen (14) days per year (see Article IV, Section 4.1(c) of the Seattle Center Integration Agreement and Article VIII, Section 4 of this Agreement); transportation and community benefits (see Section 5 of the Development Agreement and Article VIII, Sections 2, 3, and 6 of this Agreement); technology improvements coordinated with Seattle Center (see Article V of the Seattle Center Integration Agreement); enhanced activation of the Arena and portions of Seattle Center used by the public; enhanced prospects for attracting NBA and NHL teams; and other community and public benefits more particularly set forth in this Agreement, the Development Agreement, and the Seattle Center Integration Agreement.

Section 6: Rent Adjustments

(a) <u>Generally</u>. Tenant shall be entitled to an annual rent adjustment (the "<u>Rent</u><u>Adjustment</u>") payable with respect to each calendar year of the Term, commencing with respect to the partial calendar year in which the Operating Term Commencement Date occurs. Each Rent Adjustment will be calculated and payable as set forth in <u>Section 6(c)</u> below with respect to the specified revenues and corresponding "Rent Adjustment Thresholds" in the table below (the "<u>Rent Adjustment Table</u>").

Line Item No.	Revenue Amount	Rent Adjustment Threshold*
1	The amount of Net Parking Receipts in such year attributable to the City's operation of the Fifth Avenue North parking garage +	\$2,009,969
2	The amount of Net Parking Receipts in such year attributable to the City's operation of the Mercer Street parking garage +	\$2,010,704
3	The amount of Net Sponsorship Revenue attributable to Seattle Center Sponsorship Rights received by Tenant in such year with respect to Tenant's sales of Seattle Center Sponsorship Rights #	\$781,454
4	The amount of the City's portion of Sales Tax revenues received by City in such year directly attributable to the operation of the Arena	\$55,648
5	The amount of Business and Occupation Tax revenues received by the City in such year directly attributable to the operation of the Arena	\$105,595
6	The amount of the City's portion of the Leasehold Excise Tax revenues received by the City in such year attributable to the Arena **	\$17,439
7	The amount of Commercial Parking Tax revenues and the City's portion of Sales Tax revenues received by the City in such year attributable to the operation of the First Avenue North parking garage, the Fifth Avenue North parking garage, and the Mercer Street parking garage	\$762,830
8	The amount of Admission Tax revenue collected by the City in such year attributable to the operation of the Arena	\$1,300,907

Legend:

*Adjusted to December 31, 2017.

(+) Parking Receipts and Parking Operating Expenses comprising Net Parking Receipts will be computed using the allocation methodology utilized to arrive at the corresponding Rent Adjustment Threshold, which methodology references data provided through City's iPARC parking reporting system and Shiftboard (the employee scheduling system). At such time as there is a replacement of the iPARC or Shiftboard system by City, the Parties will consult as to whether

use of the replacement system will require a different allocation methodology for computing Parking Receipts and Parking Operating Expenses.

(#) Net Sponsorship Revenue attributable to Trade Value with respect to a Seattle Center Sponsorship Agreement shall be as specifically computed (including the Trade Value valuation and Sponsorship Operating Expenses) and specifically allocated between Landlord and Tenant as mutually agreed upon in writing by the Parties (whether in the Seattle Center Sponsorship Agreement or in a separate writing), and, in connection therewith, the Parties shall also mutually agree in writing as to the amount and timing of such portions of the associated Net Sponsorship Revenue that will be included in the Rent Adjustment computations hereunder.

(**) The Parties agree that LET payable by Tenant with respect to the First Avenue North Garage prior to the Operating Term Commencement Date is not attributable to the Arena. Beginning on the Operating Term Commencement Date, all LET payable on Tenant's leasehold interest under this Agreement shall be deemed attributable to the Arena for purposes of calculating the Baseline Tax Guaranty and Rent Adjustment until such time when there is any redevelopment. Material Alteration or other change in the use and occupancy of the South Site. Any additional LET assessed upon Tenant's leasehold interest under this Agreement following redevelopment, Material Alteration, or other change in the use and occupancy of the South Site shall not be attributable to the Arena and shall not be included in the calculation of the Baseline Tax Guaranty and Rent Adjustment.

(b) <u>Rent Adjustment Thresholds Adjustment</u>. The Rent Adjustment Thresholds stated in the Rent Adjustment Table represent the agreed tax and facility revenues the City receives from the current operation of the Arena and related business operations, measured, for each Rent Adjustment Threshold, using a four (4) year trailing historical annual average using the complete calendar years 2014, 2015, 2016 and 2017, with the amount for each of the calendar years 2014, 2015 and 2016 escalated by the Escalator for an applicable escalation period that is the number of calendar years from December 31 of such year until December 31, 2017. For the calendar year in which the Operating Term Commencement Date occurs, such initial amounts shall be adjusted by the Escalator for the period from December 31, 2017 until January 1 of the calendar year in which the Operating Term Commencement Date occurs (such adjustment to be made on a calendar year basis for yearly changes in such period). As of January 1 of each succeeding calendar year during the Term, the Rent Adjustment Threshold amounts for the prior calendar year shall be adjusted by the Escalator.

(c) <u>Rent Adjustment Calculation</u>. Rent Adjustments will be calculated on a calendar year basis for each calendar year of the Term beginning with the calendar year in which the Operating Term Commencement Date occurs. Landlord will be responsible for calculating and paying amounts under this Section 6 for revenues received by Landlord (which are all revenues other than Net Sponsorship Revenue). Tenant will be responsible for calculating and paying amounts under this Section 6 for Net Sponsorship Revenue received by Tenant.

- (i) For each such calendar year, separate line item calculations will be made for each specified revenue amount in the Rent Adjustment Table to determine the excess (if any) of a specified revenue amount in such calendar year over its corresponding annual threshold amount in the Rent Adjustment Table, as adjusted as provided in <u>Section 6(b)</u> above (the "<u>Rent Adjustment Thresholds</u>"). Only excess amounts are subject to allocation and payment under this Section 6. Where a specified revenue amount does not exceed its corresponding Rent Adjustment Threshold in a year, such negative difference shall not be netted against any other excess amounts. Further, any negative differences for any tax revenues shall be accounted for in the computation of the Baseline Tax Guaranty Payment for such year.
- (ii) Excess revenue amounts for a calendar year, if any, for each of the line items set forth in lines 1 through 7 of the Rent Adjustment Table will be allocated (A) seventy-five percent (75%) to Tenant and twenty-five percent (25%) to Landlord with respect to the first ten (10) calendar years of the Term, and (B) thereafter and for all subsequent calendar years of the Term, fifty percent (50%) to Tenant and fifty percent (50%) to Landlord. For each calendar year the excess revenue amount, if any, for the line item set forth in line 8 of the Rent Adjustment Table will be allocated to Tenant under this Section 6(c)(ii) for a calendar year will be the "Rent Adjustment" for such year.
- The first calendar year's revenue comparisons (and calculations of (iii) any corresponding Rent Adjustment) shall be calculated based on the period between the Operating Term Commencement Date and December 31 of that same calendar year, with the Rent Adjustment Thresholds prorated for the number of days between the Operating Term Commencement Date and December 31 of that same calendar year. For purposes of such calculations, specified revenue amounts will not be prorated and will be measured from and after the Operating Term Commencement Date, except that all Net Sponsorship Revenue shall be measured from the date of receipt (regardless of whether predating the Operating Term Commencement Date), and shall for purposes of such calculations be deemed received on the Operating Term Commencement Date. For clarity, revenues set forth in the Rent Adjustment Table with respect to periods prior to the Operating Term Commencement Date are not subject to the Rent Adjustment and are intended to be retained solely by Landlord. Further, all taxes related to Arena construction (including, without limitation the City's portion of the

Sales Tax, and the Business and Occupation Tax) are also intended to be retained solely by Landlord.

(d) Rent Adjustment Payment and Net Sponsorship Revenue Payments. The Rent Adjustment for a calendar year shall be payable as set forth below. On or prior to April 30 of each year, Tenant will deliver to Landlord a statement setting forth, for the prior calendar year, Net Sponsorship Revenue, including a reasonably detailed calculation of Sponsorship Receipts and Sponsorship Operating Expenses, including calculation of the Escalator. On or prior to April 30 of each year, Landlord will deliver to Tenant a statement setting forth, for the prior calendar year for each of items in the Rent Adjustment Table, the specified revenue, Rent Adjustment Threshold and excess, if any, for each such item, and a reasonably detailed calculation of each such item (including the calculation of the Escalator). During the period from May 1 through May 31, each Party shall make available to the other Party and its representatives, at such Party's offices, a Party's supporting information for its respective statement and calculations, and relevant personnel of a Party to answer questions from the other Party or its representatives. A Party shall have the right, exercisable upon written notice to the other Party and following at least thirty (30) days' advance notice to the other Party to be delivered to a Party prior to May 31, to inspect, copy, and audit the other Party's accounting records for the time period covered by such statement and calculations, at the inspecting Party's sole cost and expense. If a Party reasonably identifies any issues related to any calculations hereunder, then the such Party shall give prompt written notice of same to the other Party (a "Review Notice"), and Landlord and Tenant shall meet and confer in good faith within thirty (30) days of such Review Notice to resolve such issues.

- (i) The Rent Adjustment (other than for the amount of any excess Net Sponsorship Revenue to be retained by Tenant as provided in clause (v) below) with respect to the first calendar year or partial calendar year that commences on the Operating Term Commencement Date shall, if applicable, be paid by the Landlord to Tenant on or before June 1 of the second calendar year of the Term (as such date may be extended for disputed amounts in connection with the review of any Review Notice properly delivered per <u>clause (d)</u> above).
- (ii) The Rent Adjustment (other than for the amount of any excess Net Sponsorship Revenue to be retained by Tenant as provided in clause (v) below) with respect to the second calendar year of the Term shall, if applicable, be paid by the Landlord to Tenant as follows:
 (A) on or before December 1 of such year, a partial Rent Adjustment advance amount calculated with respect to the current year (through June 30 of such year, with the applicable Rent Adjustment Thresholds prorated through such date) (I) estimated Net Parking Receipts in Line Items 1 and 2 of the Rent Adjustment Table, and (II) actual collected Tax amounts in Line Items 4, 5, 6, 7, and 8 of the Rent Adjustment Table (a "<u>Tenant Advance</u>"), the methodology for accounting for such actual collections of Taxes and estimated

Net Parking Receipts to be agreed upon by the City and Tenant in connection with the calculation of the first Tenant Advance, and (B) on or before June 1 of the following calendar year (as such date may be extended for disputed amounts in connection with the review of any Review Notice properly delivered per <u>clause (d)</u> above), the Rent Adjustment payable by Landlord to Tenant calculated with respect to the applicable calendar year of the Term less the Tenant Advance paid in the prior December.

- (iii) The Rent Adjustment (other than for any excess Net Sponsorship Revenue to be retained by Tenant as provided in clause (v) below) with respect to each succeeding calendar year of the Term shall, if applicable, be paid by the Landlord to Tenant as follows: (A) on or before December 1 of such year, a partial Rent Adjustment Tenant Advance amount calculated for such year in the manner provided in clause (ii) above), and (B) on or before June 1 of the following year (as such date may be extended for disputed amounts in connection with the review of any Review Notice properly delivered per clause (d) above), the Rent Adjustment payable by Landlord to Tenant calculated with respect to the applicable calendar year of the Term less the Tenant Advance paid in the prior December.
- (iv) In the event there are negative calculations of amounts with respect to June 1 payments under clauses (ii) or (iii) above, Tenant shall pay such amount to Landlord on or before June 15 of such calendar year. In the event there are negative calculations with respect to Tenant Advances under clauses (ii) or (iii) above, no Tenant Advance shall be paid to Tenant.
- (v) Tenant's allocable portion of any excess Net Sponsorship Revenue for any year of this Agreement shall be retained by Tenant and is not payable by Landlord. Landlord's allocable portion of any excess Net Sponsorship Revenue shall be paid by Tenant to Landlord as follows: (A) on or before December 1 of such year, a partial advance amount calculated with respect to the current year (through June 30 of such year, with the applicable Rent Adjustment Threshold prorated through such date) actual collected Net Sponsorship Revenue in Line Item 3 of the Rent Adjustment Table (a "City Advance"), the methodology for accounting for such actual collections of Net Sponsorship Revenue to be agreed upon by the City and Tenant in connection with the calculation of the first City Advance, and (B) on or before June 1 of the following year (as such date may be extended for disputed amounts in connection with the review of any Review Notice properly delivered per clause (d) above), the balance of Landlord's allocable share of Net Sponsorship Revenue for the prior year.

(e) <u>Rent Adjustment Changes</u>. The Parties have negotiated the Rent Adjustment based upon a formula derived in part from the amount of certain tax revenues received by the Landlord as of the Effective Date, as adjusted as set forth in <u>Section 6(b)</u> above. During the Term, if, due to a change in applicable Legal Requirements, there is a material change to any tax on which a component used to calculate the Rent Adjustment is based, the Parties will negotiate in good faith a replacement Rent Adjustment component for the affected component that closely approximates the intent and economic effect of the affected component.

(f) <u>Tax Tracking</u> and Reporting. In order for Landlord to track taxes subject to Baseline Tax Guaranty Payments and Rent Adjustments, commencing as of (and not before) the Operating Term Commencement Date, Tenant shall (and shall cause all vendors and other businesses operating in the Arena or the First Avenue North Garage, and all users of the Arena (including all subtenants, licensees and other users)) to (i) report Sales Tax directly attributable to operation of the Arena by specific location (being the Arena) to the Washington State Department of Revenue, (ii) designate the Arena as the location in their City Business and Occupations Tax filings for revenue directly attributable to Arena operations, (iii) designate the Arena as the location for any event hosted at the Arena on their Admissions Tax filings attributable to operation of the Arena, and (iv) designate the First Avenue North Garage as the location for Commercial Parking Tax and parking Sales Tax. Accordingly, only taxes reported for the Arena location will be included for purposes of the applicable Baseline Tax Guaranty Payment and Rent Adjustment calculations.

Section 7: First Avenue North Garage Rent During Construction

Notwithstanding the Initial Commencement Date, the Premises shall include the First Avenue North Garage on a date (the "First Avenue North Garage Turnover Date") to be specified by Tenant by at least 14 days' notice, not earlier than the Initial Commencement Date and not later than February 1, 2019. For the period beginning on the First Avenue North Garage Turnover Date, and ending on the day before the second anniversary thereof. Tenant shall pay base rent for the First Avenue North Garage in the aggregate amount of \$1,189,903, payable in two installments of \$594,951.50, due, respectively, on the First Avenue North Garage Turnover Date, and the first anniversary thereof, together in each case with LET payable under Article IV, Section 1. Beginning on the Rent Commencement Date, rent payable for the First Avenue North Garage is included in the Baseline Rent Payment. If the Rent Commencement Date does not occur by the second anniversary of the First Avenue North Garage Turnover Date, then for the period from the second anniversary of the First Avenue North Garage Turnover Date until the Rent Commencement Date Tenant shall pay base rent for the First Avenue North Garage at the rate of \$47,174 per month, as adjusted by the CPI from December 31, 2017, until the Rent Commencement Date. If the Rent Commencement Date occurs before the second anniversary of the First Avenue North Garage Turnover Date, Landlord shall reimburse Tenant the amount of rent overpaid together with the LET attributable to the rent overpayment, prorating that month's rent on a daily basis. Rent payable under this Section and any other Taxes or amounts payable to Landlord by Tenant or other parties which are paid or payable before the Rent Commencement Date will be retained solely by Landlord (except for any LET attributable to rent overpayment under this section), and will not be taken into account in determining the Baseline Tax Guaranty or Rent Adjustment.

Section 8: No Security Deposit

Tenant shall not be required to post a security deposit in connection with this Agreement.

<u>Section 9</u>: Revenues and Income from Concessions

Subject to <u>Article II, Section 10</u> and <u>Article V, Section 3</u>, Tenant shall have the right to choose its concession partners (if any) and shall retain all revenues (other than taxes and assessments) and income from the sale of all food, beverages, and merchandise relating to the Arena and the Premises, whether such sales are onsite, from other locations, on-line, or through other means or methods.

Section 10: No Demand or Offset

Amounts due from Tenant to Landlord pursuant to this <u>Article III</u> shall be payable without demand, deduction, or offset.

Section 11: Audit Rights

Tenant shall keep complete and accurate books of account which are relevant to the calculation of revenues in the Rent Adjustment Table, Tenant's Capital Expenditure obligations under Article VII, the CapEx Reserve Account, Tenant's obligations regarding the Charitable Funding Commitment and the Community Fund and arts funding under Article VIII, and amounts payable or joint purchases under the Seattle Center Integration Agreement, as well as any required expenditures previously made by Tenant under the MOU and/or under any of the Ancillary Agreements. Upon written notice of not less ten (10) calendar days, Landlord shall be permitted to inspect Tenant's books and records at Tenant's offices and to procure audits by an auditor at Landlord's sole cost and expense (except as provided below). If Tenant's books of account are (i) incomplete for an accurate determination of compliance with the applicable provisions of this Agreement (or, if applicable, the Seattle Center Integration Agreement), or (ii) inaccurately represent material information relating to Tenant's compliance with this Agreement (or, if applicable, the Seattle Center Integration Agreement), Tenant shall reimburse Landlord for its reasonable and actual costs and fees of the audit, in addition to payment of any underpaid obligations and any other remedy Landlord may be entitled to under this Agreement. Tenant shall retain all yearly books of accounting and any other information related to Tenant's obligations under this Agreement for six (6) years after the close of Tenant's fiscal year. The obligations under this Section 11 shall survive expiration or termination of this Agreement.

ARTICLE IV Taxes, Impositions, and Utility Costs

<u>Section 1</u>: Payment of Taxes and Impositions

From and after the Initial Commencement Date, Tenant shall be solely responsible for and shall pay, prior to delinquency, one hundred percent (100%) of any Taxes. Taxes shall include, without limitation:

- (i) any assessment, tax, fee, levy or charge in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax. It is the intention of Tenant and Landlord that all such new and increased assessments, taxes, fees, levies and charges assessed against any legal or equitable interest of Landlord or Tenant in the Premises be included within the definition of "Taxes" for the purposes of this Agreement;
- (ii) any assessment, tax, fee, levy or charge allocable to or measured by the area of the Premises or the rent payable by Tenant hereunder or other tenants of the Premises, including, without limitation, any gross receipts tax or excise tax levied by any state, city or federal government, or any political subdivision thereof, with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy of the Premises, or any portion thereof, including;
- (iii) any assessment, tax, fee, levy or charge upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises;
- (iv) any assessment, tax, fee, levy or charge by any governmental agency related to any transportation plan, fund or system (including assessment districts) instituted within the geographic area of which the Premises is a part; and/or
- (v) any Leasehold Excise Tax on Tenant's interest in this Agreement and any leasehold interest deemed to have been created hereby.

As of the execution of this Agreement, the applicable Leasehold Excise Tax rate is 12.84% of annual contract rent, which rate and amount is subject to change from time to time. For the period beginning on the First Avenue North Garage Turnover Date, and ending on the Rent Commencement Date, Tenant shall pay and the City shall collect and remit LET on the rent for the First Avenue North Garage due under <u>Article III, Section 7</u>. For the period beginning on the Rent Commencement Date, Tenant shall pay, and the City shall collect and remit, LET on the Annual Baseline Rent Payment and Annual Baseline Tax Guaranty Payment, less Rent Adjustments at the time the payments are made under this Agreement. Tenant shall pay, and the City shall collect and remit, such LET on the prorated value of the Initial Tenant Improvements in

quarterly installments on or before March 31, June 30, September 30, and December 31 of each calendar year. The value of the Initial Tenant Improvements shall be determined when the improvements are complete and placed in service. The value of the Initial Tenant Improvements shall be prorated over a period starting with the date the improvements are placed in service and ending the sooner of the expiration of the Term of this Agreement or the end of the useful life of such improvements. No later than the date the Initial Tenant Improvements are placed into service, Tenant shall provide Landlord the stated value and proration period and any supporting documentation reasonably requested by Landlord. No LET shall be paid on improvements from the Initial Commencement Date to the date the improvements are placed in service. Because the Annual Transportation Payment is in the nature of a voluntary and contractual development payment and is to be held and used by Landlord as provided under <u>Article VIII, Section 6</u>, such amount shall be excluded from contract rent for the purposes of the LET calculation set forth in this section. No LET shall be paid by Tenant or collected and remitted by City with respect to any other intangible consideration exchanged between the Parties pursuant to this Agreement.

Tenant acknowledges that the State of Washington Department of Revenue determines assessment of LET tax based on Tenant's leasehold interest. If the State of Washington or any other authority, requires that the LET should be calculated differently, or makes any demand upon the Landlord for payment of LET or any other Taxes or withholds future payments due to the Landlord to enforce collections of LET or other Taxes Tenant has not paid, Tenant shall remit the Taxes demanded along with any associated interest and penalties, or at no expense to the Landlord, contest such collection action and defend and indemnify Landlord as set forth in <u>Section 3</u> below for all sums paid by Landlord or withheld by the State of Washington from Landlord in connection with such action.

Section 2: Utility Costs

From and after the Initial Commencement Date, Tenant shall be solely responsible for and shall pay one hundred percent (100%) of all Utility Costs. Tenant, at its sole expense, shall install meters for all water, sewer, electricity, gas, steam, and/or condensate and other utilities, and shall pay before delinquency all costs associated therewith for services provided to the Premises. Landlord shall not be responsible for any injury, loss, or damage causes by or resulting from any interruption or failure of utility services due to any causes whatsoever, nor shall Tenant be entitled to an offset, reduction, or return of any payments made pursuant to this Agreement as a result of any interruption or failure of said services.

Section 3: Right of Contest

Tenant shall have the right to contest or review by legal proceedings or in such other legal manner any Tax and to pay such items under protest; provided, that (i) nothing in this <u>Section 3</u> shall be construed to restrain the exercise of any remedy by any City utility for nonpayment or permit Tenant to cease paying any amounts due until such matter has been finally resolved, (ii) any such contest or review shall be at Tenant's sole cost and expense, and (iii) Tenant shall indemnify, defend, and hold Landlord harmless from any and all claims, costs, damages, and losses that arise from or in connection with any such contest or review (expressly excluding any proceeding where Tenant prevails on its contest or review of a Tax of the City).

<u>ARTICLE V</u> Management and Operation

Section 1: Management and Operations

From and after the Initial Commencement Date, Tenant shall have the exclusive right to operate and maintain (or to cause OVG or an OVG Affiliate (collectively, an "<u>OVG Party</u>"), as facilities manager, to operate and maintain) the Premises and, without limitation of reimbursements payable pursuant to <u>Article VIII, Section 4</u> herein, shall be solely responsible for and shall pay one hundred percent (100%) of all Operating Costs, and will control (subject to the terms of this Agreement) and, except as otherwise set forth in the Development Agreement, be solely responsible at Tenant's expense to cause the construction of the Initial Tenant Improvements and all other Tenant Improvements, and all operation and maintenance of and repairs and replacements to the Premises, including the Improvements, in accordance with this Agreement, including the Operating Standard and compliance with all applicable Legal Requirements and Permits and Approvals.

Section 2: Contracts Extending Beyond Term of Agreement

Tenant will not enter into any contracts or grant any rights with respect to the operation or use of the Premises or any portion thereof that would extend beyond the Term of this Agreement without obtaining Landlord's prior written consent, in Landlord's sole discretion. As a condition to granting any such consent (i) Landlord may review and approve the form of contract granting such use rights to the third party, and (ii) such contract shall include a right for Tenant to assign the contract to Landlord upon the expiration or earlier termination of this Agreement.

Section 3: Participation of Local Vendors and Women and Minority-Owned Businesses

Tenant shall include women and minority businesses, local vendors and purveyors, and other local participation in concessions supply and support operations.

Section 4: Refuse Collection

Tenant shall arrange for private garbage and recycling services and cause all garbage and recycling on the Premises and resulting from activities on the Premises to be promptly collected and disposed of in compliance with all applicable Legal Requirements and Seattle Center Campus Rules. Tenant shall pay all costs, fines, penalties, and damages that may be imposed on Landlord or Tenant as a consequent of Tenant's failure to comply with the provisions of this section.

Section 5: Security

At all times during the Term and on a twenty-four (24) hour basis, Tenant shall provide, at its sole cost and expense, security and security personnel at, and outside of, the Premises necessary to satisfy the Operating Standard. Tenant acknowledges and agrees that, except as expressly set forth in the Seattle Center Integration Agreement, Landlord does not agree to provide any security services or measures at or for the Premises and does not make, and Tenant hereby waives, any guaranty or warranty, expressed or implied, with respect to any security at the Premises. Neither Landlord nor any of its related parties shall be liable to Tenant in any event for, and Tenant hereby

releases Landlord and its related parties from any responsibility for, losses due to personal injury or death or property damage on the Premises, including any damage or injury resulting from a criminal or terrorist attack on or off the Premises, excepting therefrom (subject without limitation to <u>Article XXIII, Section 9</u>) losses to the extent directly caused by Landlord's breach of this Agreement, gross negligence, or willful misconduct.

<u>ARTICLE VI</u> Maintenance and Repairs

<u>Section 1</u>: Maintenance and Repairs of the Premises

During the Term, Tenant shall, at its own expense and at no cost or expense to Landlord, and in compliance with all applicable Legal Requirements, perform all maintenance, repairs and replacements, ordinary and extraordinary, insured or uninsured, to the Premises to keep the Premises and all Improvements and furnishings, fixtures and equipment thereon in good working repair and order, in compliance in all material respects with all applicable Legal Requirements, and in compliance with the requirements of this Agreement, including the Operating Standard. Tenant's maintenance, repair and replacement obligations under this Section 1 shall include, without limitation: (i) all work (including all labor, supplies, materials, and equipment) which is reasonably necessary for the cleaning and care of and preventative maintenance and repair for any property, structures, surfaces, facilities, fixtures (including, but not limited to, media plug-ins and cable and all wiring attendant thereto), equipment, furnishings, Improvements, and components that form any part of the Premises (including machinery, pipes, plumbing, wiring, gas and electric fittings, elevators, escalators, showers, toilets and restroom facilities, first aid facilities, and other seating and access to the Premises), (ii) preventative or routine maintenance that is stipulated in the operating manuals for the components; (iii) periodic testing of Arena systems, such as mechanical, card-key security, fire alarm, lighting, and sound systems; (iv) ongoing trash removal; (v) regular maintenance procedures for heating, ventilating and air-conditioning, plumbing, electrical, roof and structural systems, and vertical lift systems (e.g., escalators and elevators), such as periodic cleaning of the Premises, lubrication, and changing air filters and lights; (vi) painting, including spot or touchup painting; (vii) cleaning, including restocking, prior to, during and following, and necessary as a direct result of, all events; (viii) changing of light bulbs, ballasts, fuses, and circuit breakers, as needed; and (ix) groundskeeping services.

Tenant hereby acknowledges and agrees that Landlord has no obligation under this Agreement to perform or pay for any repairs, maintenance or replacement of any portion of the Premises.

Section 2: Coordination of Plaza Area Maintenance with Seattle Center

As part of the regularly-scheduled coordination meetings between Landlord and Tenant set forth in the Seattle Center Integration Agreement, Landlord and Tenant shall regularly coordinate in good faith on maintenance and repair activities that may affect or require access to areas adjacent to the boundaries of the Premises, either by Landlord within the Premises or by Tenant to adjacent areas of Seattle Center.

ARTICLE VII Alterations and Improvements

Section 1: Initial Tenant Improvements

Landlord's willingness to enter this Agreement is conditioned, in part, on Tenant's commitment to complete the Initial Tenant Improvements. Tenant shall at its expense timely design and construct the Initial Tenant Improvements in accordance with all of the terms and conditions of the Development Agreement, and this <u>Article VII</u> does not apply to the Initial Tenant Improvements.

<u>Section 2</u>: Other Material Alterations and Improvements.

(a) Tenant Improvements

Excluding the Initial Tenant Improvements and subject to compliance with the other terms and conditions of this Agreement, Tenant may from time to time construct any Tenant Improvements on the Premises that are not Material Alterations, without first obtaining Landlord's prior written consent unless otherwise required pursuant to this Agreement.

(b) Alterations

The performance of all Alterations shall, in all cases, comply with the requirements of this <u>Article VII</u>. All Material Alterations to any part of the Premises (other than the Initial Tenant Improvements pursuant to <u>Section 1</u> above) shall require Landlord's prior written approval, in its capacity as owner and lessor of the Premises, such approval not to be unreasonably withheld, conditioned, or delayed.

(c) Plans and Specifications

Prior to commencing any Material Alterations in the Premises, Tenant shall deliver to Landlord a detailed plan describing the proposed Material Alterations ("Proposed Alteration Plan"). Within thirty (30) days after delivery of the Proposed Alteration Plan, Landlord shall review Tenant's initial plans and provide initial feedback or make further requests for information. Upon Landlord's conceptual approval of the Proposed Alteration Plan, Tenant shall cause working drawings ("Working Drawings") of the proposed Material Alterations conceptually approved as part of the Proposed Alteration Plan to be prepared and delivered to Landlord. The Working Drawings shall consist of the complete sets of plans and specifications in the form of working drawings or construction drawings, including complete sets of architectural, structural, mechanical, electrical, and plumbing working drawings for the proposed Material Alterations, in format reasonably acceptable to Landlord. The Working Drawings shall include written instructions or specifications as may be necessary or required to secure all Permits and Approvals (which may be in phases) from the City (in its regulatory capacity) for said Material Alterations. Within thirty (30) days after delivery of the Working Drawings, Landlord shall either reasonably approve the Working Drawings or notify Tenant of the reasons Landlord does not approve them. Tenant shall promptly correct any matter on the Tenant Working Drawings which Landlord does not reasonably approve. Tenant shall be solely responsible for the compliance of the Working Drawings and all of the Tenant Improvements with all applicable Legal Requirements, and Landlord rules and regulations promulgated from time to time. Landlord's right to review the Working Drawings shall be solely for its own benefit (as owner and not a regulator), and Landlord's approval of the Working Drawings shall not be in its regulatory capacity nor be any representation or warranty that the Working Drawings comply with applicable Legal Requirements; provided, however, that Landlord shall not withhold its approval of Material Alterations in its ownership capacity that are being required by the City or any other governmental authority with jurisdiction over the Premises acting in its regulatory capacity, or that are being required by the NHL, NBA, or WNBA, as applicable, pursuant to NHL Rules or other applicable league rules consistently applied to home arenas of the NHL or such other league). Tenant shall pay and be responsible for the architectural and engineering fees incurred in preparing the initial plan and the Working Drawings or otherwise relating to the making of any Tenant Improvements to the Premises requested by Tenant. Upon completion of each Material Alteration, Tenant shall cause to be prepared and delivered to Landlord a copy of the asbuilt Working Drawings for such Material Alteration.

(d) Construction Agreement

As a condition to the commencement of any Material Alterations, including but not limited to any Material Alterations on the South Site other than the Initial Tenant Improvements pursuant to <u>Section 1</u> above, Landlord may require a separate construction agreement governing the scope, timing, construction logistics, coordination of such Material Alterations with the broader Seattle Center Campus, and payment of Landlord's project management fees; <u>provided</u>, <u>however</u>, that such construction agreement shall not include additional exactions, fees, or other obligations, conditions, or requirements that would not otherwise be imposed by the City acting in its regulatory capacity in its issuance of permits for such Material Alterations or in its capacity as Landlord with respect to review and approval of design and for construction coordination and shall not otherwise materially increase the scope of Tenant's liability or materially decrease Tenant's rights as set forth in this Agreement.

(e) Removal of Tenant Improvements and Alterations

At the expiration or earlier termination of this Agreement, Landlord may, in its sole discretion and with reasonable prior notice, require Tenant to remove those Tenant Improvements (other than the Initial Tenant Improvements) and Alterations which (i) were not approved in advance by Landlord, (ii) were not built in conformance with the Working Drawings or other plans and specifications approved by Landlord, or (iii) Landlord specified in writing to Tenant during its review of the Working Drawings or other plans and specifications would need to be removed by Tenant upon the expiration or termination of this Agreement. If Landlord requires Tenant to remove any or all such Tenant Improvements or Alterations from the Premises, then Tenant, at Tenant's sole cost and expense, shall promptly remove such Tenant Improvements or Alterations and repair and restore the Premises to its original condition before the installation of such Tenant

Improvements or Alterations, reasonable wear and tear excepted. Tenant shall accomplish the removal of such Tenant Improvements or Alterations and the restoration of the Premises no later than the expiration of this Agreement, or within fifteen (15) days of the effective date of early termination. Any Tenant Improvements or Alterations remaining on the Premises following expiration or termination of this Agreement shall become the property of Landlord unless Landlord notifies Tenant otherwise.

(f) General

All Tenant Improvements shall be constructed at Tenant's sole cost and expense, in a first class and good and workmanlike manner by qualified contractors reasonably approved by Landlord, using only good grades of materials, and in compliance with applicable Legal Requirements, the Seattle Center Design Standards and Landlord's construction rules promulgated from time to time. Prior to commencing construction, Tenant shall provide Landlord with the identities and mailing addresses of all persons performing work or supplying materials for any Tenant Improvements and Material Alterations, and Landlord may post on and about the Premises notices of non-responsibility pursuant to applicable Upon completion of any Tenant Improvements and Material Legal Requirements. Alterations and upon Landlord's reasonable request, Tenant shall deliver to Landlord sworn statements setting forth the names of all contractors and subcontractors doing work on the Tenant Improvements and Material Alterations and final Lien waivers from all such contractors and subcontractors. Additionally, upon completion of any Material Alteration or Tenant Improvement, Tenant shall provide Landlord, at Tenant's expense, with a complete set of plans in reproducible form and specifications reflecting the actual conditions of the Material Alterations or Tenant Improvement, together with a copy of such plans on a USB thumb drive in the AutoCAD format or on such other data storage technology and in such other file format as may then be in common use for computer assisted design purposes and is reasonably approved by Landlord. Tenant shall pay to Landlord the reasonable costs of Landlord's third-party architects, engineers, project management, and other consultants for review of all plans, specifications and working drawings for the Tenant Improvements, within ten (10) business days after Tenant's receipt of invoices either from Landlord or such consultants.

(g) Disclaimer

No review or approval by Landlord of any materials under this <u>Article VII</u> or other provision of this Agreement shall ever be construed as Landlord representing or implying that such matters will result in a properly designed improvement or alteration, be deemed compliance by Tenant with any other obligations under this Agreement, or satisfy the requirements of applicable Legal Requirements, nor be deemed to be approval by Landlord in its regulatory capacity or approval from the standpoint of safety, whether structural or otherwise, or compliance with building codes or other requirement of applicable Legal Requirements or other requirement of this Agreement.

(h) Insurance

Prior to commencing any Tenant Improvements, Tenant shall deliver proof reasonably satisfactory to Landlord that Tenant and its contractors have complied with the terms of Exhibit G as applicable to such Tenant Improvements, regardless of whether the Tenant Improvements are being completed before or after the Operating Term Commencement Date.

(i) Indemnity

Tenant shall require its contractors to indemnify and hold Landlord harmless from and against all costs (including attorneys' fees and costs of suit), losses, liabilities, or causes of action arising out of or relating to any Tenant Improvements or Alterations made by Tenant's contractors to the Leased Premises, including but not limited, to any mechanics' or materialmen's Liens asserted in connection therewith. Should any such Lien be filed against the Premises or Tenant's Leasehold Estate, or any action or proceeding be instituted affecting the title to the Premises, Tenant shall remove such Liens pursuant to <u>Article XVI</u>.

Section 3: Capital Improvements

(a) General Obligation

Tenant will, at its sole cost and expense, make or cause to be made all Capital Expenditures relating to the Premises or its use.

(b) Required Capital Improvements to Arena; Timing

For purposes of <u>Article VII, Sections 3(b)</u> through (f), inclusive, Capital Expenditures do not include any expenditures made to repair, restore or replace Minor Damage or Major Damage, or any expenditures relating to Tenant Improvements made in or on portions of the Premises that are outside of the Arena, or any financing costs.

(i) Minimum Capital Expenditure Investment

During the first ten (10) CapEx Years of the Initial Term, Tenant commits to expending or causing to be expended no less than One Million Dollars (\$1,000,000) per CapEx Year on Capital Expenditures relating to the Arena. During the remaining CapEx Years of the Initial Term, Tenant commits to expending or causing to be expended no less than Two Million Dollars (\$2,000,000) per CapEx Year on Capital Expenditures relating to the Arena.

(ii) Extraordinary Capital Expenditure Investment

During the first twenty (20) CapEx Years of the Initial Term, in addition to the minimum Capital Expenditures described in <u>Section 2(b)(i)</u> above, Tenant shall make or cause to be made such additional Capital Expenditures as might be required by the terms and conditions of any Leasehold Mortgage. Between the twenty-first (21st) and thirtieth (30th) CapEx Year of the Initial Term, in addition to the minimum annual Capital Expenditures described in <u>Section 2(b)(i)</u> above, Tenant

commits to expending or causing to be expended no less than an aggregate of Fifty Million Dollars (\$50,000,000) on Capital Expenditures (the "First Extraordinary CapEx Investment"). In addition, between the thirty-first (31st) and forty-seventh (47th) CapEx Year of the Term, in addition to the minimum annual Capital Expenditures described in Section 2(b)(i) above and in addition to the First Extraordinary CapEx Investment, Tenant commits to expending or causing to be expended no less than an aggregate of Fifty Million Dollars (\$50,000,000) on Capital Expenditures (the "Second Extraordinary CapEx Investment"). Expenditure of the First Extraordinary CapEx Investment shall be a condition precedent to Landlord granting the first Extension Option described in Article II, Section 6 above, and expenditure of the Second Extraordinary CapEx Investment shall be a condition precedent to Landlord granting the second Extension Option described in Article II, Section 6 above. Notwithstanding the foregoing, if, at any time from and after the commencement of the twenty-first (21st) CapEx Year of the Initial Term, Landlord and Tenant mutually agree upon the scope and timeline for a Qualified Future Renovation, then such agreement as to the Qualified Future Renovation shall replace the requirements for both the First Extraordinary CapEx Investment and the Second Extraordinary CapEx Investment and shall satisfy the condition precedent set forth above to Landlord granting the Extension Options described in Article II, Section 6 above.

(c) On or before the Rent Commencement Date and each anniversary thereof during the Term, Tenant shall submit to Landlord Tenant's proposed Capital Expenditures plan for Tenant's Capital Expenditures for the current CapEx Year and the next two (2) CapEx Years, as well as (x) during the period between the twenty-first (21st) and thirtieth (30th) year of the Initial Term, Tenant's cumulative plan for the First Extraordinary CapEx Investment, and (y) during the period between the thirty-first (31st) and forty-seventh (47th) year of the Term, Tenant's cumulative plan for the Second Extraordinary CapEx Investment. Each such Capital Expenditures plan shall set forth a description of each Alteration or Tenant Improvement in at least "concept plan" level of specificity with an estimate of its cost, and shall be subject to Landlord's approval, which shall not be unreasonably withheld, conditioned, or delayed except as provided in (iii) below so long as (i) the Capital Expenditures plan, together with actual Capital Expenditures expended in the applicable time period, complies with the minimum expenditure requirements set forth in Article VII, Section 3(b) for each applicable time period, (ii) the Alterations and Tenant Improvements described in and to be performed pursuant to the Capital Expenditures plan are conceptually approved by Landlord pursuant to Article VII, Section 2(b), and (iii) within such Capital Expenditures plan Tenant may propose to Landlord for its approval in its discretion expenditures that will be spent for items with a cost of less than Five Thousand Dollars (\$5,000), including labor costs, and any such expenditures so approved by Landlord shall thereupon constitute Capital Expenditures for purposes of Section 3(b) above. In any proposed Capital Expenditures plan Tenant may request carryforward to future CapEx Years of Capital Expenditures in the plan which are estimated to exceed the minimum requirement for that CapEx Year, not including unbudgeted cost overruns, and Landlord shall reasonably consider any such request. Tenant shall make commercially reasonable efforts to perform Capital Expenditures in accordance with the approved Capital Expenditures plan, and shall notify Landlord of any material deviation from the approved Capital Expenditures plan.

(d) Within thirty (30) days after the end of the first six (6)-month period in each CapEx Year, Tenant shall provide a report and evidence of expenditures of the actual Capital Expenditures for such six-month period. Prior to or together with submission of the current Capital Expenditures plan, Tenant shall provide a report and evidence ("<u>Annual CapEx Report</u>") of the actual Capital Expenditures in the previous CapEx Year, together with a comparison to the approved Capital Expenditures plan for such previous CapEx Year. Landlord may reasonably request more information to demonstrate the Capital Expenditures, and may upon reasonable request audit actual Capital Expenditures for compliance with the requirements of this <u>Article VII, Section 3</u>.

(e) If following the delivery of the Annual CapEx Report Tenant has not satisfied or caused to be satisfied the minimum Capital Expenditure requirements set forth in Article VII, Section 3(b) for the previous CapEx Year, then on or prior to the tenth (10th) business day of the current CapEx Year, Tenant shall deposit into a segregated drawing account ("CapEx Reserve Account") an amount equal to the difference, if any, between (i) the minimum expenditure requirement set forth in Article VII, Section 3(b) for the previous CapEx Year and (ii) the actual amount of Capital Expenditures made by the Tenant during the previous CapEx Year, including, if applicable, after the thirtieth (30th) CapEx Year, any such difference applicable to the First Extraordinary CapEx Investment and after the fortyseventh (47th) CapEx Year, any such difference applicable to the Second Extraordinary CapEx Investment. During any time when Tenant is obligated to perform and comply with the foregoing, so long as Tenant shall make the deposits to the CapEx Reserve Account as and when required, Tenant shall not be deemed in breach of Article VII, Section 3(b), and shall have the right from time to time to use funds on deposit in the Capital Reserve Account to pay for the costs of Capital Expenditures in accordance with the applicable project budget and applicable Capital Expenditures plan and any other Capital Expenditures necessitated by any emergency or unforeseen circumstance, but Tenant may not otherwise withdraw funds out of the CapEx Reserve Account. Expenditures paid out of the CapEx Reserve Account shall not constitute Capital Expenditures for purposes of measuring the Capital Expenditures required pursuant to Sections 3(b)(i) and (ii) above. If the balance in the CapEx Reserve Account exceeds Fifteen Million Dollars (\$15,000,000) Tenant shall establish documentation reasonably acceptable to Landlord pursuant to which Landlord shall have a perfected security interest in the CapEx Reserve Account securing Tenant's obligations to Landlord under this Article VII, Section 3, subordinate to any security interest therein in favor of a Leasehold Mortgagee. Upon expiration or termination of this Lease, Tenant shall transfer to Landlord, free and clear of any security interest in favor of a Leasehold Mortgagee, all funds then remaining in the CapEx Reserve Account.

(f) Landlord's approval of a Capital Expenditures plan shall not constitute waiver of the remaining terms and conditions of <u>Article VII</u>, <u>Section 2</u> applicable to Alterations and Tenant Improvements, or except for any carryforward approved by Landlord pursuant to

(c) above, of Tenant's obligation to make or cause to be made actual Capital Expenditures in the amounts required pursuant to <u>Article VII, Section 3(b)</u>.

ARTICLE VIII Other Covenants

Section 1: Pursuit of NBA and NHL Franchises

(a) During the Term of this Agreement, Tenant shall use commercially reasonable efforts to pursue an NBA team and an NHL team to be the resident home teams and play their home games at the Arena. Landlord will cooperate in good faith in such activities as reasonably requested by Tenant from time to time and as agreed to by Landlord, at Tenant's cost. As between Landlord and Tenant, Tenant (and not Landlord) will bear all costs of improvements to or enhancements of the Arena that may be required by the NBA, NHL, or any other third party, as applicable, in connection with obtaining and maintaining such team(s).

(b) Subject to NBA approval and applicable rules, regulations, requirements, and agreements of the NBA, Tenant or an Affiliate of Tenant shall use commercially reasonable efforts to acquire the right to use the "Seattle Sonics / Supersonics" name, in connection with Section 1(a) above.

<u>Section 2</u>: Community Fund and Charitable Funding Commitment

Tenant shall cause the establishment of a giving body (the "<u>Giving Council</u>") to administer a community fund (the "<u>Community Fund</u>"). The Giving Council shall be composed of nine (9) total voting members and one (1) non-voting member as follows: (a) voting members shall be comprised of (i) two (2) members appointed by Tenant; (ii) one (1) member appointed by the resident NHL team; (iii) one (1) member appointed by the resident WNBA team (Seattle Storm); (iv) two (2) members from local community organizations (with staggered terms to ensure continuity); (v) two (2) members who are representatives of Seattle Center resident organizations (with staggered terms to ensure continuity); and (vi) one (1) at-large member mutually appointed by Tenant and the Mayor's office; and (b) one (1) non-voting member shall be appointed by the Seattle Center Director to represent Seattle Center.

Tenant shall commit, whether directly or through the Giving Council, to at least Twenty Million Dollars (\$20,000,000) in donations (the "<u>Charitable Funding Commitment</u>"), it being understood that for the Community Fund contribution described below, at least fifty percent (50%) of each donation shall be in cash (inclusive of any NHL and/or NBA team franchise contributions), and that the balance of each donation may be either cash or in-kind and that for the YouthCare contribution described below it shall be as mutually agreed to by YouthCare and Tenant. Consistent with the public pledge made by Tenant, Ten Million Dollars (\$10,000,000) of the Charitable Funding Commitment shall be made by Tenant to YouthCare on terms mutually agreed to by YouthCare and Tenant pursuant to a separate written agreement to fund and support programs and services related to youth homelessness. Funding provided to YouthCare shall not be subject

to the oversight of the Giving Council or otherwise subject to the grant process described below. For the remainder of the Charitable Funding Commitment, Tenant shall cause the Giving Council to cooperate in good faith with Seattle Center's resident organizations and stakeholders in the surrounding neighborhood for input and guidance to identify appropriate beneficiaries for disbursement.

The Community Fund shall support the efforts of Seattle Center resident organizations and impacted neighborhood and community organizations targeted to youth, arts, music, and culture. The Community Fund, acting through its Giving Council, shall make strategic investments in projects, programs, internships, and other investments that address critical needs in these areas, while building citywide partnerships and leveraging City, philanthropic, and other partners to achieve larger community development goals. The Giving Council will administer an annual grants program and make decisions on annual funding awards, operating from ongoing 3-year strategic plans to ensure broader vision and strategy. The Giving Council shall solicit annual grant proposals which respond to the established goals in the 3-year strategic plan timeframe. The Giving Council will use the RSJ Equity Toolkit as a filter for forming strategic plans and annual review of grant proposals.

The Giving Council shall engage the Seattle Center Foundation or a similar body as "<u>Grant</u> <u>Manager</u>" for administrative and grantmaking support. The Grant Manager may also serve as fiscal agent for emerging organizations, if needed or requested by Tenant. The Grant Manager shall prepare an annual report of the Giving Council and shall report regularly to the Seattle Center Director and Seattle Center Advisory Commission on the Community Fund's performance. Such annual report shall include specific metrics for outcomes delivered to the community and resident organizations on the Seattle Center campus, and shall be posted on-line and accessible to the community. Tenant shall be responsible for all costs of administration of the Community Fund, which costs shall not be paid from the Community Fund balance.

Tenant shall coordinate with its subtenants, the Giving Council, and the Grant Manager to identify opportunities for cross-promotion with members of impacted neighborhood organizations on and off Seattle Center campus, which opportunities might include: (i) advertising at Arena events, (ii) package deals such as dinner/event tickets, (iii) display of art of local artists on the interior walls of the Arena, (iv) inclusion of local musicians in programs, (v) participation in a marketing campaign for businesses and community organizations, and (vi) community branding efforts and local arts events.

For purposes of establishing Tenant's fulfillment of the Charitable Funding Commitment, valuation of in-kind contributions shall be based upon reasonable factors, including but not limited to the following: (i) when available, face value shall be used (for example the price of a ticket), (ii) advertising shall be valued based upon rates charged to third parties for comparable advertising, and (iii) when applicable, out of pocket expenses. In addition to the audit rights under <u>Article III, Section 11, Tenant shall provide an annual report of its in-kind contributions which it intends to credit to the Charitable Funding Commitment, which shall be available for community review and comment.</u>

Section 3: Community Benefits

(a) Continuation of Community Liaison Role

The Parties acknowledge that before the Effective Date, Tenant retained a full-time community liaison (the "<u>Community Liaison</u>"). The Community Liaison's responsibilities during construction of the Initial Tenant Improvements are described in the Development Agreement. Following completion of the Initial Tenant Improvements, Tenant shall continue to retain a Community Liaison throughout the Term of this Agreement to coordinate with communities affected by Arena operations (agreed to be the broader areas generally defined as First Avenue West, Valley Street, Fifth Avenue North, and Denny Way, subject to adjustment from time-to-time) and to perform other duties described under the Seattle Center Integration Agreement, and duties mutually agreed upon from time-to-time by Tenant and Landlord.

(b) Monthly Meetings

Following completion of the Initial Tenant Improvements, the Community Liaison will staff and coordinate monthly meetings between the City, Tenant and the Community Coordination Committee established under the Development Agreement. However, the Parties acknowledge that the need for meetings with communities impacted by Arena operations may fluctuate through the Term of this Agreement. The frequency of the meetings may be reduced or increased upon reasonable recommendation of the Community Coordination Committee.

(c) Ombudsperson

The Seattle Center Director has appointed a Seattle Center staff person to act as an ombudsperson to facilitate communications between impacted communities, Tenant and City Departments and to perform other duties described in the Development Agreement. Subject to funding availability, the Seattle Center Director will continue the appointment for two (2) years following completion of the Initial Tenant Improvements. Thereafter the Seattle Center Director reserves the right to review the need for the position and modify or discontinue the appointment based upon other Seattle Center staffing needs.

(d) Clean and Safe

Community Liaison will coordinate and communicate regularly with Seattle Center, resident organizations and adjacent communities regarding Tenant's maintenance of the public areas around the Arena as further provided under the Seattle Center Integration Agreement.

(e) Meeting Space

From and after the Operating Term Commencement Date Tenant shall provide or cause to be provided community local meeting space for Uptown Alliance and the Uptown Arts and Culture Coalition (a) bi-weekly for up to twelve (12) people and (b) in coordination with Seattle Center, quarterly for up to fifty (50) people to address Arena operations with the community.

(f) Affordable Housing

Tenant shall pay such affordable housing impact mitigation payment as and when required by Legal Requirements. In addition, Tenant hereby voluntarily agrees to make an additional affordable housing impact mitigation payment (the "<u>Affordable Housing</u> <u>Payment</u>") to the City in an amount equal to (x) Two Million Five Hundred Thousand Dollars (\$2,500,000), minus (y) the affordable housing impact mitigation payment required by Legal Requirements with respect to the Initial Tenant Improvements. Tenant shall pay the Affordable Housing Payment during the first two full calendar year after the Operating Term Commencement Date; provided that if the Operating Term Commencement Date does not occur by October 30, 2020, any extension of payment in full beyond October 30, 2022, shall be in Landlord's discretion.

<u>Section 4</u>: Community Events

From and after the Operating Term Commencement Date, at the request of Landlord, Tenant shall make available to Landlord or Landlord's designees ("<u>Community Event Designees</u>") use of the Arena (including the loading dock and associated parking spaces) to host community events, but not the exclusive use spaces for the Seattle Storm, or, if applicable, resident NHL or NBA tenants, at no charge to Landlord or its designee for the use of such spaces for purposes of such hosted events, for up to fourteen (14) days per calendar year (each a "<u>Community Event</u>"). Subject to any priority calendar holds by resident NHL, WNBA or NBA teams, as applicable, Community Events shall include

- (i) up to six (6) consecutive days during Labor Day weekend for the annual Bumbershoot Festival, including one (1) day immediately preceding the first gated festival day for move-in purposes and until 11:59 p.m. on the day following the last gated festival day for move-out purposes, provided, that for the annual Bumbershoot Festival, the only NHL, WNBA, or NBA priority calendar holds that shall apply are those required by the NHL, WNBA, or NBA to be held and observed by all member franchises;
- (ii) up to eight (8) consecutive days during an annually recurring time period for the annual four (4) day Seattle/King County Clinic, held over a weekend including two (2) days immediately preceding the clinic and until 11:59 p.m. on the second day following the clinic for move out; and
- (iii) use of remaining days of the fourteen (14) day allocation, if any, for other Community Events.

Community Events, other than the Bumbershoot Festival and the Seattle/King County Clinic, shall occur on days that the Arena is available or can be made available. The Parties acknowledge that a festival event such as the Bumbershoot Festival, while a Community Event, is designed in part

to earn a profit and may compete with the operations or booking opportunities of the Arena. Community Events, other than Bumbershoot and the Seattle/King County Clinic, shall not be designed to earn a profit or otherwise compete with the operations or booking opportunities of the Arena. Sections 4.8 through 4.10, inclusive, of the Seattle Center Integration Agreement shall govern the scheduling, duration, certain operational matters, and allocation of costs and expenses for all Community Events. Tenant and Landlord and/or the Community Event Designee shall enter into a separate agreement that shall govern Landlord's or its designee's use of the Arena for each Community Event, which shall include reasonable and customary provisions for insurance, indemnification, security, load-in/load-out, staffing, and clean-up. Any such agreement shall comply with the terms and conditions for Community Events under this Agreement and the Seattle Center Integration Agreement.

Section 5: Affordability and Access

Tenant acknowledges the importance of providing opportunities for patrons of all income-levels to enjoy programming at the Arena and to have a positive and memorable fan experience. Accordingly, in determining the quantity and placement of standard versus premium seating at the Arena, Tenant shall use commercially reasonable efforts to have seats at a range of price points that are equitably distributed throughout the Arena bowl. Furthermore, Tenant shall collaborate in good faith with its anchor tenants and its community partners to identify regular opportunities to make reduced-priced tickets available in furtherance of promoting greater access to Arena events.

Section 6: City Transportation Fund

Landlord will establish a separate fund or account (the "<u>City Transportation Fund</u>") to be managed in the sole discretion of Landlord for the benefit of the public, considering input from stakeholders affected by the development of the Initial Tenant Improvements and the ongoing operation of the Arena, and used to fund transportation improvements in the neighborhoods surrounding Seattle Center. The City Transportation Fund will fund some of the projects identified in the MAP, including projects that may improve network connectivity for people of all ages and abilities to walk and bike, enhance transit service and connectivity, and improve overall traffic management in the Seattle Center area. The City will seek other public and private partners and funding for the purposes of advancing the objectives of the City Transportation Fund, including, but not limited to, King County and the Port of Seattle. Tenant shall remit Annual Transportation Payments in the aggregate amount of Forty Million Dollars (\$40,000,000) towards this City Transportation Fund as set forth in <u>Article III, Section 4</u> of this Agreement. Tenant's Annual Transportation Payments will not be made available to Tenant to fund Tenant's Project mitigation obligations identified as part of the EIS.

Section 7: Sale of Alcoholic Beverages

Tenant shall have the right to sell alcoholic beverages at the Premises consistent with the requirements and limitations of all Legal Requirements. As between Landlord and Tenant, Tenant shall assume all liability resulting from Tenant's sale of such alcoholic beverages at the Premises.

Section 8: Labor Harmony

Tenant shall enter into one or more labor harmony agreements (each a "Labor Harmony Agreement") if labor organizations which represent workers in Seattle have indicated or may indicate their intent to organize operation and maintenance workers at the Premises. Each Labor Harmony Agreement shall contain provisions under which the labor union, for itself and its members, agrees to limit the right to engage in concerted economic action at the Premises aimed at bringing economic pressure to bear against Landlord and Tenant, including limitations of activities such as striking, picketing, lock outs, boycotting or any other disruptive labor action. Tenant shall maintain its Labor Harmony Agreements for the duration of the Term of this Agreement to ensure Landlord's uninterrupted revenues, whether arising directly or indirectly, from the operation of the Premises or Arena. Tenant shall provide a copy of each executed Labor Harmony Agreement to enter Labor Harmony Agreements is included in all agreements with concessionaires, contractors, sub-concessionaires, operators, assignees, or developers acquiring the right to develop or operate business opportunities at or within the Premises.

Section 9: Community Liaison and Outreach Program

In connection with its development of the Premises, including completion of the Initial Tenant Improvements, Tenant shall hire a full-time community liaison who will run day-to-day outreach operations. This individual will coordinate efforts with Tabor 100, Landlord, and other local community organizations to ensure that Tenant's hiring practices minimize barriers to entry for WMBEs and underrepresented communities. The community liaison will partner with local schools, colleges, and universities, along with community groups, to create job shadowing opportunities and mentoring connections that highlight women and minorities in leadership.

Section 10: Arts

- (a) Arts Funding
 - (i) Art Investment. In addition to Tenant's investment in permanently-sited works of art under Section 11 of the Development Agreement, Tenant shall make an investment in the arts in the amount of \$1,750,000, payable to Landlord in ten annual installments of \$175,000 each, adjusted as described in this Section (the "Annual Art Investment"). The first Annual Art Investment shall be payable on the Operating Term Commencement Date, and thereafter shall be payable on each anniversary of the Operating Term Commencement Date. Beginning with the second Annual Art Investment, such Annual Art Investment shall be adjusted by the Escalator based upon the prior twelve-month period.
 - (ii) Office of Arts and Culture. Landlord shall administer the Annual Art Investment through the Seattle Office of Arts and Culture ("<u>ARTS</u>").
 Working closely with the Arena Community Advisory Group, Uptown Arts and Cultural District, and the Seattle Arts Commission, ARTS will develop a competitive granting program to distribute funds, which may include matching funding from other sources, a public art experience

suitable for the Arena environs, including infrastructure and programming intended to support the vibrant arts community in Uptown and Belltown. Additionally, these investments will be made with a lens of equity and social justice.

- (iii) *Plaza Programming.* Tenant shall meet and confer with ARTS, resident organizations and community organizations in the surrounding Uptown community to pursue in good faith programming that supports and enhances the public plaza spaces surrounding the Arena (both within the Premises and within adjoining Seattle Center Common Areas), on both event days and non-event days to ensure the plazas surrounding the Arena remain active and engaging public spaces that serve the surrounding community as well as patrons of ticketed events.
- (b) Installation or Integration of Works of Visual Art

As used in this Section 10, "work of visual art" has the meaning provided under 17 U.S.C. \$101, and "building art" means any work of visual art which is installed or integrated into the Premises if the removal of that work of visual art will result in, or is reasonably likely to result in, its damage, distortion, mutilation, modification or destruction, as defined and described under VARA. Tenant shall not install or integrate any work of visual art or building art at the Premises unless Tenant first delivers to the Landlord a waiver of the artist/author/creator's rights of attribution and integrity regarding the art pursuant to VARA and 17 U.S.C. §101, which shall be executed by the artist/creator and Landlord. The waiver shall expressly be for the benefit of Landlord, and enforceable by Tenant and Landlord and their respective successors and assigns. Tenant shall protect, defend, and hold Landlord harmless from and against any and all claims, suits, actions, or causes of action, damages, and expenses (including attorneys' fees and costs) arising as a consequence of (i) the installation or integration of any work of visual art on or into the Premises; or (ii) the destruction, distortion, mutilation, or other modification of such art work that results by reason of its removal; or (iii) any violation of VARA by Tenant or any of the Tenant Parties. This indemnification obligation shall exist regardless of whether Landlord or any other person employed by Landlord has knowledge of such installation, integration, or removal, or has consented to any such action or is not required to give prior to consent to any such action. The indemnification obligation of this Section 10 shall survive the expiration or earlier termination of this Agreement.

(c) Ownership

As between Tenant and Landlord, Tenant shall own and maintain all works of visual art and building art installed or placed on the Premises by Tenant. At expiration or termination of the Term, building art and any other site-specific art shall be addressed in the turnover plan developed under Article XX, Section 3, provided that Tenant shall remain solely responsible for the removal and ownership of any building art for which Tenant shall have failed to obtain a waiver in compliance with <u>clause (a)</u> above. For any artwork identified in the turnover plan for surrender to Landlord, Tenant shall provide any bill of sale, intellectual property rights, assignment, and any other document reasonably necessary to transfer ownership to Landlord. Otherwise, Tenant shall retain and remove all other works of visual art installed or placed on the Premises by Tenant.

ARTICLE IX Insurance

<u>Section 1</u>: Insurance to be Procured by Tenant

Throughout the Term of this Agreement, Tenant shall (and shall cause its sublessees, contractors, licensees and concessionaires to) procure and maintain at all times in full force and effect, at no cost to Landlord, the insurance specified in <u>Exhibit G</u> attached hereto (or its then-available equivalent in accordance with <u>Section 4</u> below), in compliance with and subject to and upon the conditions described in <u>Exhibit G</u>.

<u>Section 2</u>: Compliance with Insurance Requirements

No use shall be made by Tenant or permitted by Tenant to be made on, to, or of the Premises, nor act done, which will cause the cancellation of any insurance policy covering the Premises, nor shall Tenant sell or permit to be kept, used, or sold in and about the Premises any article which may be prohibited by the standard form of fire insurance policy. Tenant shall, as Tenant's sole cost and expense, comply with any and all requirements pertaining to the Premises of any insurance organization or company necessary for the maintenance of the insurance required by this Agreement.

Section 3: Disposition of Insurance Proceeds

If the Premises, including any Improvements are partially or totally destroyed from a risk covered by insurance required by this <u>Article IX</u>, then Tenant shall make the loss adjustment with the insurance company insuring the loss unless the projected loss exceeds Ten Million Dollars (\$10,000,000), in which event Landlord shall have reasonable approval of the loss adjustment. The insurance proceeds allocable to the damaged Improvements shall be paid directly to a title company mutually selected by Landlord and Tenant, hereinafter referred to as the "Insurance <u>Trustee</u>". All sums deposited with the Insurance Trustee in accordance with the foregoing shall be held, administered, and disbursed in accordance with this <u>Section 3</u> and <u>Article X</u> below. In connection with the foregoing, the Insurance Trustee shall have the following powers and duties:

(a) The sums shall be paid in installments (no more frequently than monthly) by the Insurance Trustee to the contractor retained by Tenant as construction progresses, for the payment of the cost of repair or demolition and restoration, as applicable. A ten percent (10%) retention fund shall be established that will be paid to the contractor on the completion of construction, payment of all costs, expiration of all applicable lien periods, and proof that the Premises and the Initial Tenant Improvements are free of all mechanic's liens and lienable claims.

(b) Payments shall be made on presentation of certificates or vouchers from the architect or engineer retained by Tenant showing the amount due, a sworn construction

statement from the general contractor, an updated project budget, and any and all other documentation reasonably requested by Landlord or the Insurance Trustee so that the escrowed funds are disbursed in accordance with customary construction disbursement procedures. If the Insurance Trustee, in its reasonable discretion, determines that the certificates or vouchers are being improperly approved by the architect or engineer retained by Tenant, the Insurance Trustee shall have the right to appoint an architect or an engineer to supervise construction and to make payments on certificates or vouchers approved by the architect or engineer retained by the architect or engineer retained by the Insurance Trustee. The reasonable expenses and charges of the architect or engineer retained by the Insurance Trustee shall be paid by the Insurance Trustee out of the sums previously deposited with the Insurance Trustee.

(c) Upon final completion of such restoration or construction, the architect or engineer retained by Tenant shall deliver to Landlord and Insurance Trustee a certificate of completion, a certification that such work was completed in accordance with all approved plans and specifications and applicable Legal Requirements, an updated project budget, final, unconditional lien waivers, and any and all other documentation reasonably requested by Landlord or the Insurance Trustee so that the escrowed funds are disbursed in accordance with customary construction disbursement procedures.

(d) Any sums not disbursed by the Insurance Trustee after construction has been completed and final payment has been made to Tenant's contractors shall be paid to Tenant.

All actual costs and expenses of the Insurance Trustee shall be paid by Tenant from the funds escrowed with Insurance Trustee. If the Insurance Trustee resigns or for any reason is unwilling to act or continue to act, Landlord and Tenant shall agree upon a substitute institutional lender or title company as a new Insurance Trustee. Landlord and Tenant shall each execute all documents and perform all acts reasonably required by the Insurance Trustee to perform its obligations under this Article. Without limiting the foregoing, upon request by Landlord or Insurance Trustee, at the time the funds are deposited with the Insurance Trustee, Landlord, Tenant and the Insurance Trustee shall enter into a commercially reasonable form of disbursing agreement that describes the terms and conditions under which Insurance Trustee shall disburse the escrowed funds, which shall be consistent with the terms and conditions of this Agreement.

Section 4: Periodic Review of Coverage

Landlord and Tenant shall jointly review applicable insurance coverages every three (3) years, and shall mutually agree upon appropriate coverages, limits and deductibles, and all such coverages, limits, and deductibles shall be at commercially reasonable levels and meet the established Insurance Standard. If Landlord and Tenant cannot agree on such coverage, the amount of such coverage shall be increased every three (3) years to reflect the increase in the CPI over such period. If, because of disruptive events affecting the insurance market, the premium cost for one or more levels of coverage required to be maintained by Tenant pursuant to this <u>Article IX</u> has become commercially unreasonable or such coverages, limits, and deductibles as may be available at commercially reasonable costs, but in all events, shall maintain coverages, limits, and deductibles that meet the Insurance Standard. In the event that Tenant asserts that the premium cost for one or

more levels of coverage has become commercially unreasonable or otherwise not commercially available as contemplated in the preceding sentence, then Tenant shall have the burden of proof with respect to the fact that such coverage is commercially unreasonable, and that the coverages, limits, and deductibles that Tenant proposes to maintain meet the Insurance Standard. In the event that Tenant asserts that it should be permitted to modify its coverages, limits or deductibles as contemplated in the preceding two sentences, then it shall provide notice to Landlord no less than thirty (30) days prior to such time as Tenant proposes to modify such coverages, limits or deductibles and Landlord shall have the right to Approve such proposed modifications.

Section 5: Waiver of Claims and Subrogation

To the extent permitted by applicable law, and without affecting the insurance coverages required to be maintained hereunder, Landlord and Tenant each waive all rights of recovery, claim, action or cause of action against the other for any damage to property, and release each other for same, to the extent that such damage (i) is covered (and only to the extent of such coverage, but without reduction for deductibles) by insurance actually carried by the Party holding or asserting such claim or (ii) would be insured against under the terms of any insurance required to be carried under this Agreement by the Party holding or asserting such claim. This provision is intended to restrict each Party (if and to the extent permitted by Legal Requirements) to recovery against insurance carriers to the extent of such coverage and to waive (to the extent of such coverage), for the benefit of each Party, rights or claims which might give rise to a right of subrogation in any insurance carrier. Neither the issuance of any insurance policy required under, or the minimum limits specified herein shall be deemed to limit or restrict in any way Landlord's or Tenant's liability arising under or out of this Agreement pursuant to the terms hereof. As between Tenant and Landlord, Tenant shall be liable for any losses, damages or liabilities suffered or incurred by Landlord as a result of Tenant's failure to obtain, keep, and maintain or to cause to be obtained, kept, and maintained, the types or amounts of insurance required to be obtained, kept, or maintained by Tenant under the terms of this Agreement.

<u>ARTICLE X</u> Casualty Damage, Destruction, and Restoration

Section 1: Casualty Damage

In the event of damage to or destruction of any or all of the Premises, including any Improvements (excluding therefrom ordinary wear and tear requiring maintenance and routine repairs) during the Term of this Agreement, this <u>Article X</u> shall apply. No casualty damage shall abate, suspend or reduce Tenant's obligations to pay amounts payable pursuant to this Agreement, including all amounts payable pursuant to <u>Articles III</u> and <u>IV</u>, unless and until this Agreement may have been duly terminated in accordance with <u>Section 3</u> below. Notwithstanding the foregoing, if such damage or destruction renders substantially all of the Premises substantially or entirely un-useable for a period in excess of thirty (30) days, and Tenant is not entitled to or desires to not terminate this Agreement, then the Parties shall meet and confer in good faith on an equitable adjustment to the timing or amount of Tenant's obligations hereunder in light of the applicable facts and circumstances (including the availability of insurance coverage to Tenant).

Section 2: Minor Damage or Destruction

If the time reasonably required to repair or reconstruct the Improvements to a condition sufficient to operate for the Permitted Use (the "<u>Repair Time</u>") is reasonably expected to be less than twenty-four (24) months ("<u>Minor Damage</u>"), Tenant shall promptly commence and thereafter diligently complete such repair and reconstruction of the portion of the Premises so damaged or destroyed in accordance with <u>Section 4</u> below; <u>provided</u>, <u>however</u>, if the estimated Repair Time would exceed the then-remaining Term of the Lease, then either (i) Tenant shall promptly commence and thereafter diligently pursue such repair and reconstruction as can reasonably be completed within the then-remaining term, or (ii) Tenant may elect by notice given within thirty (30) days after such Minor Damage to terminate this Agreement; and in either such case promptly upon termination Tenant shall remit to Landlord any insurance proceeds received in respect to such Minor Damage that was not so repaired or reconstructed. The proceeds derived from insurance maintained pursuant to <u>Article IX</u> shall be made available in accordance with the terms of <u>Article IX</u> to effect such repair and restoration.

Section 3: Major Damage or Destruction

If the time reasonably required to repair or reconstruct the Improvements to a condition sufficient to operate for the Permitted Use is reasonably expected to be twenty-four (24) months or more ("<u>Major Damage</u>"), and provided Tenant shall have maintained insurance in compliance with the requirements of this Agreement, and has caused to be duly assigned to Landlord all right, title and interest of Tenant and Leasehold Mortgagee to all insurance proceeds payable on account of such Major Damage, and has paid to Landlord any "deductible" or coinsurance applicable to such Major Damage, then within ninety (90) days after the casualty event giving rise to such Major Damage, Tenant may by notice to Landlord and if permitted pursuant to <u>Article XIII</u> elect to terminate this Agreement. In the event of any dispute between Landlord and Tenant whether damage is Major Damage, the issue shall be referred within thirty (30) days to a general contractor or construction manager with substantial experience in the construction of comparable arenas, as reasonably proposed by Landlord and reasonably approved by Tenant, for an expeditious decision and the decision of such party shall be definitive.

Section 4: Repair and Reconstruction of Minor and Major Damage

Unless Tenant duly elects to terminate this Agreement pursuant to <u>Section 3</u> above and subject to the limitation set forth in <u>Section 2</u> above, Tenant shall promptly and diligently effect repair and reconstruction of the portion of Improvements so damaged or destroyed to substantially its condition prior to the occurrence of the applicable Minor or Major Damage, with (i) such alterations required to comply with applicable Legal Requirements, and (ii) together with changes to conform to then prevailing construction practices and such other changes that Tenant may reasonably desire, provided such changes are consistent with the other terms of this Agreement and changes described in (ii) above are approved by Landlord in accordance with the terms of <u>Article VII</u>. Landlord and Tenant agree that the proceeds derived from insurance maintained pursuant to <u>Article IX</u> shall be made available to effect such repair. If the available insurance proceeds are not adequate to cover the estimated cost of repair, then, within a reasonable time after such shortfall is determined and, in any event, prior to the commencement of any repair work

(other than emergency repairs), Tenant shall provide Landlord with assurances reasonably satisfactory to Landlord that a sufficient sum will be made available to cover such shortfall, and such shortfall funds will be advanced by Tenant prior to any advance of insurance proceeds. Additionally, Landlord may require a separate construction agreement for repair and reconstruction work of Major Damage, which agreement would address schedule, coordination and other terms comparable to those set forth in the Development Agreement.

<u>Section 5</u>: Termination of Lease Following Major Damage

In the event of Major Damage if Tenant duly elects pursuant to <u>Section 3</u> above to terminate this Agreement, such termination of this Agreement shall take effect ninety (90) days following Tenant's notice to Landlord of its election to terminate this Agreement and assignment and payment of insurance proceeds and deductibles and coinsurance pursuant to <u>Section 3</u> above.

ARTICLE XI Condemnation

Section 1: Effect of Total Condemnation

In the event that there shall be a Total Taking of the Premises during the Term of this Agreement, Tenant may elect in its sole discretion to cause the Leasehold Estate hereby created in the Premises to cease and terminate as of the date title to the Premises is taken by the condemnor. On termination of this Agreement by a Total Taking of the Premises, all rentals and other charges payable by either Party to or on behalf of the other under the provisions of this Agreement shall be paid (or refunded to the extent rent has been prepaid) up to the date on which actual physical possession of the Premises shall be taken by the condemnor, and the parties hereto shall thereafter be released from all further liability in relation thereto, except for matters that survive the termination of this Agreement.

Section 2: Effect of Partial Condemnation

In the event that there shall be a Partial Taking of the Premises during the Term of this Agreement, this Agreement shall terminate as to the portion of the Premises so taken on the date title is taken by the condemnor or at the time the condemnor is authorized to take possession of said real property as stated in the order for possession, whichever is earlier. If there is a Partial Taking which results in a functional Total Taking (as defined under <u>Article I</u>), Tenant may give written notice of termination to Landlord within thirty (30) calendar days after Landlord shall have given Tenant written notice of said taking, or in the absence of said notice, within ten (10) calendar days after the condemnor is authorized to take possession as stated in the order for possession. If Tenant fails to timely elect to terminate, this Agreement shall continue in full force and effect as to the remainder of the Premises not so taken, and Tenant shall restore the remaining Premises as may be required; provided that if the functionality of the Arena is materially impaired by such Partial Taking the Baseline Rent Payment to be paid by Tenant shall thereafter be equitably adjusted. If the Parties cannot agree upon an equitable proportion of rent to be abated, the amount shall be determined in accordance with the procedures set forth in Article XIX, Section 3.

Section 3: Award

Any compensation or damages awarded or payable because of the taking of all or any portion of the Premises by eminent domain shall be allocated between Landlord and Tenant as follows:

(a) The award for the Taking shall be allocated between Landlord and Tenant in proportion to the respective values at the time of taking of Landlord's and Tenant's respective right, title and interest in the Premises and this Agreement. Such values shall be established by the same court of law or other trier of fact that establishes the amount of the condemnation award, but if there is no court of law available or willing to determine Landlord's and Tenant's respective interests, those interests shall be determined in accordance with the procedures set forth in <u>Article XIX, Section 3</u>. The foregoing shall not limit Tenant's right to separately pursue additional compensation or damages for lost revenues, business interruption and moving expenses, provided such additional compensation does not reduce the award for the Taking, and Tenant (subject to rights of Leasehold Mortgagee) shall be solely entitled to any such additional compensation or damages free and clear of any claim by Landlord.

(b) The term "time of taking" as used in this subsection shall mean 12:01 a.m. of whichever shall occur first, the date title or the date physical possession of the Premises or any portion thereof is taken by the agency or entity exercising the eminent domain power.

Section 4: Temporary Taking

If the whole or any part of the Premises or of Tenant's interest under this Agreement shall be taken or condemned by any competent authority for its temporary use or occupancy (meaning a duration of less than thirty (30) days), Tenant shall continue to pay, in the manner and at the times herein specified, the full amounts of the Baseline Rent Payment, and all other charges payable by Tenant hereunder, and this Agreement shall continue and, except only to the extent that Tenant may be prevented from so doing pursuant to the terms of the order of the condemning authority, Tenant shall perform and observe all of the other terms, covenants, conditions and obligations hereof upon the part of Tenant to be performed and observed, as though such taking or condemnation had not occurred. In the event of any such temporary taking, or condemnation Tenant shall (subject to rights of Leasehold Mortgagee) be entitled to receive the entire amount of any award made for such taking, whether paid by way of damages, rent or otherwise, unless such period of temporary use or occupancy shall extend to or beyond the expiration date of the Term of this Agreement, in which case such award shall be equitably apportioned between Landlord and Tenant as of such date of expiration of the Term of this Agreement.

<u>ARTICLE XII</u> Assignment, Transfer, and Subletting

Section 1: Assignment, Transfer, Sublease, and License

(a) Transfer Restriction

Until the later of (i) the Rent Commencement Date, or (ii) the date that the Initial Tenant Improvements have been finally completed in accordance with the Development Agreement (such later date being the "Transfer Date"), Tenant may not Transfer its interest in this Agreement without Landlord's prior written approval, in Landlord's sole discretion; provided, however, that Tenant may Transfer its interest in this Agreement without Landlord's prior written approval to a Leasehold Mortgagee of the Premises that is a Qualified Financial Institution, or (b) as otherwise expressly permitted below in this Article XII. After the Transfer Date, except as otherwise set forth in this Agreement, Tenant may not Transfer its interest in this Agreement without Landlord's prior written approval, such approval not to be unreasonably withheld, conditioned or delayed after Landlord's receipt of the information required pursuant to subsections (b) and (d) below; provided that Tenant may upon notice to Landlord and compliance with subsections (b), (d) and (e) below, Transfer its interest to an Affiliate of Tenant without the consent of Landlord. Landlord's consent to a Transfer shall not be deemed to be a consent to any subsequent Transfer. Notwithstanding anything to the contrary contained in this Agreement, any agreement between Tenant and an OVG Party appointing such OVG Party as a facilities manager for the Premises shall not be considered a "Transfer" hereunder.

(b) Requests for Approval

If Tenant desires to effect a Transfer, Tenant shall give Landlord at least sixty (60) days prior written notice thereof, which notice shall request Landlord's consent to the proposed Transfer (except such consent shall not be required as otherwise provided in clause (a) above with respect to a Leasehold Mortgage with a Qualified Financial Institution) and make available for Landlord's review the effective date, terms and conditions, and copies of any offers, draft agreements, letters of commitment or intent, and other documents pertaining to such proposed Transfer and a description of the identity, net worth and previous business experience of the proposed transferee, including, without limitation, copies of the proposed transferee's latest income. balance sheet and change-of-financial-position statements (with accompanying notes and disclosures of all material changes thereto) in audited form, if available, and certified as accurate by the proposed transferee. Tenant shall also promptly deliver to Landlord any further information which Landlord may reasonably request within thirty (30) days after receipt of Tenant's request for consent. Upon demand, Tenant shall pay to Landlord a reasonable charge to cover Landlord's administrative costs and attorneys' fees in considering any request for consent under this Article XII, whether or not such consent is granted, in an amount not to exceed Two Thousand Dollars (\$2,000) (adjusted annually by CPI).

(c) Limitations

Any Transfer or purported Transfer that violates the terms and conditions of this <u>Article</u> <u>XII</u> shall be null and void and of no force and effect. Tenant may not make a Transfer during any period that Tenant is in default under this Agreement.

(d) Additional Assurances

No Transfer of all or substantially all of Tenant's interest in the Agreement, including a permitted Transfer to an Affiliate of Tenant, shall be made by Tenant unless and until Tenant and the proposed assignee or subtenant execute, acknowledge and deliver to Landlord an instrument in form and substance acceptable to Landlord in which, among such other matters as Landlord may reasonably require (i) Tenant assigns to the assignee its entire interest in this Agreement (without any lien thereon), together with all prepaid rent, and in the Development Agreement (for so long as it remains in effect) and the Seattle Center Integration Agreement (for so long as it remains in effect), and (ii) the assignee, for the benefit of Landlord, assumes and agrees to pay and perform and be bound by all of the terms, covenants and conditions of this Agreement and the Development Agreement (for so long as it remains in effect) and the Seattle Center Integration Agreement (for so long as it remains in effect); and (iii) Tenant agrees that it shall remain liable as contemplated by Article XII, Section 1(e) below. For the avoidance of doubt, but without limitation of any applicable non-disturbance and attornment agreement, the requirements of this clause (d) shall not apply to any Transfer by Tenant of its interest in this Agreement to a Leasehold Mortgagee of the Premises that is a Qualified Financial Institution.

(e) Obligations Continue

No Transfer or other assignment, and no subsequent modification of this Agreement, extension of the Term, extension of the time for payment or any other act, omission or occurrence which would (but for this provision) release a person in the position of Tenant or a surety, shall in any way release or relieve Tenant of its obligations under or in respect of this Agreement; <u>provided</u>, <u>however</u>, that the foregoing provision shall not apply to any Transfer or other assignment to a Qualified Transferee.

Section 2: Acknowledgement and Recognition of Future NHL Team Sublease

(a) Any future agreement by Tenant to sublease the Premises to TeamCo for use as the home venue of the Team shall not require Landlord's prior consent pursuant to this Agreement, <u>provided</u> that (i) such NHL team sublease provides (A) for a term running concurrently with the Initial Term (or balance thereof, as applicable), (B) that the Team, subject to any exception set forth in the Team Non-Relocation Agreement, will play all its home games at the Arena, and (C) that TeamCo be domiciled in Seattle, Washington, it being expressly understood that "domiciled" has the meaning given under Seattle Municipal Code 5.45.076(i.e. that the TeamCo shall maintain its corporate headquarters in Seattle, Washington), but TeamCo shall neither be required to maintain the Team's training facilities in Seattle, nor be required to have the Team's players and/or staff live in Seattle; and (ii) Landlord and TeamCo shall have entered into the Non-Relocation Agreement, which shall be applicable to the initial term of such sublease.

(b) TeamCo has submitted an application to the NHL to acquire the Team. As a condition to commencement of demolition under the Development Agreement, Landlord and TeamCo must execute and deliver the Team Non-Relocation Agreement, substantially in the form of Exhibit Q attached to the Development Agreement (the "<u>Non-Relocation Agreement</u>"). The obligations of TeamCo under the Non-Relocation Agreement are

subject to certain circumstances that are dependent upon the performance of Tenant, and accordingly Tenant agrees that it shall at all times (I) perform its obligations under the sublease with TeamCo, (II) enforce all obligations of TeamCo under the Tenant/TeamCo sublease and all related agreements between Tenant and TeamCo, and (III) operate, repair and maintain the Arena such that it is compliant with NHL Rules. Tenant shall not terminate the Tenant/TeamCo sublease, except if TeamCo fails to satisfy a judgment rendered by a court of competent jurisdiction in connection with a material breach of such sublease by TeamCo. Tenant shall not approve or permit any amendment to any provision of the Tenant/TeamCo sublease so as to adversely impact the rights of the City under the Non-Relocation Agreement, or TeamCo's ability to perform its obligations under the Non-Relocation Agreement, in each case without the prior written consent of the City, which consent may be withheld, conditioned, or delayed in the City's sole discretion. Tenant shall not take (or omit to take) any action so as to adversely impact the rights of City under the Non-Relocation Agreement, or TeamCo's ability to perform its obligations under the Non-Relocation Agreement. Tenant shall provide to the City a copy of the Tenant/TeamCo sublease, and each amendment thereto. Additionally, Tenant shall provide prompt written notice to the City of (1) any termination (threatened or actual) of the Tenant/TeamCo sublease, (2) any breach by TeamCo of any provision of the Tenant/TeamCo sublease, and (3) any assertion by TeamCo that Tenant has breached any provision of the Tenant/TeamCo sublease. Upon any notice to the City pursuant to the foregoing sentence or the occurrence of any circumstance under which Tenant would be required to give such notice, or any notice from TeamCo asserting breach by Tenant under the Tenant/TeamCo sublease, then the terms of clause (c) below, Article XIII, Section 18 and Article XIX, Section 2(a) shall apply.

(i) TeamCo's obligations under the Non-Relocation Covenants (as defined in the (c) Non-Relocation Agreement) are required by the Development Agreement and this Agreement, are unique, are the essence of the bargain and are essential consideration for this Agreement and the Ancillary Agreements; (ii) the NHL expansion club for Seattle, Washington (the "Team"), upon being granted to TeamCo under the Expansion Agreement, will be extraordinary and unique and under the organization of professional hockey by and through the NHL, the Team may not be able to be replaced with another NHL team in the City; (iii) the determination of damages by Tenant caused by a default under clause (b) above, the effects of which would be suffered by Landlord, would be difficult, if not impossible, to ascertain, and (iv) having the Team play its regular season and post-season home games in the Arena provides a unique value to Landlord, including generating new jobs, additional revenue sources, economic development and increased tourism. Therefore, the parties hereto acknowledge and agree that there may under certain circumstances be no adequate and complete remedy at law to enforce clause (b) above, and that equitable relief by way of a decree of specific performance or an injunction (such as, without limitation, a mandatory injunction requiring Tenant to perform its obligations under clause (b) above) is under such circumstances an appropriate remedy for the enforcement of this Agreement. Furthermore, based on the foregoing, Tenant hereby agrees as follows (and Tenant shall not assert or argue otherwise in any action or proceeding):

- (x) Significant obligations are being incurred by Landlord under this Agreement and the Ancillary Agreements and any default under <u>clause (b)</u> above may under certain circumstances constitute irreparable harm to Landlord for which monetary damages or other remedies at law will not be an adequate remedy.
- (y) Landlord is entitled to obtain injunctive relief prohibiting action, directly or indirectly, by Tenant that causes or could reasonably be expected to cause a default under <u>clause (b)</u> above, or mandating action that averts or will avert a default under clause (b) above, or enforcing any covenant, duty, or obligation of Tenant hereunder through specific performance. Landlord is further entitled to seek declaratory relief with respect to any matter under this <u>Section 2</u>.

(ii) That, in any proceeding seeking relief for a default under <u>clause (b)</u> above, any requirement for Landlord to (i) post any bond or other security or collateral or (ii) make any showing of irreparable harm, balance of harm, consideration of the public interest, or inadequacy of money damages, as a condition of any relief sought or granted is hereby waived, and Tenant shall not assert or argue otherwise or request the same.

(iii) That Tenant waives any right it may have to object to or to raise any defense to any actual or requested award of the remedy of specific performance or other equitable relief in any action brought by or on behalf of Landlord in respect of a default under <u>clause</u> (b) above in accordance herewith, except (i) alleged unclean hands of the plaintiff or laches in the commencement of the proceedings and (ii) the defense that there has in fact not been a default under <u>clause (b)</u> above in accordance with the terms of this Agreement.

(iv) That the failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any provision of <u>clause (b)</u> above shall not prevent a subsequent act, which would have constituted a violation, from having the effect of a violation. No delay in the exercise of any remedy shall constitute a waiver of that remedy.

(v) Tenant understands and acknowledges that, by operation of the foregoing provisions, it is knowingly and intentionally relinquishing or limiting certain important rights and privileges to which it otherwise might be entitled, including the right to object to a grant of specific performance and injunctive relief, and that its relinquishment and limitation thereof is voluntary and fully informed.

(vi) Upon a default under <u>clause (b)</u> above, this <u>clause (c)</u> shall not be construed as limiting other legal and equitable remedies.

Section 3: Acknowledgement and Recognition of Future NBA Team Sublease

Any future agreement to sublease the Premises to an NBA team shall not require Landlord's prior consent pursuant to this Agreement, <u>provided</u> that (i) such NBA team sublease provides (A) for a term running concurrently with the Initial Term (or balance thereof, as applicable), (B) that the

team, subject to any exception set forth in the non-relocation agreement referenced below, will play all its home games at the Arena, and (C) that the team be domiciled in Seattle, Washington, it being expressly understood that "domiciled" has the meaning given under Seattle Municipal Code 5.45.076 (i.e., that the team shall maintain its corporate headquarters in Seattle, Washington), but the team shall neither be required to maintain its training facilities in Seattle, nor be required to have its players and/or staff live in Seattle; and (ii) there is a non-relocation agreement between Landlord and the NBA team, applicable to the initial term of such sublease and mutually agreeable to Landlord and the NBA team, as well as additional covenants, analogous to <u>Sections 2(b) and (c)</u> above and <u>Article XIII, Section 18</u>, to address circumstances in the non-relocation agreement that are dependent upon the performance of Tenant.

Section 4: Acknowledgement and Recognition of Seattle Storm Sublease

The Parties hereby mutually affirm the value and importance of maintaining the presence of a WNBA team in the Seattle region. The current WNBA team is the Seattle Storm, whose home court is at the Arena under that certain Facility Use Agreement dated on or about July 18, 2017 by and between Storm Subtenant and Landlord (the "Existing Storm Agreement"). The Parties shall use reasonable efforts to support the Seattle Storm or any successor WNBA team operating in Seattle at the Arena, which efforts may include, but not be limited to, amendments to the Existing Storm Agreement that are agreed upon between Tenant, Landlord and Force 10 Hoops, LLC. To that end, and to facilitate the Initial Tenant Improvements, Landlord shall be responsible for the cost of relocating the Storm Subtenant to another venue during the 2019 and 2020 WNBA seasons, as provided under the Existing Storm Agreement. Additionally, Tenant shall coordinate with the Storm Subtenant during the design and construction of the Initial Tenant Improvements and Tenant shall be responsible for providing the Storm Subtenant with comparable facilities at the Arena, as that term is defined under the Existing Storm Agreement, at Tenant's cost and expense. By no later than October 1, 2020, Tenant shall provide the Storm Subtenant a date offer for the 2021 WNBA season that complies with the date offer requirements in the Existing Storm Agreement and shall provide Landlord notice of the offer. No later than the Operating Term Commencement Date, Landlord shall assign to Tenant and Tenant shall assume from Landlord, pursuant to an Assignment and Assumption in the form of Exhibit K, all of Landlord's rights and obligations pursuant to the Existing Storm Agreement, including any amendments thereto.

Section 5: Pottery Northwest

No later than the date established under the Development Agreement for Landlord to deliver the South Site to Tenant for its use and occupancy, Landlord shall assign and Tenant shall assume, pursuant to an Assignment and Assumption in the form of <u>Exhibit L</u>, Landlord's rights and obligations under that certain Lease Agreement between the City and Pottery Northwest, Inc., a Washington non-profit corporation, dated effective as of August 6, 2013.

Section 6: Agreements with Concessionaires and Ticketing Agents

Tenant shall be permitted to enter into agreements with concessionaires, vendors, ticketing agents, and similar suppliers and service providers who might utilize space within the Premises on a temporary or continuous basis during the Term. Any agreement described in the foregoing

sentence shall not be considered a Transfer that requires Landlord's consent pursuant to this Agreement.

Section 7: Short-Term Agreements for Filming or Marketing Activations

Tenant shall be permitted to enter into short-term license or rental agreements (not to exceed thirty (30) days in duration) for television, web-series, and movie filming, as well as marketing activations for building sponsors. Any agreement described in the foregoing sentence shall not be considered a Transfer that requires Landlord's consent pursuant to this Agreement.

Section 8: Licenses for Private Events

Tenant shall be permitted to enter into short-term license or rental agreements (not to exceed fourteen (14) days in duration) for private events at the Premises, including but not limited to corporate meetings or conventions, trade shows, awards shows, and memorial services. Any agreement described in the foregoing sentence shall not be considered a Transfer that requires Landlord's consent pursuant to this Agreement.

<u>ARTICLE XIII</u> Leasehold Mortgages

<u>Section 1</u>: Right to Obtain Leasehold Mortgages

Notwithstanding anything to the contrary contained in this Agreement, Tenant shall have the right, without Landlord's consent, to execute and deliver one or more leasehold mortgages encumbering Tenant's leasehold interest in the Premises (the "Leasehold Estate") at any time and from time to time provided that (A) no such leasehold mortgage shall encumber Landlord's fee interest in the Premises and the Improvements thereon (the "Fee Estate"), (B) the proceeds from the debt secured by such leasehold mortgage will not be used for purposes other than the design, development, construction, financing, management, maintenance, repair, replacement, leasing, or operation of the Premises or the refinancing of debt used for such purpose, and (C) each leasehold mortgagee must be a Qualified Financial Institution (each, upon satisfaction of such conditions and notice pursuant to Section 4, a "Leasehold Mortgage") and the holder thereof a "Leasehold Mortgagee." Landlord shall not be required to join in or subordinate the Fee Estate to any Leasehold Mortgage, and no such Leasehold Mortgage shall extend to or affect the Fee Estate. Each Leasehold Mortgage shall provide that the Leasehold Mortgagee shall send to Landlord copies of all notices of default sent to Tenant in connection with the Leasehold Mortgage or the debt secured thereby, provided that the failure to provide any such notice shall not affect the validity of the notice as against Tenant.

Section 2: Effect of a Leasehold Mortgage

Notwithstanding anything to the contrary in this Agreement, Tenant's making of a Leasehold Mortgage shall not be deemed to constitute an assignment of the Leasehold Estate, nor shall any Leasehold Mortgagee, as such, or in the exercise of its rights under this Agreement, be deemed to be an assignee or transferee or mortgagee in possession of the Leasehold Estate so as to require such Leasehold Mortgagee, as such, to assume or otherwise be obligated to perform any of Tenant's obligations under this Agreement except when, and then only for so long as, such Leasehold Mortgagee has acquired ownership and possession of the Leasehold Estate pursuant to a Foreclosure Event or control of the Leasehold Estate through a receiver (as distinct from its rights under this Agreement to cure defaults or exercise Mortgagee's Cure Rights (defined below). No Leasehold Mortgagee (or other Person acquiring the Leasehold Estate pursuant to a Foreclosure Event) shall have any liability beyond its interest in this Agreement nor shall Leasehold Mortgagee (or any Person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) have recourse liability under this Agreement unless and until such time as it becomes the owner of the Leasehold Estate, but any such person shall otherwise be subject to all terms, conditions and remedies under this Agreement. Without further notice to or consent from Landlord, Landlord recognizes and agrees that a Leasehold Mortgagee may acquire directly, or may cause its assignee, nominee, or designee to acquire, the Leasehold Estate through a Foreclosure Event, and such party shall enjoy all the rights and protections granted to Leasehold Mortgagee under this Agreement, subject to all terms and conditions of this Agreement except as expressly modified herein, with the same force and effect as if such party were the Leasehold Mortgagee itself.

Section 3: Foreclosure; Further Assignment

Notwithstanding anything to the contrary in this Agreement, any Foreclosure Event, or any exercise of rights or remedies under any Leasehold Mortgage, shall not in itself constitute a violation of this Agreement or require the consent of Landlord; provided that Leasehold Mortgagee has delivered notice to Landlord as required in Section 1 above. If a Leasehold Mortgagee or a successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof acquires Tenant's Leasehold Estate following a Foreclosure Event, or if a Leasehold Mortgagee or a successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof enters into a New Agreement (as defined below), such Leasehold Mortgagee or successor or assignee of a Leasehold Mortgagee, or an Affiliate thereof (any of the foregoing, a "New Operator"), shall enjoy all of the rights and protections granted to Tenant under this Agreement, subject to all terms and conditions of this Agreement except as expressly modified herein, with the same force and effect as if such successor, assign or Affiliate were the Tenant itself and may thereafter assign or transfer this Agreement or such New Agreement without prior consent of Landlord, provided the assignee or transferee promptly notifies Landlord in writing of such assignment or transfer and expressly agrees in writing to assume and to perform all of the obligations under this Agreement or such New Agreement, as the case may be, from and after the effective date of such assignment or transfer, and provided the assignee or transferee (or such assignee's or transferee's contract manager) has substantive experience managing comparable facilities with NHL or NBA resident teams. No Leasehold Mortgagee (or person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) shall have any liability beyond its interest in this Agreement nor shall Leasehold Mortgagee (or person acquiring the Leasehold Estate pursuant to a Foreclosure Event under a Leasehold Mortgage) have recourse liability under this Agreement unless and until such time as it becomes the owner of the Leasehold Estate, but any such person shall otherwise be subject to all terms, conditions and remedies under this Agreement or any New Agreement, as applicable.

Section 4: Notice of Leasehold Mortgages

Promptly after Tenant enters into any Leasehold Mortgage, Tenant shall cause the Leasehold Mortgage thereunder to deliver to Landlord a true and correct copy of the Leasehold Mortgage together with written notification specifying the name and address of the Leasehold Mortgage and agreement to provide notice of default as provided in <u>Section 1</u> above. Such Leasehold Mortgagee shall be entitled to all the rights and protections of a Leasehold Mortgagee under this Agreement (as against both Landlord and any successor holder of the Fee Estate) from and after (and only from and after) such date as Landlord receives the foregoing materials. Landlord agrees to acknowledge to Tenant and such Leasehold Mortgagee Landlord's receipt of any such materials and, following notification thereof, notice of any assignment of such Leasehold Mortgage and to confirm that such Leasehold Mortgage, entitled to all of the rights and protections granted to Leasehold Mortgagee under this Agreement with the same force and effect as if such successor, assign, or Affiliate were the Leasehold Mortgagee itself, in this Agreement, including after any premature termination of this Agreement. If Landlord has received notice of any Leasehold Mortgage, then such notice shall automatically bind Landlord's successors and assigns.

Section 5: Modifications Required by Leasehold Mortgagee

If, in connection with obtaining, continuing, or renewing any financing for which the Leasehold Estate, represents collateral in whole or in part, the Leasehold Mortgagee requires any modifications of this Agreement as a condition to such financing, then Landlord shall, at Tenant's or such Leasehold Mortgagee's request, promptly consider any such modifications in good faith.

Section 6: Further Assurances

Upon request by Tenant or by any existing or prospective Leasehold Mortgagee, Landlord shall deliver to the requesting party such documents and agreements as the requesting party shall reasonably request to further effectuate the intentions of the Parties as set forth in this Agreement, including a separate written instrument in recordable form signed and acknowledged by Landlord setting forth and confirming, directly for the benefit of Leasehold Mortgagee and its successors and assigns, any or all rights of Leasehold Mortgagee; provided, however, that Tenant shall reimburse Landlord immediately upon demand therefor for any and all reasonable third-party costs or expenses actually incurred by Landlord in complying with this <u>Section 6</u>.

<u>Section 7</u>: Protection of Leasehold Mortgagees

Notwithstanding anything to the contrary set forth in this Agreement, if, and only for so long as, any Leasehold Mortgage is in effect (and Landlord shall have been notified thereof as provided above), the following shall apply:

(a) *Lease Impairments.* Any Lease Impairment made without First Leasehold Mortgagee's prior written consent (or any deemed consent under its Leasehold Mortgage), which consent shall not be unreasonably withheld, conditioned or delayed, shall be null, void, and of no further force or effect, and shall not bind Tenant, Leasehold Mortgagee, or New Operator. For clarification, this Section 7(a) shall be inapplicable during any period that no Leasehold Mortgage is in effect. Further, for purposes of this Section 7(a), any

condition upon First Leasehold Mortgagee's prior written consent that would have a material adverse effect on Leasehold Mortgagee is deemed to be unreasonable.

(b) *Copies of Notices.* If Landlord shall give any required notice to Tenant under this Agreement (as a prerequisite to exercise Landlord's remedies thereunder), then Landlord shall at the same time and by the same means give a copy of such notice to any Leasehold Mortgagee. No required notice to Tenant (as a prerequisite to exercise Landlord's remedies thereunder), shall be effective unless and until such notice has been duly given to Leasehold Mortgagee, <u>provided</u> Landlord has received notice of such Leasehold Mortgagee pursuant to <u>Section 4</u>. No exercise of Landlord's rights and remedies under or termination of this Agreement shall be deemed to have occurred or arisen or be effective unless Landlord has given like notice to each Leasehold Mortgagee as this <u>Section 7(b)</u> requires. Any such required notice shall describe in reasonable detail the alleged Tenant default or other event allegedly entitling Landlord to exercise such rights or remedies.

(c) *Tenant's Cure Period Expiration Notice*. If Tenant is in default under this Agreement and the cure period applicable to Tenant expires without cure of Tenant's default, then Landlord shall promptly give notice of such fact to any Leasehold Mortgagee, which notice shall describe in reasonable detail Tenant's default (an "<u>Tenant's Cure Period Expiration Notice</u>").

(d) *Right to Perform Covenants and Agreements.* Any Leasehold Mortgagee shall have the right, but not the obligation, during the applicable cure period hereunder, to perform any obligation of Tenant under this Agreement and to remedy any default by Tenant. Landlord shall accept performance by or at the instigation of a Leasehold Mortgagee in fulfillment of Tenant's obligations, for the account of Tenant, and with the same force and effect as if performed by Tenant. No performance by or on behalf of such Leasehold Mortgagee shall cause it to become a "mortgagee in possession" or otherwise cause it to be deemed to be in possession of the Premises or bound by or liable under this Agreement.

(e) Notice of Default and Cure Rights. Upon receiving any notice of default, any Leasehold Mortgagee shall have the right within the same cure period granted to Tenant under this Agreement, plus the additional time provided for below within which to take (if any Leasehold Mortgagee so elects) whichever of the actions set forth below in the remainder of this Section 7 shall apply as to the default described in such notice of default (such actions, "Mortgagee's Cure"; and a Leasehold Mortgagee's rights to take such actions, including pursuit of an Enforcement Action, collectively, "Mortgagee's Cure Rights").

(f) *Monetary Defaults*. In the case of a monetary default, any Leasehold Mortgagee shall be entitled (but not required) to cure such default within a cure period consisting of Tenant's cure period under this Agreement extended through the date thirty (30) days after such Leasehold Mortgagee shall have received Tenant's Cure Period Expiration Notice as to such monetary default.

Nonmonetary Defaults Curable without Obtaining Possession. In the case of any (g) nonmonetary default that any Leasehold Mortgagee is reasonably capable of curing without obtaining possession of the Premises (excluding in any event any nonmonetary default under this Agreement that is by its nature not susceptible to cure by a Leasehold Mortgagee, a "Personal Default"), such Leasehold Mortgagee, provided that all Tenant payments pursuant to Article III shall continue to be paid timely during the pendency of such extended cure period, shall have the right (but not the obligation) to cure such nonmonetary default by taking the following actions: (1) Within a period consisting of Tenant's cure period for such nonmonetary default, extended through the date thirty (30) days after receipt of Tenant's Cure Period Expiration Notice as to such default, such Leasehold Mortgagee shall provide written notice to Landlord of such Leasehold Mortgagee's intention to take all reasonable steps necessary to remedy such default (it being understood that such notice is a statement of intention and not an obligation); and (2) duly commence the cure of such nonmonetary default within such extended period, and thereafter (during and after such extended period) diligently prosecute to completion the remedy of such default, but, subject to Force Majeure Events, in no event more than sixty (60) days after Leasehold Mortgagee's receipt of Tenant's Cure Period Expiration Notice as to such default. For the purposes of this Section 7(g), a nonmonetary default will not be deemed incapable of cure by a Leasehold Mortgagee simply because the timeline for performance of the underlying obligation has passed.

(h) Defaults Curable Only by Obtaining Possession and Personal Defaults. In the case of (i) a nonmonetary default that is not reasonably susceptible of being cured by such Leasehold Mortgagee without obtaining possession of the Premises or (ii) a Personal Default by Tenant, such Leasehold Mortgagee shall be entitled (but not required) to proceed as described in Sections 7(i) and 7(j) (provided that (x) all Tenant payments pursuant to Article III shall continue to be paid timely during the pendency of such extended cure period, and (y) with respect to any nonmonetary defaults outstanding under Section 7(g), such Leasehold Mortgagee shall be exercising its Mortgagee's Cure Rights thereunder).

(i) *During Cure Period*. At any time during the cure period (if any) that applies to Tenant, extended through the date that is sixty (60) days after such Leasehold Mortgagee's receipt of Tenant's Cure Period Expiration Notice as to such nonmonetary default, or if no cure period applies to Tenant, then within sixty (60) days after such Leasehold Mortgagee's receipt of notice of such default, such Leasehold Mortgagee shall be entitled to institute proceedings, and (subject to any stay in any Bankruptcy Proceedings affecting Tenant or any injunction, unless such stay or injunction is lifted) <u>provided</u> that from and after the institution of such proceedings, such Leasehold Mortgagee shall diligently prosecute the same to completion, to obtain possession of the Premises as mortgagee (including possession by a receiver), or acquire directly, or cause its assignee, nominee, or designee to acquire, the Leasehold Estate through a Foreclosure Event, or foreclose on its pledged collateral, as applicable (the obtaining of such possession or the completion of such acquisition, "<u>Control of the Arena</u>").

(1) Further Cure after Control of Arena. Upon obtaining Control of the Premises (whether before or after expiration of any otherwise applicable cure period), such Leasehold Mortgagee or, in the event the Leasehold Estate is acquired through a Foreclosure Event, such New Operator, shall then be entitled (but not required) to proceed with reasonable diligence and reasonable continuity to cure such nonmonetary defaults as are then reasonably susceptible of being cured by such Leasehold Mortgage or New Operator (excluding Tenant's Personal Defaults, which Leasehold Mortgage need not cure), within a reasonable time under the circumstances but, subject to Force Majeure Events, in no event more than one hundred twenty (120) days after Leasehold Mortgagee obtains Control of the Arena.

(2) *Effect of Cure.* Upon the timely and proper cure of a default by such Leasehold Mortgagee or New Operator, as the case may be, in accordance with this Agreement, this Agreement shall continue in full force and effect as if no default(s) had occurred. Leasehold Mortgagee's exercise of Mortgagee's Cure Rights shall not be deemed an assumption of this Agreement in whole or in part.

(j) Forbearance by Landlord.

So long as a Leasehold Mortgagee shall be diligently exercising its (1)Mortgagee's Cure Rights, including the commencement and pursuit of an Enforcement Action which is timely commenced and completed within the applicable cure periods set forth above, Landlord shall not, to the extent permitted under this Agreement, (i) re-enter the Premises to cure the Tenant Event of Default, (ii) bring a proceeding on account of such default to (a) re-enter the Premises to cure the Tenant Event of Default, (b) dispossess Tenant or other occupants of the Premises, (c) terminate the Leasehold Estate, or (d) replace any management company, or (iii) accelerate payment of rent or additional rent or any other amounts payable by Tenant under this Agreement; provided, however, that the foregoing shall not prevent or delay Landlord from initiating and pursuing mediation and litigation pursuant to Article XIX, Section 2(b)(ii) to establish whether an Event of Default exists. Notwithstanding the foregoing, Landlord shall have the right at any time to re-enter the Premises, or bring a proceeding to so reenter the Premises, to cure the applicable Tenant Event of Default if the Leasehold Mortgagee that is exercising its Mortgagee's Cure Rights does not have Control of the Arena at such time; provided, however, that (1) Landlord gives prior written notice thereof to such Leasehold Mortgagee, and (2) no such cure by Landlord shall be deemed to diminish any of the Mortgagee's Cure Rights.

(2) Nothing in this Section 7(j)(2) shall, however, be construed to either (i) extend the Term beyond the expiration date that would have applied if no default had occurred or (ii) require any Leasehold Mortgagee to cure any Personal Default by Tenant as a condition to preserving this Agreement or to obtaining a New Agreement (but this shall not limit such Leasehold Mortgagee's obligation to seek to obtain Control of the Arena, and thereafter consummate a Foreclosure Event, by

way of Mortgagee's Cure Rights, if such Leasehold Mortgagee desires to preclude Landlord from terminating this Agreement on account of a Personal Default of Tenant).

(3) Nothing in this Section 7(j)(3) shall limit the obligations of Tenant under this Agreement or preclude Landlord from exercising its rights to sue Tenant for damages, specific performance, or other equitable relief (excluding dispossession, termination, or engagement of a new management company).

(k) *Leasehold Mortgagee's Right to Enter Arena*. Landlord and Tenant authorize each Leasehold Mortgagee to enter the Arena and the Premises as necessary to effect Mortgagee's Cure and take any action(s) reasonably necessary to effect Mortgagee's Cure without such action, in itself, being deemed to give Leasehold Mortgagee possession of the Arena or the Premises.

(1) *Rights of New Operator Upon Acquiring Control.* If any New Operator shall acquire the Leasehold Estate pursuant to a Foreclosure Event and shall continue to exercise Mortgagee's Cure Rights as to any remaining defaults (other than Personal Defaults, which New Operator need not cure), then any Personal Defaults by Tenant shall no longer be deemed defaults and upon cure of all remaining defaults (other than Personal Defaults) Landlord shall recognize the rights of such New Operator hereunder as if such New Operator were Tenant.

(m) Interaction Between Agreement and Leasehold Mortgage. Tenant's default as mortgagor under a Leasehold Mortgage shall not constitute a default under this Agreement, except to the extent that Tenant's actions or failure to act in and of itself constitutes a breach of this Agreement. The exercise of any rights or remedies of a Leasehold Mortgage under a Leasehold Mortgage, including the consummation of any Foreclosure Event, shall not constitute a default under this Agreement (except to the extent such actions otherwise constitute a breach of this Agreement).

Section 8: First Leasehold Mortgagee's Right to a New Agreement.

(a) If this Agreement shall terminate by reason of a rejection in Tenant's bankruptcy, or option of Tenant to treat this Agreement as terminated under 11 U.S.C. § 365(h)(1)(A)(i), or any comparable provision of law, Landlord shall promptly give notice of such termination to any Leasehold Mortgagee of which Landlord has notice. Landlord shall, upon a Leasehold Mortgagee's request given within thirty (30) days after such Leasehold Mortgagee's receipt of such notice, enter into a new lease of the Premises effective as of (or retroactively to) the date of the termination of this Agreement, for the remainder of the Term, as if no termination had occurred, with a New Operator on the same terms and provisions of this Agreement, including all rights, options, privileges, and obligations of Tenant under this Agreement, but excluding any requirements that have already been performed or no longer apply (a "<u>New Agreement</u>"), provided that the First Leasehold Mortgagee shall, at the time of execution and delivery of such New Agreement, (i) pay Landlord any and all sums then due and owing under this Agreement (determined

as if this Agreement had not been terminated), and (ii) cure any nonmonetary defaults (other than Personal Defaults, which First Leasehold Mortgagee need not cure) under this Agreement (determined as if this Agreement had not been terminated) or, if such nonmonetary default is of a nature that it cannot with due diligence be cured upon such execution and delivery, then the First Leasehold Mortgagee shall (x) upon such execution and delivery, advise Landlord of its intention to take all steps necessary to remedy such nonmonetary default (other than Personal Defaults, which First Leasehold Mortgagee need not cure), and (y) promptly and duly commence the cure of such default and thereafter diligently prosecute to completion the remedy of such default, which completion must be achieved within a reasonable time under the circumstances (not to exceed 90 days), subject to Force Majeure Events. In no event, however, shall the New Operator be required to cure a Personal Default of Tenant as a condition to obtaining or retaining a New Agreement or otherwise. From the date this Agreement terminates until the date of execution and delivery of any such New Agreement (the "New Agreement Delivery Date"), Landlord may, at its option, perform the day-to-day operations, maintenance, and repair of the Premises and the Premises and all expenses incurred by Landlord shall be immediately due and payable by the New Operator as of the New Agreement Delivery Date; provided, however, Landlord shall not (1) operate the Arena or the Premises in an unreasonable manner, (2) take any affirmative action to cancel any sublease or accept any cancellation, termination, or surrender of a sublease, except due to such subtenant's default, or (3) lease any of the Arena or the Premises except to New Operator.

(b) The following additional provisions shall apply to any New Agreement:

(1) Form and Priority. Any New Agreement (or, at Landlord's option, a memorandum thereof) shall be in recordable form. Such New Agreement shall not be subject to any rights, liens, or interests other than Permitted Encumbrances and other exceptions to title existing as of the date of such New Agreement which were not created by Landlord. The New Agreement shall be expressly made subject to any rights of Tenant prior to the termination of this Agreement.

(2) (2) Adjustment for Net Income/Net Loss. On the New Agreement Delivery Date, if during the period from the termination date of this Agreement to the New Agreement Delivery Date the revenue derived from the Premises and actually received by Landlord (excluding from income any amounts payable under <u>Article III</u> of this Agreement and actually received by Landlord) exceeds the expenses actually incurred by Landlord in connection with the Premises, then, on the New Agreement Delivery Date, Landlord shall pay to the New Operator the amount of such excess. Alternatively, if during such period Landlord's expenses exceed Landlord's revenues, then, on the New Agreement Delivery Date, the New Operator shall pay to Landlord the amount of such excess. In either event, the New Operator shall, on the New Agreement Delivery Date, pay to Landlord all sums required to be paid to Landlord pursuant to this Agreement, and reimburse Landlord for any sums expended (which are the obligation of Tenant under this Agreement) up to the New Agreement Delivery Date.

(3) Assignment of Certain Items. On the New Agreement Delivery Date, Landlord shall assign to New Operator all of Landlord's right, title and interest in and to all moneys (including insurance proceeds, and condemnation awards), if any, then held by, or payable to, Landlord that Tenant (or Leasehold Mortgagee) would have been entitled to receive as of such date but for termination of this Agreement. On the New Agreement Delivery Date, Landlord shall also transfer to New Operator all subleases, service contracts, and net income collected by Landlord in connection with the operation of the Premises during the period between termination of this Agreement and the New Agreement Delivery Date.

(4) *Preservation of Subleases.* Between the date of the termination of this Agreement and the New Agreement Delivery Date, Landlord shall not take any affirmative action to cancel any sublease or accept any cancellation, termination, or surrender of a sublease (it being understood that Landlord shall not be obligated to take any action to keep any subleases in effect). Any sublease which was terminated upon the termination of this Agreement as a matter of law, shall, at New Operator's option, be reinstated upon execution of the New Agreement.

(5) *Separate Instrument*. Landlord hereby agrees, at the request of any Leasehold Mortgagee, to enter into a separate instrument (and memorandum thereof in recordable form) memorializing such Leasehold Mortgagee's rights under this <u>Section 8</u>.

Section 9: Priority of Leasehold Mortgages

If there is more than one Leasehold Mortgage, then whenever this Agreement provides the holder of a Leasehold Mortgage with the right to consent or approve or exercise any right granted in this Agreement, the exercise or waiver of same by the first priority Leasehold Mortgagee (the "<u>First Leasehold Mortgagee</u>") shall control and be binding upon the holder(s) of all junior Leasehold Mortgages.

Section 10: Liability of Leasehold Mortgagee

If a New Operator shall acquire Tenant's Leasehold Estate through a Foreclosure Event or a New Agreement shall be granted to a New Operator pursuant to <u>Section 8</u>, such New Operator shall be liable for the performance of all of Tenant's covenants under this Agreement or such New Agreement, as the case may be, from and after the effective date of such Foreclosure Event or New Agreement. If (A) the New Operator is a Leasehold Mortgagee or its assignee, nominee or designee, (B) such Leasehold Mortgagee, or its assignee, designee or nominee, as applicable, then assigns this Agreement or the New Agreement under which such assignee assumes and agrees to perform all the terms, covenants, and conditions of this Agreement or such New Agreement, in form reasonably acceptable to Landlord, and (D) the New Operator (or its contract manager) has substantive experience managing comparable facilities with NHL or NBA resident teams, then Leasehold Mortgagee, or nominee, as applicable, shall be automatically

and entirely released and discharged from the performance, covenants, and obligations of the New Operator under this Agreement or the New Agreement, thereafter accruing.

Section 11: Casualty and Condemnation Proceeds

If a casualty or a condemnation action shall occur with respect to all or any portion of the Premises and restoration is to occur pursuant to the provisions of this Agreement, any insurance proceeds or condemnation award shall be handled in accordance with this Agreement. Landlord understands that Tenant may irrevocably appoint Leasehold Mortgagee as its representative, and Leasehold Mortgagee shall also have the right in accordance with and to the extent provided in the Leasehold Mortgage (regardless of whether Tenant shall have appointed Leasehold Mortgagee as its representative) to participate in any settlement regarding, and with regard to, the disposition and application of said insurance proceeds or condemnation awards, and, in such instance, Landlord will recognize and deal with Leasehold Mortgagee for such purposes. Landlord shall not settle or compromise any casualty or condemnation action without obtaining both Tenant's and Leasehold Mortgagee's consent. Landlord hereby acknowledges that no election by Tenant not to restore in the event of a casualty or condemnation action shall be effective unless Leasehold Mortgagee's consent has been granted to such election. Upon request by Leasehold Mortgagee, all insurance proceeds and any sums made available by Tenant that are intended to be used for repair and reconstruction of the Improvements damaged or destroyed by any casualty shall be paid to Leasehold Mortgagee, to be held in trust and disbursed by Leasehold Mortgagee for repair and restoration of such Improvements in accordance with the terms of the Leasehold Mortgage and this Agreement.

Section 12: Mezzanine Lenders as Leasehold Mortgagees

The Parties agree that each lender under a Mezzanine Financing (each such lender, a "<u>Mezzanine Lender</u>") is intended to and shall be entitled to substantially the same protections and rights set forth in this Article as provided to a Leasehold Mortgagee, modified as appropriate to reflect the nature of the limited liability company or limited partnership interest or stock pledge, as applicable, in favor of each such Mezzanine Lender, *mutatis mutandis*. If requested by Tenant in connection with a Mezzanine Financing, the Parties agree to negotiate, in good faith and with due diligence, an amendment to this Agreement or a separate agreement, containing commercially reasonable terms and conditions in order to specifically reflect such protections and rights set forth in this Article as applicable to a Mezzanine Lender.

Section 13: Non-Disturbance Agreement

Upon the written request of any Leasehold Mortgagee, Landlord shall enter into a non-disturbance and attornment agreement with such Leasehold Mortgagee substantially in the form of <u>Exhibit C</u> attached hereto and incorporated herein by reference.

Section 14: Estoppel Certificate

Upon the written request of any Leasehold Mortgagee, Landlord shall deliver an estoppel certificate to mortgagee as provided in <u>Article XXIII, Section 5</u> herein.

Section 15: Debt Service Expenses Borne by Tenant

Tenant shall be solely responsible for and shall pay one hundred percent (100%) of all transaction and debt service costs under Tenant's debt financing with any Leasehold Mortgagee.

Section 16: No Merger.

So long as any Leasehold Mortgage remains outstanding, the Fee Estate and the Leasehold Estate shall not merge but shall always be kept separate and distinct, notwithstanding the union of the Fee Estate and the Leasehold Estate in either Landlord or Tenant or a third party, by purchase or otherwise.

Section 17: No Fee Mortgage.

Landlord shall not mortgage or otherwise pledge the Fee Estate without Tenant's and Leasehold Mortgagee's prior written consent (it being understood that a "mortgage" shall not include any local improvement district assessments, or any other Tax).

Section 18: Non-Relocation Agreement.

Upon notice to Leasehold Mortgagee that Landlord intends to exercise its self-help remedies under Article XIX, Section 2(a)(iii) or (viii) or equitable relief under Article XII, Section 2(c), then Article XIII, Section 7(j) shall not apply and Landlord shall not be limited or delayed by this Article XIII from exercising such self-help or equitable remedies.

Section 19: Commencement of Effectiveness.

This Article XIII shall not commence to be effective until the later of (i) the date Landlord shall have issued written confirmation that the conditions of Section 10.1 of the Development Agreement have been satisfied, and (ii) the date that Leasehold Mortgagee shall have made its first advance for costs of demolition or construction activities

<u>ARTICLE XIV</u> Requirements of Governmental Authorities

Section 1: Obligation to Comply

In its operation, maintenance, improvement, alteration, and surrender of the Premises and Improvements, Tenant shall comply with all applicable Legal Requirements, including all Permits and Approvals.

Section 2: Historic Designations and Federal Historic Tax Credits

(a) Landlord acknowledges that Tenant has, with the support of the Washington State Historic Preservation Officer, applied for portions of the Premises to be certified as historically significant and listed in the Washington Heritage Register and the National Register of Historic Places. In connection with obtaining such historic designations, Landlord shall cooperate with all reasonable requests made by Tenant, any official review board or approving agency or authority, including, without limitation, the execution or provision of any reasonable and necessary documents. Landlord shall reasonably approve or accept such historic designations when they occur.

(b) Landlord acknowledges that Tenant intends to qualify for and obtain historic rehabilitation tax credits pursuant to section 47 of the Internal Revenue Code of 1986, as amended ("Federal Historic Tax Credits"), for the Premises, and Landlord agrees to cooperate with any reasonable requests by Tenant to qualify for and obtain such Federal Historic Tax Credits, including, without limitation providing and completing any reasonably requested forms, consents, certifications, acknowledgements, and providing any other information, documentation or cooperation that may reasonably be requested in connection with the qualification for and obtaining of the Federal Historic Tax Credits. Landlord agrees not to take any action that would cause a loss of the ability of Tenant to claim any Federal Historic Tax Credits or to cause a disallowance or recapture of any such Federal Historic Tax Credits.

(c) Landlord acknowledges that Tenant intends to seek tax-equity financing in connection with Federal Historic Tax Credits, and Landlord agrees that Tenant shall have the right to enter into such tax-equity financing arrangements. Landlord and Tenant agree that a tax-equity financing arrangement relating to the Federal Historic Tax Credits may include the following material terms: (i) Tenant may sublease the Premises to a subtenant entity ("HTC Investor Entity") in which the tax credit investor has up to a 99% ownership interest (the "Tax Credit Investor") and for which Tenant remains the managing general partner or managing member, as the case may be, provided such subtenant assumes all of Tenant's obligations under this Agreement, and provided further that practical realization of Landlord's rights and remedies under Article XII Sections 2 and 3 is not impaired, and otherwise, subject to Landlord's consent, which shall not be unreasonably withheld, conditioned, or delayed; (ii) HTC Investor Entity and Tax Credit Investor shall have the benefit of all of the notice and cure rights of Tenant under this Agreement, all to be concurrent with those of Tenant; (iii) subject to the consent of Leasehold Mortgagee, HTC Investor Entity and Tax Credit Investor shall also have additional cure rights that are substantially the same as the Mortgagee Cure Rights, all to be concurrent with those of Leasehold Mortgagee; (iv) for avoidance of doubt the concurrent cure rights described in (ii) and (iii) above shall not extend the aggregate cure periods otherwise applicable under this Agreement so long as Landlord gives all notices under this Agreement to HTC Investor Entity and Tax Credit Investor concurrently with notices to Tenant and Leasehold Mortgagee, as applicable; (v) except for the notice and cure rights described in this subsection, Landlord shall not be required to consent to any material limitations on its remedies under this Agreement; and (vi) subject to the foregoing agreed material terms and Article VIII, Section 4, Landlord will consider in its good faith, reasonable discretion requests by Tenant or the HTC Investor Entity. The term "tax-equity financing" shall include, without limitation, transactions similar to those described in Rev. Proc. 2014-12, 2014 IRB 415.

(d) Provided this Agreement remains in effect Landlord agrees not to sell or otherwise dispose of its it fee or other economic ownership interest in the Premises at any time on or prior to the IRC Deemed Completion Date.

Section 3: Controls and Incentives Agreement

In its operation, maintenance, improvement, alteration, and surrender of the Premises and Improvements, Tenant shall comply with all applicable controls of the City of Seattle Controls and Incentives Agreement, adopted under Seattle Ordinance Nos. 125642 and 125643. Incentives available to the Owner under the Controls and Incentives Agreement, including potential zoning, building, energy code, tax valuation, and off-street parking exceptions, shall be available to Tenant. Any other installation, alteration, or removal proposed will first be submitted to Seattle Center's Director, or the Director's designee, for review and Landlord pre-approval, which shall not be unreasonably withheld, prior to submission to the City Historic Preservation Officer.

Section 4: Public Records

Tenant acknowledges that Landlord is subject to the Public Records Act, Chapter 42.56 RCW (the "<u>Act</u>"). This Agreement, including all exhibits, and all related agreements, including the Ancillary Agreements, and records and communications between Landlord and Tenant relating to the administration of this Agreement and related agreements are public records and may be released by Landlord in response to a request made under the Act. If the Landlord receives a request for any other records which are deemed public records under the Act, as reasonably determined by the Landlord, and such records are in the custody of the Tenant, then upon written notice from Landlord that such records are needed, Tenant shall cooperate and shall either (i) make all public records promptly available to the Landlord for disclosure, or (ii) apply to a court for a protective order within ten (10) days following Landlord's request. Landlord shall have no liability to Tenant for Landlord's release of any public records in accordance with the Act.

Section 5: Nondiscrimination

Without limiting Tenant's general obligation for compliance with all applicable Legal Requirements and regulations, for the duration of this Agreement, Tenant shall comply with all equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to SMC Chapters 14.04, 14.10, and 20.42, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.

ARTICLE XV Creation and Discharge of Liens

Section 1: Creation of Liens

Tenant agrees that the Premises shall be kept free from any liens of mechanics, materialmen, laborers, surveyors, engineers, architects, artisans, contractors, subcontractors, suppliers, or any other lien of any kind whatsoever (a "Lien") that shall be created against or imposed upon the Premises (other than Permitted Encumbrances).

Section 2: Discharge of Liens

In the event any Liens shall be asserted or filed by any persons, firms, or corporations performing labor or services or furnishing materials or supplies to the Premises, Tenant shall pay off in full, bond over as described below, or cause the same to be discharged of record within sixty (60) days of notification thereof. Tenant reserves the right to contest the validity or amount of any such Lien in good faith provided that, within sixty (60) days after the filing of such Lien, Tenant discharges said Lien of record or records a bond which is consistent with the requirements of RCW 60.04.161. In the event Tenant shall fail to so remove any such Lien, Landlord may take such action as Landlord shall reasonably determine to remove such Lien and all costs and expenses incurred by Landlord including, without limitation, amounts paid in good faith settlement of such Lien and attorneys' fees and costs, together with interest thereon, shall be paid by Tenant within thirty (30) days of Landlord's notice of same.

<u>ARTICLE XVI</u> Representations and Warranties

<u>Section 1</u>: Landlord's Representations and Warranties³

(a) Landlord is a municipal corporation duly formed, validly existing, and in good standing under the laws of the state of Washington; has the power, right, authority, and legal capacity to execute and deliver this Agreement and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business proposed to be conducted by it under the terms of this Agreement.

(b) Neither the entry into nor the performance of this Agreement will (i) violate, conflict with, result in a breach under, or constitute a default under, any agreement, indenture, contract, agreement, permit, judgment, decree, or order to which Landlord is a party or by which Landlord, the Premises, or the Arena is bound, (ii) require the consent of any third party other than as has already been obtained, or (iii) violate any Legal Requirements.

(c) To Landlord's knowledge, after reasonable investigation, and except as otherwise disclosed to Tenant in writing, there are no judgments, orders, or decrees of any kind against Landlord unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending or threatened in writing which has, or is likely to have, a material adverse effect on the ability of Landlord to perform its obligations under this Agreement. To the Landlord's knowledge, after reasonable investigation, Landlord has not received written notice from any other governmental agency pertaining to any pending or uncured violation of any law or regulation affecting the Premises.

³ To be updated prior to execution of Lease Agreement.

(d) To the Landlord's knowledge, copies of all documents heretofore delivered by Landlord to Tenant on or before December 6, 2017 are true, correct, and complete copies of such documents in all material respects.

(e) Landlord is not a party to any purchase and sale agreement or option, right of first refusal, right of first offer or similar agreement to sell all or any portion of the Premises (other than this Agreement).

(f) Landlord has not granted any Liens, written leases, licenses, or other rights of occupancy or management to third parties with respect to the Premises or the Arena, except for Existing Encumbrances.

(g) To Landlord's knowledge, after reasonable investigation, Landlord has not received any written notice of any pending or threatened governmental condemnation proceedings, and there are no pending or threatened governmental condemnation proceedings, in each case, which would affect the Premises or the Arena or any portion thereof, or any interest therein.

<u>Section 2</u>: Tenant's Representations and Warranties⁴

(a) Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the state of Delaware and has the power, right, authority, and legal capacity to execute and deliver this Agreement and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business now conducted or proposed to be conducted by it. Tenant has taken all limited liability company action required to execute, deliver, and perform this Agreement and the transaction, and has caused this Agreement to be executed by its duly authorized officers.

(b) Neither the entry into nor the performance of this Agreement by Tenant will (i) violate, conflict with, result in a breach under, or constitute a default under, any corporate charter, certificate of incorporation, by-law, partnership agreement, limited liability company agreement, indenture, contract, agreement, permit, judgment, decree, or order to which Tenant is a party or by which Tenant is bound, or (ii) require the consent of any third party other than as has already been obtained.

(c) There are no judgments, orders or decrees of any kind against Tenant unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending, threatened, or reasonably anticipated which could be filed before any court or administrative agency which has, or is likely to have, a material adverse effect on the ability of Tenant to perform its obligations under this Agreement.

(d) Tenant has not filed any petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under

⁴ To be updated prior to execution of Lease Agreement.

any law relating to bankruptcy or insolvency, nor has any such petition been filed against Tenant. No general assignment of Tenant's land or other assets has been made for the benefit of creditors, and no receiver, master, liquidator, or trustee has been appointed for Tenant or any of its land or other assets. Tenant is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render Tenant insolvent.

(e) Tenant has made available for Landlord's review true, correct, and complete copies of all material correspondence received by Tenant from the NHL.

(f) To Tenant's knowledge, all financial statements, organization charts, agreements and other documentation delivered or caused to be delivered by Tenant to Landlord and Landlord's representatives in connection with Landlord's due diligence pursuant to MOU Section 21(c) are true, correct and complete in all material respects.

ARTICLE XVII Indemnification

Section 1: Tenant's Indemnification of Landlord

Except as otherwise provided in this <u>Article XVII</u>, and except to the extent provided in <u>Section 4</u> below, Tenant shall indemnify, defend (using legal counsel reasonably acceptable to Landlord) and save Landlord and the Landlord Parties harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including Landlord's actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property, or otherwise arising out of or in connection with (a) the occupation, use, or improvement of the Premises during the Term of this Agreement, (b) any breach of any covenant, representation or warranty made by Tenant in this Agreement or in any schedule or exhibit attached hereto or any other certificate or document delivered by Tenant to Landlord pursuant to this Agreement, or (c) any negligent or wrongful act or omission of Tenant or any of the Tenant Parties in or about the Premises during the Term of this Agreement. Tenant agrees that the foregoing indemnity specifically covers actions brought by its own employees. Tenant's indemnity obligations shall survive termination or expiration of this Agreement.

Section 2: Landlord's Indemnification of Tenant

Except as otherwise provided in this <u>Article XVII</u>, Landlord shall indemnify, defend (using legal counsel reasonably acceptable to Tenant) and save Tenant and the Tenant Parties harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including Tenant's actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property arising out of or in connection with (a) any breach of any covenant, representation or warranty made by Landlord in this Agreement or in any schedule or exhibit attached hereto or any other certificate or document delivered by Landlord to Tenant pursuant to

this Agreement; and (b) the gross negligence or willful misconduct of Landlord (only when acting in Landlord's ownership capacity and not in any regulatory or other sovereign capacity), except to the extent that Landlord is immune from liability for such act or omission pursuant to RCW 4.24.210 or any successor provision or other applicable law. Landlord agrees that the foregoing indemnity, to the extent applicable, specifically covers actions brought by its own employees. This indemnity with respect to acts or omissions during the Term shall survive termination or expiration of this Agreement.

Section 3: RCW Title 51 Waiver

The foregoing indemnities are expressly intended to and do constitute a waiver of each Party's immunity under the State of Washington's Industrial Insurance Act, RCW Title 51, for claims brought by such Party's employees against the other Party, provided that such waiver shall apply only to the extent necessary to provide the indemnified Party (and its elected officials, directors, employees, and agents, as applicable) with a full and complete indemnity from claims made by the other Party and its employees, to the extent of their negligence. Each Party shall promptly notify the other Party of casualties or accidents occurring in or about the Premises of which the notifying Party has actual knowledge.

<u>Section 4</u>: RCW 4.24.115

In compliance with RCW 4.24.115 or any successor provision, all provisions of this Agreement pursuant to which either Party ("<u>Indemnitor</u>") agrees to indemnify the other Party ("<u>Indemnitee</u>") against liability for damages arising out of bodily injury to persons or damage to property relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, road, or other structure, project, development, or improvement attached to real estate, including the Premises, (a) shall not apply to damages caused by or resulting from the sole negligence of the Indemnitee, its agents, contractors or employees, and (b) to the extent caused by or resulting from the concurrent negligence of Indemnitee's agents, contractors or employees, shall apply only to the extent of the Indemnitor's negligence.

Section 5: No Personal Liability

Neither Party's elected officials, appointed officials, board members, members, shareholders and other owners, directors, officers, employees, agents, and attorneys or other representatives shall be personally liable for any obligations or other matters arising under this Agreement.

ARTICLE XVIII Hazardous Substances

Section 1: Landlord's Representation.

Landlord represents that Seattle Center is the City department with primary record-keeping responsibilities relating to Landlord's ownership and operation (but not regulation) of the Premises prior to the execution of this Agreement, and that to the actual knowledge of Jill Crary, Seattle Center Redevelopment Director, the Environmental Reports listed on <u>Exhibit F</u> attached hereto and incorporated herein by reference constitute all Environmental Reports regarding the Premises

that were in the possession of Seattle Center prior to the execution of this Agreement (other than any reports commissioned by OVG or its contractors or consultants that might have been delivered to Landlord or Seattle Center), expressly excluding any such Environmental Reports received by the City in its regulatory capacity or any other capacity other than Seattle Center, that mention the Arena or the Premises but were prepared as part of a broader area-wide study or as part of a neighboring development proposal and which are not specific to the Arena, the Premises or Seattle Center.

Section 2: No Hazardous Substances

Tenant shall not cause, or negligently or knowingly permit, any Hazardous Substances to be generated, used, released, stored or disposed of in or about the Premises by Tenant or any of the Tenant Parties and shall use commercially reasonable efforts to prevent Tenant and the Tenant Parties from generating, using, releasing, storing or disposing of any Hazardous Substances in or about the Premises; <u>provided</u>, <u>however</u>, that Tenant and the Tenant Parties may generate, use, release, and store reasonable quantities of Hazardous Substances as may be required for Tenant to operate the Arena and perform its obligations as permitted under this Agreement so long as such Hazardous Substances are commonly generated, used, released or stored by Reasonable and Prudent Operators in similar circumstances and generated, used, released, stored or disposed in compliance with Environmental Laws.

Section 3: Notice

During the Term, Tenant shall deliver written notice to Landlord within seventy-two (72) hours of Tenant's discovery of any actual or threatened Environmental Event of which Tenant is aware relating to the Premises or the existence at, in, on or under the Premises of any Hazardous Substance in violation of Environmental Laws, and promptly shall furnish to Landlord such reports and other information reasonably available to Tenant concerning the matter.

Section 4: Environmental Audit

Landlord, at its sole cost and expense, upon seven (7) days' Notice to Tenant, shall have the right, but not the obligation to, conduct periodic environmental audits of the Premises and Tenant's compliance with Environmental Laws with respect thereto; <u>provided</u>, <u>however</u>, that Landlord shall not conduct such audit more than once in any calendar year unless Landlord has a good-faith reason to believe an Environmental Event has occurred. If, as a result of such audit, any Legal Requirements requires reporting to be made to any governmental authority or if any governmental authority requires additional testing or other action with respect to the Premises, then Tenant shall pay to Landlord the reasonable costs of the audit within twenty (20) days after written demand therefor.

Section 5: Waste Disposal and Remediation of Existing Conditions

All wastes produced at or from the Premises, including construction wastes or any waste resulting from the installation of any Improvements shall be disposed of appropriately by Tenant based on its waste classification. Regulated wastes, such as asbestos and industrial wastes shall be properly

characterized, manifested, and disposed of at an authorized facility. As between Landlord and Tenant, Tenant shall be the generator of any wastes in accordance with Environmental Laws. Commencing on the Initial Commencement Date and throughout the Term of this Agreement, Tenant shall bear all costs and expenses of remedying any and all environmental contamination by a Hazardous Substance, the presence of which contamination is discovered in preparation for or during, or caused by Tenant during, any construction, renovation, or maintenance undertaken by or for Tenant or during the Term of this Agreement.

Section 6: Indemnity

Tenant agrees to indemnify, defend and hold Landlord and all Landlord Parties harmless for, from and against any and all claims, actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest or losses, including reasonable attorneys' fees and expenses, court costs, consultant fees, and expert fees, together with all other costs and expenses of any kind or nature that arise during or after the Term of this Agreement directly or indirectly from or in connection with the presence, suspected presence, or release of any Hazardous Substances in or into the air, soil, surface water or groundwater at, on, about, under or within the Premises, or any portion thereof that is (i) discovered in preparation for or during, or caused by Tenant during, any construction, renovation, or maintenance undertaken by or for Tenant or during the Term of this Agreement (provided, however, that Tenant shall not be obligated to indemnify, defend or hold Landlord harmless for the migration or release after the Effective Date of any Hazardous Substance onto the Premises from elsewhere on the Seattle Center campus that does not arise from Tenant's construction, renovation, or maintenance activities, provided further that the foregoing proviso does not otherwise limit Tenant's obligations under this Agreement), or (ii) caused by Tenant or any of the Tenant Parties

Section 7: Survival

Each of the covenants and agreements of Tenant set forth in this <u>Article XVIII</u> shall survive the expiration or earlier termination of this Agreement.

ARTICLE XIX Events of Default and Remedies

Section 1: Events of Default Defined

- (a) The following shall constitute "<u>Events of Default</u>" by Tenant under this Agreement:
 - (i) Tenant's failure to comply with any term or provision of this Agreement if such failure shall continue, after a written notice from Landlord specifically identifying the nature of the default, for a period of thirty (30) days, or such longer period as may be (A) specified by another applicable Section of this Agreement or (B) may be reasonably required to cure the default, provided Tenant commenced the cure within said thirty (30) days after Landlord's written notice of default and covenants to diligently complete the cure

within such reasonable period, but in no event longer than ninety (90) days after the date of Landlord's written notice;

- (ii) Tenant shall be the subject of a Bankruptcy Proceeding;
- (iii) Tenant abandons the Premises for a period of thirty (30) consecutive days (unless such abandonment is due to a casualty event pursuant to <u>Article X</u>);
- (iv) Tenant's failure to pay any amount due under the Lease to Landlord within ten (10) business days after written notice thereof from Landlord;
- (v) Tenant's failure to maintain (or cause to be maintained) any insurance required to be carried pursuant to <u>Article IX</u> and such failure remains uncured for more than five (5) business days after Landlord gives written notice to Tenant of such failure to comply;
- (vi) If any representation or warranty of Tenant in <u>Article XVI, Section 2</u> is not true or incorrect in any material respect;
- (vii) An Event of Default by Tenant under the Development Agreement; or
- (viii) A Leasehold Mortgagee or New Operator, as applicable, shall fail to cure a default within the cure period permitted pursuant to <u>Article XIII</u>, <u>Section</u> 7(i)(1).

(b) The following shall constitute "<u>Events of Default</u>" by Landlord under this Agreement:

- (i) Landlord fails to comply with any term or provision of this Agreement if such failure shall continue, after a written notice from Tenant specifically identifying the nature of the default, for a period of thirty (30) days, or such longer period as may be (A) specified by another applicable Section of this Agreement or (B) may be reasonably required to cure the default, provided Landlord commenced the cure within said thirty (30) days after Tenant's written notice of default and covenants to diligently complete the cure within such reasonable period but in no event longer than ninety (90) days after the date of Tenant's written notice;
- (ii) Landlord shall be the subject of a Bankruptcy Proceeding; or
- (iii) An Event of Default by Landlord under the Development Agreement.

<u>Section 2</u>: Remedies for Default and Event of Default

(a) Landlord's Remedies

Upon the occurrence of an Event of Default by Tenant, or where specifically provided below upon the occurrence of any default by Tenant, and subject to the Leasehold Mortgagee notice and cure rights set forth in <u>Article XIII</u>, Landlord may exercise any one or more of the following remedies in its sole discretion:

- (i) Seek specific performance or other injunctive relief;
- (ii) Recover monetary damages (subject to <u>subsection (e)</u> below);
- (iii) Enter onto the Premises and undertake payment and performance of Tenant's obligations under this Agreement, including if applicable maintaining required insurance coverage, in which event Tenant shall reimburse Landlord on demand for all sums Landlord pays pursuant to this subsection and for all costs and expenses that Landlord incurs in connection with the performance of any act authorized by this subsection, together with interest on the foregoing amounts accruing from the date of such expenditure by Landlord at the Default Rate;
- (iv) Upon the occurrence of an Event of Default by Tenant terminate this Agreement in accordance with <u>Article XIX, Section 2(b)</u> below;
- (v) For any default by Tenant to timely pay any amount due and owing to Landlord under this Agreement, and without the expiration of any cure period, collect (A) a late fee equal to five percent (5%) of the outstanding amount, and (B) interest that accrues at the Default Rate for the period between the date such payment is due and the date such payment is actually received by Landlord;
- (vi) For any default by Tenant to timely pay any amount due and owing to Landlord under this Agreement, and without the expiration of any cure period, offset the amount that is due to Landlord against any amount that is due from Landlord to Tenant (including if applicable any Rent Adjustment).
- (vii) Pursue any other remedies permitted at law or equity, subject to <u>clauses (b)</u> and <u>(e)</u> below.
- (viii) For any default by Tenant that creates imminent risk to life or property, Landlord may upon notice of default, but without the expiration of any cure period, elect to commence exercise of the remedies described in <u>subclauses</u> (i) and (iii) above.
- (ix) For any default by Tenant that creates imminent risk of release of TeamCo's obligations under the Non-Relocation Agreement due to breach of Tenant's obligations under <u>Article XII, Section 2(b)</u> past any applicable periods for initial notice and cure under the NHL team sublease (i.e., excluding any extended cure periods required to be given to Tenant under the NHL team sublease prior to termination of the NHL team sublease),

Landlord may upon notice of default, but without the expiration of any cure period set forth in this Agreement, elect to commence exercise of the remedies described in subclauses (i) and (iii) above.

- (b) Landlord's Termination Remedies
 - (i) Landlord shall not have the remedy of Termination for an uncurable breach of representation or warranty, but this shall not limit any other remedies.
 - If Landlord desires to terminate this Agreement ("Termination") as a (ii) remedy for any Tenant Event of Default pursuant to Article XIX, Section 2(a)(iv) above, then the Parties must first participate, diligently and in good faith, in mediation as contemplated by Article XIX, Section 3 below. The Parties shall cooperate, in good faith, to work with the American Arbitration Association for the prompt appointment of a mediator. If, on or after the conclusion of the Mediation Period (defined below), such mediation has not resulted in the Parties agreeing that Landlord shall not further pursue Termination of this Agreement, then in order to terminate this Agreement following the conclusion of the Mediation Period, Landlord shall be required to bring a lawsuit against Tenant. Such mediation and litigation may be concurrent with giving a Tenant's Cure Period Expiration Notice pursuant to Article XIII, Section 7(c) and the time period for Mortgagee Cure Rights. If in such lawsuit Landlord obtains a judgment establishing a Tenant Event(s) of Default, and Tenant (i) fails within ten (10) days after such judgment to cure the Tenant Event(s) of Default established by such judgement, and (ii) fails to otherwise satisfy such judgment within the time periods set forth therein or, if no time periods are set forth therein, within a reasonable period of time after such judgment but in no event more than ninety (90) days after such judgment, as such time may be extended by the cure period applicable to Mortgagee Cure Rights pursuant to Article XIII, Section 7(e), then and only then may Landlord, by written notice to Tenant and any Leasehold Mortgagees (x) terminate this Agreement, which Termination shall be effective on the date specified in such notice (which date may not be earlier than ten (10) days after the date of such notice or, if such notice is given during, or within thirty (30) days prior to the commencement of, the NHL hockey season or the WNBA or NBA basketball season as applicable to a team for which the Arena is the home facility and the team has confirmed home game dates at the Arena, ten (10) days after the end of such hockey or basketball season). Following receipt of such notice. Tenant shall vacate the Premises on or before the effective date thereof. Appeal by Tenant of any such judgment shall not delay Landlord's remedies unless expressly so ordered by the court of jurisdiction (including with the posting of such bond as may be required by the court of jurisdiction). In consideration of Landlord's agreement to permit postjudgment cure, Tenant (x) concurs with and agrees to fully support continuing jurisdiction by the court that shall have entered judgment,

including continuing jurisdiction to determine whether Tenant shall have timely cured and to order possession to Landlord if Tenant shall not have timely cured, and (y) acknowledges that in no event shall a dispute whether Tenant shall have cured a default that has been established by judgment or failed to satisfy such judgment require mediation or be subject to any other of the procedural limitations set forth in this <u>Article XIX</u>, <u>Section 2(b)</u>.

(iii) Termination of the Lease

Upon completion of the procedure for Termination pursuant to Article XIX, Section 2(b)(ii) above, Landlord may forthwith reenter and repossess the Premises by entry, forcible entry, order in the case in which judgment was entered, or detainer suit or otherwise, without further demand or notice of any kind (except as otherwise set forth herein) and be entitled to recover, as damages under this Agreement, a sum of money equal to the total of (A) the cost of recovering the Premises, (B) the cost of removing and storing any personal property owned by Tenant or any other occupant's personal property, (C) the unpaid sums accrued under this Agreement at the date of Termination, and (D) without duplication, all damages, court costs, interest, and attorneys' fees arising from a Tenant Event of Default, including, all reletting costs, including, the cost of restoring the Premises to the condition necessary to rent the Premises at the prevailing market rate, normal wear and tear excepted (including cleaning, repair, and remodeling costs), brokerage fees, legal fees, advertising costs, and the like), (E) the present value (discounted at the rate published from time to time as the discount rate for the Federal Reserve Bank of San Francisco) of the balance of the payments payable by Tenant under this Agreement for the remainder of the Term less the present value (discounted at the same rate) of the amount Tenant reasonably demonstrates that Landlord would in all likelihood receive from leasing the Premises to another Reasonable and Prudent Operator for said period, taking into account the cost of reletting, the then-current market conditions, the time the space was vacant and other similar costs, and (F) any other sum of money or damages owed by Tenant to Landlord or incurred by Landlord as a result of or arising from a Tenant Event of Default, or Landlord's exercise of its rights and remedies for such Tenant Event of Default.

(c) Tenant's Remedies

Upon the occurrence of an Event of Default by Landlord, Tenant may pursue any remedies at law or in equity (subject to <u>subsection (e)</u> below) that may be permitted from time to time by the laws of the State of Washington.

(d) Remedies Cumulative; No Waivers

Except as set forth in <u>Section 2(b)</u> above with respect to Termination, each right and remedy of the Parties hereunder shall be cumulative and shall be in addition to every other right or remedy provided herein or now or hereafter existing in this Agreement or at law or in equity, and initiation of the process for Termination shall not limit or postpone any remedy other than Termination. The exercise or beginning of the exercise by a Party of any one or more of any of such rights or remedies shall not preclude the simultaneous or latter exercise by a Party of any or all other such rights or remedies. No failure or delay of any Party in any one or more instances in (i) exercising any power, right, or remedy under this Agreement or (ii) insisting upon the strict performance by the other Party of such other Party's covenants, obligations, or agreements under this Agreement shall operate as a waiver, discharge, or invalidation thereof, nor shall any single or partial exercise of any such right, power or remedy or insistence on strict performance, or any abandonment or discontinuance of steps to enforce such a right, power, or remedy or to enforce strict performance, preclude any other or future exercise thereof or insistence thereupon or the exercise of any other right, power, or remedy. The covenants, obligations, and agreements of a defaulting Party and the rights and remedies of the other Party upon a default shall continue and remain in full force and effect with respect to any subsequent breach, act, or omission.

(e) No Consequential Damages

Notwithstanding anything to the contrary herein neither Party will be liable to the other Party for any indirect, special, exemplary, or consequential damages of any kind or nature, including damages for loss of profits, business interruption, or loss of goodwill arising from or relating to this Agreement, even if such Party is expressly advised of the possibility of such damages; provided, however, that the foregoing shall not limit indemnity pursuant to <u>Article XVII</u> on account of claims by third parties.

(f) Landlord Limited Liability

The liability of Landlord under this Agreement shall be limited to Landlord's interest in the Premises, the Arena, and this Agreement.

Section 3: Dispute Resolution

(a) The Parties shall make their best efforts to resolve disputes as expeditiously as possible through negotiations at the lowest possible decision-making level, and in the event such negotiations are unsuccessful, to participate in good faith in the mediation process described below prior to either Party initiating any judicial process. If an issue cannot be resolved by negotiations between Tenant staff and Seattle Center, the matter shall be referred to the Seattle Center Director and the General Manager of the Arena. If those officials are unable to resolve the dispute within a period of fifteen (15) days after the matter has been formally referred to them for resolution, then they shall meet during the immediately succeeding seven (7) days to select a mediator to assist in the resolution of such dispute. If the Seattle Center Director and the General Manager of the Arena cannot agree upon a mediator within such seven (7) day period, either Party may apply to the American Arbitration Association for the appointment of a mediator according to the process that is established by such entity for such action. Landlord and Tenant shall share equally in the cost charged for the mediation of any dispute. Notwithstanding the existence

of any dispute between them, the Parties shall continue to carry out, without unreasonable delay, all of their respective responsibilities under this Agreement which are not affected by the dispute, but in no event shall Tenant withhold any payments payable under <u>Article III</u>.

(b) Neither Party to this Agreement shall commence any litigation against the other with respect to any claim or dispute arising hereunder without first participating, in good faith, in mediation as contemplated by this Section 3; provided that the Parties shall be conclusively deemed to have participated, in good faith, in mediation upon the expiration of 90 days after either Party shall have applied to the American Arbitration Association for the appointment of a mediator (the "Mediation Period"), and provided, further, that nothing in this Section 3 shall limit or otherwise preclude Landlord from exercising any and all remedies under Article XIX following an Event of Default by Tenant under this Agreement, or where specifically provided below upon the occurrence of any default by Tenant under this Agreement, except only for a Termination pursuant to Article XIX, Section 2(b). Without limitation of the foregoing, Landlord may determine in its sole discretion if a default or an Event of Default by Tenant has occurred under this Agreement and commence seeking any or all of its remedies except for a Termination of this Agreement; provided, however, following any exercise by Landlord of its remedies, if Tenant claims that Landlord improperly exercised its remedies under this Agreement, Tenant may submit the matter to mediation in accordance with this Section 3, but Landlord shall nonetheless be entitled to continue pursuing its remedies during the pendency of such matter to mediation as aforesaid.

<u>ARTICLE XX</u> Surrender at End of Term

Section 1: Surrender of Premises

At the expiration or earlier termination of this Agreement, Tenant will be obligated to surrender the Premises and all Improvements and furnishings, fixtures and equipment located thereon to Landlord in a condition in which the same are required to be maintained or improved by Tenant under this Agreement, in a state of repair comparable to facilities of a similar age and suitable for continued uninterrupted use by NBA, WNBA, and NHL teams and as a major entertainment facility, and free of all contracts, licenses, leases or other third party agreements, service contracts and occupancies, except to the extent otherwise provided in the agreed turnover plan pursuant to <u>Section 3</u> below. The Improvements and the furnishings, fixtures and equipment used in connection with the Improvements (but not any WNBA, NBA or NHL team-owned or leased equipment or fixtures) will be surrendered by Tenant to Landlord upon expiration or termination of the Term of this Agreement; provided that if Tenant is required to remove any Improvements pursuant to <u>Article VII, Section 2(e)</u>. The Premises and Improvements shall at the time of such surrender be unencumbered by liens or third-party obligations. Concurrently with Tenant's surrender, Tenant shall deliver to Landlord:

(a) all keys and/or other access devices, codes or passwords for the Premises;

(b) any tools, software or other property that is used by Tenant for the use, operation or maintenance of the Premises and situated on the Premises;

(c) originals or copies of all plans, specifications, manuals, maintenance and service logs, warranties, operating instructions and similar documents that are in Tenant's possession or control and that are applicable to FF&E, Alterations or Tenant Improvements; and

(d) art to be surrendered to the extent provided pursuant to <u>Article XX, Section 3</u> below.

Section 2: Ownership of Improvements

During the Term Tenant shall own all of the following: all existing and future Improvements, Initial FF&E, Future FF&E, Intellectual Property, and all art installed or placed on the Premises by Tenant. Landlord and Tenant acknowledge their intention that Tenant be treated as the owner of such items for federal income tax and other purposes, and during the Term Landlord agrees not to take or assert any position that is inconsistent with the treatment of Tenant as the owner of such items or that would cause a loss, disallowance or recapture of any Federal Historic Tax Credits. Upon the termination of this Agreement all items that Tenant is required under this Agreement to surrender or assign to Landlord will become the property of Landlord without any further obligation on the part of Landlord.

Section 3: Turnover Plan

Not less than twelve (12) months prior to the scheduled expiration of the Term, the Parties shall meet and confer in good faith to determine a mutually agreeable turnover plan upon the expiration of this Agreement and the surrender of the Premises by Tenant to Landlord. No compensation shall be payable to Tenant on account of the transfers described below. Such turnover plan shall include, but shall not be limited to: (i) the surrender of any liquor licenses to Landlord, (ii) the assignment to and assumption by Landlord of any then-existing subleases, bookings, and/or service contracts affecting the Premises; provided, however, that Landlord shall not be required to assume any subleases, bookings, and/or service contracts that have a term that continues after the scheduled expiration of the Term unless Landlord has consented thereto pursuant to <u>Article V, Section 2</u>, (iii) the transfer to Landlord of any intellectual property rights held by Tenant relating to the Arena, (iv) Tenant's removal and/or restoration of sponsorship and other signage installed and/or maintained by Tenant on the Premises, and (v) the removal, disposition, ownership and surrender of any site specific or building art installed at the Premises, subject to the limitations and requirements of <u>Article VIII, Section 10(c)</u>.

ARTICLE XXI Advertising, Signage, and Naming Rights

Section 1: Premises and Arena Advertising Rights

Tenant's rights with respect to advertising at and around the Premises are set forth at Article VI of the Seattle Center Integration Agreement.

Att 1 - Lease Agreement (Arena at Seattle Center) V2

Section 2: Premises and Arena Signage

The initial sign plan for the Premises is attached hereto as <u>Exhibit N</u> (the "<u>Initial Sign Plan</u>"). No change from the <u>Initial Sign Plan</u> shall be made without the approval of the Seattle Center Director. Signage on the Premises shall comply with and not deviate from the <u>Initial Sign Plan</u> as it may be modified with the approval of the Seattle Center Director.

Section 3: Arena Naming Rights

Tenant will have the right to designate the name of the Arena, and to name other areas within the boundaries of the Premises. The name of the Arena is subject to the prior approval of the Seattle Center Director, which approval will not be unreasonably withheld, conditioned, or delayed. Unless Landlord agrees otherwise, the name given to the Arena will not include reference to any state, local, or other municipality name unless such reference is to "Seattle." Names for other areas within the boundaries of the Premises shall not relate or refer to guns; pornography or "adult" entertainment; tobacco; marijuana (or marijuana products) or illegal drugs or paraphernalia; or otherwise contain vulgar or obscene language.

<u>ARTICLE XXII</u> Memorandum of Lease

Neither Party shall record this Agreement. Landlord and Tenant agree to execute, acknowledge, and deliver, concurrently with the full execution and delivery of this Agreement, a memorandum of this Agreement, in the form attached hereto as <u>Exhibit E</u> (the "<u>Memorandum of Lease</u>"), which shall be modified solely to the extent necessary to make such form suitable for recording in King County, Washington, and which shall be recorded on or promptly following the Effective Date. Upon expiration of the Term or earlier termination of this Agreement, Tenant shall execute, acknowledge, and deliver a cancellation of the Memorandum of Lease, which may be recorded by Landlord at any time.

ARTICLE XXIII Other Provisions

Section 1: Governing Law

This Agreement is governed by the laws of the State of Washington. Venue for any action under this Agreement shall be in King County, Washington. Should any part, term, portion, or provision of this Agreement, or the application thereof to any person or circumstances, be held to be illegal or in conflict with any governmental restrictions, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and the same shall remain enforceable and valid to the fullest extent permitted by law.

<u>Section 2:</u> Entire Agreement; Relationship to Development Agreement and Seattle Center Integration Agreement This written Agreement, the Development Agreement, and the Seattle Center Integration Agreement, together with all of the exhibits attached thereto, constitute an integrated transaction that contains all of the representations and the entire agreement with respect to the subject matter hereof. Each of the Parties hereby expressly acknowledges that it has not relied on any statement, correspondence, memorandum, agreement, proposal, oral presentation, warranty or representation not contained or provided for in this Agreement, the Development Agreement, and/or the Seattle Center Integration Agreement. Except as otherwise specified in this Agreement, the MOU and the Access Agreement, are superseded in total by this Agreement and the Ancillary Agreements.

Section 3: Amendments

No alteration or modification or waiver of the terms or conditions of this Agreement shall be valid and binding unless made in writing and signed by the authorized representatives of the Parties hereto.

Section 4: Notices

All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service, or mailed in the United States mail postage prepaid. If such notices are delivered by overnight courier, they shall be considered delivered on the first business day after deposit with such courier. If such notices are mailed, they shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:

Landlord:	Seattle Center Seattle Center Armory Attn: Seattle Center Director 305 Harrison Street Seattle, WA 98109
Copies to:	City of Seattle, City Attorney's Office Attn: Civil Chief 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097
Copies to:	City of Seattle, Mayor's Office City Hall Attn: Chief of Staff 600 Fourth Avenue, 7th Floor P.O. Box 94749 Seattle, WA 98124-4947

Tenant:	Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Gibson, Dunn & Crutcher LLP Attn: Douglas M. Champion, Esq. 333 South Grand Avenue, 49th Floor Los Angeles, CA 90071-3197
Copies to:	Perkins Coie LLP Attn: Kristine Wilson, Esq. 1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099
Copies to:	Katten Muchin Rosenman LLP Attn: Adam Klein, Esq. 525 W. Monroe Street Chicago, IL 60661-3693
Copies to:	Leasehold Mortgagee, if applicable, pursuant to Article XIII

Section 5: Estoppel Certificates

Within ten (10) days after request by any Party (which request may be from time to time as often as reasonably required by a Party but not more than once every six (6) months, unless required by a rating agency or requested by a potential assignee of this Agreement), the non-requesting Party shall execute and deliver to the requesting Party, without charge, an estoppel certificate (the "<u>Estoppel Certificate</u>") related to the facts pertaining to this Agreement in the form of <u>Exhibit D</u> attached hereto and incorporated herein by reference, or in such other form as the requesting Party may reasonably request and as reasonably approved by the non-requesting Party, with appropriate modifications as appropriate to conform to the pertinent facts. Any such Estoppel Certificate may be conclusively relied upon by any lender, investor, or subtenant. If any Party fails to respond to such request within such thirty (30) day period, then the requesting Party may deliver a second notice to the other Party stating that the failure of the other Party to respond to such request within five (5) business days after receipt of such second request will result in a deemed approval with

respect to the requested matters. The failure to deliver such statement within that five (5) business day period shall (with respect to third parties relying upon such Estoppel Certificate), without limiting any other remedy which the requesting party may have as a result of such failure, be conclusive upon the Party which fails to deliver such statement that this Agreement is in force and effect with only such modifications as have been identified by the requesting Party, and that there are no outstanding defaults in the performance of the requesting Party.

Section 6: No Third-Party Beneficiaries

No third party shall be or deemed to be a third-party beneficiary of this Agreement, such agreement being only between Landlord and Tenant.

Section 7: Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument. Counterpart signature copies of this Agreement may be delivered by facsimile or email/.pdf and shall be deemed effective upon delivery, provided that originally executed copies shall be delivered by such party via overnight courier the following business day.

Section 8: Time is of the Essence

Time is of the essence of this Agreement and all covenants and deadlines hereunder.

Section 9: Non-Sovereign Capacity of City Only

This Agreement binds the City only in its non-sovereign capacity and does not bind the City in its regulatory capacity, nor as a public utility provider, nor as a taxing and assessing authority, nor in any other sovereign capacity.

[SIGNATURES FOLLOW ON NEXT PAGE]

Att 1 - Lease Agreement (Arena at Seattle Center) V2

Executed as of the date first written above.

Landlord:

THE CITY OF SEATTLE, a Washington municipal corporation

By: Jenny A. Durkan Its: Mayor

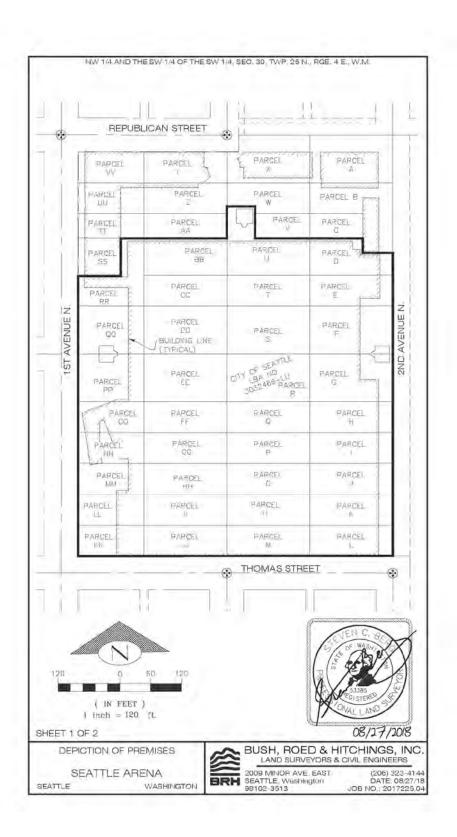
Tenant:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By: Timothy J. Leiweke Its: Authorized Signatory

Exhibit A-1

Depiction of Premises



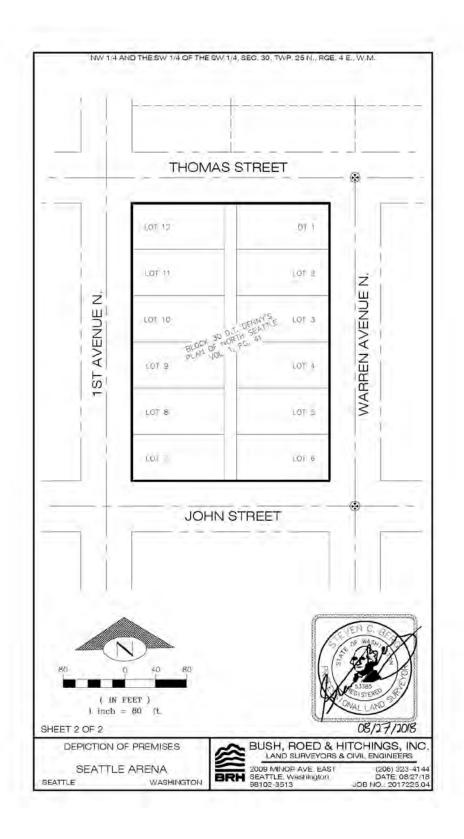


Exhibit A-2

Legal Description of Premises

ARENA SITE:

Parcels D through U, and BB through RR, City of Seattle of Lot Boundary Adjustment No. 3032466-LU, recorded under Recording No. ______, Records of King County, Washington.

SOUTH SITE:

Lots 1 through 5, inclusive, Block 30, D.T. Denny's Plan of North Seattle, according to the plat thereof recorded in Volume 1 of Plats, page 41, in King County, Washington; EXCEPT the South 6 feet of said Lot 5;

TOGETHER WITH that portion of alley vacated by City of Seattle Ordinance No. 117474 which attached to said premises by operation of law.

AND

Lots 6 through 12, inclusive, and the South 6 feet of Lot 5, Block 30, D.T. Denny's Plan of North Seattle, according to the plat thereof recorded in Volume 1 of Plats, page 41, in King County, Washington;

TOGETHER WITH that portion of alley vacated by City of Seattle Ordinance No. 117474 which attached to said premises by operation of law.

Exhibit A-3

Northwest Rooms Courtyard Access Locations

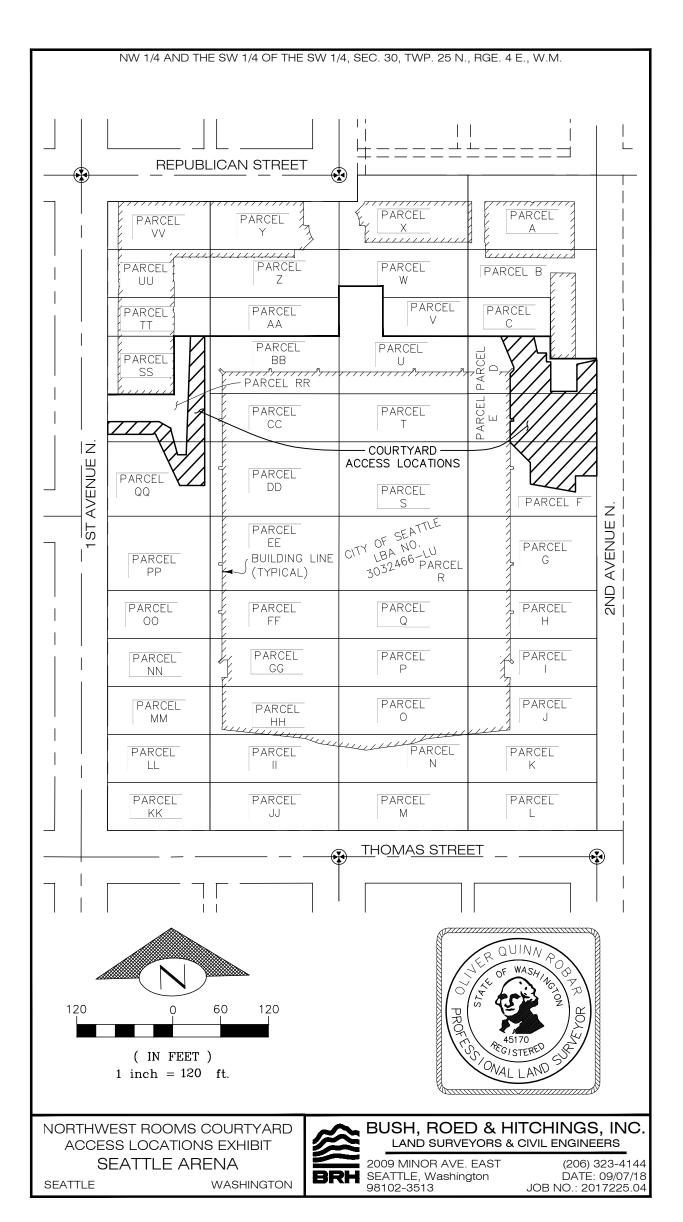
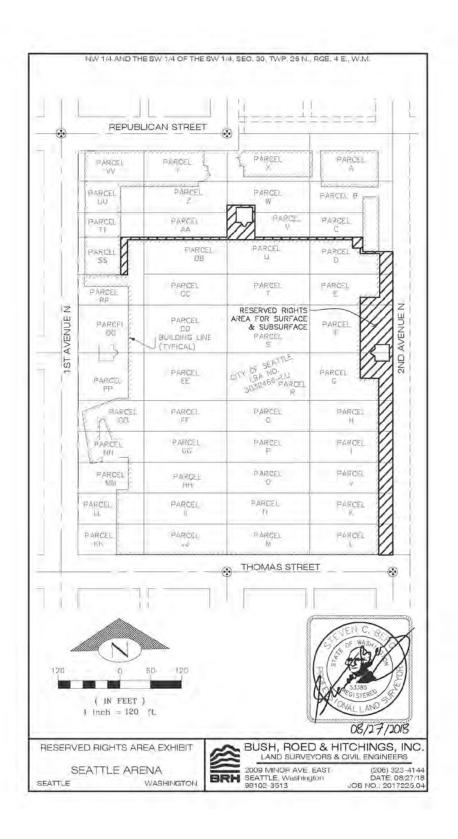


Exhibit A-4

Reserved Rights Areas



<u>Exhibit B</u>

Existing Encumbrances on Title to Fee Estate

Exhibit B

Existing Encumbrances on Title to Fee Estate

- This Agreement.
- The Development Agreement.
- The Seattle Center Integration Agreement.
- The Initial Seattle Center Rules set forth on Exhibit J to this Agreement.
- The Controls and Incentives Agreements for the Arena Site and South Site.
- The Existing Seattle Storm Agreement.
- That certain Lease Agreement between the City and Pottery Northwest, Inc., a Washington non-profit corporation, dated effective as of August 6, 2013.
- The exclusivities granted in the following agreements in the sections referenced below:

i. Ground Lease Agreement between City and Experience Music Project ("EMP") dated June 1, 1997, as amended by a First Amendment dated May 27, 2010 between City and EMP, and by a Second Amendment dated September 14, 2015 between City and EMP: Sections 33.1 (No Competing Uses); 33.2 (Exclusive Sales Rights); and 33.5 (EMP Control Over Event Programming).

ii. Northwest Rooms Lease Agreement between City and The Friends of KEXP dated November 16, 2011: Sections 2.7 (New Stage); 2.8 (License to Use Tunnel and Subsurface Areas of Building); and 8.5 (Exclusivity).

iii. Glass and Gardens Exhibition Lease Agreement between City and Center Art LLC dated June 13, 2011: Section 9.7 (Exclusive Sales Rights) and Section 11.5 (Exclusive Rights).

iv. Sponsorship Agreement between Seattle Center Foundation ("Foundation") and Alaska Airlines, Inc. dated effective as of January 1, 2017: Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional, and other rights and benefits granted under such agreement.

v. Sponsorship Agreement between Foundation and T-Mobile USA, Inc. dated March 1, 2017: Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional, and other rights and benefits granted under such agreement.

- Covenants regarding off-site accessory parking, as contained in instruments recorded under recording numbers 8008200612, 8008200613, 8008200614, 8008200615, 8008200616, 8008200617, 8310210916, 8402291164, 9304021522, 9701140501, 9805011172, 19991019001158 and 20001030002130.
- Right to make necessary slopes for cuts or fills upon property herein described as reserved in City of Seattle Ordinance No. 115773

In favor of:	City
Date filed:	September 3, 1991

• Right to make necessary slopes for cuts or fills upon property herein described as reserved in City of Seattle Vacation Ordinance No. 117474

In favor of:	City
Recording Date:	February 3, 1995
Recording No.:	9502030844

• Right of Entry and Cable Services Agreement

Executed by:	City, by and through its Seattle Center Department
In favor of:	TCI Cablevision of Washington, Inc., a Washington corporation
Recording Date:	July 16, 1996
Recording No.:	9607160674

• Easement(s), as granted in a document:

Granted to:	Puget Sound Energy, Inc.
Recording Date:	August 11, 1997
Recording No.:	9708110149

• Covenant Geologic Hazardous Area

Recording Date:	October 19, 1999
Recording No.:	19991019001197

• Covenant Geologic Hazardous Area

Recording Date:	October 19, 1999
Recording No.:	19991019001219

• Equipment Transportation Agreement

Executed by:	The City of Seattle, City Light Department, and Seattle Center, Seattle
Recording Date:	February 8, 2000
Recording No.:	20000208000075

Att 1 - Lease Agreement (Arena at Seattle Center) V2

• City of Seattle Ordinance Number 124584

Recording Date:	November 3, 2014
Recording No.:	20141103000995

• An unrecorded lease disclosed by Memorandum of Agreement

Lessor:	City of Seattle
Lessee:	Seattle SMSA Limited Partnership, d/b/a Verizon Wireless
Recording Date:	November 13, 2009
Recording No.:	20091116000063

<u>Exhibit C</u>

Form of Non-Disturbance Agreement

Exhibit C – Form of Non-Disturbance Agreement

ESTOPPEL CERTIFICATE AND RECOGNITION AGREEMENT

DATE:

TO: [Leasehold Mortgagee]

RE: Lease Agreement (Arena at Seattle Center), by and between The City of Seattle (the "Landlord"), as landlord, and Seattle Arena Company, LLC (the "Tenant"), as tenant, dated as of ______, 2018 (*[**as amended to date**,]* the "Lease") relating to certain premises located in the City of Seattle, Washington, as more particularly described therein (the "Demised Premises")

Development Agreement (Arena at Seattle Center), by and between The City of Seattle and Seattle Arena Company, LLC, dated as of ______, 2018 (*[as amended to date,]* the "Development Agreement") relating to a certain development project as more particularly described therein (as amended to date, the "Development Project"), to be developed on certain premises located in the City of Seattle, Washington as more particularly described therein (the "Development Premises")

Seattle Center Integration Agreement (Arena at Seattle Center), by and between The City of Seattle and Seattle Arena Company, LLC, dated as of ______, 2018 (*[as amended to date,]* the "Integration Agreement") relating to the Arena (as defined therein) and the Seattle Center Campus (as defined therein)

[Delete "as amended to date" if there have been no amendments.]

Ladies and Gentlemen:

Reference is made to (i) that certain Credit Agreement (the "Credit Agreement") to be entered into by and among the Tenant, SunTrust Bank, as administrative agent (in such capacity, the "Administrative Agent"), and the other lenders from time to time parties thereto (the "Lenders"), to be secured, in part, by a Leasehold Deed of Trust encumbering the interests of the Tenant in and to the Demised Premises (the "Leasehold Deed of Trust") and (2) that certain [Collateral Agency Agreement] (the "Collateral Agency Agreement") to be entered into by and among, among others, the Tenant, the Administrative Agent and [______], as collateral agent (in such capacity, the "Collateral Agency"). Capitalized terms used herein, but not defined herein, shall have the meanings for such terms as are set forth in the Lease.

The Landlord, understanding that the Collateral Agent and the other secured parties party to (or entitled to the benefits and subject to the terms of) the Collateral Agency Agreement (collectively, the "Secured Parties") shall rely on the information contained herein in connection with, as applicable, the Credit Agreement, the Collateral Agency Agreement and the transactions and agreements contemplated thereby, hereby certifies and represents to, and agrees with, the Collateral Agent and the Secured Parties as of the date of this Estoppel Certificate and Recognition Agreement (this "Certificate and Agreement") as follows:

[The body of this document contains numerous representations, including references to the underlying documents, that are subject to review and confirmation prior to signature]

A. LEASE:

1. Attached hereto as **EXHIBIT A** and incorporated herein by reference is a true, correct and complete copy of the Lease, including any and all amendments and modifications thereto, as in effect as of the date of this Certificate and Agreement. The Lease is in full force and effect and has not been terminated. The Tenant is in current possession of the Demised Premises. The Tenant has [has not] delivered notice to the Landlord to include the Fifth Avenue North Garage in the Demised Premises. The Landlord is the current holder of all of the lessor's right, title and interest under the Lease and, except for the Lease, the Landlord has not assigned, hypothecated, mortgaged, pledged or otherwise transferred or encumbered all or any portion of its interest under the Demised Premises.

2. The Landlord has not sent any notice of default to the Tenant relating to any default under the Lease, nor has Landlord waived in writing any obligation under or agreed in writing to any forbearance of any failure of Tenant to comply with any obligation under the Lease.

3. To the Landlord's knowledge, there exists no default by the Landlord under the Lease, nor have any notices of default been received by the Landlord from the Tenant relating to any default under the Lease which, as of the date hereof, remains uncured or has not been waived, and, to the Landlord's knowledge, there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under the Lease by the Landlord.

4. The Initial Commencement Date was [October 15, 2018]. Neither the Operating Term Commencement Date nor the Rent Commencement Date has yet occurred. The Tenant has paid in full all amounts due under the Lease through the date hereof.

5. The Landlord acknowledges that the Tenant intends to grant the Leasehold Deed of Trust in favor of the Collateral Agent, and the Landlord hereby agrees (a) to recognize the Collateral Agent and its successors or assigns as a Leasehold Mortgagee for all purposes under the Lease, including, without limitation those rights and protections granted to a Leasehold Mortgagee pursuant to Article XIII of the Lease, and (b) in the event the Collateral Agent, or its designee, or any other party, acquires the Demised Premises at foreclosure or other transfer in lieu of foreclosure, or otherwise pursuant to the Leasehold Mortgage, to recognize any such party as the Tenant under the Lease in accordance with the terms thereof, including, without limitation, Article XIII of the Lease. 6. During such time as the Tenant's interests under the Lease are subject to the Leasehold Deed of Trust, the provisions of Article XIII of the Lease may not be amended or modified without the prior written consent of Collateral Agent, which consent shall not be unreasonably withheld, conditioned or delayed.

7. The conditions set forth in Section 10.1 of the Development Agreement, and incorporated by reference in Article II, Section 16 of the Lease, have been satisfied, and the Landlord has waived its right to terminate the Lease pursuant to said Article II, Section 16 of the Lease.

B. DEVELOPMENT AGREEMENT

1. Attached hereto as **EXHIBIT B** and incorporated herein by reference is a true, correct and complete copy of the Development Agreement, including any and all amendments and modifications thereto, as in effect as of the date of this Certificate and Agreement. The Development Agreement is unmodified and is in full force and effect and has not been terminated. The Landlord has not assigned, hypothecated, mortgaged, pledged or otherwise transferred or encumbered all or any portion of its interest under the Development Agreement, the Development Project.

2. The Landlord has not sent any notice of default to the Tenant relating to any default under the Development Agreement, nor has Landlord waived in writing any obligation under or agreed in writing to any forbearance of any failure of Tenant to comply with any obligation under the Development Agreement.

3. To the Landlord's knowledge, there exists no default by the Landlord under the Development Agreement, nor have any notices of default been received by the Landlord from the Tenant relating to any default under the Development Agreement which, as of the date hereof, remains uncured or has not been waived, and, to the Landlord's knowledge, there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under the Development Agreement by the Landlord.

4. The Landlord acknowledges that the Tenant intends to grant the Administrative Agent a lien on and security interest in the Tenant's interest under the Development Agreement, and the Landlord agrees (a) to recognize the Collateral Agent and its successors and assigns as a Leasehold Mortgagee for all purposes under the Development Agreement, including, without limitation those rights and protections granted to a Leasehold Mortgagee pursuant to Section 17.5 of the Development Agreement, and (b) in the event the Collateral Agent, or its designee, or any other party, acquires the Tenant's interest under the Development Agreement at foreclosure or other transfer in lieu of foreclosure, or otherwise pursuant to the Leasehold Mortgage, to recognize any such party as a permitted transferee of Tenant under the Development Agreement in accordance with the terms thereof, including, without limitation, Section 17.4.

5. During such time as the Tenant's interests under the Development Agreement is subject to the lien of the Collateral Agent, the Development Agreement may not be amended or modified in a manner that materially, directly and adversely affects Collateral Agent, or voluntarily

surrendered, terminated or cancelled, in any such case without the prior written consent of Collateral Agent, which consent shall not be unreasonably withheld, conditioned or delayed.

6. The Turnover Conditions set forth in Section 2.3 of the Development Agreement have been satisfied, and the conditions set forth in Section 10.1 of the Development Agreement have been satisfied, and the Landlord has waived its right to terminate the Development pursuant to said Section 10.1 of the Development Agreement.

C. INTEGRATION AGREEMENT

1. Attached hereto as **EXHIBIT C** and incorporated herein by reference is a true, correct and complete copy of the Integration Agreement, including any and all amendments and modifications thereto, as in effect as of the date of this Certificate and Agreement. The Integration Agreement is unmodified and is in full force and effect and has not been terminated. The Landlord has not assigned, hypothecated, mortgaged, pledged or otherwise transferred or encumbered all or any portion of its interest under the Integration Agreement.

2. The Landlord has not sent any notice of default to the Tenant relating to any default under the Integration Agreement, nor has Landlord waived in writing any obligation under or agreed in writing to any forbearance of any failure of Tenant to comply with any obligation under the Integration Agreement.

3. To the Landlord's knowledge, there exists no default by the Landlord under the Integration Agreement, nor have any notices of default been received by the Landlord from the Tenant relating to any default under the Integration Agreement which, as of the date hereof, remains uncured or has not been waived, and, to the Landlord's knowledge, there exists no state of facts which, with the giving of notice or lapse of time or both, would constitute a default under the Integration Agreement by the Landlord.

4. The Landlord acknowledges that the Tenant intends to grant the Collateral Agent a lien on and security interest in the Tenant's interest under the Integration Agreement, and the Landlord agrees (a) to recognize Collateral Agent, or its designee, and their respective successors and assigns, as a Leasehold Mortgagee for all purposes under the Integration Agreement, and (b) in the event the Collateral Agent, or its designee, or any other party, acquires the Tenant's interest under the Integration Agreement at foreclosure or other transfer in lieu of foreclosure, or otherwise pursuant to the Leasehold Mortgage, to recognize any such party as the a permitted transferee of Tenant under the Integration Agreement in accordance with the terms thereof, including, without limitation, Sections 15.14 and 15.15.

D. MISCELLANEOUS

1. The Landlord agrees that all notices or other communications required to be given to a Leasehold Mortgagee under the Lease, the Development Agreement and the Integration

Agreement shall be sent to Collateral Agent in writing at the address as set forth above, or such other addresses of which Collateral Agent (or its successors and assigns) may hereafter notify the Landlord, together with a copy to:

Choate Hall & Stewart LLP Two International Place Boston, Ma 02110 Attn. Sean M. Monahan, Esq.

2. This Certificate and Agreement shall be binding upon the Landlord and its permitted successors, assigns and shall inure to the benefit of the Collateral Agent and the Secured Parties and their respective successors and assigns. This Certificate and Agreement may be executed in any number of counterparts and each of the counterparts will be considered an original and all counterparts will constitute but one and the same instrument This Certificate and Agreement may not be changed or modified orally or in any manner other than by a written agreement signed by all of the parties hereto. No party hereto will be deemed to have waived any of the terms or conditions hereof, or to have waived any default or failure of compliance hereunder, unless such party has made such waiver in writing; and no such written waiver will be deemed to be a waiver of any other term or provision or any future condition of this Certificate and Agreement. This Certificate and Agreement shall be governed by the laws of the State of Washington.

The Landlord hereby executes this Certificate and Agreement, which shall take effect as a sealed instrument as of ______, 2018, intending reliance hereon by the Collateral Agent and the Secured Parties.

THE CITY OF SEATTLE

By: _____

Name: _____

Title:

[acknowledgement on following page]

STATE OF WASHINGTON)

) COUNTY OF KING)

On this ______day of ______, 2018, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared to me known to the _______ of the Seattle Center for the City of Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written

[Signature of Notary]

SS.

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

My appointment expires _____

Att 1 - Lease Agreement (Arena at Seattle Center) V2

ACCEPTED AND AGREED TO AS OF THIS ____ DAY OF [_____], 2018:

[____], as Collateral Agent

By:

Name: Title:

<u>Exhibit A</u>

Lease

<u>Exhibit B</u>

Development Agreement

<u>Exhibit C</u>

Integration Agreement

<u>Exhibit D</u>

Form of Estoppel Certificate

Exhibit D

Form of Estoppel Certificate

ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE (this "*Certificate*"), dated as of [●], is entered into by [●], a [●] ("[*Landlord/Tenant*]"), for the benefit of [●], a [●] ("[*Landlord/Tenant*]") [and [●], a [●] ("*Lender*" and together with [Landlord/Tenant], collectively, the "*Relying Parties*").]

RECITALS

A. Landlord and Tenant are parties to that certain Lease Agreement (Arena at Seattle Center) dated as of $[\bullet]$, 2018 (as so modified, amended, supplemented and/or assigned, collectively, the "*Lease*") with respect to the land described in the Lease (the "*Premises*"). Each capitalized term used in this Certificate but not otherwise defined herein shall have the meaning assigned to such term in the Lease.

B. [Lender has made a loan in the original principal amount of $[\bullet]$ (the "*Loan*") to Tenant, which Loan is evidenced and/or secured by [].]

NOW, THEREFORE, in consideration of the foregoing, and for good and valuable consideration, the receipt and adequacy of which are hereby conclusively acknowledged, [Landlord/Tenant] hereby certifies and agrees as follows:

- 1. The Lease (i) is valid and in full force and effect, enforceable against [Landlord/Tenant] and its successors and assigns in accordance with its terms, (ii) has not been waived, surrendered, canceled, terminated or abandoned (orally or in writing), (iii) constitutes the entire agreement between Landlord and Tenant with respect to the subject matter contained therein, and (iv) except as set forth herein, has not been supplemented, modified, assigned or amended (orally or in writing).
- 2. [Landlord is the sole current owner of good and indefeasible fee title interest to the Premises. Landlord has not has not assigned, conveyed, transferred, sold, encumbered or mortgaged its fee interest in the Premises or its interest as landlord under the Lease. No third party has any option or preferential right to purchase all or any part of the Premises.]¹

[Tenant is the current and sole owner, subject to the that certain [mortgage], of the leasehold estate described in the Lease. Tenant has not subleased, assigned, pledged, hypothecated, or otherwise encumbered all or any portion of the Premises or Tenant's interest in the Lease.]²

- 3. All rent and other sums due and payable by Tenant under the Lease have been paid through the date of this Certificate. No event has occurred and no condition exists that constitutes, or
- ¹ To be included in estoppel delivered by Landlord only.
- ² To be included in estoppel delivered by Tenant only.

that would constitute with the giving of notice or the lapse of time or both, a default by [Landlord/Tenant] or, to the best knowledge of [Landlord/Tenant], by [Landlord/Tenant] under the Lease. [Landlord/Tenant] has no existing defenses, offsets, or credits against the payment of rent and other sums due or to become payable under the Lease or against the performance of any other of [Landlord's/Tenant's] obligations under the Lease.

- 4. To [Landlord's/Tenant's] knowledge, (i) no disputes, claims or litigation exist asserting that the Lease is unenforceable or violates any other agreement, (ii) the Lease is not, and has not been, the subject of any bankruptcy or foreclosure proceeding, (iii) no event, act, circumstance or condition constituting an event of force majeure exists, and (iv) there is presently no judgment, award, litigation, arbitration or proceeding pending or threatened that holds or asserts that the Lease will be unenforceable or violates any existing agreement, or which could otherwise materially and adversely affect the respective rights or obligations of Landlord and Tenant under the terms and conditions of the Lease.
- 5. To [Landlord's/Tenant's] knowledge, the execution, delivery and performance by [Landlord/Tenant] of this Certificate do not and will not require any further consents or approvals that have not been obtained or violate any provision of law, regulation, order, judgment, injunction or similar matters or breach any agreement presently in effect with respect to or binding on [Landlord/Tenant].
- 6. [Landlord/Tenant] understands and acknowledges that this Certificate will be relied upon by and shall inure to the benefit of the Relying Parties and each of their respective successors and assigns and shall be binding upon [Landlord/Tenant] and its successors and assigns. This Certificate is not intended to limit any rights of any mortgagee under the Lease.
- 7. This Certificate may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, [Landlord/Tenant] has executed this Estoppel Certificate as of the date first above written.

[LANDLORD/TENANT]:

[INSERT SIGNATURE BLOCK]

Exhibit E

Form of Memorandum of Lease

RECORDED AT THE REQUEST OF AND AFTER RECORDING RETURN TO:

Gibson, Dunn & Crutcher LLP 333 South Grand Avenue, Suite 4900 Los Angeles, California 90071 Attention: Douglas M. Champion, Esq.

MEMORANDUM OF LEASE AGREEMENT

(Arena at Seattle Center)

Landlord:	THE CITY OF SEATTLE, a municipal corporation of the State of Washington	
Tenant:	SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company	
Abbreviated Legal		
Description:	[●]	
	Complete Legal Description is set forth in Exhibit A attached hereto	
Assessor's Tax		
Parcel ID#:	[•]	
Reference #		
(if applicable):	[●]	

THIS MEMORANDUM OF LEASE AGREEMENT (this "<u>Memorandum</u>") is dated as of [•], 2018, by and between THE CITY OF SEATTLE, a municipal corporation of the State of

Washington ("<u>Landlord</u>"), and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("<u>Tenant</u>").

1. <u>Premises</u>. Landlord has leased to Tenant, upon the terms and conditions of that certain Lease Agreement (Arena at Seattle Center) by and between Landlord and Tenant dated as of $[\bullet]$, 2018 (the "Lease"), which terms and conditions are incorporated by this reference, that certain real property situated in the City of Seattle, King County, Washington, more particularly described on <u>Exhibit A</u> attached hereto.

2. <u>Term</u>. The Lease is for a term of thirty-nine (39) years commencing $[\bullet]$, 2018 and ending $[\bullet]$, unless extended in accordance with the terms of the Lease. Tenant has the right to extend the term of the Lease for two (2) additional terms of eight (8) years each, which extension rights, if both were exercised, would result in the term of the Lease first expiring on $[\bullet]$.

3. <u>New Lease</u>. The Lease provides that under certain circumstances a lender with a leasehold mortgage on Tenant's leasehold estate interest in the Premises may cause a new replacement lease for the Premises on substantially the same terms as the Lease to come into existence and such new lease would be superior to all rights, liens, and interests created by or established through Landlord between the date of the Lease and the date on which such new lease came into effect.

4. <u>Ownership of Improvements During Term</u>. During the Term Tenant shall own all of the following: all existing and future Improvements, Initial FF&E, Future FF&E, Intellectual Property, and all art installed or placed on the Premises by Tenant (as each of the foregoing terms are defined in the Lease).

5. <u>Purposes of Memorandum of Lease</u>. This Memorandum is prepared for the purpose of recordation and in no way modifies the Lease.

[SIGNATURES FOLLOW ON NEXT PAGE]

DATED as of the day and year first above written.

LANDLORD:

THE CITY OF SEATTLE, a municipal corporation of the State of Washington

By:_____

Its: _____

TENANT:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By:_____

Its: _____

STATE OF WASHINGTON)) ss. COUNTY OF KING)

On this ______day of ______, 2018, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared to me known to the _______ of the Seattle Center for the City of Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written

[Signature of Notary]

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

My appointment expires _____

STATE OF WASHINGTON)) ss. COUNTY OF KING)

On this ______day of ______, 2018, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared to me known to the _______ of the Seattle Center for the City of Seattle, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written

[Signature of Notary]

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

My appointment expires_____

<u>Exhibit F</u>

Environmental Reports

Exhibit F

Environmental Reports

Document Name	Created By	Date	
Asbestos & Lead (Pb) Survey Building #13 354 1st Ave North	NVL Labs	2/7/2008	
Asbestos Survey - Seattle Center Coliseum July 18, 1986	Seattle Center	7/18/1986	
Asbestos Survey Report NW Pottery Building Seattle Center	Prezant Associates	4/15/2003	
Demolition/Excavation PreInstallation Conference (PW#94-16) Meeting Minutes - Asbestos Abatement, Demolition, PCB Ballasts, Excavation	NBBJ	6/10/1994	
Final Geotechnical Engineering Study for the New Seattle Center Coliseum HWA Project No. 92128-2	Hong West & Associates, Inc.	4/14/1994	
Geotechnical Engineering Services Seattle Center Parking Garage No. 3	Shannon & Wilson, Inc.	1994	
Hazardous Materials Survey Seattle Center Pavilions Buildings A& B	NVL Labs	10/8/2007	
Limited Asbestos Survey 354 1st Ave N Bldg # 13	NVL Labs	2/21/2011	
Notice to Proceed - Asbestos Abatement West Court Building (Project #PW94-16)	Seattle Center MEMO	6/3/1994	
PCB Ballast Disposal - Memo	Seattle Center MEMO	7/11/1994	
PCB Ballast Disposal - Memo	Seattle Center MEMO	9/12/1994	
Reinforced Slope Design Coliseum Improvement Project Seattle Center	Shannon & Wilson, Inc.	August 1994	
Seattle Center Coliseum Job # 420-200-048-9 Asbestos Abatement Project Project Submittals	Long Services Corporation	5/13/1994	
Seattle Center Report on Asbestos Containing Materials	Seattle Center	October 2001	
Seattle Center Coliseum Asbestos Abatement - Ordinance No. 116440 Project No. SX92040	Prezant Associates	April 1994	
SED Submittal Requirements (Project 52382) - Department of Ecology does not require Notice of Intent for this project	Skilling Ward Magnusson Barkshire INC	3/30/1994	
Site Assessment Report for Emergency Underground Tank Removal, at KeyArena Garage Construction Site, Seattle, WA	SCS Engineers	10/6/1995	
Weekly Progress Meeting # 2 - NASA Building Asbestos testing, surveys and reports as mentioned in meeting minutes	PCL	7/5/1994	
Weekly Progress Meeting # 4 - Schedule of Asbestos Abatement, Determination of Lead Paint as issue, Wood Demolition & testing, Asbestos insulation sampling, surveys and reports as mentioned in meeting minutes	PCL	7/13/1994	

Exhibit G

Insurance Requirements

<u>Securing of Insurance Coverage</u>. Tenant shall procure and maintain, or cause to be procured and maintained, during the entire Term of this Agreement the insurance described in this <u>Exhibit G</u>. By not later than the date the policies are required to be in effect pursuant to Section 1.2 below, Tenant shall provide Landlord certificates of insurance and applicable endorsements from the companies issuing policies providing the required insurance stating that such coverage is in effect. Copies of required insurance policies procured by Tenant shall be provided to Landlord upon request. Tenant's procurement of the insurance required under this <u>Exhibit G</u> shall in no manner affect or limit Tenant's indemnification obligations in this Agreement or the Development Agreement. In the event of an insured loss, Tenant or its contractors shall be responsible for paying all deductibles.

I. During the term of the Development Agreement

1.1 <u>Tenant's Insurance Requirements</u>. From the Initial Commencement Date of this Agreement until the Operating Term Commencement Date, Tenant shall, at its sole cost and expense and as part of Project Costs, procure and maintain with insurers acceptable to Landlord, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by Tenant, its agents, representatives, employees, consultants, subconsultants, contractors and/or subcontractors. Coverage shall be at least as broad as:

1.1.1 <u>Commercial General Liability</u>. Insurance Services Office form number (CG 00 01) or equivalent covering Commercial General Liability, whereas Tenant reserves the right to secure and maintain coverage via a Controlled Insurance Program (CIP); see Contractor Off-Site Coverage Requirements. Coverage shall be on an Occurrence form and apply to bodily and property damage and the limits shall apply on a "per project" basis. Policy shall be written on form CG 00 01 07 98 or its equivalent and shall not include any exclusions or limitations other than those incorporated in the standard form and shall include coverage for:

- 1. Premises/Operations;
- 2. Products/Completed Operations;
- 3. Advertising Injury;
- 4. Contractual Liability;
- 5. Independent Contractors;
- 6. "Additional Insured" status provided to relevant project entities;
- 7. Personal injury with employment and contractual exclusions deleted;

- 8. Unintentional failure to disclose provision;
- 9. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per project) or equivalent; and
- 10. A broadened knowledge of occurrence provision.

Such insurance must provide a minimum limit of not less than \$50,000,000 general aggregate per project/location aggregate, which can be met through a combination of General Liability and Excess Liability. Such insurance shall not contain exclusions related to explosion, collapse, underground, and blasting. Tenant shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project (as defined in the Development Agreement). The policy will not exclude coverage losses resulting from perils and acts of terrorism so long as terrorism coverage is commercially available. If any such insurance policy excludes coverage for perils and acts of terrorism, Tenant will obtain a separate terrorism insurance policy in the coverage amount required by this paragraph in form and substance reasonably satisfactory to Landlord.

1.1.2 <u>Automobile Liability</u>. Insurance Services Office form number (CA 00 01) or equivalent covering Business Automobile Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9, with a limit of not less than \$10,000,000 combined single limit per occurrence.

1.1.3 <u>Workers' Compensation</u>. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, statutory limits, and any other applicable State Workers' Compensation Law.

1.1.4 <u>Employer's Liability or "Stop Gap"</u>. The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability or Worker's Compensation Policy in the amount of at least \$50,000,000.

1.1.5 <u>Builder's Risk Insurance</u>. During the period of construction of the Initial Tenant Improvements, Tenant shall also procure and maintain Builder's Risk Insurance, which shall be written on an "all-risk" completed value policy form in the amount of the initial contract sum, plus value of subsequent contract modifications and cost of materials supplied or installed by Tenant, Landlord, or others, comprising total value for the entire Initial Tenant Improvements on a replacement cost basis, including cost to cover professional fees. Coverage shall be provided for (i) the perils of earth movement including earthquake and flood (an earthquake and flood sublimit may be allowed, as mutually agreed to by Tenant and Landlord and may be subject to PML study); (ii) resultant damage from errors in design, plans, specifications, faulty workmanship, materials and construction; (iii) "extra expense"; (iv) temporary buildings, debris removal and all materials to be stored offsite and while in transit to the jobsite; (v) "cold testing" of all building systems; (vi) Tenant and Landlord's loss of use of the Arena due to delays in completion of the Initial Tenant Improvements caused by covered peril losses to the Tenant Improvements, including the loss of income and rents and soft costs such as interest on the

construction loan, real estate taxes and insurance premiums; (vii) the increased cost of construction, debris removal and demolition due to the operation of building laws and code upgrades; and (viii) direct physical damage to the Tenant Improvements and loss of use caused by an off premises services interruption. The policy shall include a waiver of subrogation provision in favor of Landlord and shall grant permission for partial occupancy of the facilities without having a detrimental effect on the coverage provided. Tenant shall have the required Builder's Risk Policy in place no later than Commencement of Construction. The Builder's Risk Policy shall include Tenant, the General Contractor and their respective subcontractors, other contractors, and Landlord as insureds in an amount equal to their interest with a loss payable clause in favor of Construction Lender and Landlord, as their interests may appear. Tenant shall keep the Builder's Risk Policy in place from Commencement of Construction until Physical Completion of the Project. "Physical Completion of the Project" shall be deemed to occur upon issuance of certificates of occupancy for the Arena, tunnel, and below-grade garage. Upon Physical Completion of the Project, the completed project broad-form all risk property insurance coverage will take effect immediately. The policy will not exclude coverage losses resulting from perils and acts of terrorism so long as terrorism coverage is commercially available. If any such insurance policy excludes coverage for perils and acts of terrorism, Tenant will obtain a separate terrorism insurance policy in the coverage amount required by this paragraph in form and substance reasonably satisfactory to Landlord.

1.1.6 <u>Umbrella / Excess Liability</u>. Coverage shall follow form of the General Liability, Employer's Liability, and Automobile Liability. Such insurance must provide a minimum limit of liability general aggregate per project/location of \$50,000,000.

1.2 <u>Contractors' Insurance Requirements</u>. If Tenant elects to secure and maintain coverage via an Owner Controlled Insurance Program ("<u>OCIP</u>"), the enrolled parties will provide and maintain for off-site activities the types of insurance described below. From and after the Initial Commencement Date of this Agreement, the contractor shall, at its sole cost and expense and as part of Project Costs (as defined in the Development Agreement), procure and maintain or cause to be procured and maintained with insurers acceptable to Landlord, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by contractor, its agents, representatives, employees consultants and/or subcontractors. Coverage shall be at least as broad as follows. Tenant shall include a provision in each construction contract requiring each contractor to maintain the following minimum scope and limits of insurance.

1.2.1 <u>Commercial General Liability</u>. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability including coverage for:

- 1. Premises/Operations;
- 2. Products/Completed Operations;
- 3. Advertising Injury;
- 4. Contractual Liability;

- 5. Independent Contractors;
- 6. Explosion collapse underground hazards;
- 7. Personal injury with employment and contractual exclusions deleted;
- 8. Unintentional failure to disclose provision;
- 9. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per project) or Equivalent;
- 10. Blasting (if explosives are used in the performance of the Work); and
- 11. A broadened knowledge of occurrence provision.

Such insurance must provide a minimum limit of not less than \$2,000,000 per occurrence / \$4,000,000 general aggregate per project/location aggregate.

Contractor shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project (as defined in the Development Agreement).

The contractor's CGL insurance shall not exclude perils generally known as XCU (Explosion, Collapse and Underground Property Damage), Subsidence, Absolute Earth Movement (except as respects earthquake peril only) or any equivalent peril.

The contractor's CGL insurance shall include Landlord as an additional insured for Products and Completed Operations by providing additional insured status on the ISO CG 20 10 11 85 or CG 20 37 endorsement, or by an equivalent policy or endorsement provision. The Products and Completed Operations additional insured status for Landlord shall remain in effect for not less than six (6) years following the Physical Completion Date or Final Acceptance of the Work (as applicable) by Landlord.

1.2.2 <u>Automobile Liability</u>. Automobile Liability Insurance Services Office form number (CA 00 01) or equivalent for owned, non-owned, hired, and leased vehicles, as applicable, with a minimum limit of liability of \$5,000,000 Combined Single Limit (CSL), which can be met through a combination of the Auto Liability and Excess Liability. If pollutants are to be transported, MCS 90 and CA 99 48 endorsements are required on the Automobile Liability insurance policy unless in-transit pollution risk is covered under a Pollution Liability insurance policy.

1.2.3 <u>Workers' Compensation</u>. The contractor shall comply with Workers' Compensation coverage as required by Title 51 RCW (Industrial Insurance) and any other applicable State Workers' Compensation laws.

1.2.4 <u>Employer's Liability or "Stop Gap"</u>. The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the

protection provided by the "Stop Gap" endorsement to the General Liability or Workers' Compensation Policy in the amount of at least \$10,000,000.

1.2.5 <u>Contractor's Pollution Liability</u>. Contractor shall provide contractor's Pollution Liability coverage in the amount of \$25,000,000 per occurrence or claim and in the aggregate to cover sudden and non-sudden bodily injury and/or property damage to include the destruction of tangible property, loss of use, clean-up costs and the loss of use of tangible property that has not been physically injured or destroyed. Insurance shall not exclude pollution arising out of Asbestos, Lead Mold and/or PCB operations. Evidence of Insurance must specifically state that such coverage is included. Contractor shall be responsible for obtaining and maintaining evidence of Transportation coverage (including MCS-90 and CA 9948 Endorsements for Automobile Liability) and Disposal Site Operators Insurance from all subcontractors and site operators. If Coverage is placed on a "Claims-Made" basis, then the Retrospective Date of the policy must match or precede the date these contracts are executed. Evidence of continuous coverage or an extended reporting period endorsement shall be required for a period of six (6) years after Final Completion.

1.2.6 <u>In-Transit Pollution Liability</u>. CA 99 48 and MCS 90 endorsements are required on the Automobile Liability insurance policy unless in-transit pollution risk is covered under a Pollution Liability insurance policy.

1.2.7 <u>Contractor's Professional Liability</u>. In any construction contract that requires professional services as part of the work, contractor shall provide \$5,000,000 per claim/aggregate professional liability errors and omissions coverage. If Coverage is placed on a "Claims-Made" basis, then the Retrospective Date of the policy must match or precede the date the first professional services are provided. Evidence of continuous coverage or an extended reporting period endorsement shall be required for a period of six (6) years after Final Completion. This will be in conjunction with an Owners Protective Professional Indemnity Policy.

1.2.8 <u>Contractor's Property and Inland Marine Insurance</u>. Property insurance on an "all-risk" coverage form, covering property owned by the contractor and its respective subcontractors, including scaffolding, trailers, and other equipment.

1.2.9 <u>Umbrella / Excess Liability</u>. Coverage shall follow form of the General Liability, Employer's Liability, and Automobile Liability. Such insurance must provide a minimum limit of liability general aggregate per project/location as follows per trade:

	Crane Operator	\$25,000,000
	The following	\$10,000,000
Trades:		
	Excavation	
	Foundation	
	Site Utilities	
	Masonry	
	Drywall	

Concrete	
Steel Erection	
Hoisting (including Elevators)	
Plumbing	
Electrical	
HVAC	
All other Trades	\$5,000,000

1.3 Design and Engineering Consultants' Insurance Requirements. From and after the Effective Date of this Agreement, the Professional Consultant shall, at its sole cost and expense and as part of Project Costs, procure and maintain or cause to be procured and maintained with insurers acceptable to Landlord, at a minimum, the following insurance against claims for injuries to persons or damages to property that may arise from, or in connection with the performance of work hereunder by Professional Consultant, its agents, representatives, employees consultants and/or subcontractors. Tenant shall require in each Professional Consultant Contract that the Consultant provide the following minimum scope and limits of insurance:

1.3.1 <u>General Liability</u>. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability, including coverage for completed operations/product liability, independent contractors, contractual liability, explosion collapse underground hazards, personal injury with employment and contractual exclusions deleted, unintentional failure to disclose provision, and a broadened knowledge of occurrence provision with a limit of not less than \$5,000,000 combined single limit per occurrence, \$5,000,000 general aggregate per project/location. Professional Consultant shall maintain coverage for completed operations/product liability claims as part of such Commercial General Liability policy or provide evidence of completed operations/product liability for at least six (6) years after Final Completion of the Project.

1.3.2 <u>Automobile Liability</u>. Insurance Services Office form number (CA 00 01) or equivalent covering Business Automobile Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9, with a limit of not less than \$2,000,000 combined single limit per occurrence.

1.3.3 <u>Workers' Compensation</u>. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington or any other applicable State Workers' Compensation Law, at statutory limits.

1.3.4 <u>Employer's Liability or "Stop Gap"</u>. The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability or Worker's Compensation Policy in the amount of at least \$10,000,000.

1.3.6 <u>Professional Liability Errors and Omissions</u>. Consultant shall provide \$10,000,000 per claim/aggregate professional liability errors and omissions coverage. Such

coverage shall continue in force or be extended by professional "Tail" coverage for a period no less than 6 years from Physical Completion of the Project. If approved in writing by Landlord prior to contract approval, a practice policy may be obtained instead of a project policy.

1.3.7 <u>Owners Protective Professional Indemnity</u>. Tenant shall procure and maintain a project specific Owners Protective Professional Indemnity (OPPI) policy in the name of the project owner to sit excess of the consultants' professional liability coverage with a limit of no less than \$25,000,000 per claim/aggregate.

II. From and After the Operating Term Commencement Date of this Agreement

2.1 <u>Types of Required Insurance</u>. From the Operating Term Commencement Date and throughout the Term of this Agreement, Tenant shall secure and maintain insurance covering the Premises.

2.1.1 <u>Commercial General Liability</u>. Insurance Services Office form number (CG00 01) or equivalent covering Commercial General Liability, including coverage for:

- 1. Premises/Operations;
- 2. Products/Completed Operations;
- 3. Advertising Injury;
- 4. Contractual Liability;
- 5. Independent Contractors;
- 6. Explosion collapse underground hazards;
- 7. Incidental medical malpractice;
- 8. Herbicide or pesticide applicators coverage;
- 9. Personal injury with employment and contractual exclusions deleted;
- 10. Unintentional failure to disclose provision;
- 11. Per project aggregate per ISO CG 25 03 (Aggregate Limits of Insurance per project) or Equivalent;
- 12. Blasting (if explosives are used in the performance of the Work); and
- 13. A broadened knowledge of occurrence provision.

with a limit of not less than \$1,000,000 combined single limit per occurrence, \$2,000,000 general aggregate per project/location.

2.1.2 <u>Liquor Liability</u>. Liquor liability for the serving and selling of alcoholic beverages in an amount of not less than \$10,000,000 Per Occurrence, \$10,000,000 annual aggregate.

2.1.3 <u>Automobile Liability</u>. Business Auto coverage on Insurance Services Office form number (CA 00 01) or equivalent for owned, hired, leased, and non-owned vehicles used by Tenant in connection with the use, management and operation of the Arena, or in the parking areas, or on public streets in conjunction with work under this contract, in an amount not less than \$5,000,000 each accident, combined bodily injury and property damage, written on an occurrence form.

2.1.4 <u>Workers' Compensation</u>. Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, or any other applicable State Worker's Compensation Law at statutory limits. Coverage shall include USL&H, Maritime, Admiralty Act coverage if any work around water or onboard watercraft is involved.

2.1.5 <u>Employer's Liability or "Stop Gap"</u>. The protection provided by the Workers' Compensation Policy, Part 2 (Employer's Liability) or, in states with monopolistic state funds, the protection provided by the "Stop Gap" endorsement to the General Liability Policy in the amount of at least \$10,000,000 per accident.

2.1.6 <u>Umbrella/Excess Liability</u>. Umbrella/Excess Liability insurance in excess of the coverage set forth in <u>clause 2.1.1</u>, above, with limits of not less than \$100,000,000 per occurrence and \$100,000,000 annual aggregate, written on an occurrence form. Terrorism coverage is required for the full limits of <u>clause 2.1.1</u>.

2.1.7 <u>Garage Keepers Direct Primary Legal Liability</u>. In the event that Tenant implements valet parking services, Tenant will secure and maintain Garage Keepers Direct Primary Legal Liability, written on an occurrence form, for all parking operations with adequate limits to cover fire and theft to all automobiles, or any portion or the contents thereof, including, without limitation, loss caused by riot, civil commotion, vandalism, malicious mischief and collision. In the event Tenant does not provide valet parking services, but does provide open parking to the public, Garage Keepers' Legal Liability on a direct excess basis is required. If both valet and open parking are provided, both coverages above are required.

2.1.8 <u>Broad-Form All Risk Property Insurance</u>. Coincident with the termination of the Builder's Risk insurance and effective to ensure complete coverage of the property, which may be before the Operating Term Commencement Date, Tenant will provide and maintain Broad-form All Risk Property insurance including but not limited to (i) full replacement cost and consequential loss coverage on the buildings, structures, tenant improvements and betterments, contents, furnishings, and operating equipment, including Premises under renovation or construction.; and (ii) combined Business Income and Extra Expense coverage, covering the loss of income including all Gross Revenues, attributed to the Parking areas as well as the Arena, including any net profit, continuing charges, expenses (including without limitation, Debt Service) and ordinary payroll for a twelve (12) month period of indemnity; (iii) coverage for consequential loss from service interruption; (iv) the perils of earth movement including earthquake and flood

(an earthquake and flood sublimit may be allowed, as mutually agreed to by Tenant and Landlord and may be subject to PML study), and (v) equipment breakdown coverage, if applicable. Such coverage shall not be subject to any coinsurance provision. Total policy limit shall not be less than 100% total replacement cost new values, with due consideration for new construction or renovation work, plus total business interruption values.

New Tenant Improvement projects shall be discussed with Landlord at least 90 days prior to proposed start date to determine (i) if additional Builder's Risk coverage is required or may be covered on the operational property policy, (ii) whether an earthquake and flood sublimit may be allowed, as mutually agreed to by Tenant and Landlord and may be subject to PML study. If Builder's Risk coverage is required it shall be standard "all risk" builder's risk insurance (including, without limitation, coverage against collapse), written on a completed value basis, in an amount not less than the projected total cost of construction or renovation of such Tenant Improvement project plus "soft costs," including design costs, licensing fees, architect fees, and engineer fees as reasonably estimated by Tenant's architect and as approved by Landlord not more than sixty (60) days prior to the commencement of construction or renovation. Policy shall include coverage for temporary buildings, debris removal, and building materials in transit or stored on or off-site. Insurance shall also include such liability coverages as deemed reasonable for a project of the size and scope undertaken.

III. <u>**Terms of Insurance**</u>. The policies required under this <u>Exhibit G</u> shall:

3.1 Be written as primary policies not contributing with and not in excess of coverage that Landlord may carry.

3.2 All liability policies shall name Landlord and its officers, officials, employees and agents as additional insureds as broad as CG 2010 11/85 or its equivalent and as respects liability arising out of activities performed by or on behalf of Tenant in connection with this Agreement. All property policies shall name Landlord as additional loss payee, as its interests may appear.

3.3 Expressly provide that Landlord shall not be required to give notice of accidents or claims and that Landlord shall have no liability for premiums.

3.4 Provide that such policies shall not be renewed, canceled, or materially modified without thirty (30) days' prior written notice to Landlord or ten (10) days for non-payment of premiums. Tenant shall provide Landlord with notification in the event of any reduction or restriction of insurance limits or coverage of their respective policies.

3.5 Be issued by an insurer of recognized standing other than insurance provided by the State of Washington Department of Labor & Industries, rated "A-:VII" or better as established by Bests' Rating Guide or an equivalent rating issued by such other publication of a similar nature as shall be in current use, and licensed to do business in the State of Washington unless a surplus lines placement by a licensed Washington State surplus lines broker, or be otherwise acceptable to Landlord.

Att 1 - Lease Agreement (Arena at Seattle Center) V2

3.6 Each insurance policy shall be written on an "occurrence" form, excepting that insurance for professional liability, errors and omissions, and Contractors Pollution Liability when required, may be acceptable on a "claims made" form.

3.7 If coverage is approved (if approval is required above) and purchased on a "claims made" basis, Tenant warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than six years from the date of completion of the work that is subject to said insurance.

3.8 Provide that the insurer waives subrogation as to any rights to recovery from Landlord.

3.9 The limits of liability specified herein are minimum limits only. Such minimum limits of liability requirements shall not be construed to limit the liability of Tenant, that of any subcontractor of any tier or of any of their respective insurers. Any provision in any Tenant or subcontractor insurance policy that limits available limits of liability to those specified in a written agreement or contract shall not apply and all insurance policies, with the exception of Professional Liability and Workers Compensation, shall include Landlord as an additional insured for primary and non-contributory limits of liability for the full valid and collectible limits of liability maintained by Tenant or subcontractor, whether such limits are primary, excess, contingent or otherwise. This provision shall apply regardless of whether limits maintained by Tenant are greater than those required by this Contract, and regardless of whether the certification of insurance provided by a subcontractor of any tier specifies lower minimum limits than those specified for or maintained by Tenant.

3.10 Any deductibles or self-insured retentions must be declared to and approved by Landlord. The deductible and/or self-insured retention of the policies shall be the sole responsibility of Tenant for their respective policies.

3.11 Tenant's insurance coverage shall be primary insurance as respects Landlord and its officers, officials, employees and shall include a severability of interests (cross liability) and a waiver of subrogation in favor of Landlord. Any insurance and/or self-insurance maintained by Landlord, or its officers, officials, employees and/agents shall not contribute with Tenant's insurance or benefit Tenant in any way.

3.12 Limits specified for General Liability, Automobile Liability, and Employer's Liability or "Stop Gap" can be satisfied with any combination of primary and/or excess Policies.

3.13 By requiring such minimum insurance as specified herein, neither party shall be deemed to, or construed to, have assessed the risks that may be applicable to the other party to this Agreement or any contractor. Each party and each contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits or broader coverage.

IV. <u>Evidence of Insurance</u>.

4.1 Tenant shall deliver to Landlord certification of insurance meeting the requirements set forth herein when Tenant delivers the signed Agreement. The certification of insurance must include the following:

4.1.1. An ACORD certificate or equivalent form fully disclosing all coverages and limits of liability maintained.

4.1.2. A copy of the additional insured endorsement or blanket additional insured language to the Commercial General Liability and (if required) Contractor's Pollution Liability insurance documenting that Landlord is an additional insured for primary and non-contributory limits of liability and Products and Completed Operations Additional Insured; a statement of additional insured status on an ACORD or other form of certificate of insurance will not satisfy this requirement.

4.1.3. A copy of each policy's declarations page and schedule of forms and endorsements.

4.1.4. Any other policy language or endorsements that documents compliance with the requirements herein, including (if required) CA 99 48 and MCS-90 endorsements.

4.1.5. Certification shall be sent to a notice address and fax number designated by the Seattle Center Representative and to a designated Financial and Administrative Services (FAS) Risk Management address.

4.2 Should any insurance policy neither be issued nor delivered to Tenant at the time it delivers the signed Agreement, Tenant shall deliver and maintain on file with Landlord binders of insurance evidencing compliance with the requirements herein. As soon as practicable after delivery of the policy(ies), Tenant shall deliver the insurance certification specified in subparagraphs 4.1.2 through 4.1.4 above.

4.3 At any time upon Landlord's request, Tenant shall forward to Landlord a true and certified copy of any insurance policy(ies).

V. <u>Landlord Acquisition of Insurance</u>.

If at any time during the Term of this Agreement, Tenant fails to procure or maintain insurance required under this Agreement, or to pay the premiums for such insurance, Landlord shall have the right but not the obligation after ten (10) Business Days' prior written notice to Tenant to procure the insurance and to pay any and all premiums for such insurance. Any amounts paid by Landlord in connection with the acquisition of insurance shall be immediately due and payable, and Tenant shall pay to Landlord upon demand the full amount paid by Landlord.

<u>Exhibit H</u>

Form of Operating Term Commencement Date Acknowledgment Letter

Exhibit H – Form of Operating Commencement and Rent Commencement Acknowledgement

SEATTLE ARENA COMPANY, LLC 1100 Glendon Avenue, Suite 2100 Los Angeles, California 90024

[●], [●]

VIA OVERNIGHT COURIER

Seattle Center Seattle Center Armory 305 Harrison Street Seattle, Washington 98109 Attn: Seattle Center Director

Re: Operating Term Commencement Date and Rent Commencement Date

Ladies and Gentlemen:

Reference is hereby made to that certain Lease Agreement (Arena at Seattle Center) dated [•], 2018, by and between the City of Seattle ("<u>Landlord</u>") and Seattle Arena Company, LLC ("<u>Tenant</u>") (the "<u>Agreement</u>"). Any capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in the Agreement.

This letter shall constitute notice under Section 5 of the Agreement. Pursuant to the terms and conditions of the Agreement, Tenant hereby confirms that the Operating Term Commencement Date shall be $[\bullet]$ and the Rent Commencement Date shall be $[\bullet]$ [and TBD if applicable IRC Deemed Completion Date].

Please indicate Landlord's acknowledgement and acceptance of the Operating Term Commencement Date and the Rent Commencement date as set forth herein by signing and returning a copy of this letter in the space provided below.

Sincerely,

[•][•], Seattle Arena Company, LLC

cc: Civil Chief, City of Seattle, City Attorney's Office Chief of Staff, City of Seattle, Mayor's Office

<u>Exhibit I</u>

Salvage FF & E

Tenant shall at no expense to Landlord remove and deliver to Landlord the following Salvage FF&E. Following the Initial Commencement Date Landlord will coordinate with Tenant to determine an appropriate schedule for the removal and turnover to Seattle Center of these items.

ITEM	QTY	LOCATION	NOTES
A/C unit #1	1	KeyArena Elevator mechanical room	Part of delayed Arena systems decommissioning
A/C unit #2	1	KeyArena Elevator mechanical room	Part of delayed Arena systems decommissioning
Century 21 plaque	1	KEXP - south wall	To be removed no earlier than October 15th, 2018.
Diesel fuel	1000 gal	KeyArena Backup generator	Part of delayed Arena systems decommissioning
EMCS components	all	Various	Part of delayed Arena systems decommissioning
Fire control system		KeyArena ComCenter/SW Fire Control Room	Part of delayed Arena systems decommissioning
Elevator Controller	3	KeyArena elevators	Part of delayed Arena systems decommissioning
Hydraulic pump		Gate 4	Part of delayed Arena systems decommissioning
Hydraulic pump		Gate 4A	Part of delayed Arena systems decommissioning
KeyArena Dedication Plaques	2	KeyArena East buttress	To be removed no earlier than October 15 th 2018
KeyArena heat exchange	1	KeyArena Kitchen mechanical room	Part of delayed Arena systems decommissioning
Leviton Lighting Controls		KeyArena Catwalk/MO3D	Part of delayed Arena systems decommissioning
Metering devices	2	KeyArena Lower concourse mechanical room	Part of delayed Arena systems decommissioning
Neon Atoms	3	Upper Northwest Rooms Courtyard	To be protected and or temporarily removed; if removed, reinstall after end of construction
Skate Park Bronze Skater	6	Skate Park	To be removed no earlier than October 8th 2018
Thiry Motif Panel	1	Upper Northwest Rooms Courtyard	To be removed no earlier than October 15th 2018
UN plaque	1	Skate Park	To be removed no earlier than October 8th 2018

Accepted and acknowledged by Landlord as of the $[\bullet]$ day of $[\bullet]$.

THE CITY OF SEATTLE, a Washington municipal corporation

By: [●] Its: [●]

<u>Exhibit J</u>

Initial Seattle Center Rules



SEATTLE CENTER CAMPUS RULES

Seattle Center Purpose Statement

Seattle Center creates exceptional events, experiences, and environments that delight and inspire the human spirit to build stronger communities.

A: General Provisions

Seattle Center is a department of the City of Seattle. It is a beautiful 74-acre landscaped campus that includes theaters, arenas, museums, and other public facilities. Its roots reach back more than 100 years as a site of Native American celebrations. Seattle Center is a reflection of the Northwest itself: the cultural diversity; the commitment to the arts, to the environment, and to education; and the love of sports and quality entertainment. With over 12 million visitors a year, it is the fourth largest visitor destination in the United States.

B: Purpose

These rules are intended to help provide for the safe enjoyment of all that Seattle Center has to offer. Prohibited and inappropriate behavior on the Seattle Center Campus diminishes these precious assets and deprives citizens of the full use and enjoyment of the natural beauty, recreational opportunities, and peaceful repose that the Seattle Center campus provides in the center of an urban setting.

All persons on the Seattle Center campus shall be governed by these rules and regulations and by order and instructions of the Seattle Center Director relative to the use or occupation of any part of the Seattle Center grounds or buildings and shall comply with written or oral instructions issued by the Director, Seattle Center employees, Seattle Center authorized agents, or Seattle Police to enforce these regulations.

C: Definitions

Unless clearly inconsistent with the context in which used, the following definitions apply:

- 1. "Adequate leash" means a leash of six (6) feet in length or shorter.
- "Buildings" means all enclosed or sheltered areas on the campus, including inside buildings, under covered walkways, and under building overhangs.

- "Camp" means to erect a tent or other shelter, or to use sleeping equipment, such as sleeping bags, blankets, cardboard, tarps, or similar coverings for the purpose of sleeping.
- "Campus" means all grounds and all buildings, including gardens, lawns, open spaces, fountains, streets, roads, pathways, parking lots, garages, plazas, and sculptures that comprise the areas under the control of Director of Seattle Center.
- 5. "Commercial Activity" means any business activity, profession, trade, or occupation requiring a City of Seattle Business License; any activity that is taxable under the City of Seattle's Business and Occupation tax; any activity engaged in with the objective of financial gain, benefit or advantage, directly or indirectly, or any activity, including commercial speech, that proposes or offers an exchange of valuable consideration for goods or services at the time of the proposal or in the future, for consummation on or off campus. Commercial Activities include but are not limited to vending, food concessions, advertising, promotion, filming, exhibits, commercial photography, placement of telecommunication relay devices or fiber optic devices, airspace use, sub soil rights, and giving away products such as, but not limited to, food, gum, and medicines.

6. "Commercial Speech" means any speech relating to commercial activities.

- 7. "Director" means the Seattle Center Director or his or her designee.
- 8. "Exclusion Notice" means that the recipient is no longer invited, licensed, permitted, or otherwise privileged to remain on the premises of the campus from which he or she was ordered to leave. The Exclusion Notice shall be in writing and shall contain the date of issuance. The Exclusion Notice shall specify the length and places of exclusion. The issuing individual shall sign it. Warning of the consequences for failure to comply shall be prominently displayed on the notice. The recipient will be given the opportunity to sign the original Exclusion Notice, but a refusal to sign does not invalidate the exclusion.
- 9. "Exclusion Warning" means a written notice to a person that there is probable cause to believe that the person has violated these rules or any other applicable Seattle Center rules, any provision of the Seattle Municipal Code, the Revised Code of Washington, or other applicable law, and may be excluded from the Seattle Center Campus for a period of 1 to 365 days if the person commits the same or similar violation again. An Exclusion Warning may also provide that a person is excluded for the remainder of the day if the person has engaged in conduct that creates a significant risk of personal injury or property damage.

- 10. "Grounds" means all areas of the campus other than "buildings."
- "License" or "Permit" means a written authorization for a person or entity to engage in a specific use or activity on a portion or all of the Seattle Center campus.
- 12. "Protected Speech" means verbal or written communication intended to convey a non-commercial political, religious, and philosophical or other similar message to the public, and includes distributing literature, seeking petition signatures, picketing, demonstrating, carrying signs, artistic performances, or other activities recognized by courts as entitled to protection under Federal or Washington constitutions.
- 13. "Seattle Center Campus Rules" means these rules or other rules so entitled and promulgated by the Director.
- 14. "Speech Activities" includes both protected speech and commercial speech. Speech activities do not include activity conducted by City employees.
- 15. "Use" means the exercise of dominion or control over or occupation of all or part of a public place, or the right to do so. It includes constructing, storing, erecting, placing upon, or maintaining, operating any inanimate thing or object in, upon, over or under any public place. "Use" includes the placement of a table, equipment, or other similar object. "Use" does not include the placement of an inanimate object in such a location and for such a limited duration of time that, under the circumstances, no reasonable person could conclude that the public's right to use or enjoy the public place, in whole or in part, has been or potentially could be interfered with.
- 16. "Violation" means an act or omission or combination thereof that is contrary to any campus rule or any civil or criminal provision of the Revised Code of Washington, the Seattle Municipal Code, or other applicable law.
- 17. "Weapon" means any firearm or any instrument designed or intended to propel a missile of any kind, or any knife having a blade of three inches or more, or any straight-edge razor, spring stick, metal knuckles, blackjack, bat, club or other bludgeon-type instrument, or any flailing instrument consisting of two or more rigid parts connected in such a manner as to allow them to swing freely, such as nun chahkas, nunchakus or shurikens, or chains, or whips, or stars, or darts, or stun gun, or taser, or any disc having at least two points or pointed blades which is designed to be thrown or propelled.
- "Weapon Violation" means possession or use of a weapon in violation of Chapter 9.41 of the Revised Code of Washington, Chapter 12A.14 of the Seattle Municipal Code or other applicable statute or ordinance.

D: Director's Authority - Rulemaking - Enforcement

The Director shall have the power to enforce these rules. The Director may, in accordance with SMC 17.04.040 of the Administrative Code, adopt, amend and rescind rules in order to manage and control the campus.

E: Licenses and Permits

- The following activities require a license, permit, or other written authorization. Engaging in any activity requiring a license or permit without a valid license or permit is a violation of these rules.
 - a. Conducting any Commercial Activity on the grounds or in any buildings.
 - b. Festivals, programs and other events at which more than 75 attendees can reasonably be expected to attend.
 - c. Use of the Seattle Center name or logo or any of the Seattle Center's images, exclusive representations, copyrighted, or proprietary material for commercial purposes.
 - Attaching any signs, posters, banners, notices, or any similar objects, whether temporary or permanent, to any Seattle Center property;
 - Making any improvement to or on the campus or construction of a public work, or placement of visual art.
 - f. Using any outdoor electrical power outlet or indoor electrical power outlet for use outside; or laying cables or extending wires on the campus.
 - g. Reserving all or a portion of any facility, room or part or all of the campus.
 - h. The Use of sound or voice amplification equipment, other than batterypowered equipment as provided in: F (2) (d)
 - i. The placement of a table, stand, or other structure of a dimension of greater than three by three feet, other than as provided in section F (2) (e).
 - j. Storage of placards, boxes, or supplies.
 - k. The use of any flammable liquids.
 - Any other activities that constitute an exercise of dominion or control over a portion of the Seattle Center campus, thereby limiting the general public's ability to use that area of the campus.

2. Terms and Conditions of Licenses or Permits

The Director may condition a license or permit or impose such terms and conditions as appropriate to protect the health, safety, and welfare of the public and/or the campus; to protect property; to avoid or limit unnecessary interference with other uses or users of the campus; to minimize disturbance of the surrounding neighborhood; and require the user to leave the area in a condition after the activity or event as it was beforehand. For this purpose, the Director may require the user to furnish public liability and property damage insurance, naming the City of Seattle as an additional insured, in such amounts as reasonably necessary to provide recompense for personal injury or death or property damage that results from the event or activity, and/or to make a reasonable security and damage deposit, or provide a bond. The Director shall have authority to immediately suspend or terminate a license or permit without prior notice upon violation of an applicable law, a Seattle Center Campus Rule, or any material term or condition of the license or permit.

The Director may temporarily suspend a license or permit during activities or events that have been granted exclusive use rights to the campus or any portion of the campus. Exclusive use activities and events can include festivals, Seattle Center programming, Seattle Center sponsored or co-sponsored events, or exclusive licensed activities.

All licenses shall be wholly of a temporary nature, shall vest no permanent right, and may be revoked for convenience upon seven (7) days' notice or, if the license so states, upon shorter notice.

3. License Fees

The Director is authorized to charge fees for licensed activities. Fees can be based solely upon or in combination with a percentage of gross sales, a one-time flat fee, a fee per each instance the licensed activity is exercised, or the recovery of Seattle Center costs associated with the license issuance and authorized activities (or such other fee structure as may be negotiated). Issuance of a license shall also be subject to payment of fees, taxes, or charges as required by ordinance or authorized by resolution of the Seattle City Council, or pursuant to King County or State of Washington requirements, or all applicable laws.

4. Permit Fees

The Director may establish and charge application fees and permit fees as provided in other applicable laws or rules.

5. Refund of Deposits and Fees

The Director is authorized to refund fees, on a prorated basis, upon cancellation of a license or permit and to return all or any portion of any security and damage deposit when no longer needed or after costs that may be charged against the license or permit have been paid.

6. Non-Transferability of Licenses & Permits

Licenses and permits are, unless provided otherwise in the license or permit, nontransferable. Trading, selling, or transferring permits is prohibited and may result in the immediate revocation of a permit.

F. Protected Speech Activities

1. Protected Speech Activities on the Grounds Which Require No Permit

The following protected speech activities are allowed on the grounds, but not in buildings, without any license or permit and without any advance notice to Seattle Center:

a. Leafleting and Gathering Signatures

No permit is required to engage in political speech activities such as the distribution of literature or the gathering of signatures unless the activity is accompanied by conduct that requires a permit under these rules. Leafleting and signature gathering is prohibited within (30) feet of building entrances. Leafleting and signature gathering are also prohibited inside Seattle Center buildings, except as otherwise provided in a license or permit.

b. Carrying Signs

The carrying of signs or placards is allowed on the grounds so long as it is done in a manner consistent with these rules and all applicable laws. Unattended signs or placards are prohibited without a permit or license.

2. Designated Protected Speech Locations

The Director shall designate locations on the grounds for protected speech activities that would otherwise require a permit (use of a table, equipment, or structure, amplification, etc., as provided in these Rules.) Each location has a capacity based on factors such as its size, location, and common other nearby uses.

- a. Designated locations are available for protected speech activities that would otherwise require a permit on a first come, first serve basis with no permit required.
- b. The Director may establish additional designated locations, either temporarily or indefinitely.

c. A plaque will mark all designated protected speech locations with a number and/or letter inside, unless otherwise noted below, designating the maximum capacity of speakers and audience and maximum equipment size at that particular location. The Director may modify the maximum capacity of a specific designated location, based upon factors such as other authorized uses in the vicinity or anticipated congestion or mobility problems.

d. The Director shall designate protected speech locations at which battery powered portable amplification is allowed without a permit. Such equipment must not be operated at such a volume that it could be clearly heard by a person of normal hearing at a distance of seventy-five (75) feet or more from the source of the sound. Seattle Center Security or other employees may request that the amplification be turned down if the amplification interferes with other authorized uses.

- e. The Director shall designate protected speech locations at which one small (no greater than 3 feet x 3 feet x 3 feet high) structure (such as a piece of equipment, a table or a self-standing sign) may be placed in conjunction with related protected speech activities, so long as the structure is: 1) not left unattended; and 2) is not placed in such a way as to interfere with passersby or other Seattle Center users.
- A map of the designated protected speech locations, along with each location's permissive uses and limitations, will be available to the public.
- g. A schedule will be published that shows which areas are unavailable because of permitted activities.
- h. If all designated sites are occupied, a person may request that the Director and/or his designee approve a temporarily location. Factors used to evaluate the request include other authorized uses in the vicinity, anticipated congestion or mobility problems, and public safety.
- 3. Prohibition on Commercial Activity at Designated Protected Speech Locations

Use of a protected speech location for Commercial Activity is prohibited. Commercial activity requires a written license. Those engaged in protected

speech activities may request and receive voluntary donations, which are not considered commercial activity under these rules. A voluntary donation means a person may participate in the activity or receive an offered item of value without regard to whether or not he or she makes a donation.

G: Speech Activities

1. Speech Related Activities Which Require a Permit.

- a. Gatherings, Demonstrations and Meetings A gathering on the grounds that is reasonably anticipated to exceed seventy-five (75) people requires prior notice to Seattle Center and a license or permit. The Center will attempt to find an appropriate location on the grounds, based on the size of the anticipated gathering.
- b. The use of sound or voice amplifying apparatus in a building or on the grounds, except as permitted under Section: F. (2) (d).
- Attaching notices, stickers or similar objects to any Seattle Center property.
- d. Placing any structure except as provided in section F. (2) (e).

2. Activities Which are Prohibited in Seattle Center <u>Buildings</u> Unless Expressly Authorized by the Director in a License or Permit

- a. Performing
- b. Picketing
- c. Demonstrating
- d. Displaying Signs
- e. Leafleting
- f. Gathering Signatures
- g. Actively Soliciting Donations
- 3. Applicability of Speech Rules to Major Events
 - a. Gated Events and Rooms or Buildings Reserved for Exclusive Use

Inside the reserved or gated areas, whether grounds, buildings, or both, the event organizers may control speech activities, both commercial and protected, and all commercial activities. Individuals who wish to engage in

commercial activities, or commercial or speech activities inside the gated areas should contact the event organizers for permission.

b. Ungated Events

The event organizers may, under the terms of the applicable event agreement, control commercial activities and commercial speech inside the event area. However, these rules regarding protected speech activities apply both outside and inside the event area.

H: Property Regulations

No-Trespassing Areas – Removal or Destruction of Property – Structure or Obstructions

- 1. It is prohibited for any person except a duly authorized Seattle Center employee or agent or other person duly authorized pursuant to law, to enter or go upon any area which has been designated and posted by the Director as "no admittance" "no trespassing," "not open to the public," or other similarly designated area.
- 2. It is prohibited for any person except a duly authorized Seattle Center employee or agent or other person duly authorized pursuant to law, to remove, destroy, damage, mutilate or deface any structure, lawn, monument, statue, vase, fountain, wall, fence, railing, vehicle, bench, shrub, tree, geological formation, plant, flower, lighting system, sprinkling system, gate, barricade or lock or other property lawfully on the campus, or to remove sand, soil, plant materials, or sod on the campus.
- It is prohibited for any person other than a duly authorized employee or agent of the Seattle Center to place or erect on the campus a structure or obstruction of any kind without a license from the Director.
- The Seattle Center Campus is officially open from 7:00 A.M. to Midnight daily. (By Ordinance 92792)

I: Rules of Conduct

1. Aggressive Behavior

No person shall treat any person in an aggressive, menacing, or abusive manner that would place a reasonable person in fear for their property or personal safety.

2. Liquor Offenses and Controlled Substances

It is prohibited on the campus to consume, or to possess liquor, as defined in SMC Section 12A.24.010 C, or other applicable law, except as authorized by a

Seattle Center License or other agreement and a Permit issued by the Washington State Liquor Control Board or its successor. Possession, sale, or

use of illegal drugs in violation of RCW 69.50, the Uniform Controlled Substances Act, is prohibited.

3. Animals are Prohibited in Buildings and Designated Areas

It is prohibited for anyone except those individuals with ADA service animals, public law enforcement officers, authorized City employees in the performance of their duties, or Seattle Center authorized licensees to bring any animal into any Seattle Center building or other areas designated by the Director and so posted, or to allow or permit any animal under his or her control to enter such facilities,

a. Exceptions

- American with Disabilities Act (ADA) service animals, defined as an animal that provides medically necessary support for the benefit of a person with a disability.
- Animals on the grounds on adequate leashes and under the control of an individual physically able to restrain the animal.
- Horses or dogs used by public law enforcement agencies and under the control of a law enforcement officer.
- Animals that are part of a Seattle Center licensed or sponsored activity.

b. Adequate Leash Required

Any person with an animal in his or her possession must keep the animal on an adequate leash while on campus and shall be responsible and liable for the conduct of the animal, shall carry equipment for removing feces, and shall place feces deposited by such animal in an appropriate receptacle.

c. Major Events

For the safety of both patrons and animals, the Director may prohibit all animals, except ADA service animals, from campus during high traffic events such as, but not restricted to, festivals.

4. Weapons

It is Prohibited to:

- Sell, manufacture, purchase, possess or carry any blackjack, sand-club, metal knuckles, switchblade knife, chako sticks, or throwing stars.
- b. Carry concealed or unconcealed on his or her person any dangerous knife unless used as a tool for work by Seattle Center employees or their authorized agents, or carry concealed on his or her person any weapon. Seattle Center employees are subject to the Seattle Center Employees Firearm Policy.
- Possess or display a firearm on the campus, unless permitted by applicable law.

5. Contraband in Seattle Center Facilities

The following items are prohibited on the Seattle Center campus: illegal drugs, weapons, explosive devices, spray paint, lasers. The Director may, by posting notice, prohibit the following items from being brought into a Seattle Center building or to a particular event: alcoholic beverages, cameras, recording devices, bundles, packages, coats, blankets, shawls not being worn, umbrellas, mace, pepper spray, and containers or cases (as defined as, but not limited to, pocketbooks, purses, bags, ice chests, backpacks, cans, bottles, or binocular cases).

6. Urinating or Defecating Prohibited Except in Restrooms

Urinating or defecating on the campus, except in facilities specifically provided for the purpose, is prohibited.

7. Stickers

It is prohibited to distribute stickers on the Seattle Center campus without the expressed authorization of the Director. It is prohibited to adhere stickers to any building, structure, or other surface on the Seattle Center campus.

8. Wheeled Devices

- a. The use on the campus of all wheeled devices, such as bicycles, skateboards, roller skates, inline skates, and scooters, is prohibited, except for:
 - wheeled equipment used by disabled individuals to be ambulatory;

- 2) children's strollers;
- skateboards, roller skates and inline skates used in the Seattle Center Skatepark;
- wheeled devices such as bikes, skateboards, roller skates, inline skates, scooters, being used only for transportation across the campus; or
- 5) other uses expressly authorized by the Director.
- b. Operation of any wheeled device in a dangerous manner or in a manner that could damage property is prohibited.

9. No Wheeled Equipment in the International Fountain

With the exception of wheeled equipment used in order to be ambulatory and strollers, all wheeled devices are prohibited from entering the International Fountain

10. Vehicular Access

Vehicular access onto the Seattle Center campus requires express authorization.

a. Exceptions

- 1) In designated parking areas.
- Authorized by a unload/load pass.
- Supply deliveries to organizations and businesses on campus shall be authorized to access the campus between the hours of 7:00 a.m. and 11:00 a.m. Monday through Sunday.
- Otherwise specifically authorized by the Director.

b. Use of Driveways and Boulevards – Speed Limit

It is prohibited to ride, or drive any vehicle over or through the campus at a speed in excess of the posted speed limit, or in excess of ten (10) miles per hour where no speed limit is posted.

c. Areas Closed to General Vehicular Access

Except as authorized by the Director, it is prohibited to drive, operate or park a motor vehicle in an area which is designated as being closed to general vehicular traffic access, including all landscaped areas such as turf areas, shrub areas, decorative plazas; on any pedestrian walkway; and in all other areas not specifically authorized for vehicular traffic.

11. Littering - Trash

It is prohibited to throw or deposit any refuse or other material on the campus, except in designated receptacles. It is also prohibited for any person(s) to dig in, rummage in, in anyway disturb trash in any receptacle.

12. Smoking

Smoking is prohibited in all Seattle Center buildings and within twenty-five (25) feet from building entrances and exits, windows that open, and ventilation intakes that serve an enclosed area.

13. Motorized Models

It is prohibited to operate any motorized model aircraft; dirigible, vehicle or motorized model watercraft on the campus, unless expressly authorized by the Director.

14. Fires

It is prohibited to ignite or maintain any fire or to participate in igniting, maintaining or using any fire on any portion of Seattle Center Campus unless expressly authorized by the Director.

15. Camping

It is prohibited to camp on any portion of the Seattle Center Campus unless expressly authorized by the Director.

16. Violations of These Rules or of other Applicable Law

A violation of these rules or of other applicable laws may, in addition to any applicable civil or criminal penalties, result in the revocation of a person's permission to remain on the Seattle Center campus.

J. Campus Exclusion

1. Exclusion Warning

- a. The Director may deliver an Exclusion Warning to any person who violates any provision of these rules or any other applicable Seattle Center rule, any provision of the Seattle Municipal Code, the Revised Code of Washington, or other applicable law. The Warning shall state that there is probable cause to believe that the person has a committed a violation, shall clearly identify such law or rule, shall state the date, time and location of the violation, and shall describe the facts and circumstances relating to the violation. The Exclusion Warning shall state that the person shall be subject to exclusion from the Seattle Center Campus for a period from 1 to 365 days for any repeat violation. The Exclusion Warning shall be signed by the Director or his designated representative. The person receiving such Exclusion Warning shall sign an acknowledgement that he or she has received and been apprised of the contents of the Warning, but failure of the person to sign shall not affect the effectiveness of the warning.
- b. If the conduct that results in an Exclusion Warning creates a significant risk of personal injury or property damage, then the person may be removed and excluded from the Seattle Center Campus for the remainder of the day that the violation occurred.

2. Exclusion Notice

The Director or his or her designee may, by delivering an Exclusion Notice to the offender, exclude from the Seattle Center Campus for a period of 1 to 365 days, anyone who, after receiving a written Exclusion Warning citing a violation of any provision of these rules or any other applicable Seattle Center rules, any provision of the Seattle Municipal Code, the Revised Code of Washington, or other applicable law, repeats the same or similar violation while on the Seattle Center Campus.

- The Director or his or her designee is authorized to adopt guidelines that may:
 - Include a matrix of violations and the range of exclusion periods corresponding to those violations, including repeat violations; and
 - Designate in writing who may issue exclusions, for which offenses, or for what periods of time.
- b. The individual need not be charged, tried, or convicted of any crime or infraction in order for an Exclusion Notice to be issued or effective. The

Exclusion may be based upon activities observed by the Director, a Seattle Center employee, a Seattle Police Officer, or upon the sort of civilian reports that would ordinarily be relied upon by police officers in the determination of probable cause.

- c. Upon such Notice being given, the recipient shall no longer be invited, licensed or otherwise privileged to remain on the campus.
- d. If the Exclusion Notice is for more than seven (7) days, the person being excluded is entitled to an administrative review of the Exclusion Notice. The Director shall designate a Reviewing Officer who shall have the authority to waive, reduce, maintain or extend the Exclusion Notice based upon evidence presented during the review.
- e. A request for an administrative review must be mailed to the below address, postmarked within ten (10) days of the Exclusion Notice. The request must include: the name and return address or alternate means of contacting the person being excluded; and the date and time the Exclusion Notice was issued. The person seeking the review shall include in the request any written documentation he or she seeks to have considered in the review process. The Exclusion Notice shall remain in effect pending administrative review.
- f. Administrative reviews are typically confined to the written record and generally do not include witnesses or sworn testimony. The Reviewing Officer may, at his or her discretion, allow the excluded individual the opportunity to meet with the Reviewing Officer to orally present his or her side of the story. If applicable, a date and time for an in person hearing shall be determined and communicated back to the person being excluded. The terms of the Exclusion Notice shall be temporarily waived on the date and time of the in person hearing but shall otherwise remain in effect unless the Exclusion is waived, reduced or otherwise altered by the Reviewing Officer such that it shall no longer be in effect.
- g. Requests for an administrative review shall be mailed to: Seattle Center Chief Operating Officer, Ste 215, 305 Harrison St, Seattle, WA, 98109

K: Trespass on Campus

Criminal Trespass on Campus shall include any person who knowingly:

 Enters or remains on the campus without permission or from which he or she has been excluded during any period covered by an Exclusion Warning or an Exclusion Notice pursuant to these rules.

2. Enters, remains in, or is otherwise present within the premises of the campus during hours within which the campus is not open to the public, or within an area not open to the public, unless the person is present within the campus to participate in an activity either conducted by Seattle Center or conducted pursuant to the terms of a license or permit issued by Seattle Center.

L: Discrimination prohibited

- 1. It is the policy of the City of Seattle, in the exercise of its police powers for the protection of the public health, safety and general welfare, and for the maintenance of peace and good government, to assure equal opportunity for full enjoyment and use of Seattle Center facilities to all persons, free from restrictions because of race, color, sex, marital status, sexual orientation, gender identity, political ideology, age, creed, religion, ancestry, national origin or the presence of any sensory, mental or physical handicap.
- 2. It is prohibited for any person occupying or using the campus for any event, activity or exhibition open to the public, whether or not under a license or permit and whether or not an admission or entrance fee is charged, to deny to any other person the full use and enjoyment of such event, activity, or exhibition because of race, creed, color, sex, marital status, sexual orientation, gender identity, political ideology, age, religion, ancestry, national origin or the presence of any sensory, mental or physical handicap.

APPROVED:

Robert Nellams, Director Seattle Center

May 21, 2014

Date

<u>Exhibit K</u>

Form of Seattle Storm Lease Agreement

EXHIBIT K

Form of Assignment and Assumption of Facility Use Agreement

THIS ASSIGNMENT AND ASSUMPTION OF FACILITY USE AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2018, by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington (the "City"), acting by and through the Seattle Center Department and its Director (the "Director"), and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("ArenaCo").

RECITALS

WHEREAS, since 2000, KeyArena at Seattle Center (the "Arena") has been the home court of the Women's National Basketball Association ("WNBA") team known as the Seattle Storm (the "Storm"); and

WHEREAS, the Storm is owned and operated by Force 10 Hoops, LLC, a Washington limited liability company ("F10 Hoops"); and

WHEREAS, F10 Hoops and the City are parties to that certain Facility Use Agreement dated on or about July 18, 2017 (the "Storm Agreement"), a copy of which is attached hereto as Exhibit 1, which provides the terms and conditions for the Storm's use of the Arena for the playing of home games; and

WHEREAS, the City and ArenaCo entered into certain transaction documents under which ArenaCo is renovating, leasing, and operating the Arena, including that certain lease agreement titled "Lease Agreement (Arena at Seattle Center)" dated as of [•], 2018 (the "ArenaCo Lease"); and

WHEREAS, under Article XXVII, Section B of the Storm Agreement, the City reserved the right to assign some or all of its rights and obligations to a third party; and

WHEREAS, the City and ArenaCo mutually recognize the value and importance of maintaining the presence of a WNBA team in the Seattle region; and

WHEREAS, under the ArenaCo Lease, ArenaCo assumed certain obligations of the City under the Storm Agreement, including the obligation to provide replacement premises for the playing of Storm home games and to provide F10 Hoops with a date offer for the 2021 WNBA season; and

WHEREAS, as required under the ArenaCo Lease and to provide for the continued presence of the Storm as a resident organization and team at the Arena following completion of renovations, the City desires to assign its rights and obligations under the Storm Agreement to ArenaCo, and ArenaCo desires to assume the City's rights and obligations under the Storm Agreement, in each case subject to the terms, conditions, and limitations set forth herein;

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the City and ArenaCo hereby agree as follows:

AGREEMENT

1. <u>Defined Terms</u>. The definitions in the Recitals are incorporated herein. Additionally, as used in this Agreement, the following capitalized terms have the meaning provided below:

"ArenaCo Parties" means ArenaCo's employees, officers, subtenants, licensees, agents, and assignees.

"City Parties" means the City's employees, elected officials, directors, tenants, licensees, agents and assignees.

- 2. <u>Effective Date</u>. This Agreement shall be effective as of [•].
- 3. <u>Assignment</u>. From and after the Effective Date, the City hereby assigns to ArenaCo all of the City's rights and obligations under the Storm Agreement, except for the Excluded Obligations defined in Section 4 of this Agreement.
- 4. <u>Assumption.</u> From and after the Effective Date, ArenaCo hereby assumes all of the City's rights and obligations under the Storm Agreement, excluding the City's obligation to pay F10 Hoops any relocation payments which accrue under Section XXVII.D of the Storm Agreement for the 2019 and 2020 WNBA seasons (the "Excluded Obligations").
- 5. <u>No Modification of ArenaCo Lease</u>. Nothing in this Agreement shall modify, limit, or amend either party's obligations under Article XII, Section 4 of the ArenaCo Lease.
- 6. <u>Covenant</u>. From and after the Effective Date, Arenco covenants and agrees to keep and perform each and every obligation of the City under the Storm Agreement as if ArenaCo had executed the same, excepting therefrom the Excluded Obligations and subject to the express limitations herein. Other than the Excluded Obligations, ArenaCo shall have each and every right and obligation of the City under the Storm Agreement.
- Prorations. The payments due to F10 Hoops under Section X.E of the Storm Agreement ("F10H Revenue Share"), currently in the annual amount of \$[•], and Section XXVII.C of the Storm Agreement ("Payment for Lost Opportunity and Intangible Redevelopment Impacts"), currently in the annual amount of \$100,000, shall be prorated and adjusted as of the Effective Date, regardless of whether such payments are then due.
- 8. <u>Representations and Warranties</u>. [Note: Subject to revision at time of execution]

A. As of the Effective Date, the City represents and warrants to ArenaCo that:

- 1) the Storm Agreement is in full force and effect; and
- 2) to the best of the Director's knowledge, F10 Hoops has not made any claim that the City is in breach of any obligation under the Storm Agreement, nor is there any uncured City Default, as that term is defined under the Storm Agreement, nor is there any fact or circumstance which to the best of the Director's knowledge would support a claim that the City is in breach of any obligation under the Storm Agreement; and
- to the best of the Director's knowledge, F10 Hoops is not in breach of any obligation under the Storm Agreement, nor is there any uncured F10H Default, as that term is defined under the Storm Agreement; and
- 4) the City has taken all action necessary and has the legal authority to assign its interest in the Storm Agreement as provided herein.
- B. As of the Effective Date, ArenaCo represents and warrants to the City that:
 - ArenaCo is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware; has the power, right, authority, and legal capacity to execute and deliver this Agreement; has taken all limited liability company action required to execute, deliver, and perform this Agreement and the transaction; and has caused this Agreement to be executed by its duly authorized officer; and
 - 2) Neither the entry into nor the performance of this Agreement by ArenaCo will (i) violate, conflict with, result in a breach under, or constitute a default under, any certificate of formation, limited liability company agreement, indenture, contract, agreement, permit, judgment, decree, or order to which ArenaCo is a party or by which ArenaCo is bound, or (ii) require the consent of any third party other than as has already been obtained; and
 - To the best of [ArenaCo approved representative's] knowledge, F10 Hoops has not provided ArenaCo with any notice of dispute or claim regarding ArenaCo's obligations under <u>Article XII, Section 4</u> of the ArenaCo Lease.
- 9. <u>Mutual Indemnification</u>. To the extent permitted by law, the City shall defend, indemnify, and hold ArenaCo and each of the ArenaCo Parties harmless from any and all claims, suits, losses, damages, fines, penalties, liabilities and expenses (collectively "Claims") arising under the Storm Agreement prior to the Effective Date, except for any Claims which arise from ArenaCo's performance of, or failure to perform, ArenaCo's obligations under Article XII, Section 4 of the ArenaCo Lease. To the extent permitted

by law, ArenaCo shall defend, indemnify and hold the City and each of the City Parties harmless from any and all Claims arising under the Storm Agreement on or after the Effective Date, except for any Claims which arise from City's performance of, or failure to perform, the Excluded Obligations or the City's obligations under Article XII, Section 4 of the ArenaCo Lease. Each party's obligations under this <u>Section 9</u> shall survive the expiration or termination of this Agreement.

- 10. <u>Termination</u>. If for any reason the ArenaCo Lease is terminated prior to the expiration or termination of the Storm Agreement, then this Agreement shall terminate without further action by either party.
- 11. <u>Entire Agreement</u>. This Agreement, including Exhibit 1, and the ArenaCo Lease, the applicable terms of which are incorporated herein by reference, contain all the representations and the entire agreement between the parties relating to the subject matter hereof.
- 12. <u>Amendments</u>. In order to be valid, any modification or amendment of this Agreement must be in writing signed by an authorized representative of each party.
- 13. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Jurisdiction and venue for any action arising under this Assignment Agreement shall be in King County Superior Court.
- 14. <u>Successors and Assigns</u>. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.
- 15. <u>Notices</u>. All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service, or mailed in the United States mail postage prepaid. If such notices are delivered by overnight courier, they shall be considered delivered on the first business day after deposit with such courier. If such notices are mailed, they shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:
 - City: Seattle Center Seattle Center Armory Attn: Seattle Center Director 305 Harrison Street Seattle, WA 98109

Copies to:	Civil Division Chief Seattle City Attorney's Office 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097
ArenaCo:	Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

<u>City</u>:

THE CITY OF SEATTLE, a Washington municipal corporation

By: Its:

ArenaCo:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By: Timothy J. Leiweke Its: Authorized Signatory

STATE OF WASHINGTON)

) ss

COUNTY OF KING)

On this _____day of ______, _____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _______, to me known to be the _______ of the _______ of the _______, of THE CITY OF SEATTLE, the municipal corporation on behalf of which the foregoing instrument was executed, and acknowledged the instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this instrument above written.

(Signature)

(Print or Type Name)

NOTARY PUBLIC in and for the State of Washington, residing at _____

My commission expires ______.

Att 1 - Lease Agreement (Arena at Seattle Center) V2

STATE OF WASHINGTON)

) ss

)

COUNTY OF KING

On this _____ day of _____, ____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ______, to me known to be the ______ of SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company, on behalf of which the within and foregoing instrument was executed, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this instrument above written.

(Signature)

(Print or Type Name)

NOTARY PUBLIC in and for the State of Washington, residing at _____

My commission expires ______.

<u>Exhibit L</u>

Form of Pottery Northwest Lease Agreement

EXHIBIT L

Form of Assignment and Assumption of Pottery Northwest Lease

THIS ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2018, by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington (the "City"), acting by and through the Seattle Center Department and its Director (the "Director"), and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("ArenaCo").

RECITALS

WHEREAS, the City and Pottery Northwest, Inc. a Washington nonprofit corporation ("Pottery Northwest"), are parties to that certain Lease Agreement dated July 29, 2013 (the "Pottery NW Lease"); and

WHEREAS, under the Pottery NW Lease, the City leases to Pottery Northwest certain premises comprising space located in a portion of the building commonly known as the "Bressi Garage" located at 226 First Avenue North Seattle, WA 98109, which premises are more specifically described in the Pottery NW Lease; and

WHEREAS, concurrent with this Agreement, the City and ArenaCo are entering into a lease agreement titled "Lease Agreement (Arena at Seattle Center)" and a related development agreement ("Development Agreement") and integration agreement (collectively referred to herein as the "ArenaCo Lease"), whereby ArenaCo is leasing and redeveloping property at Seattle Center, including the entire Bressi Garage building; and

WHEREAS, as required under the ArenaCo Lease and consistent with Section 16.D of the Pottery NW Lease, the City desires to assign its rights and obligations under the Pottery NW Lease to ArenaCo and ArenaCo desires to assume the City's rights and obligations under the Pottery NW Lease;

NOW, THEREFORE, with reference to the foregoing recitals and in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the City and ArenaCo agree as follows:

AGREEMENT

1. <u>Defined Terms</u>. The definitions in the Recitals are incorporated herein. Additionally, as used in this Agreement, the following capitalized terms have the meaning provided below:

"ArenaCo Parties" means ArenaCo's employees, officers, subtenants, licensees, agents, and assignees.

"City Parties" means the City's employees, elected officials, directors, tenants, licensees, agents and assignees.

- 2. Effective Date. This Agreement shall be effective as of [*].
- 3. <u>Assignment</u>. From and after the Effective Date, City hereby assigns to ArenaCo all of the City's rights and obligations under the Pottery NW Lease, which is attached as Exhibit 1 and made a part of this Agreement, subject to the terms and conditions of the ArenaCo Lease and the terms and conditions of this Agreement.
- 4. <u>Assumption</u>. From and after the Effective Date, ArenaCo hereby assumes all of the City's rights and obligations under the Pottery NW Lease, subject to the terms and conditions of the ArenaCo Lease and the terms and conditions of this Agreement. ArenaCo acknowledges that it is taking possession of the Premises described in the ArenaCo Lease subject to the Pottery NW Lease.
- 5. <u>Covenants and Limitations</u>. From and after the Effective Date, ArenaCo covenants and agrees to keep and perform each and every obligation of the City under the Pottery NW Lease as if ArenaCo had executed the same. From and after the Effective Date, except as limited herein, ArenaCo shall have each and every right and obligation of the City under the Pottery NW Lease, subject to the following limitations:
 - a) ArenaCo covenants that it shall not exercise the City's early termination right under Section 1.E of the Pottery NW Lease.
 - b) Notwithstanding any contrary provision of the Pottery NW Lease, ArenaCo shall not materially interrupt or interfere with Pottery NW's right to use its premises for the permitted use unless such interruption or interference is by mutual written agreement with Pottery Northwest.
 - c) Prior to ArenaCo's satisfaction of the conditions precedent set forth in Section 10.1 of the Development Agreement, ArenaCo shall not enter into any amendment or modification of the Pottery NW Lease without the City's prior written consent. Additionally, ArenaCo shall copy the City on any notice of default or termination given to Pottery Northwest.

Att 1 - Lease Agreement (Arena at Seattle Center) V2

6. Representations and Warranties.

1. As of the Effective Date, the City represents and warrants to ArenaCo that:

- a) the Pottery NW Lease is in full force and effect; and
- b) to the best of the Director's knowledge, Pottery Northwest has not made any claim that the City is in breach of any obligation under the Pottery NW Lease nor is there any fact or circumstance which would support a claim that the City is in breach of any obligation under the Pottery NW Lease; and
- c) to the best of the Director's knowledge, Pottery Northwest is not in breach of any obligation under the Pottery NW Lease, nor is Pottery Northwest in Default as that term is defined under the Pottery NW Lease; and
- d) the City has taken all action necessary and has the legal authority to assign its interest in the Pottery NW Lease as provided herein.
- 2. As of the Effective Date, ArenaCo represents and warrants to the City that:
 - a) ArenaCo is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and has the power, right, authority, and legal capacity to execute and deliver this Agreement and has taken all limited liability company action required to execute, deliver, and perform this Agreement and the transaction, and has caused this Agreement to be executed by its duly authorized officers; and
 - b) Neither the entry into nor the performance of this Agreement by ArenaCo will (i) violate, conflict with, result in a breach under, or constitute a default under, any corporate charter, certificate of incorporation, by-law, partnership agreement, limited liability company agreement, indenture, contract, agreement, permit, judgment, decree, or order to which Tenant is a party or by which ArenaCo is bound, or (ii) require the consent of any third party other than as has already been obtained.
- 7. <u>Mutual Indemnification</u>. To the extent permitted by law, the City shall defend, indemnify, and hold ArenaCo and each of the ArenaCo Parties harmless from any and all claims, suits, losses, damages, fines, penalties, liabilities and expenses arising under the Pottery NW Lease prior to the Effective Date. To the extent permitted by law, ArenaCo shall defend, indemnify and hold the City and each of the City Parties harmless from any

and all claims, suits, losses, damages, fines, penalties, liabilities and expenses arising under the Pottery NW Lease on or after the Effective Date. Each party's obligations under this <u>Section 7</u> shall survive the expiration or termination of this Agreement.

- 8. <u>Termination</u>. If for any reason the ArenaCo Lease is terminated prior to the expiration or termination of the Pottery NW Lease, this Agreement shall terminate without further action by either party.
- 9. <u>Entire Agreement</u>. This Agreement, including Exhibit 1, and the ArenaCo Lease contain all the representations and the entire agreement between the parties relating to the subject matter hereof.
- 10. <u>Amendments</u>. In order to be valid, any modification or amendment of this Agreement must be in writing signed by an authorized representative of each party.
- 11. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Jurisdiction and venue for any action arising under this Assignment Agreement shall be in King County Superior Court.
- 12. <u>Successors and Assigns</u>. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of the successors and assigns of the parties.
- 13. Notices.

All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service, or mailed in the United States mail postage prepaid. If such notices are delivered by overnight courier, they shall be considered delivered on the first business day after deposit with such courier. If such notices are mailed, they shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:

///

- ///
- ///

///

- City: Seattle Center Seattle Center Armory Attn: Seattle Center Director 305 Harrison Street Seattle, WA 98109
- Copies to: Civil Division Chief Seattle City Attorney's Office 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097
- ArenaCo: Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
- Copies to: Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
- Copies to: Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

THE CITY OF SEATTLE, a Washington municipal corporation

By: Its:

Tenant:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By: Timothy J. Leiweke Its: Authorized Signatory

STATE OF WASHINGTON)

) ss

COUNTY OF KING)

On this _____day of _____, ____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ______, to me known to be the ______ of the ______, of THE CITY OF SEATTLE, the municipal corporation on behalf of which the foregoing instrument was executed, and acknowledged the instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this instrument above written.

(Signature)

(Print or Type Name)

NOTARY PUBLIC in and for the State of Washington, residing at

My commission expires _____.

STATE OF WASHINGTON)

) ss

COUNTY OF KING)

On this _____ day of _____, ____, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared ______, to me known to be the ______ of SEATTLE ARENA COMPANY, LLC the Delaware limited liability company on behalf of which the within and foregoing instrument was executed, and acknowledged said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this instrument above written.

(Signature)

(Print or Type Name)

NOTARY PUBLIC in and for the State of Washington, residing at

My commission expires _____.

<u>Exhibit M</u>

Rent Adjustment Threshold Substitution for Mercer Street Parking Garage Replacement

To calculate the new Rent Adjustment Threshold for the Mercer Street parking garage replacement (the "Replacement Garage"), the following methodology will apply:

1. For the first full calendar year of operations of the Replacement Garage, Net Parking Receipts for the Replacement Garage will be calculated in the same manner as previously calculated for the Mercer Street parking garage.

2. For the last four (4) full calendar years prior to the closure of the Mercer Street parking garage, an average of the Net Parking Receipts during such period will be calculated.

3. The relative percentage of the Replacement Garage Net Parking Receipts compared to the historical average Mercer Street parking garage Net Parking Receipts will be calculated (the "<u>RAT Factor</u>")

4. The RAT factor will be applied to the first full year of Replacement Garage Net Parking Receipts to determine the new Rent Adjustment Threshold for the Replacement Garage for purposes of Article III and calculating the Rent Adjustment for the Replacement Garage.

5. In the event of partial years of operation of the Mercer Street parking garage and the Replacement Garage:

a. The Rent Adjustment for the Mercer Street parking garage for the year of closure will be calculated by prorating the Rent Adjustment Threshold for such year by the days of operation and using Net Parking Receipts for such period.

b. The Rent Adjustment for the Replacement garage for the year of opening will be suspended until such time as the calculations above can be made for the first full year of operation and the RAT Factor shall be applied to such partial opening year of operation with the Rent Adjustment Threshold prorated by the days of operation, and any resulting Rent Adjustment paid together with any Rent Adjustment for the first full year of operation.

Example calculation of new Rent Adjustment Threshold:

Example Year		2030		2031		2032		2033	4	Yr Average	New	Garage 2034
Total Net Revenue+	\$	6,000,000	\$	6,300,000	\$	6,500,000	\$	6,600,000	\$	6,350,000	\$	6,500,000
Rent Adjustment Threshold**	\$	2,700,000	\$	2,781,000	\$	2,864,430	\$	2,950,363	\$	2,823,948	\$	2,890,656
Parking Revenue Allocation:												
Rent Adjustment Threshold,												
retained by Landlord	\$	2,700,000	\$	2,781,000	\$	2,864,430	\$	2,950,363	\$	2,823,948	\$	2,890,656
Landlord's Excess Revenue												
(50%)**	\$	1,650,000	\$	1,759,500	\$	1,817,785	\$	1,824,819	\$	1,763,026	\$	1,804,672
Tenant's Excess Revenue (50%)**	\$	1,650,000	\$	1,759,500	\$	1,817,785	\$	1,824,819	\$	1,763,026	\$	1,804,672
New Mercer Arena Garage Replacement Rent Adjustment Threshold Factor = \$2,823,948/\$6,350,000 = 44%												
+Example Total Net Revenue for illustrative purposes only												
* Example Rent Adjustment Threshold assumes annual escalation at 3% #New Garage 2034 includes illustrative Total Net Revenue, mulitplied by the 4 yr Average Rent Adjustment Threshold Factor of 44% to												
determine the 2034 Rent Adjustment Threshold												
**Lease assumed to be in year 11 of the Term, with excess net parking revenues split 50/50												

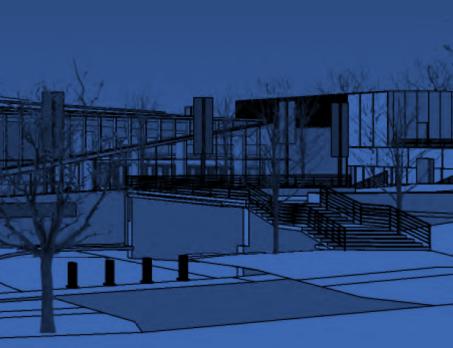
<u>Exhibit N</u>

Initial Sign Plan

SEATTLE CENTER ARENA INITIAL SIGN PLAN

SIGN PLANNING DOCUMENTS

09/10/2018



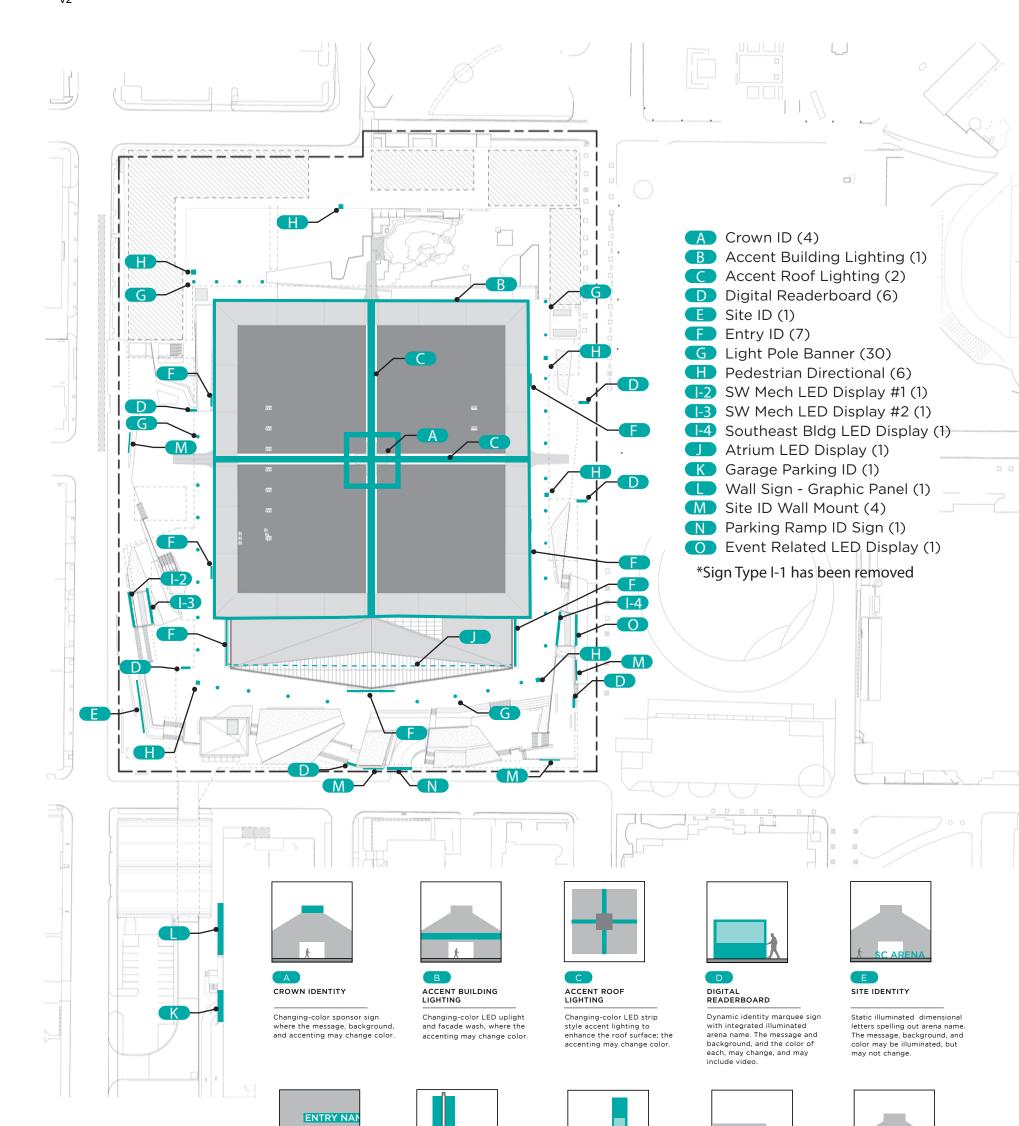
POPULOUS

Intent of the Initial Sign Plan

This Initial Sign Plan is integral to the Lease Agreement, Development Agreement, and Seattle Center Integration Agreement. It is intended to establish a logical and legible system of signs that informs and directs visitors, provides information about and supports arena events, identifies key sites of interest, and serves to enhance the aesthetic and experiential qualities of the site. The signage system will be a key contributor to promoting the brand, contributing to a sense of safety and security, and enhancing the experience of visiting the arena at Seattle Center.

Sign elements identified in this Initial Sign Plan supersede the Seattle Center Century 21 Signage Guidelines as to the areas covered by the plan. Only the sign elements identified in this Initial Sign Plan (e.g., locations, type, graphic, dimensions, and quantity) or otherwise described in the Lease Agreement, Development Agreement, or Seattle Center Integration Agreement are approved. For any sign visible from the Seattle Center Campus, additional sign elements such as brightness and refresh frequency are subject to the approval of the Seattle Center Director before installation. Additionally, this plan is subject to any applicable ordinance or regulatory requirements, and is subject to amendment for compliance with law.

1 SITE PLAN 1"=40'-0"







Static illuminated signs over entry doors the message, background, and color may be illuminated, but may not change.



Static illuminated amenity signs

"light the way" to entry points; attachable banners for arena identity and advertising. The

message, background, and

may not change.

color may be illuminated, but

LIGHT POLE BANNERS



PEDESTRIAN DIRECTION

> Changing-image wayfinding pylon sign; illuminated, possible inclusion of map for Seattle Center. The message and background, and the color of each, may change.



SITE DYNAMIC DISPLAY

Dynamic identity sign with

integrated illuminated arena name. The message and

background, and the color of

each, may change, and may include video.



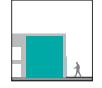
J DIGITAL ATRIUM SIGNAGE

> A currently undetermined dynamic lighting or LED technology that will preserve the transparency of the glass when the technology is not illuminated. The lighting or LED technology will visible through the south atrium facade. The message and background, and the color of each, may change, and may include video.



GARAGE PARKING

Identification sign on the First Ave. N facade of the parking structure. Internally Illuminated channel letter sign mounted directly onto building.



WALL SIGN -GRAPHIC PANEL

Wall sign on the building facade. Illuminated frame mounted sign mounted directly onto building.



SITE IDENTIFICATION WALL MOUNT SIGN

Static illuminated dimensional letters spelling out arena name. The message, background, and color may be illuminated, but may not change.



PARKING RAMP ID SIGN

Static illuminated overhead sign identifies parking access. The message, background, and color may be illuminated, but may not change.



EVENT RELATED LED DISPLAY

Non-video capable digital wall sign displaying information about upcoming events.

PROPOSED SIGN TYPES

9/10/2018

Sign Type	Sign Name	Graphic	Size	Sign Sides	Quantity	Size (sqft) each side	Total (sqft)
A	Crown Identity Changing Color (LED)		16'-0" (h) x 43'-0" (w)	1	4	688	2752
В	Accent Bldg Lighting	Changing Color (LED)	0'-6" (h) x 400'-0" (w)	1	4	200	800
С	Accent Roof Lighting	Changing Color (LED)	0'-6" (h) x 160'-0" (w)	1	4	80	320
D	Digital Readerboard	Dynamic (LED) Display	10'-0" (h) x 5'-0" (w)	2	6	100	600
E	Site Identity	Static Illuminated	10'-0" (h) x 50'-0" (w)	1	1	500	500
F	Entry Identity	Static Illuminated	3'-0" (h) x 60'-0" (w)	1	7	180	1260
G	Light Pole Banners	Static Illuminated	10'-0" (h) x 3'-0" (w)	4	30	120	3600
Н	Pedestrian Directional	Static Illuminated	11'-0" (h) x 3'-0" (w)	2	6	66	396
		Changing Image (LED) Display;					
I-2	Site LED Display	portion Dynamic (LED) Display	9'-8" (h) x 42'-0" (w)	1	1	405	405
I-3	Site LED Display	Changing Image (LED) Display	5'-10" (h) x 42'-0" (w)	1	1	245	245
I-4	Site LED Display	Changing Image (LED) Display	14'-9" (h) x 45'-0" (w)	1	1	672	672
J	Atrium LED Display	Dynamic (LED) Display	8,000 sqft (30%)	1	1	2400	2400
						202	200
К	Garage Parking ID	Static Illuminated	25'-0" (h) x 8'-0" (w)	1	1	200	200
						670	670
L	Wall Sign - Graphic Panel	Static Illuminated	33'-7" (h) x 20'-0" (w)	1	1	672	672
						24	125
М	Site ID Wall Mount	Static Illuminated	1'-10" (h) x 18'-0" (w)	1	4	34	136
	Dealling Dealer ID C	Chatle Illuminated		4	4	120	120
N	Parking Ramp ID Sign	Static Illuminated	6'-0" (h) x 20'-0" (w)	1	1	120	120
	Event Deleted LED Division	Changing Image (IED) Disates		1	1	200	200
0	Event-Related LED Display	Changing Image (LED) Display	8'-9" (h) x 33'-7" (w)	1	1	296	296

Note: Sign I-1 has been removed

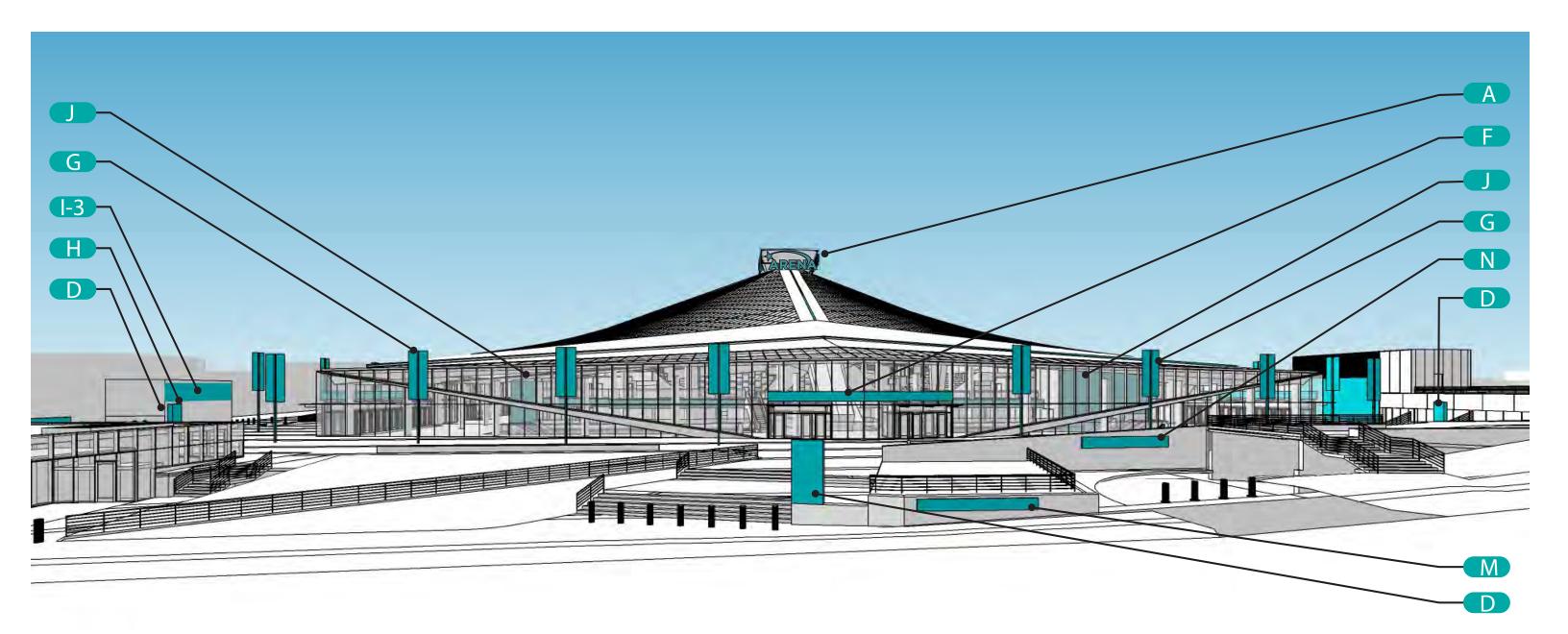
Total 15374







Att 1 - Lease Agreement (Arena at Seattle Center) SOUTH \dot{VFEW} - Warren Ave & Thomas St

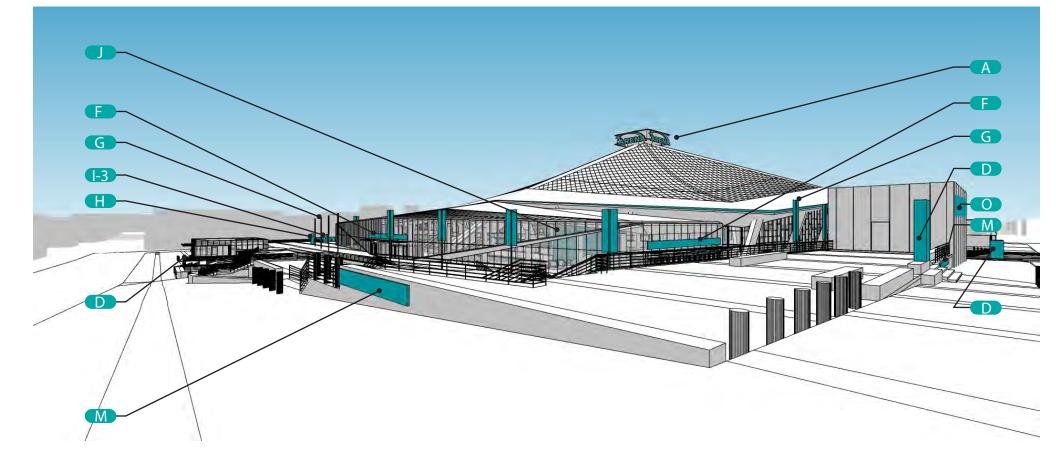


Att 1 - Lease Agreement (Arena at Seattle Center) SOUTH $\stackrel{\mbox{\ensuremath{\mathcal{V}}\xspace{1.5}}}{\mbox{\ensuremath{\mathcal{V}}\xspace{1.5}}}$. Warren Ave & Thomas St



Att 1 - Lease Agreement (Arena at Seattle Center) SOUTH $\stackrel{\mbox{Vr}EW}{\mbox{PEW}}$ - Warren Ave & Thomas St

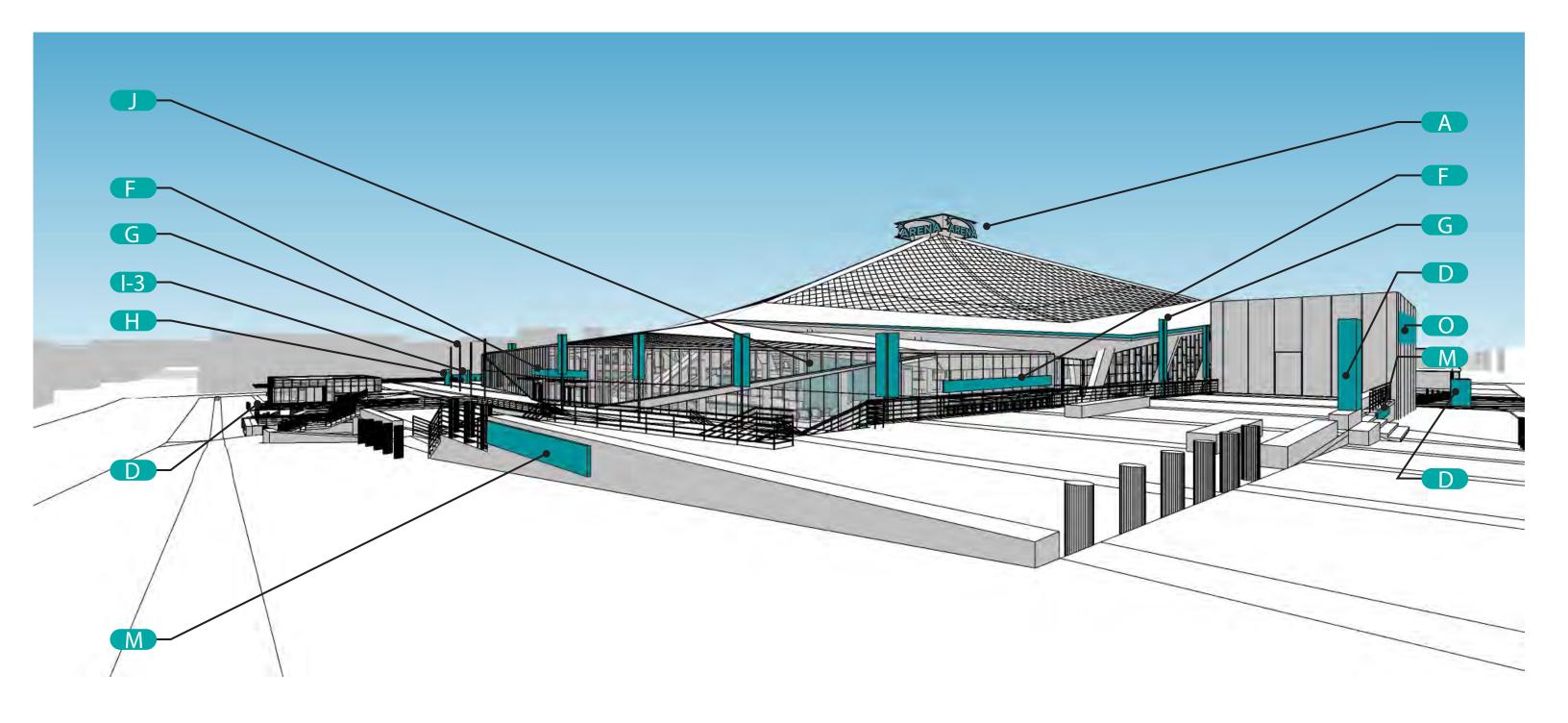






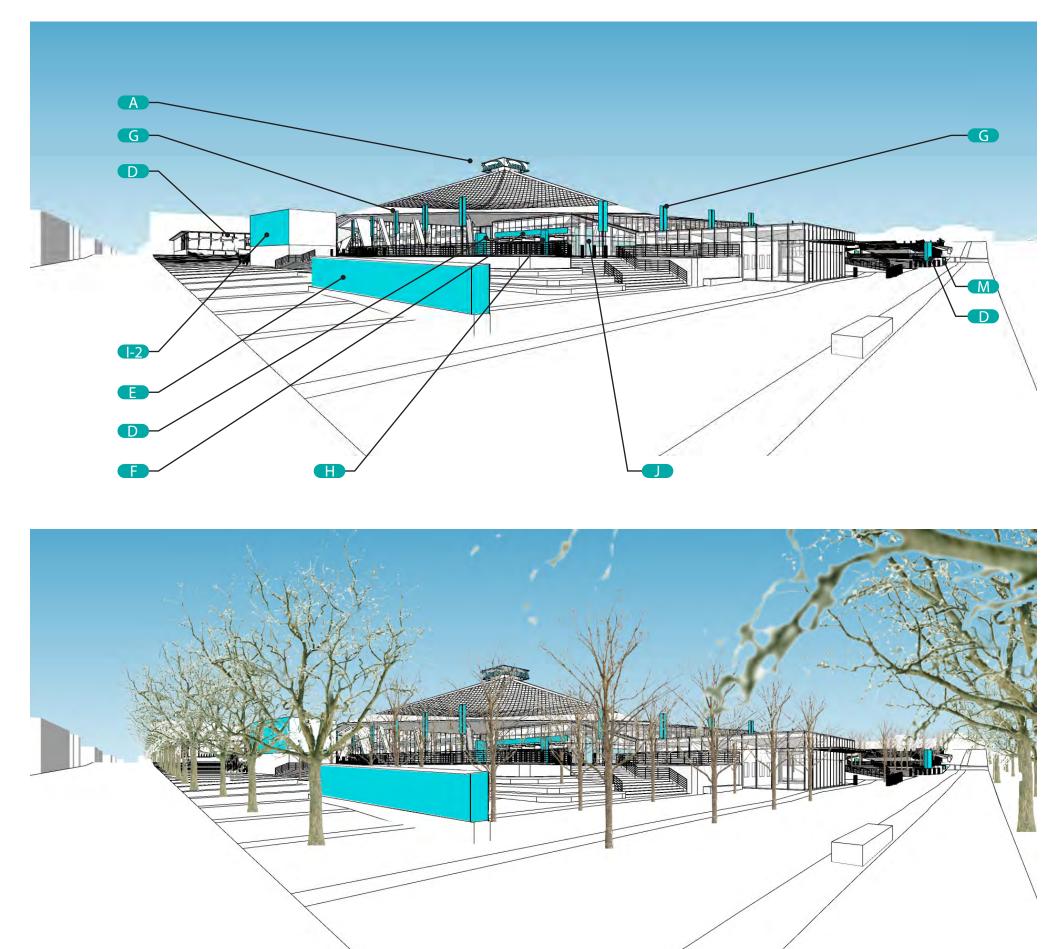


Att 1 - Lease Agreement (Arena at Seattle Center) SOUTHEAST VIEW - 2nd Avenue North & Thomas St



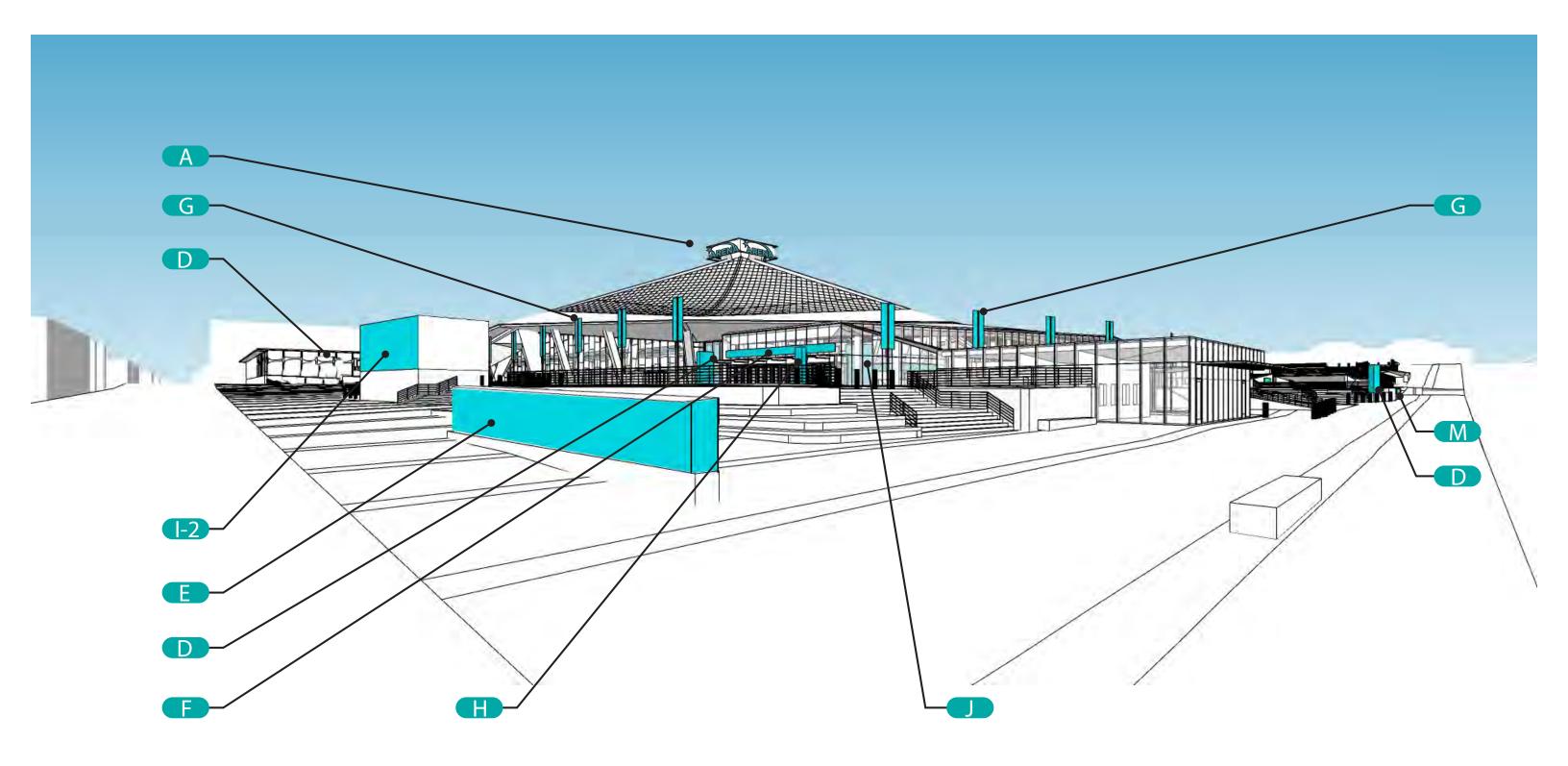


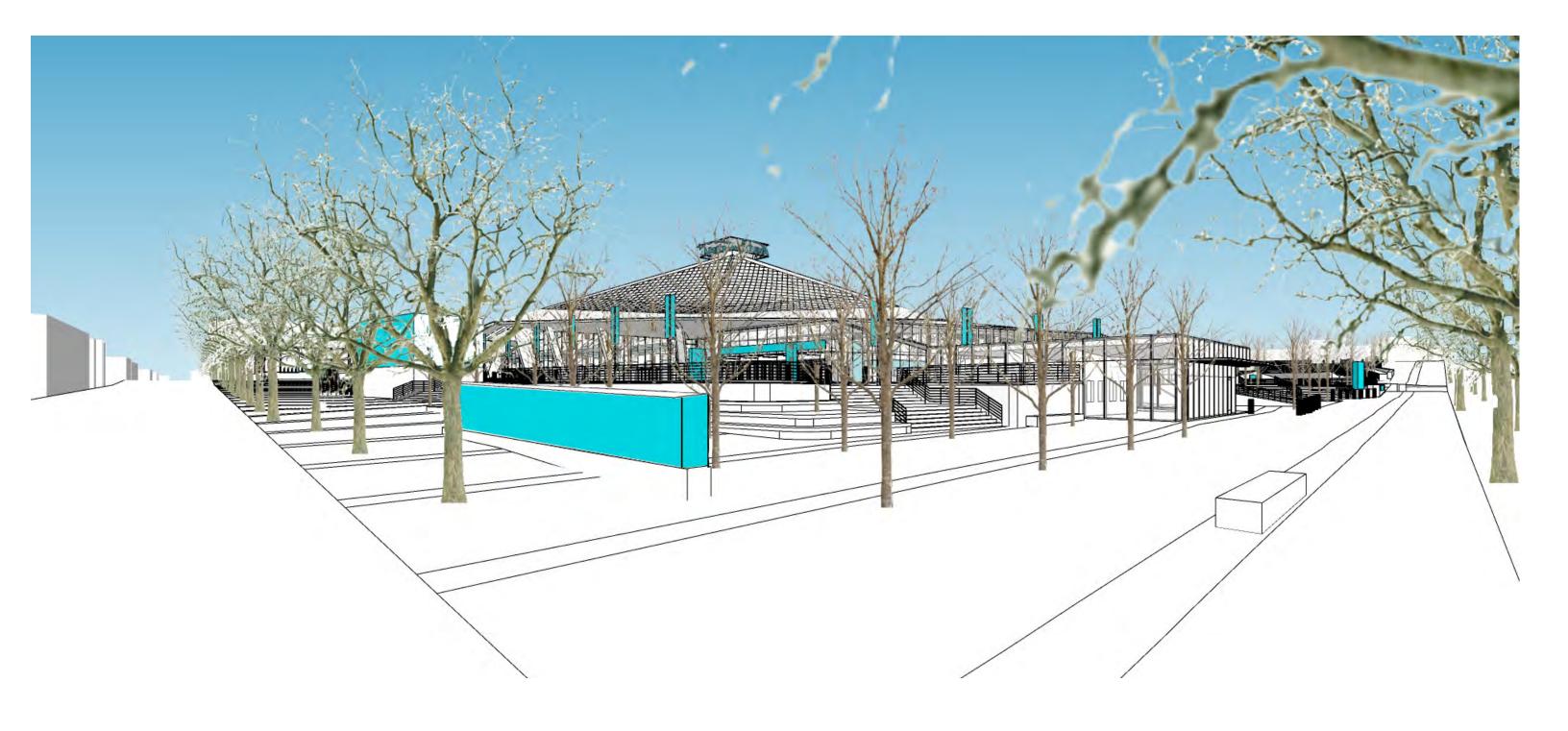




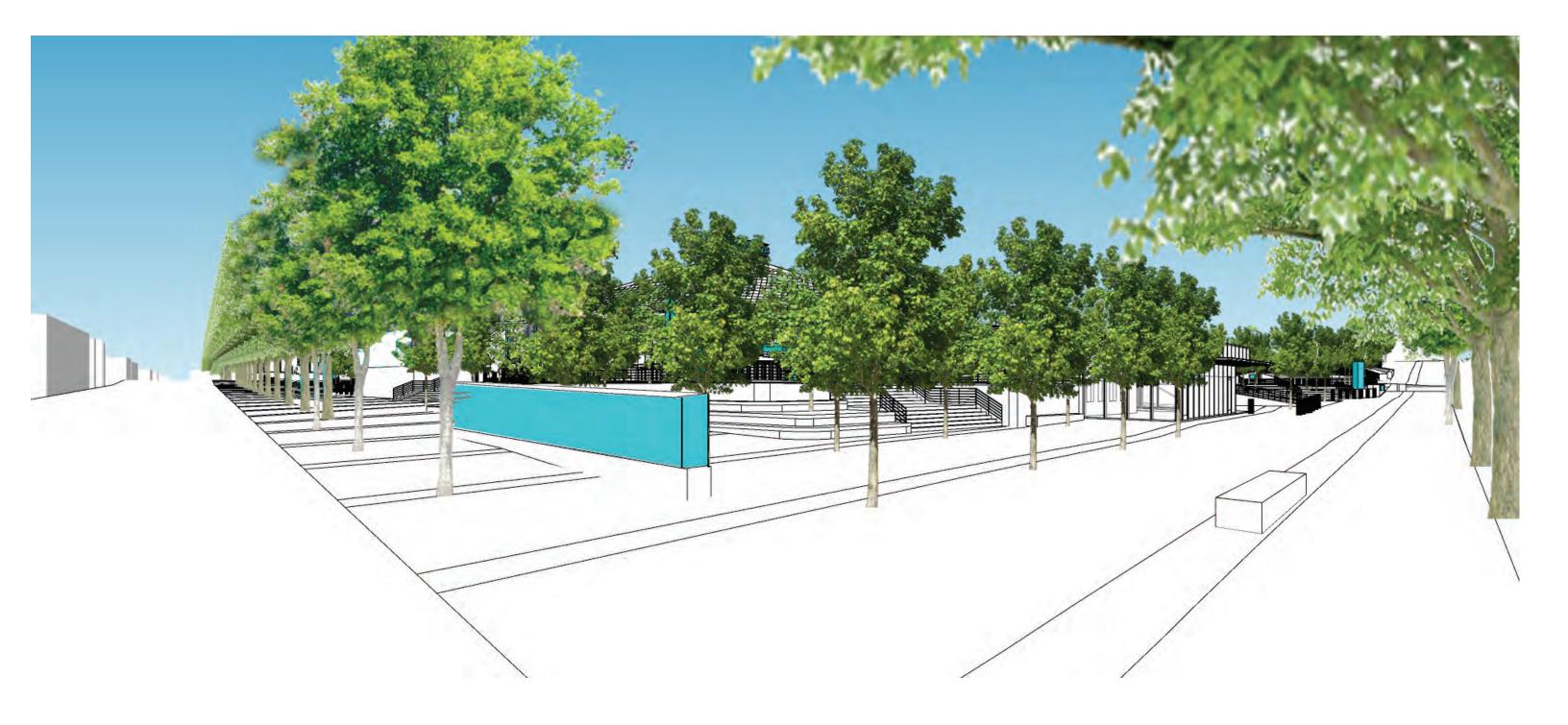


Att 1 - Lease Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St





Att 1 - Lease Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St













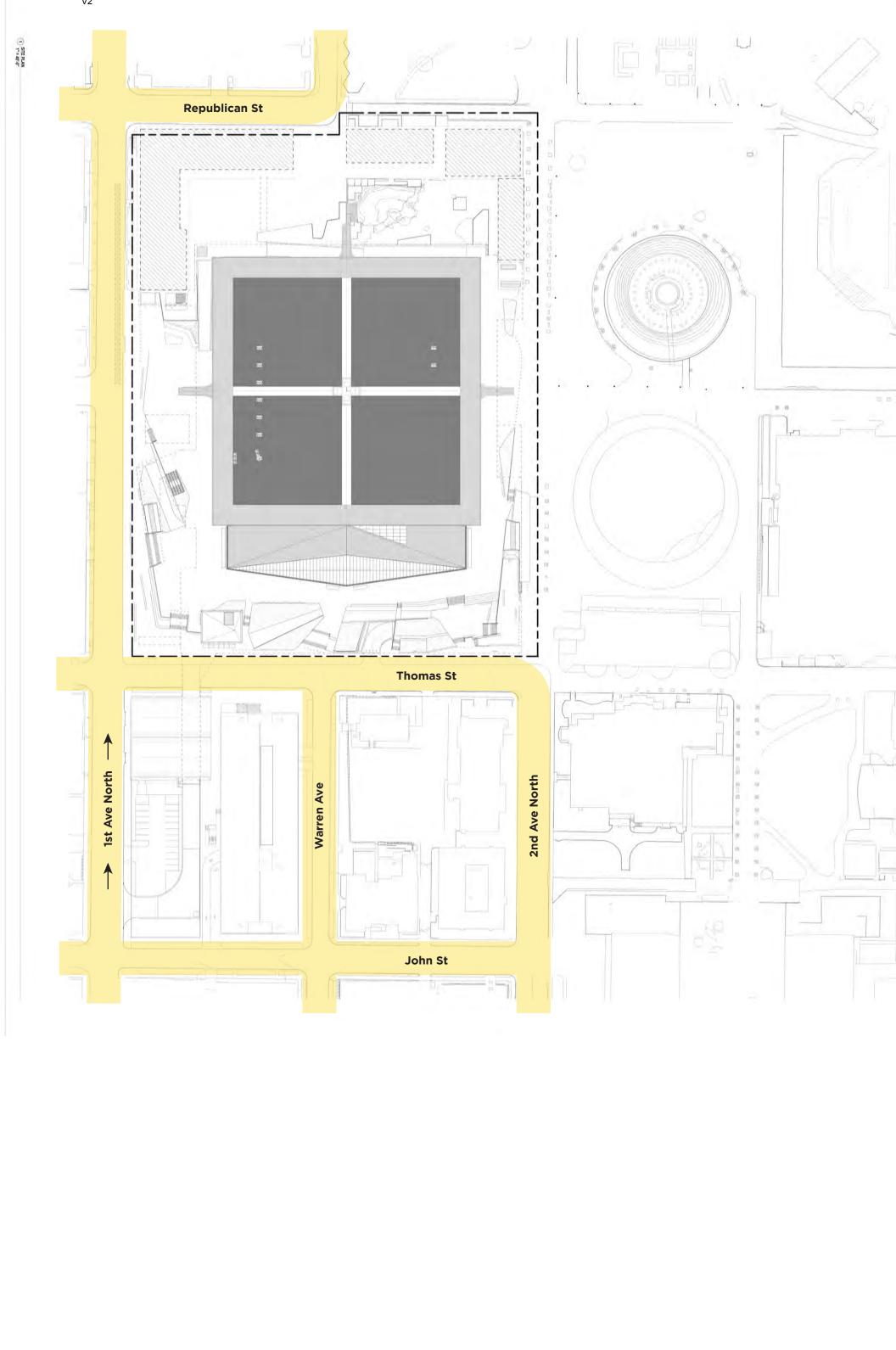
Att 1 - Lease Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St

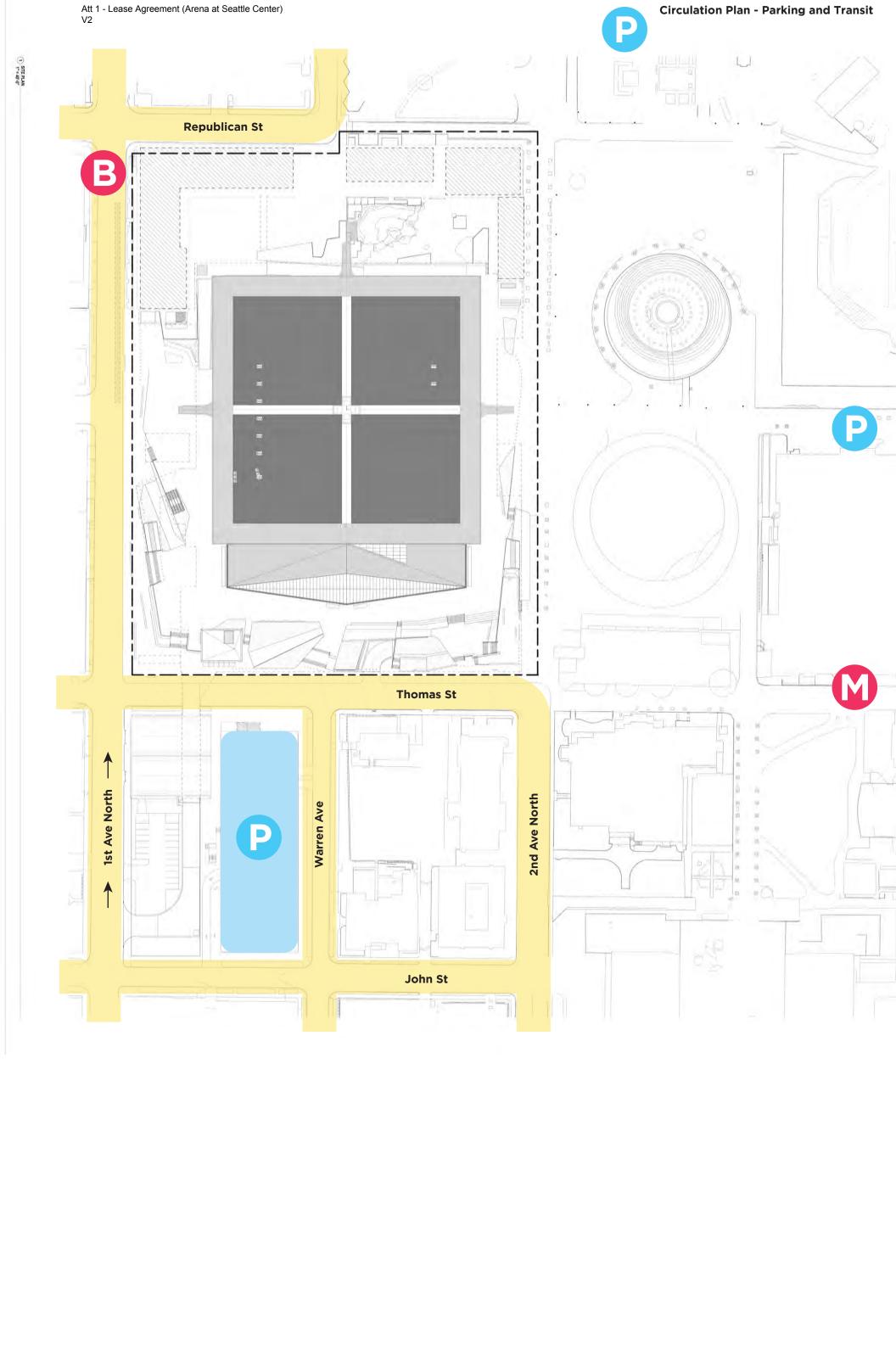


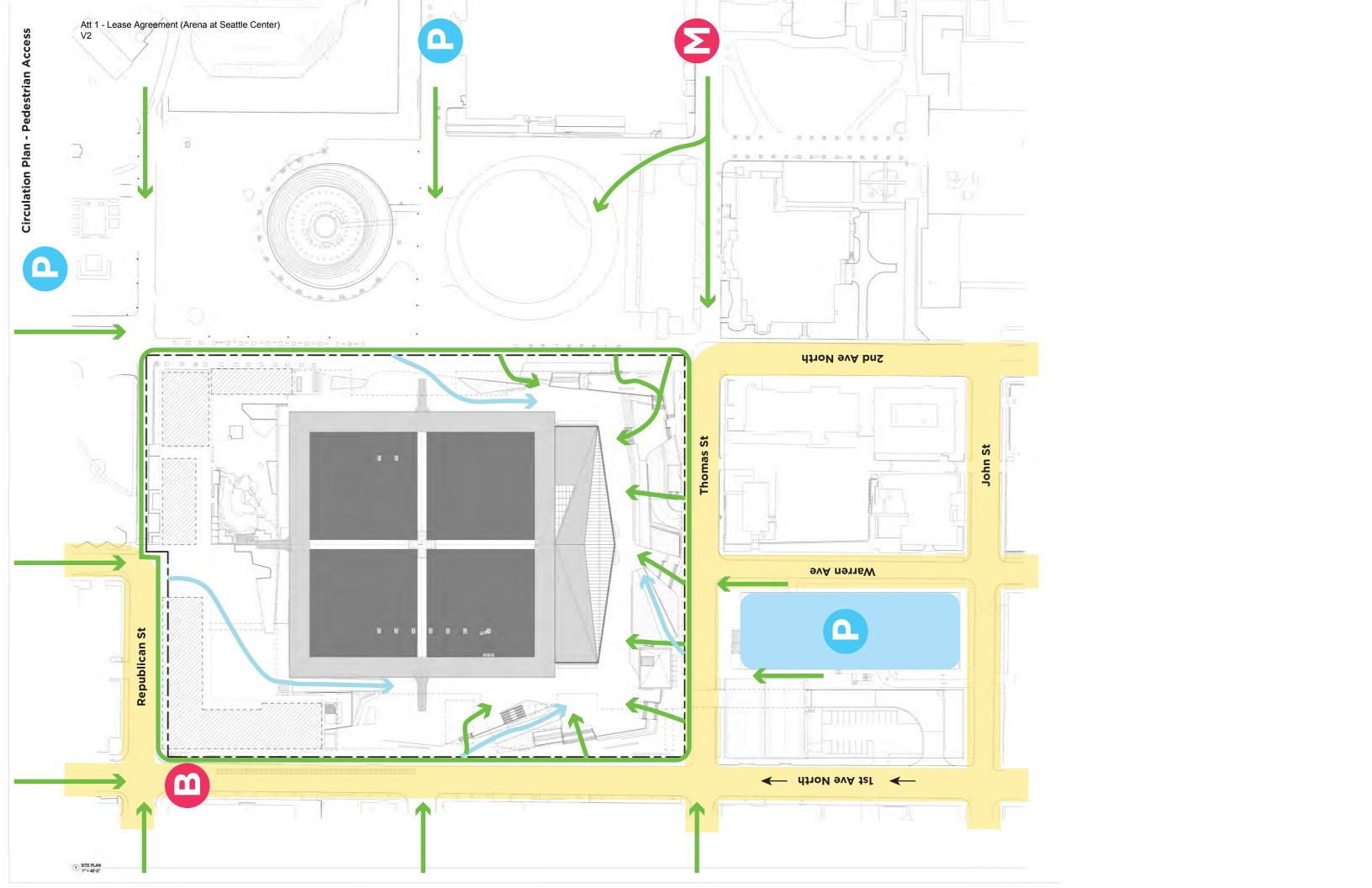
Att 1 - Lease Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St

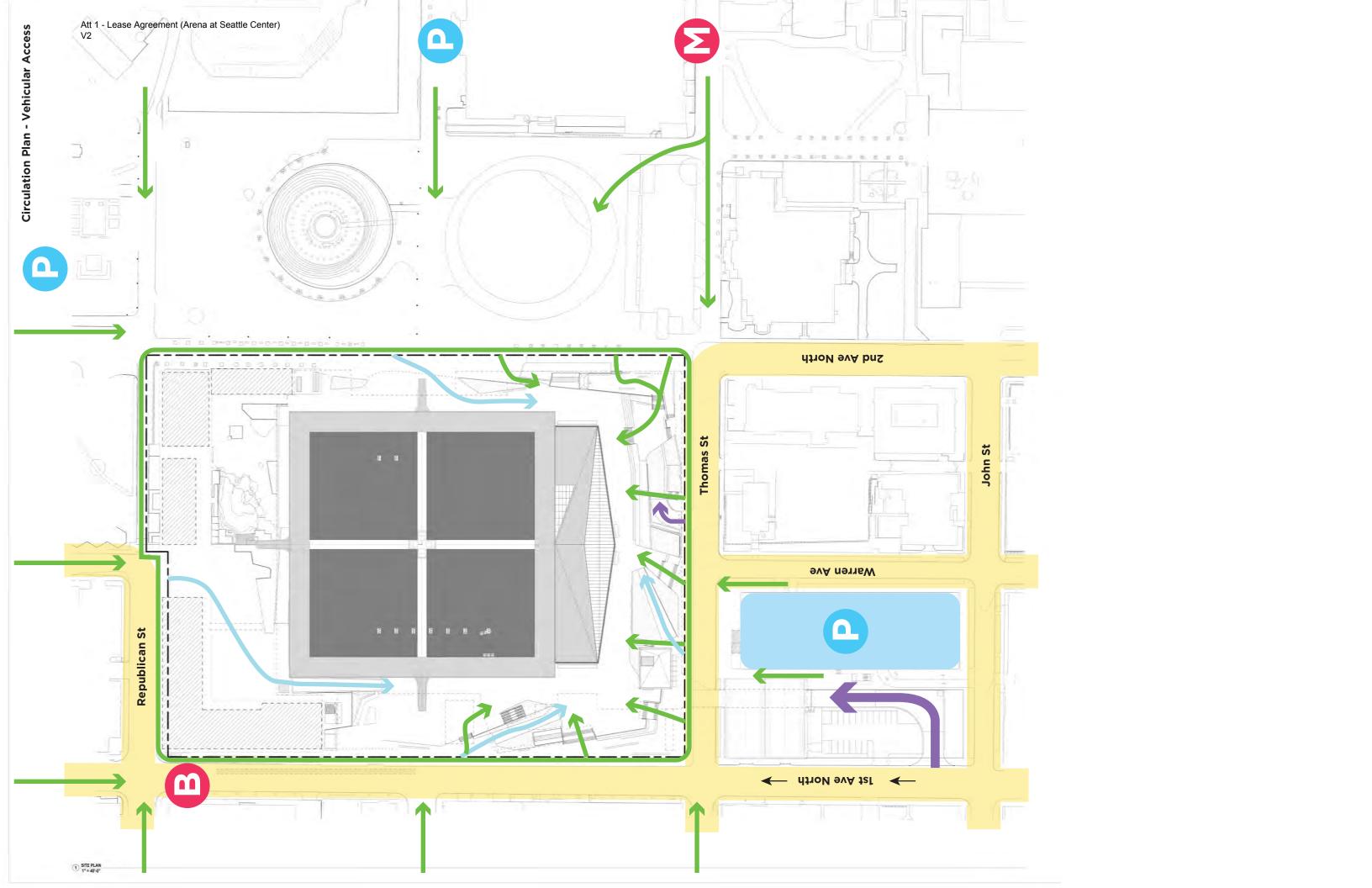


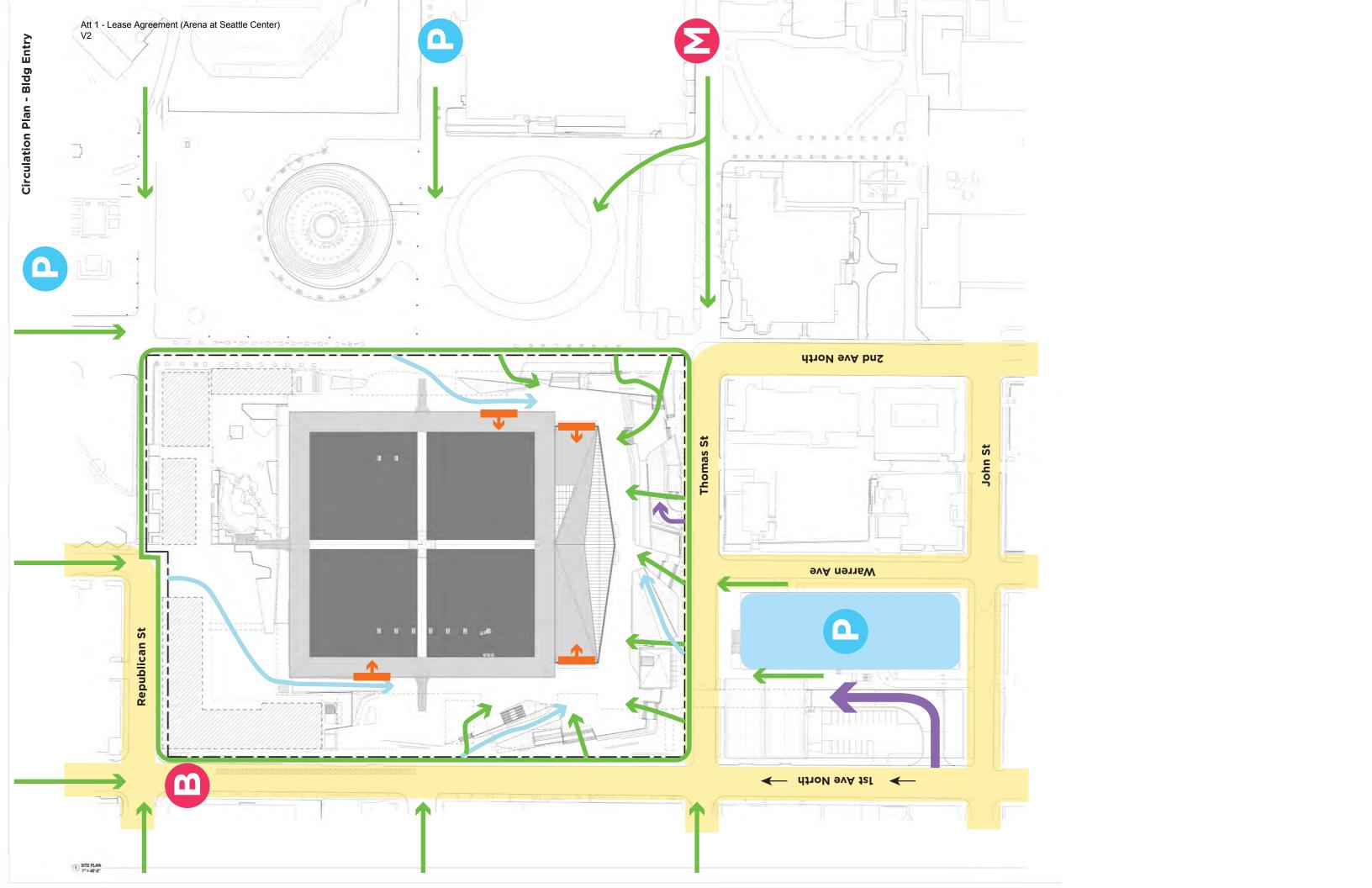
Att 1 - Lease Agreement (Arena at Seattle Center) V2 **Circulation Plan - Street Network**

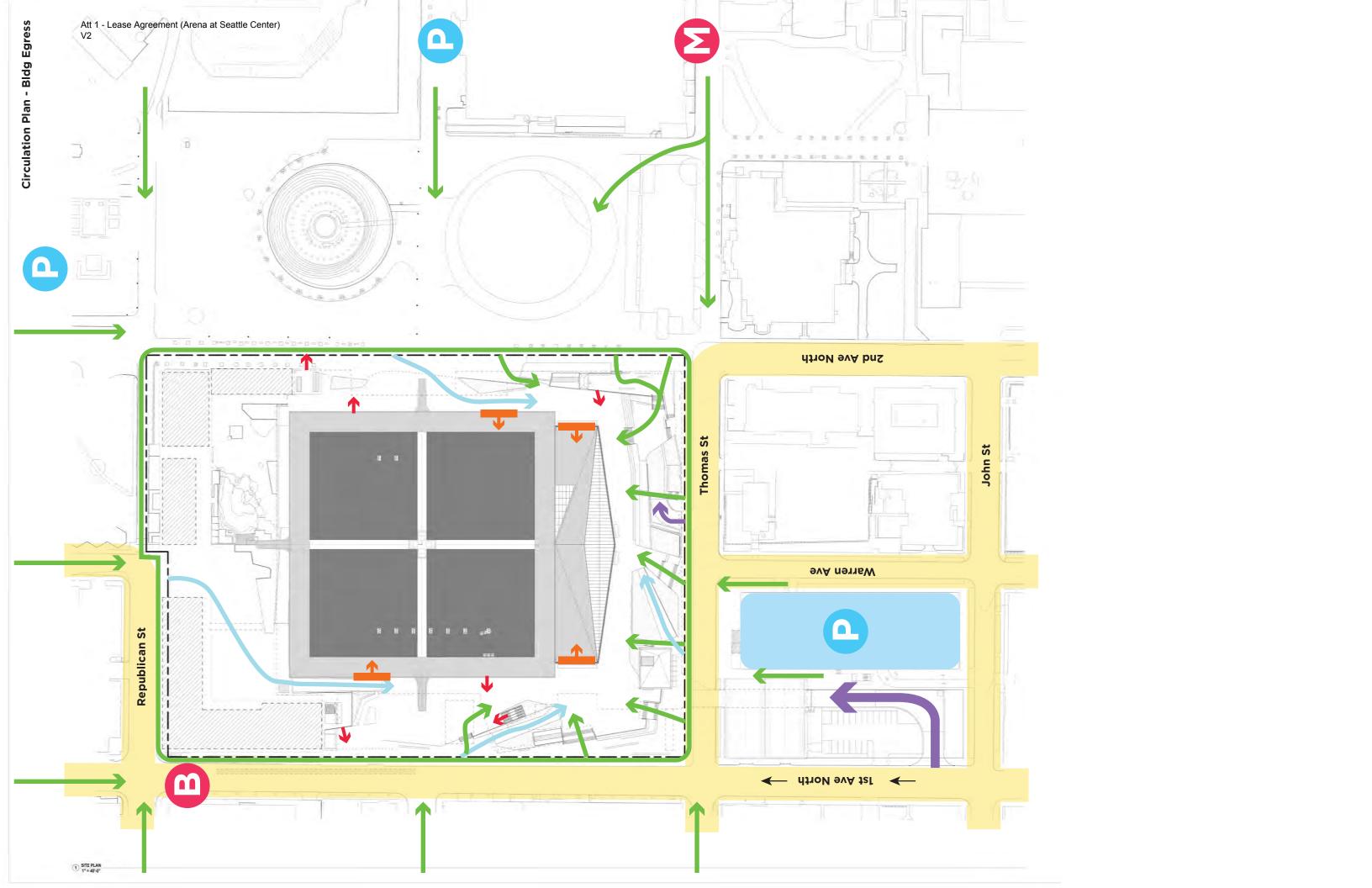


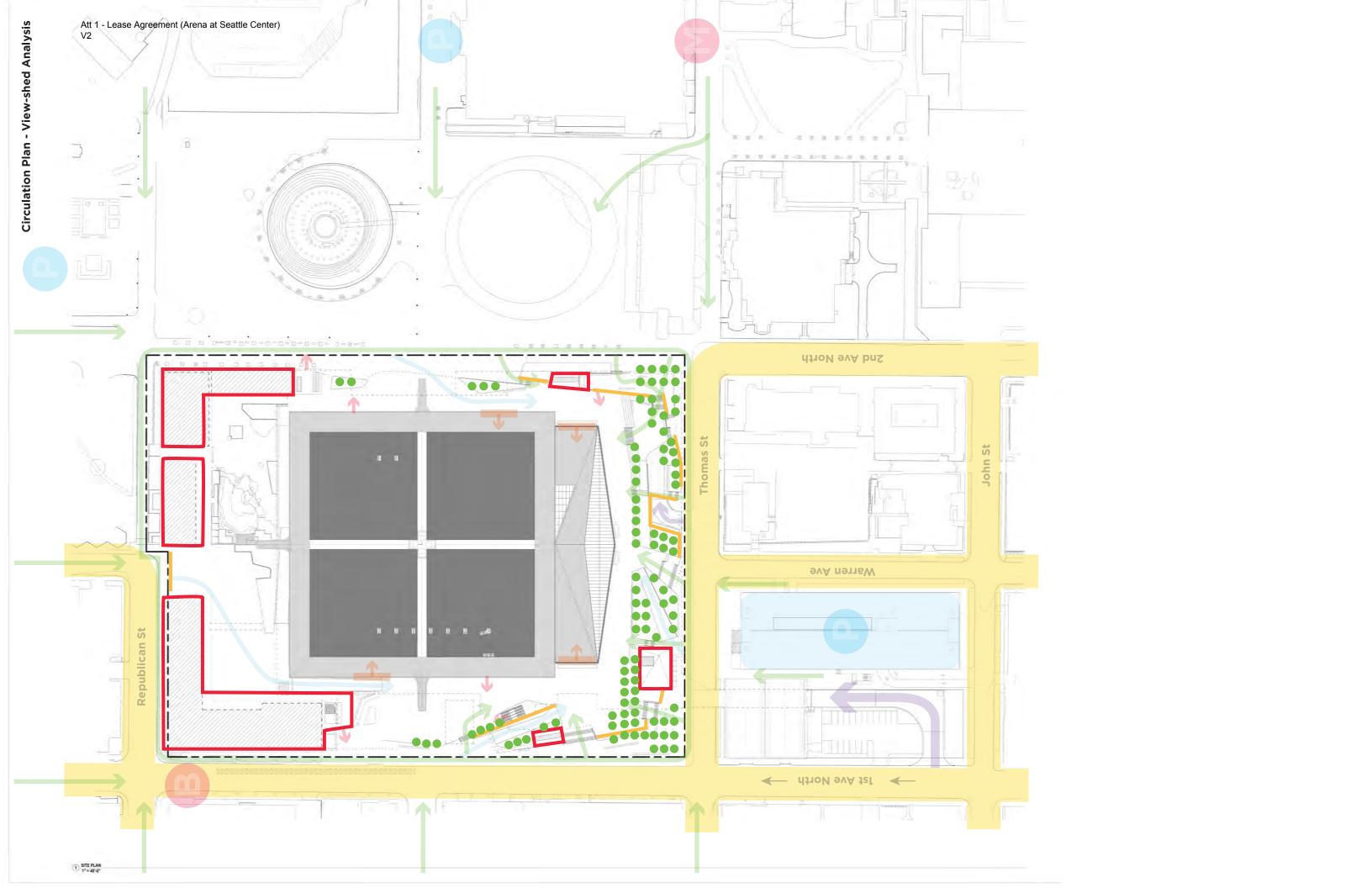












Att 1 - Lease Agreement (Arena at Seattle Center) V2

Handout 1b - Amendment 1 (Green Paper)

Council Bill 119345, Attachment 2, Substitute version 2 for version 1a, to include omitted Exhibits

DEVELOPMENT AGREEMENT (ARENA AT SEATTLE CENTER)

by and between

THE CITY OF SEATTLE, a Washington municipal corporation,

and

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

Dated: [•], 2018

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This DEVELOPMENT AGREEMENT (ARENA AT SEATTLE CENTER) ("<u>Agreement</u>"), dated this $[\bullet]$ day of $[\bullet]$, 2018 ("<u>Effective Date</u>"), is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation ("<u>City</u>"), and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("<u>Tenant</u>"). The City and Tenant are referred to in this Agreement individually as a "<u>Party</u>" and jointly as the "<u>Parties</u>".

RECITALS

WHEREAS, on January 11, 2017, the City released a Request for Proposal (as amended, the "<u>RFP</u>") for the redevelopment of KeyArena (the "<u>Arena</u>") at Seattle Center as a world-class, multi-purpose sports and entertainment facility. The City developed the RFP with input from ten City departments and in consultation with constituencies throughout Seattle; and

WHEREAS, on April 12, 2017, Oak View Group, LLC, a Delaware limited liability company ("<u>OVG</u>") submitted to the City a proposal in response to the RFP entitled "Proposal for the Transformation of the Arena at Seattle Center" (as subsequently amended, the "<u>OVG</u><u>Response</u>"); and

WHEREAS, pursuant to an extensive City and stakeholder process involving, among others, each of (1) the Arena Community Advisory Panel created by the City for this process, (2) a City executive review team comprised of the Director of the Office of Economic Development, the Director of Seattle Center, and the Director of the City Budget Office (collectively, the "<u>Executive Review Team</u>"), and (3) a team of City staff members in the areas of design/constructability, finance, operations, social equity, and transportation (collectively, the "<u>City Staff Review Team</u>"), the City selected the OVG Response as the preferred proposal for the renovation of the Arena; and

WHEREAS, on December 4, 2017, the Seattle City Council adopted Ordinance 125480, which, among other things, authorized the Mayor to execute a Memorandum of Understanding in the form approved by the City Council; and

WHEREAS, on December 6, 2017, the Mayor, on behalf of the City, and OVG executed and delivered the Memorandum of Understanding (the "<u>MOU</u>"); and

WHEREAS, the MOU sets forth the mutual understandings of the Parties regarding those actions, permits, approvals, and/or the material terms of anticipated agreements lawful and necessary to accomplish the design, development, construction, lease, financing, management, operation, use, and occupancy of the Arena (collectively, the "Development Project"); and

WHEREAS, on $[\bullet]$, 2018, the Seattle City Council adopted Ordinance $[\bullet]$, which authorized the Mayor, on behalf of the City, to enter into this Agreement, as well as the related and concurrent (1) Lease Agreement (Arena at Seattle Center) (the "Lease") and (2) Seattle Center Integration Agreement (the "Integration Agreement"; the Lease and Integration Agreement, as well as the documentation of the security interests and/or letters of credit to be provided pursuant to Sections 10.1.10 and 10.1.13, are collectively referred to herein as the "Other Transaction Documents");

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as to the following:

SECTION 1. PURPOSE OF AGREEMENT; DEVELOPMENT PROJECT AND DEVELOPMENT PREMISES DEFINED

1.1 Purpose of Agreement. This Agreement sets forth certain understandings between the Parties with respect to the design and construction of the Development Project. Tenant agrees to develop, design, and construct the Development Project in accordance with the terms and conditions of this Agreement and the Lease. Subject only to the City's express representations and covenants in this Agreement and the Lease, Tenant agrees to accept the Development Premises (as defined below) in its as-is condition. As between Tenant, on the one hand, and the City, on the other hand, and except as otherwise expressly set forth herein, Tenant will be solely responsible for (a) the cost of design, permitting, and construction of the Development Project, including any cost overruns, such that no part of such cost of the Development Project shall ever become an obligation of the City, and (b) any construction defects in the Development Project. Notwithstanding the foregoing, Tenant shall not be responsible for costs that are attributable to enhancements to the Development Premises or changes to the Development Project that are requested by the City in its capacity as owner and lessor of the Development Premises, if and as such enhancements may be approved by Tenant and the City in accordance with the process set forth in Section 10.4 below (e.g., City may request Tenant's approval of a proposed Change Order). Nothing herein shall create any obligations on the part of Tenant to any third parties.

1.2 <u>Development Project</u>. The Development Project is described in the plans and specifications titled "Seattle Arena" prepared by Populous and listed or identified on <u>Exhibit A</u> (the "<u>Approved Baseline Plans</u>"), and which are the most current phase of the plans and specifications that have been prepared by Tenant and approved by the City. [The plans and specifications will be further developed and approved as provided in <u>Section 9</u> below.]¹

1.3 <u>Development Premises.</u> Tenant leases the "Premises" described in the Lease pursuant to the terms and conditions contained therein. This Agreement is supplementary to the Lease and does not separately grant any leasehold interest. The Premises that are leased to Tenant pursuant to the Lease during the Term of this Agreement are referred to herein as the "<u>Development Premises</u>" and are depicted on <u>Exhibit B-1</u> and legally described on <u>Exhibit B-2</u>. Tenant's use of the Development Premises is also subject to the terms, conditions, and limitations of this Agreement, including, but not limited to, certain City access requirements and certain temporary adjustments to the construction fence line as further described in the Construction Site Logistics Plan and Construction Impact Mitigation Plan.

1.4 <u>Temporary Construction Staging, Loading, and Access Areas.</u> Tenant shall conduct construction staging and loading activities, and shall access the Development Premises during the construction period, in accordance with the Construction Site Logistics Plan attached hereto as <u>Exhibit C-1</u> (the "<u>Construction Site Logistics Plan</u>"). Tenant does not have rights to use areas within Seattle Center and outside of the Development Premises except (i) as provided in the

 $^{^{1}}$ Drafting note – bracketed text to be deleted if plans and specifications are in final form and approved as of the Effective Date.

Construction Site Logistics Plan (ii) for the night-time truck hauling use of vacated Harrison Street within the Seattle Center campus from its intersection with vacated 2^{nd} Avenue North on the west and to 5^{th} Avenue North on the east pursuant to conditions further described in <u>Exhibit E</u> and <u>Exhibit R</u> herein, and (iii) for temporary access rights provided in <u>Section 1.5.5</u> herein.

1.5 Grants and Reservations of Other Real Property Rights.

1.5.1 <u>Crane Overhang License Agreement.</u> Tenant shall locate construction cranes as shown on the Construction Site Logistics Plan. To the extent that Tenant requires a crane overhang license over and across any portions of Seattle Center that are located outside the boundary lines of the Development Premises, then such rights shall be as provided pursuant to a Crane Overhang License Agreement in the form of <u>Exhibit C-2</u> attached hereto ("<u>Crane Overhang License Agreement</u>"). To the extent that Tenant requires a crane overhang license over and across any real property owned by a third party that is located outside the boundary lines of the Development Premises, then Tenant shall secure such rights in writing prior to commencement of crane operation, and shall provide a copy of any agreements with such third-party property owners to the City for its files on the Development Project.

1.5.2 <u>Shoring and Tie-Back Easement.</u> Tenant shall locate shoring and tieback improvements as shown on the Shoring and Tie-Back Plan attached hereto as <u>Exhibit</u> <u>D</u> (the "<u>Shoring and Tie-Back Plan</u>"). Concurrently with the execution of this Agreement, the City shall provide Tenant with an easement in the form of <u>Exhibit D-1</u> attached hereto ("<u>Shoring and Tie-Back Easement</u>") for any shoring and tie-backs which will be located on any portions of Seattle Center that are located outside the boundary lines of the Development Premises. To the extent that Tenant requires a shoring and tie-back easement or license under and access any real property owned by a third party (including, without limitation, the Seattle Department of Transportation ("<u>SDOT</u>")) that is located outside the boundary lines of the Development Premises, then Tenant shall secure such rights in writing prior to commencement of shoring and tie-back installation, and shall provide a copy of any agreements with such third-party property owners to the City for its files on the Development Project.

1.5.3 <u>Northwest Rooms Courtyard Restoration and Mitigation Plan.</u> Tenant, at its sole cost and expense, shall complete design documents for the Northwest Rooms Courtyard that are consistent with and implement this <u>Section 1.5.3</u>, to be included in the Final Design to be approved by the Seattle Center Director in accordance with <u>Section 9.1</u>. Such portion of the Final Design shall be the "<u>Northwest Rooms Courtyard Restoration</u> and <u>Mitigation Plan</u>." The Northwest Rooms Courtyard Restoration and Mitigation Plan will implement the commitment to a 360 degree pedestrian experience surrounding the Arena, including a consistent hardscape, landscape, lighting and signage/wayfinding plan for the upper and lower Northwest Rooms Courtyards, intended to enhance the built environment surrounding the Arena to create an aesthetically consistent and functionally efficient open space around the Arena for the benefit of Arena patrons, Northwest Rooms tenants, and other Seattle Center visitors. Tenant shall at its expense cause same to be timely constructed in accordance with the resulting Final Design.

Tenant, as part of its Development Project may demolish the southern twenty (20) feet of the existing underground tunnel that runs under the upper Northwest Rooms Courtyard and may trench and make adjustments to the ground plane within its construction fence line or as otherwise approved by the Seattle Center Director as needed to implement Tenant's noise mitigation plan, provided that the final restoration of the upper Northwest Rooms Courtyard includes a scope of work mutually agreed upon by the Parties with respect to filling in the remaining portion of the tunnel and ensuring that all roof drains from the KEXP facility and the courtyard drains are in good working order before the new hardscape is installed. During construction, Tenant will provide protection of the Thiry planter/fountain in the upper Northwest Rooms Courtyard, which is part of the landmarked Northwest Rooms and International Pavilion site. If the City proceeds with construction of breezeway improvements during Tenant's construction of the Project, Tenant will coordinate as needed for the City contractor(s) working on breezeway improvements to ensure the City and its contractor(s) have construction access to the breezeway site. Tenant will also provide access to The Vera Project and KEXP leasehold spaces during the period of any construction activities and while Tenant installs new hardscape.

In the lower Northwest Rooms Courtyard, Tenant shall ensure its construction fence is south of the DuPen Fountain and the Atlas Cedar Legacy Tree, which shall be protected. The DuPen Fountain will be closed for the duration of construction. During this time, City will protect the DuPen artworks and will undertake repairs and possible renovation to the DuPen Fountain. Tenant will provide coordination as needed for the City contractor(s) working on the DuPen Fountain and will work to ensure construction access to the fountain site as well as to The Vera Project, SIFF and Art/Not Terminal and their patrons to their leasehold spaces during construction and while new hardscape is installed.

Adjacent to the lower Northwest Rooms Courtyard, Tenant is authorized to deconstruct the south forty (40) feet of the International Fountain Pavilion to construct an egress and air intake/exhaust unit. City will amend the lease with Art/Not Terminal to make this portion of the building available to Tenant, and City and Tenant will mutually agree on such turnover date. Tenant will build a demising wall between the remaining Art/Not Terminal space and the south forty (40) feet, together with all related cutting and patching, to ensure minimal disruption to Art/Not Terminal's ongoing operation, and City and Tenant will jointly negotiate directly with Art/Not Terminal on any closure costs resulting from any temporary closure. Tenant is not responsible for any claim by Art/Not Terminal for its reduced footprint. Utility work associated with this transition must be completed by Tenant and incorporation of this portion of the facility as part of the Arena will be included in the Final Design and Landmarks Certificate of Approval.

Separately from the Northwest Rooms Courtyard Restoration and Mitigation Plan work, if the City proposes future work outside the Development Premises to upgrade the breezeway or additional improvements for the benefit of the Northwest Rooms Courtyard, then following the satisfaction or waiver of the conditions set forth in Section 10.1 of the Development Agreement, the Tenant shall commit One Million One Hundred Thousand Dollars (\$1,100,000) in financial support of such work prior to the commencement thereof. Such work might include capital upgrades previously contemplated and approved by Seattle Center, such as structural reinforcement of the breezeway to allow for vehicle traffic, installation of a waterproof membrane under the breezeway, and installation of removable bollards on Republican Street. To the extent any removable bollards are constructed on Republican Street, the Parties acknowledge and agree that such bollards would be controlled by Landlord, subject to the Parties reasonably agreeing upon security measures that are consistent with NBA, NHL, and federal SAFETY Act requirements and standards.

1.5.4 <u>Mitigation of Construction Impacts.</u> Tenant shall conduct all construction activities in accordance with the Construction Impact Mitigation Plan attached hereto as <u>Exhibit E</u> (the "<u>Construction Impact Mitigation Plan</u>") and the additional plans to be agreed upon in accordance with the terms of the Construction Impact Mitigation Plan. The Construction Impact Mitigation Plan is intended to reduce or eliminate certain anticipated impacts (to the extent feasible) arising from the Development Project, including with respect to transportation, noise, dust control, and impacts on biological and historic resources.

(i) To the extent that the City reasonably believes that Tenant is failing to comply with the Construction Impact Mitigation Plan, City and Tenant shall meet and confer to discuss such concerns and how to bring the Development Project back into compliance (if such concerns are shown to be valid). Moreover, in the event that the City notifies Tenant or its contractors that the nature of such alleged non-compliance has a material adverse effect on Seattle Center or on the operations or events of Seattle Center or its tenants or poses an immediate danger to persons or property in and around Seattle Center, then upon notice from City (and without limitation of other remedies under this Agreement) Tenant shall immediately cease any alleged non-complying construction activities for a period not to exceed twenty-four (24) hours until such issue can be investigated and understood by City and discussed with Tenant and its contractors.

(ii) To the extent that the Construction Impact Mitigation Plan requires payment from Tenant to City, Tenant shall make each such payment within thirty (30) days after invoice.

1.5.5 <u>Temporary Access Rights.</u> Tenant and City anticipate that from time to time Tenant may require temporary access and use of areas of Seattle Center located outside the Development Premises and which are not specifically addressed in the Construction Site Logistics Plan. City will provide temporary access to such areas conditioned upon the following:

(i) the access or use of the areas must be for work described under this Agreement, such as the Project Utilities Plan;

(ii) Tenant must obtain approval from the City Project Coordinator prior to accessing areas outside the Development Premises, which approval may be subject to reasonable conditions regarding time, location, duration, and protection of property; (iii) Tenant shall repair any damage caused to areas outside the Development Premises and restore such areas to the condition immediately prior to Tenant's use or to such other condition that is approved by the City; and

(iv) <u>Section 13.1</u> ("General Indemnities") shall apply to all such use by Tenant.

SECTION 2. TERM OF AGREEMENT

2.1 <u>Term.</u> This Agreement is binding and effective from and after the Effective Date and shall continue thereafter for a Term (the "<u>Term</u>") that expires on the "Operating Term Commencement Date" of the Lease, as that term is defined in the Lease; <u>provided</u>, <u>however</u>, that following the expiration of the Term of this Agreement, Tenant shall remain obligated (a) to diligently pursue Final Completion of the Development Project by completing any punchlist items identified by the Parties in writing at the time of Substantial Completion, including those that will be required to obtain a final certificate of occupancy, and (b) for other terms of this Agreement that expressly survive expiration or termination. Final Completion (as defined in <u>Section 10.6</u>) shall be confirmed by a certificate of the architect of record (the "<u>Project Architect</u>") as provided in <u>Section 10.6</u>.

2.2 <u>Last Arena Event Date.</u> Seattle Center shall not schedule any events at the Arena after October 6, 2018 (the "Last Arena Event Date").

2.3 Turnover. For the period between October 1, 2018, and the Initial Commencement Date Landlord agrees to provide to Tenant early access to portions of the Premises in phases, subject to and in accordance with the Collaborative Turnover Schedule set forth on Exhibit R attached hereto. Effective on the date when the City delivers such early access to any portion of the Premises to Tenant, Tenant's limited use and occupancy of the Premises shall be subject to the terms and conditions of Exhibit R and Article II, Section 1(b) of the Lease. Beginning at 12:01 AM on October 15, 2018 (the "Initial Commencement Date"), Tenant shall have possession, use, and control of all of the Development Premises pursuant to the Lease, subject to the terms and conditions of the Lease and this Agreement. Before beginning any demolition or construction activities on the Development Premises, Tenant must meet the additional requirements set forth in Section 10.1 below, and until such requirements are met, Tenant's use of the Development Premises shall be limited to pre-construction activities, including, but not limited to, utility terminations, environmental and geotechnical testing and remediation, mobilization, material and equipment stockpiling, and installation of fencing. Upon October 1, 2018, that certain KeyArena Access Agreement dated August 31, 2017, shall be superseded by this Agreement and the Lease, and shall cease and expire, subject to any provisions which survive in accordance with their terms. Before commencing any occupancy of any portion of the Development Premises, Tenant shall have satisfied the following conditions (the "Turnover Conditions"):

2.3.1 Tenant's delivery of evidence of insurance required hereunder; and

2.3.2 OVG shall be in compliance with all of its obligations under the MOU, including payment of all amounts currently due by OVG under the MOU. [City hereby certifies that as of the Effective Date, OVG is in compliance with all of its obligations

under the MOU, including payment of all amounts due as of the Effective Date by OVG under the MOU.] 2

SECTION 3. PROJECT SCHEDULE AND COORDINATION

3.1 <u>Design and Construction Schedule.</u> Attached hereto as <u>Exhibit F</u> is the most current Design and Construction Schedule for the Development Project. Tenant shall provide to the Seattle Center Representative and the Seattle Center Project Coordinator, not less frequently than monthly throughout the Term, Tenant's most current updates to the Design and Construction Schedule. Tenant acknowledges that the City, when acting in its regulatory capacity, is not limited in its regulatory authority by this Agreement and shall not under any circumstance be responsible for any costs associated with Development Project delays caused by any City regulatory process or appeal.

3.2 Force Majeure. "Force Majeure" shall mean, whenever any time period or deadline is set forth in this Agreement, that such period or deadline shall be extended by the number of days that completion of an obligation is actually delayed due to acts of nature or of the public enemy; governmental action or inaction not reasonably anticipated, including by the City in its capacity as a regulatory authority; acts of terrorism; fires; floods; tidal waves; epidemics; quarantine restrictions; freight embargoes; earthquakes; unusually severe weather; strikes or other substantial interruption of work because of labor disputes; inability to obtain materials or acceptable substitute materials on a timely basis, not reasonably anticipated; failure or delay in delivery of utilities serving the Development Premises not caused by, or outside the reasonable control of, the Party claiming an extension; previously unknown environmental conditions discovered on or affecting the Development Premises or any portion thereof, in each case including any delay caused or resulting from the investigation or remediation of such conditions; existing unknown or newly discovered geotechnical conditions, including any delay caused or resulting from the investigation or remediation of such conditions; litigation that enjoins construction or other work on the Development Premises or any portion thereof, causes a lender to refuse to fund, disburse or accelerate payment on a loan, or prevents or suspends construction work except to the extent caused by the Party claiming an extension; and any action or proceeding before any judicial, adjudicative, or legislative decision-making body, including any administrative appeal, that prevents the action that is being delayed, brought by a third party that challenges any Required Permit or Approval or other approval, action or consent required to implement the Development Project, provided the foregoing events shall only be considered Force Majeure to the extent the same (i) do not arise from the acts or negligent omissions of the Party claiming Force Majeure delay and (ii) are not within the reasonable control of such Party. Tenant shall provide prompt notice to the City of any claim of Force Majeure.

3.3 <u>Schedule Coordination with Seattle Center Events, Festivals, and Other</u> <u>Construction Projects.</u>

3.3.1 <u>Major Events.</u> Attached to this Agreement as <u>Exhibit G</u> is a list of major annual festivals which are currently scheduled to take place at Seattle Center ("<u>Major Events</u>") for which Tenant, during the Term, agrees to temporarily move its construction

² Bracketed text to be confirmed as of the Effective Date.

fence and make other accommodations as set forth in <u>Exhibit G</u>. Tenant shall ensure that all Development Project-related equipment, materials, and debris are removed from the Seattle Center grounds outside the construction fence as it is temporarily moved prior to each Major Event.

3.3.2 <u>Festivals, Events and Tenants.</u> The Seattle Center Project Coordinator shall periodically provide Tenant's Representative with a list of upcoming events at Seattle Center, and Tenant's Representative shall periodically provide to the Seattle Center Project Coordinator updates on material upcoming Development Project-related design, development, and construction activity. City, Tenant, and its contractors shall meet and confer in good faith to determine how to efficiently and equitably coordinate their respective events and activities; provided, however, that Tenant shall not be required to move its construction fence for any events other than Major Events as contemplated by <u>Section 3.3.1</u>.

3.3.3 <u>Seattle Center Construction Activity.</u> Seattle Center may have construction projects underway elsewhere on the Seattle Center campus, including work adjacent to the Development Premises on the north and east sides. City, Tenant, and its contractors shall meet and confer in good faith to determine how to efficiently and equitably coordinate construction activities with Seattle Center so as to minimize interference with other campus construction and the Development Project.

Coordination of Pedestrian and Vehicular Access and Updates on Construction 3.4 Activities. Tenant shall be responsible for obtaining any permits from SDOT for the closure of any public rights-of-way, in each case to the extent legally required. To the maximum extent possible, notice of any street closures set forth on the Construction Site Logistics Plan or otherwise contemplated by the Construction Impact Mitigation Plan shall be provided in advance to all affected parties, including any directly impacted resident organizations. For any other street rightof-way curbspace reservation or use adjacent to the Seattle Center campus that is addressed in that certain Memorandum of Agreement for Event Curbside Management dated June 20, 2011 (the "Curbside MOA"), a copy of which is attached to this Agreement as Exhibit H, Tenant shall obtain applicable permits by making a written request to Seattle Center that it exercise its rights under the Curbside MOA. For any street right-of-way use not addressed by the Curbside MOA, Tenant shall reasonably coordinate with Seattle Center before applying to SDOT for a Street Use Permit, which coordination shall consist of Seattle Center and Tenant working reasonably and cooperatively with SDOT to prioritize and allocate street and curbspace rights to accommodate as much and as efficiently as possible the respective street and curbspace needs of Tenant and other Seattle Center activities and tenants. In exercising any rights and permits that are allocated by SDOT or Seattle Center to Tenant under this Section 3.4, Tenant shall at all times comply with the terms of the Curbside MOA, including but not limited to, the payment of all applicable fees.

Tenant shall use good faith, commercially reasonable efforts to coordinate all mobilization and construction activities with the Seattle Center Project Coordinator in accordance with the Construction Impact Mitigation Plan and the Construction Site Logistics Plan to mitigate impacts to pedestrians and other Seattle Center tenants and users. Tenant and its contractors shall use only the approved truck haul routes and days and hours for trucks hauling material from or to the Development Premises as set forth in the Construction Site Logistics Plan and the Construction Impact Mitigation Plan, with schedule coordination with potential event and other impacts to be approved pursuant to the weekly construction update process described below. Tenant must obtain advance approval from the Seattle Center Project Coordinator for the location, time, and other logistics for any access to the Seattle Center campus by any Tenant contractor that is not along one of the approved haul routes during approved days and hours.

Tenant's contractors shall maintain safe pedestrian access on First Avenue North, and except during periods of street closure, on Thomas Street between Second Ave North and Warren Avenue, or shall provide adequate signage to route pedestrians on alternate routes. In addition, Tenant agrees to use commercially reasonable efforts to coordinate construction activities to minimize impediments to pedestrian access to and around the Development Premises and shall not permit its contractors to block or otherwise unreasonably impede access to or use of any road, gate, or walkway on the Seattle Center campus that is outside of the Development Premises without prior written authorization from the Seattle Center Project Coordinator.

The Tenant Representative will provide a weekly written construction update (which shall include a three-week look-ahead schedule of upcoming construction activities) to the Seattle Center Project Coordinator, which update may be delivered by e-mail. The Tenant Representative also will cooperate in good faith with the Seattle Center Project Coordinator to establish a system for reviewing and coordinating the general construction schedule with the operations and events of Seattle Center and its tenants, including if so requested by the Seattle Center Project Coordinator, with representatives of any affected Seattle Center tenants. The Seattle Center Project Coordinator will provide to the Tenant Representative a list of affected tenants for discussion and concurrence between them on a final list of groups to which updates will be delivered.

3.5 <u>First Avenue North Garage Operations During Construction.</u> Tenant acknowledges that certain utilities necessary for operation of the First Avenue North Garage are fed from the Development Premises. The City will not relocate any utilities, and Tenant shall be responsible for any relocations or other steps necessary to maintain utility service connections to the garage for Tenant's needs. Seattle Center has a preventative maintenance (PM) contract with Kone Inc. for the First Avenue North Garage elevator and pays a monthly fee for PM. Upon written request from Tenant, Seattle Center will keep the PM contract in place for the garage, provided that Tenant shall reimburse the monthly fee and any additional repair costs. Tenant shall secure its own elevator maintenance contract for the First Avenue North Garage prior to the Rent Commencement Date under the Lease Agreement.

3.6 <u>Coordination of Removal of Property from Development Premises Prior to</u> <u>Construction.</u> Subject to Tenant's agreement to salvage certain items as provided in Article II, Section 14 of the Lease, the City may remove any furniture, fixtures, and personal property on the Development Premises, and all furniture, fixtures, and personal property on the Development Premises that shall not have been removed by the City before the Turnover Date (the "<u>Existing</u> <u>Property</u>") and that remains on the Development Premises on the Turnover Date shall be treated as abandoned in place in accordance with <u>Section 10.10.10</u>.

SECTION 4. TENANT AND FACILITY RELOCATION PLAN

4.1 <u>Tenant and Facility Relocation Plan.</u> Except as otherwise set forth in this Agreement, and subject to the Existing Encumbrances set forth in Exhibit B to the Lease, City, at its sole cost and expense, shall coordinate the relocation of tenants and other facilities affected by the Development Project in order to deliver use and possession of the Development Premises as set forth in <u>Section 2.3</u> herein.

4.2 <u>Tenant Breach.</u> If a tenant breaches an obligation to timely vacate its premises or remove its equipment in accordance with the terms of its license, contract, or termination or relocation agreement, then the City shall use commercially reasonable efforts to require such tenant or licensee to vacate and remove equipment as expeditiously as possible. So long as the City takes commercially reasonable steps to enter into relocation agreements where possible and to enforce its agreements with third parties for vacating the Development Premises prior to the Turnover Date, any delay resulting from any breach or other action a by tenant or licensee shall constitute Force Majeure.

SECTION 5. COMMUNITY BENEFITS DURING CONSTRUCTION

5.1 <u>Community Liaison.</u> As of the Effective Date, Tenant has retained (and Tenant shall continue to retain throughout the Term of this Agreement) and provided the Seattle Center Representative with the name and contact information of a full-time community liaison (the "<u>Community Liaison</u>") who will run day-to-day outreach operations for the Development Project. The Community Liaison or his or her successor shall coordinate efforts with Tabor 100, the City, and other local community organizations to ensure that Tenant's procurement and hiring practices minimize barriers to entry for WMBEs and underrepresented communities. During design and construction, the Community Liaison will provide information and access to prioritize hiring women and minorities. The Community Liaison shall coordinate and staff bi-weekly meetings to coordinate with the Tenant's contractors, SDOT, SDCI, businesses, community, city, and resident organizations on construction impacts and efforts to support ongoing activities at Seattle Center and in the adjacent communities. The Community Liaison shall also actively work to build relationships in the community through interaction with community councils, participation in civic groups, and participation in other business-related civic groups.

5.2 <u>Ombudsperson</u>. The Seattle Center Director will designate a staff person at Seattle Center (an "<u>Ombudsperson</u>"), beginning at the start of construction. The Ombudsperson will facilitate communication between Tenant, the communities adjacent to Seattle Center, resident organizations, Seattle Center, and City Hall. The Ombudsperson will work collaboratively with the Community Liaison to help resolve issues that may arise during construction in a manner consistent with the terms of this Agreement and the Other Transaction Documents. The Ombudsperson will also work in partnership with community organizations and resident organizations on initiatives to support small businesses, to support resident organizations during construction, and to make special events and public space activations successful. The Ombudsperson's role is limited to facilitating communication. The Ombudsperson shall not have the authority to amend or waive the terms of this Agreement, and the participation of the Ombudsperson in working to resolve any particular issue shall not be deemed to amend, modify, or limit the obligations of Tenant under this Agreement.

5.3 <u>Organizational Capacity Building.</u> Tenant shall pay directly to Uptown Alliance the amount of Seventy-Five Thousand Dollars (\$75,000) per year for three (3) years to provide funding for organizational capacity building for use by Uptown Alliance and Uptown Arts and Culture Coalition. A report by neighborhood organizations is expected annually on results of building organizational capacity and the outcomes and results from the funding. The first payment to Uptown Alliance shall be due on or before October 31, 2018, the second payment shall be due on or before October 31, 2019, and the third payment shall be due on or before October 31, 2020. Uptown Alliance has separately provided to the Parties a plan for its use of the organizational capacity building funding. The funding described in this <u>Section 5.3</u> is separate and distinct from the Community Fund described in the Lease. Tenant shall provide the City evidence of payment upon request of the City.

5.4 <u>Community Coordination Committee.</u> In addition to the bi-weekly meetings scheduled by the Community Liaison, the Ombudsperson and Community Liaison will staff a monthly meeting with a committee of community representatives (the "<u>Community Coordination Committee</u>") that will ensure frequent communications between Tenant, adjacent communities/Seattle Center resident organizations, and Seattle Center regarding construction activities and on-going operations of the Arena. The Community Coordination Committee membership will be open to representatives from all affected organizations both in the community and on the Seattle Center campus. The Community Coordination Committee will begin its work during the construction timeframe, but may extend its functions into the operations phase of the Arena. All of the geographic communities impacted by the Development Project will be represented, and decision-making will be defined with the understanding that there will be flexibility over time. The Ombudsperson and the Community Liaison will facilitate the meetings of the Community Coordination Committee and help to address any issues that might arise.

5.5 <u>Meeting Space.</u> Tenant shall provide or cause to be provided community local meeting space for Uptown Alliance and the Uptown Arts and Culture Coalition (a) bi-weekly for up to twelve (12) people and (b) in coordination with Seattle Center, quarterly for up to fifty (50) people for meetings related to the Development Project.

5.6 <u>Collaboration on Events During Construction</u>. During Arena construction, Tenant, acting through its Community Liaison, will work with the community to jointly sponsor oncampus and off-campus events that promote small businesses in the area and arts and culture in the respective communities. Such joint sponsorships are intended to address interruptions that will likely impact on-campus events and in adjacent communities during construction, as well as to set the stage for future collaboration, to activate the neighborhood, and to provide incentives for customers to continue to support the neighborhood businesses and organizations during the construction period. These events may be new or existing events to host and/or promote. The Seattle Center Director's prior written approval shall be required for any of these events which are proposed to take place within Seattle Center Common Areas or at Seattle Center areas under the control of the City, which approval may be conditioned on payment of fees or other requirements at Seattle Center. Tenant shall be responsible for obtaining any third-party permissions for use of any part of Seattle Center under the control of a resident tenant or licensee for these events.

SECTION 6. UTILITY TERMINATION, RELOCATION, AND CONNECTION

Att 2 - Development Agreement (Arena at Seattle Center) V2

Tenant shall perform any remaining work that is needed to separate and relocate utilities and building systems in the Arena and in the International Fountain Pavilion which also are utilized by other parts of the Seattle Center campus, including electrical and low voltage wiring, mechanical, plumbing and drainage piping, in a manner that does not interrupt utility service to premises outside the Development Premises, including the Northwest Rooms, except for such temporary interruption as may be specifically approved in writing by the City.

SECTION 7. ROLE OF SEATTLE CENTER AND TENANT REPRESENTATIVES

7.1 Designation of Seattle Center Representative and Seattle Center Project Coordinator. The Seattle Center Director, acting as the City official representing the City as owner and lessor of the Development Premises, shall designate from time to time in writing an individual who shall serve as the Seattle Center Representative (the "Seattle Center Representative") and the Seattle Center Project Coordinator (the "Seattle Center Project Coordinator") for the purposes of communicating with the Tenant Representative regarding matters related to the design and construction of the Development Project, not including matters in which the City is acting in its regulatory capacity. The initial Seattle Center Representative shall be Jill Crary, and the initial Seattle Center Project Coordinator shall be Jae Lee. Tenant shall so inform its personnel, Project Architect, and Prime Contractor. The Tenant Representative shall advise the Project Architect and Prime Contractor to reasonably coordinate with the Seattle Center Representative and/or the Seattle Center Project Coordinator to keep such individuals informed as to the Development Project.

7.2 <u>Designation of Tenant Representative.</u> Tenant shall designate from time to time in writing an individual who shall serve as the Tenant Representative for the purposes of communicating with the Seattle Center Representative regarding matters related to the design and construction of the Development Project (the "<u>Tenant Representative</u>"). The initial Tenant Representative shall be Steve Mattson of OVG. The Seattle Center Representative shall advise Seattle Center staff to reasonably coordinate with the Tenant Representative to keep such individual informed as to any facts or circumstances in or around Seattle Center that are reasonably anticipated to affect the Development Project.

Role of Seattle Center Representative, Seattle Center Project Coordinator, and 7.3 Tenant Representative. The Seattle Center Representative and the Seattle Center Project Coordinator are each authorized to receive notices as specified in this Agreement and to make binding decisions on behalf of the City consistent with the responsibilities expressly allocated to those representatives under this Agreement. Otherwise, only the Seattle Center Director shall be authorized to make binding decisions on behalf of the City with respect to the Development Project and this Agreement, provided that nothing in this Agreement shall limit the City when acting in its governmental and regulatory capacity. Only the Tenant Representative is authorized to give binding instructions or to make binding decisions on behalf of Tenant hereunder with respect to the design, development, and construction of the Development Project. Tenant will use good faith, commercially reasonable efforts to involve and keep the Seattle Center Representative and the Seattle Center Project Coordinator informed on a timely basis of significant aspects of the design and construction of the Development Project as it pertains to exterior elements, including public plaza and common areas, surrounding rights of way, signage, wayfinding, and integration with the Seattle Center campus.

Att 2 - Development Agreement (Arena at Seattle Center) V2

7.4 <u>Meetings and Briefing Materials.</u> In order to enable the Seattle Center Representative and/or the Seattle Center Project Coordinator to become informed about the status of the Development Project, participate in discussions regarding same, and present the City's nonbinding recommendations with respect to matters being discussed, the Tenant Representative will schedule regular meetings, not less frequently than bi-weekly, with senior design and construction staff of Tenant and other design and construction principals to discuss major issues related to the development and construction of the Development Project. The Seattle Center Representative and Seattle Center Project Coordinator and, if and when so requested by the City, the City's designated financial and construction consultants, will be notified of the time and place of and invited to all such meetings.

7.5 Material Construction-Related Documents and Notices. The Tenant Representative will also timely provide the Seattle Center Representative and Seattle Center Project Coordinator with copies of material construction-related documents and notices, including all material Design and Construction Schedule updates and modifications, all material Project Budget updates, a monthly independent engineer's report regarding Development Project status during the term of any Leasehold Mortgage (as such term is defined in the Lease), material permit applications, material change order proposals, any default notices from Leasehold Mortgagee, and material notices of default or non-compliance to or from any party. As used in this Section and in Section 10.4, a "material" change includes one that (i) would require an amendment to or otherwise be inconsistent with the Certificate of Approval or any other building permit; (ii) would materially extend the scheduled date of Substantial Completion of the Development Project; (iii) is incompatible with other structures and landscaping at the Seattle Center; (iv) would have a material adverse effect on existing electrical, utility, communications, or other data systems serving Seattle Center buildings on the perimeter of the Development Project; or (v) would have a material adverse effect on Seattle Center's ability to secure the Seattle Center campus with retractable and/or removable bollards or other such security systems, all as reasonably determined by the Seattle Center Representative. Upon City's reasonable request (but no more frequently than monthly), Tenant shall provide the Seattle Center Representative and Seattle Center Project Coordinator with access to such documents, books, records, or similar materials in Tenant's possession or control that reasonably relate to the design or construction of the Development Project; provided, however, that the City and Tenant shall meet and confer in good faith prior to such disclosure to protect the confidentiality of proprietary information that would otherwise be made subject to public records act disclosure. Receipt by the Seattle Center Representative and Seattle Center Project Coordinator of any of the foregoing information shall not create or be the basis for any waiver or estoppel by or against the City of any express right of the City under this Agreement unless and until the City issues a pertinent written consent or waiver.

7.6 <u>Development Premises Access.</u> Subject to generally-applicable Development Project safety rules promulgated by Tenant or its contractors from time to time, the Seattle Center Representative and Seattle Center Project Coordinator shall at all reasonable times and upon reasonable prior notice (which notice may be given by e-mail or telephone call) have reasonable access to the Development Premises, including the opportunity to observe and inspect any and all work being performed at the Development Premises and any and all Development Project activity.

7.7 <u>No Liability to City.</u> No recommendations, approvals, or other actions under this Agreement by the Seattle Center Director, Seattle Center Representative, Seattle Center Project

Att 2 - Development Agreement (Arena at Seattle Center) V2

Coordinator, or any other representative of the City will in any manner cause the City to bear any responsibility or liability for the design or construction of the Development Project or for any defects related thereto or any inadequacy or error therein or any failure to comply with applicable law, ordinance, rule, or regulation. Approval of any Development Project design documents by the City pursuant to this Agreement shall not constitute an opinion or representation as to their adequacy for any purpose other than the City's own purposes.

SECTION 8. SELECTION OF DESIGNERS, CONTRACTORS, AND SUBCONTRACTORS; INCLUSION OF WOMEN AND MINORITY BUSINESSES; LABOR AND SOCIAL EQUITY PROVISIONS

8.1 <u>Initial Designations.</u> Tenant's initial contracts for design and construction of the Development Project are listed on <u>Exhibit I</u> (collectively and as may be amended, supplemented, or replaced from time to time, the "<u>Arena Contracts</u>"). Tenant has obligated the counterparties to the Arena Contracts to comply with the applicable requirements of this Agreement.

Contract Requirements. All Arena Contracts are or will be with architects, 8.2 engineers, and contractors who have had extensive experience constructing significant sports and entertainment facilities and are otherwise acceptable to Tenant. All Arena Contracts are or will be consistent with industry standards, and the Arena Contract with Tenant's prime contractor for construction of the Development Project ("Prime Contractor") does or will provide for liquidated damages in case of late completion, require payment and performance bonds or a Qualifying Parent Guaranty in favor of Tenant and the City in the contract sum in accordance with Section 10.1.2, and include retainage provisions, contingency amounts, and other appropriate cost overrun and completion protections consistent with industry standards and as reasonably determined by Tenant. All Arena Contracts will include provisions for insurance consistent with the requirements of Exhibit G of the Lease. Prior to the commencement of construction and demolition activities on the Development Premises, Tenant shall collaterally assign the Arena Contracts to City pursuant to the form of collateral assignment attached hereto as Exhibit J, it being expressly understood that such collateral assignment shall be subject and subordinate in all respects to any leasehold mortgage encumbering the Development Premises on a form of subordination agreement acceptable to Tenant's mortgagee(s), such that City shall have the right (but not the obligation) to assume such Arena Contracts and complete the construction of the Development Project in the event that Tenant breaches its completion obligations under this Agreement past all applicable periods for notice and cure. Tenant shall have the final decision-making authority with respect to the selection of architects, engineers, and contractors and the terms and conditions of the Arena Contracts.

8.3 <u>WMBE Inclusion Plan and Requirements.</u> As provided under SMC 20.42.010, the City has found that minority and women businesses ("<u>WMBE(s)</u>") are significantly underrepresented and have been underutilized on City of Seattle projects. While the City is not responsible for the construction of the Development Project, the City does not intend to enter into agreements with businesses that discriminate in employment. The City intends to provide the maximum practicable opportunity for increased participation by minority and women-owned businesses, as long as such businesses are underrepresented, and to ensure that the City's business practices do not support discrimination in employment when the City enters contracts. The

WMBE goal established for the construction of the Development Project is fifteen percent (15%), provided that the Development Project shall further aspire to achieve eighteen percent (18%).

Accordingly, the Tenant shall require its Prime Contractor to use affirmative efforts and non-discrimination strategies as further described in the Inclusion of Women and Minority Businesses and Labor and Social Equity Requirements attached as <u>Exhibit O</u> to solicit and contract with WMBEs on subcontracting and supply opportunities for the Development Project, including requiring its Prime Contractor to agree to such efforts through the submission of the Prime Contractor WMBE Inclusion Plans, as a material condition of the contract, and requiring the Prime Contractor to use the Subcontractor Inclusion Plan from first-tier contractor WMBE Inclusion Plans and Subcontractor Inclusions Plans must be approved by the City's Contracting and Purchasing Services Department ("<u>CPCS</u>"), and CPCS will monitor for compliance with these requirements.

8.4 <u>Community Workforce Agreement and Priority Hire Requirements.</u> The Tenant and the City mutually desire to provide for labor harmony on the Development Project and to provide for the inclusion of a diverse workforce reflective of the community in which the work is being performed and to provide for inclusion of workers from economically distressed areas consistent with the City's Priority Hire Program, which was adopted under SMC Ch. 20.37. Tenant shall enter into a Community Workforce Agreement ("<u>CWA</u>") with applicable trades, and shall require its Prime Contractor and all subcontractors to assent to the CWA, which will include provisions to prioritize workers living in economically-distressed ZIP codes, women, people of color and preferred entry candidates for hire on covered projects. The City has reviewed the CWA between Tenant and the applicable trades, and agrees that the CWA satisfies its interests described above. CPCS shall act as third-party administrator and monitor for compliance with the CWA as further provided in the CWA and on <u>Exhibit O</u> and will provide guidance to the Prime Contractor and subcontractors regarding compliance with Priority Hire and CWA provisions.

8.5 <u>Prevailing Wages.</u> In accordance with the CWA, the Tenant shall require that the Prime Contractor and subcontractors of every tier adhere to the prevailing rates for all craft workers, in effect at the time their respective contracts are executed. Prime Contractor and subcontractors of every tier will further recognize all increases to wages and fringe benefits on the effective date(s) in the individual craft local collective bargaining agreement. Prevailing rates established under the CWA or any applicable craft local collective bargaining agreement may not be less than the prevailing rate established by Washington State Labor and Industries. In monitoring the CWA, CPCS will use the Washington State Labor and Industries ("<u>L&I</u>") job classification definitions, rules, and determinations for monitoring and compliance efforts throughout the life of the construction project. OVG shall obtain the individual craft local collective bargaining agreement Schedule A with the job classification wage rates already established from the applicable labor organizations and provide them to CPCS in a similar format as provided by L&I at least thirty (30) days before the effective date.

Tenant shall ensure that the Prime Contractor is responsible for any violations of the wage requirements by its subcontractors, individuals, or firms, and Tenant will cooperate with CPCS in identifying and taking enforcement action against the Prime Contractor to remedy any violations

to achieve compliance. Tenant shall cooperate with CPCS in identifying and taking enforcement action against the Prime Contractor to remedy any violations to achieve compliance.

8.6 <u>Apprenticeship Plan.</u> The City has determined that there is a need for increased training and apprenticeship opportunities in the construction industry and that a diverse and well-trained workforce is critical to the economic and social vitality of the region. In establishing requirements for the use of apprentices on the Development Project, it is the City's intent to encourage the training and promotion of apprentices to journey level status. Accordingly, Tenant shall require its Prime Contractor to ensure that eighteen percent (18%) of the total contract labor hours on the Development Project are performed by apprentices as further described on <u>Exhibit O</u>.

8.7 **Qualified Workers.**

8.7.1 <u>Qualified Worker Commitment.</u> Tenant and the City are committed to providing employment opportunities at the new Arena for workers who provided services at KeyArena before construction commenced. Tenant and the City have developed the plan in this <u>Section 8.7</u> for retaining those employees, to the maximum extent possible given the staffing needs for the new Arena.

8.7.2 <u>Definitions.</u> As used in this <u>Section 8.7</u>:

(a) "<u>City Qualified Workers</u>" are City employees whose positions will be eliminated upon closure of KeyArena and who will be qualified to receive offers of employment at the new Arena, subject to the limitations and conditions below. "City Qualified Workers" are further divided into three categories: Category 1A City Qualified Workers, Category 1B City Qualified Workers, and Category 2 City Qualified Workers. The City will continue to employ a limited number of City employees who provided services but were not primarily assigned to KeyArena before construction, and such workers will not be considered City Qualified Workers.

(b) "<u>Category 1A City Qualified Workers</u>" are regular full time and regular part time City employees (i) who were employed by the City on December 6, 2017, (ii) who worked at KeyArena at any time between January 1, 2017 and December 6, 2017, as indicated by coding work time to KeyArena on their timesheets, and (iii) whose positions are budgeted at KeyArena or who have a primary assignment at Key Arena, as determined by the City.

(c) "<u>Category 1B City Qualified Workers</u>" are regular full time and regular part time City employees (i) who were employed by the City on December 6, 2017, (ii) who have worked at KeyArena at any time between January 1, 2017 and December 6, 2017, as indicated by coding work time to KeyArena on their timesheets, and (iii) whose positions are not budgeted at KeyArena and who do not have a primary assignment at KeyArena, as determined by the City.

(d) "<u>Category 2 City Qualified Workers</u>" are intermittent City employees (i) who worked at KeyArena at any time between January 1, 2017 and December 6, 2017, as indicated by coding work time to KeyArena on their timesheets, and (ii) who were employed by the City on December 6, 2017.

- (e) "Legacy Vendor" means each of AEG, Levy, and Ticketmaster.
- (f) "Legacy Vendor Qualified Workers" means:

a. Regular full time and part time employees of any Legacy Vendor (i) who worked at KeyArena at any time between January 1, 2017 and December 6, 2017, and (ii) who remained employed by such Legacy Vendor on December 6, 2017; and

b. Intermittent employees of any Legacy Vendor who worked at Key Arena at any time between January 1, 2017 and December 6, 2017 and who remained employed by such Legacy Vendor on December 6, 2017.

(g) "<u>Qualified Workers</u>" means both City Qualified Workers and Legacy Vendor Qualified Workers. To be a Qualified Worker in any category, the employee must be, or have been in, good standing as an employee with the City or Legacy Vendor, as applicable. "<u>Good standing</u>" with the City shall mean that the employee has demonstrated the necessary skills for his/her assigned position, and is not subject to a final warning, Last Chance Agreement, or suspension with the City during the twelve (12) months preceding the Operating Term Commencement Date. "Good standing" with a Legacy Vendor shall mean that the employee has demonstrated the necessary skills for his/her assigned position, and is not subject to a final warning. Last Chance Agreement, or suspension with such Legacy Vendor during the twelve (12) months preceding the Operating Term Commencement Date. The commencement Date twelve the after the twelve (12) months preceding the twelve (12) months preceding the Operating Term Commencement Date. The commencement Date twelve the twelve twelve the twelve twelve the twelve the twelve the twelve t

8.7.3 City Qualified Worker Plan.

(a) During July 2018, the City provided Tenant with lists of City Qualified Workers, including for each worker, the job classification, the last date worked for the City, the wage rate, and, if authorized by the employee, contact information. Subject to employee authorizations the goal is to complete updates to the list in October 2018. City also provided Tenant with information about wage increases that would have applied to City Qualified Workers through the Operating Term Commencement Date.

(b) By August 2, 2018, Tenant offered to all City Qualified Workers, and the City facilitated, the opportunity to meet with Tenant representatives to discuss such City Qualified Workers' jobs and skills. Tenant has

established a procedure for City Qualified Workers to modify and update their contact information.

(c) No later than October 1, 2019, Tenant shall provide its staffing plans for the new Arena to the City.

No later than ninety (90) days prior to the Operating Term (d) Commencement Date, Tenant shall make offers of employment to Category 1A City Qualified Workers and Category 2 City Qualified Workers. To the extent possible within the staffing plan and with respect to worker skills, the offers shall be for equivalent positions to the former positions of such City Qualified Workers at KeyArena. The offers shall provide at least four (4) weeks for the City Qualified Workers to accept.

i. An "equivalent position" shall mean a position which has the same position status, i.e. regular or intermittent, and similar job duties and rate of pay, adjusted by the same increases as provided to other City employees in the same or analogous classifications, as the employee held on December 6, 2017.

ii. If a City Qualified Worker does not respond to contact from Tenant within four (4) weeks, then Tenant may deem that the City Qualified Worker is no longer interested in employment.

(e) If Category 1A City Qualified Workers decline offers of employment or do not respond within the designated time period, Tenant shall make offers for those positions in the same classifications to Category 1B City Qualified Workers from those classifications, up to the number of positions in the staffing plan. Offers to Category 1B City Qualified Workers and Category 2 City Qualified Workers shall be made in the order of the total number of hours worked at Key Arena from January 1, 2017 through December 6, 2017.

(f) If all Category 1A City Qualified Workers, Category 1B City Qualified Workers, and Category 2 City Qualified Workers have been offered equivalent positions to their former positions in KeyArena and open staffing plan positions remain available after the offers have been accepted or declined or the time period to accept offers has expired, then Tenant may fill open positions with employees that are not City Qualified Workers.

(g) If Qualified Workers do not provide contact information to Tenant, Tenant and the City will coordinate to attempt to convey offers. However, it is recognized that Tenant may not be able to convey offers to those Qualified Workers who choose not to provide contact information.

8.7.4 <u>Legacy Vendor Qualified Worker Plan.</u>

(a) By December 31, 2018, Tenant shall offer to all Legacy Vendor Qualified Workers the opportunity to meet with Tenant representatives to discuss such Legacy Vendor Qualified Workers' jobs and skills. Tenant shall also establish a procedure for Legacy Vendor Qualified Workers to modify and update their contact information.

(b) No later than ninety (90) days prior to the Operating Term Commencement Date, Tenant shall make offers of employment to Legacy Vendor Qualified Workers. To the extent possible within the staffing plan and with respect to worker skills, the offers shall be for equivalent positions to the former positions of such Legacy Vendor Qualified Workers at KeyArena. The offers shall provide at least four (4) weeks for the Legacy Vendor Qualified Workers to accept.

- iii. An "equivalent position" shall mean a position which has the same position status, i.e. regular or intermittent, and similar job duties and rate of pay, adjusted by the same increases as provided to other Legacy Vendor Qualified Workers in the same or analogous classifications, as the employee held on December 6, 2017.
- iv. If a Legacy Vendor Qualified Worker does not respond to contact from Tenant within four (4) weeks, then Tenant may deem that the Legacy Vendor Qualified Worker is no longer interested in employment.

(c) If Legacy Vendor Qualified Workers do not provide contact information to Tenant, Tenant and the City will coordinate to attempt to convey offers. However, it is recognized that Tenant may not be able to convey offers to those Legacy Vendor Qualified Workers who choose not to provide contact information.

(d) Tenant may engage vendors to provide the services previously provided by the Legacy Vendors. To the extent such new vendors have been engaged by the dates in this Legacy Vendor Qualified Worker Plan, the new vendor shall take the actions assigned to Tenant.

8.7.5 <u>Documentation of Position Offers.</u> No later than thirty (30) days after the Operating Term Commencement Date, Tenant shall provide written documentation to the City, for each Qualified Worker, identifying whether or not a position was offered to him or her, the date any offer was made, the Qualified Worker's response, data indicating the equivalency of the position offered to the position held as a City employee or as a Legacy Vendor employee, and other information as may be reasonably requested by the City to demonstrate Tenant's compliance with the obligations under this <u>Section 8.7.5</u>.

SECTION 9. DESIGN PHASE

9.1 <u>Plan Approval Process.</u> In addition to all City regulatory reviews for the Development Project, including those relating to design, environmental impacts, and landmarks status, the design documents (including plans and specifications) shall be subject to the review and approval of the City in its capacity as the owner and lessor of the Development Premises, acting through the Seattle Center Department, which has jurisdiction over the Development Premises. As

a result, the Parties agree that it will be mutually beneficial to coordinate design development between Tenant, the City's regulatory agencies, and the Seattle Center Department. The Parties will follow the process in this section to coordinate the review and approvals of the design documents through completion of the Final Design (as defined below), and final Project Budget and Design and Construction Schedule. The Approved Baseline Plans have been approved by the City. Tenant, in regular consultation with the Seattle Center Representative, shall direct and cause the Project Architect to prepare and develop all subsequent design documents in accordance with and consistent in all material respects with the Approved Baseline Plans, Northwest Rooms Courtyard Restoration and Mitigation Plan, Design Standards, and this Agreement, except for changes approved in writing by the Seattle Center Director. Tenant shall cause the design documents to be developed in the phases described in the Design and Construction Schedule and by the respective deadlines therefor set forth in the Design and Construction Schedule, and for each phase to be delivered to City a complete set of one "full" size drawings, one "half" scale drawings, and electronic drawing files in AutoCAD and scalable PDF format. Tenant agrees that City has the right to approve each such phase of the design documents, including the final construction design documents ("Final Design"), in accordance with the terms hereof, such approval not to be unreasonably withheld, conditioned, or delayed so long as such design documents are consistent in all material respects with the Approved Baseline Plans, Northwest Rooms Courtyard Restoration and Mitigation Plan, Design Standards, and this Agreement, and (if applicable) subsequent phases of design documents that shall have been previously approved. The Seattle Center Director shall have a minimum of ten (10) days to review and approve each submittal. Tenant shall not commence any work, nor submit for bidding, any work pursuant to plans not yet approved by the City. Tenant shall not be required to accept any enhancements that are requested by the City in its capacity as owner and lessor of the Development Premises and that constitute changes in the scope of the Development Project unless the Parties mutually agree upon a Change Order therefor.

9.2 <u>Design Standards.</u> The Parties agree that all design documents, including the Final Design of the Arena, shall meet the following design standards (the "<u>Design Standards</u>"):

(i) facilitate ongoing compliance with the Operating Standard (as defined in the Lease);

(ii) comply with all applicable laws, including, but not limited to, the requirements of the Americans with Disabilities Act ("<u>ADA</u>"), taking into consideration Title II and III. In cases where the Title II and III standards differ, the design shall comply with the standard that provides the highest degree of access to individuals with disabilities. Additionally, in cases where the provisions of the ADA exceed requirements contained in building codes and other regulations, the ADA requirements shall control;

(iii) comply with current and currently-anticipated NHL, NBA, and WNBA specifications, standards, and requirements for new arenas. Tenant will consult with both the NBA and NHL to ensure that the Final Design of the Arena is sufficient to permit an NBA and NHL team to play home games at the Arena, and such sufficiency shall be confirmed by a letter executed by the Project Architect on its letterhead;

(iv) be consistent with the Seattle Center Century 21 Master Plan and Design Guidelines (the "<u>Master Plan</u>") and the Uptown Urban Design Framework Guiding Principles;

(v) comply with the City of Seattle Landmarks Preservation Board controls and incentive agreements, certificate of approval processes, and any design requirements imposed as a result of the designation of the existing arena and other facilities within the Development Premises as historic landmarks;

(vi) where connecting to Seattle Center campus infrastructure, comply with the Seattle Center's Site Standards (as last updated in June 2016);

(vii) complete successful review by the Seattle Design Commission;

(viii) provide 360-degree pedestrian access around the circumference of the Arena, and to the maximum extent feasible, for the exterior pedestrian walkways, landscaping and hardscaping, and other exterior amenities in the Development Premises to remain available for public use and enjoyment, festivals, and other uses consistent with Seattle Center's purpose and Master Plan;

(ix) provide vehicular access to the upper and lower Northwest Rooms Courtyard, and implement the Northwest Rooms Courtyard Restoration, Mitigation, and Access Plan; and

(x) comply with applicable City requirements for sustainable construction and strive to utilize the most modern practices of sustainable design and construction available at the time of construction in accordance with Tenant's business interests, including meeting a LEED Gold rating or achieving equivalent standards for energy use, water use, storm water management, construction waste diversion, and bicycle facilities.

9.3 <u>Initial Signage Plan for the Development Premises.</u> The initial sign plan for the Development Premises is attached hereto as <u>Exhibit K</u> (the "<u>Initial Sign Plan</u>"). No change from the Initial Sign Plan shall be made without the approval of the Seattle Center Director. Signage on the Development Premises shall comply with and not deviate from the Initial Sign Plan as it may be modified with the approval of the Seattle Center Director.

SECTION 10. CONSTRUCTION PHASE

10.1 <u>Conditions to Commencement of Demolition or Construction</u>. In addition to the Turnover Conditions set forth in <u>Section 2.3</u> above, Tenant shall not commence any demolition or construction activities on any portion of the Development Premises until satisfaction or waiver in writing by the City of all of the following conditions precedent:

10.1.1 Construction fencing of the Development Premises shall have been installed in accordance with the requirements of <u>Section 10.10.4;</u>

10.1.2 Tenant has provided a copy of the payment and performance bond provided by Tenant's Prime Contractor or a Qualifying Parent Guaranty. If a payment and performance bond is provided, it must:

(i) be for a penal sum equal to the then guaranteed maximum price under the construction contract;

(ii) be signed and notarized by the Prime Contractor and surety;

(iii) be issued by a surety that is registered with the Washington State Insurance Commissioner and appears on the current Authorized Insurance List in the State of Washington published by the Office of the Insurance Commissioner;

(iv) be issued by a surety that either has a current rating of at least A-VII in A.M. Best's Key Rating Guide or that is included in the U.S. Department of the Treasury's Listing of Approved Sureties (Circular 570);

(v) be accompanied by an original power of attorney document with the same date as the notarization by the Surety; and

(vi) name "The City of Seattle" as co-obligee.

A "<u>Qualifying Parent Guaranty</u>" means, collectively, a guaranty (x) from the parent entities of the Prime Contractor with an aggregate net worth of at least Eight Hundred Million Dollars (\$800,000,000) as evidenced by current audited financial statements of each guarantor, (y) with rights and remedies, including limitations thereon, at least equivalent to the security to the City which would be provided by a single payment and performance bond in the form of AIA A312 – 2010, and (z) otherwise in form and substance reasonably acceptable to the parties.

Notwithstanding anything herein to the contrary, the City agrees that so long as Tenant has promptly commenced and is diligently pursuing all claims to cause the performance of the Prime Contractor's work and the payment of all obligations in connection with same, the City will not exercise its rights as co-obligee under the Payment and Performance Bond or Qualifying Parent Guaranty unless and until this Agreement shall have been terminated.

10.1.3 All Arena Contracts shall have been collaterally assigned to the City in accordance with <u>Section 8.2</u>;

10.1.4 All pre-demolition utility relocations and terminations shall have been completed in accordance with <u>Section 6;</u>

10.1.5 The works of art identified in <u>Section 11.1</u> shall have been deaccessioned in accordance with applicable law and in accordance with <u>Section 11</u> below;

10.1.6 Tenant shall have obtained all permits required for demolition and for the initial phase of construction of the Development Project;

10.1.7 Tenant shall have delivered a copy of letters of assent to the CWA signed by the Prime Contractor and all subcontractors engaged to perform any construction work on the Development Project;

10.1.8 Any Hazardous Substances remediation that may be required pursuant to <u>Section 12.2</u> prior to demolition of the pertinent area shall have been completed in accordance with the applicable Remedial Work Plan;

10.1.9 Tenant and the Prime Contractor (as defined herein) shall have executed the guaranteed maximum price Arena Contract for the construction of the Development Project, with a guaranteed maximum price that matches the amount therefor in the Project Budget, and a fully-executed copy of such Arena Contract shall have been provided to the City's financial advisors for their confirmation of same and that such guaranteed maximum price is not subject to increase unless the cost therefor is funded into the Equity Account described in Section 10.1.10 below or covered by an increase in the loan amount;

10.1.10 Tenant and the Leasehold Mortgagee shall have executed the financing documents for the Leasehold Mortgage securing the construction debt financing for the Development Project, and in connection therewith, Tenant shall have provided evidence reasonably satisfactory to the City's financial advisors that (a) Tenant has funded the amount of budgeted equity set forth in the then-current lender-approved Project Budget, less amounts of budgeted equity that shall have been actually spent to date on the Development Project, into a controlled account held by the Leasehold Mortgagee (the "<u>Equity Account</u>"), and (b) the City has a perfected second-priority security interest in the funds deposited in such Equity Account, subordinate to the first-priority lien of the Leasehold Mortgagee, on terms mutually acceptable to the Leasehold Mortgagee and the City, and securing the obligations of Tenant under this Agreement, and (c) that Tenant has satisfied all conditions under such financing documentation for the first construction draw (excepting therefrom any condition related to Tenant satisfying the conditions of this <u>Section 10.1</u>);

10.1.11 Any appeal timely filed with the Seattle Office of the Hearing Examiner challenging the adequacy of the FEIS or of the first governmental action taken in reliance on the FEIS shall have been resolved by the Hearing Examiner , provided that if there is any further appeal and no applicable law or court order bars commencement or continuation of demolition or other construction activities, this condition shall be deemed satisfied and Tenant may proceed with any such construction activities for which permits are issued, provided that the additional conditions under Section 10.1 have been satisfied or waived;

10.1.12 The NHL Board of Governors shall have approved the application for and awarded the thirty-second (32^{nd}) NHL expansion franchise to Seattle Hockey Partners LLC to be located in the City of Seattle, and delivered notice of same to the City, and Seattle Hockey Partners LLC and the NHL shall have executed the expansion franchise agreement;

Tenant shall have either (a) deposited into a separate, interest-bearing 10.1.13 bank account held by a financial institution mutually acceptable to Tenant and City (the "Additional Contingency Account") an amount (the "Additional Contingency Amount") equal to the positive difference of (i) ten percent (10%) of the Construction Budget (defined below) less (ii) the Construction Budget Contingency (defined below); or (b) provided the City (or have caused to be provided to the City) one or more standby letters of credit (each, an "Additional Contingency Letter of Credit"), each in form and substance reasonably satisfactory to the City, in the aggregate amount of the Additional Contingency Amount. Any Additional Contingency Letter of Credit must contain customary mechanics for draw if the Additional Contingency Letter of Credit will expire before it is required to be released. Tenant may also elect a combination of clauses (a) and (b) in the preceding sentence, provided that the combination of funds deposited into the Additional Contingency Account and the amount(s) of the Additional Contingency Letter(s) of Credit equal the Additional Contingency Amount. The City shall have a perfected, first-priority security interest in any funds deposited into the Additional Contingency Account, as evidenced by a deposit account control agreement executed by Tenant, City, and the depositary bank, in form and substance mutually acceptable to all three parties, securing Tenant's obligations under this Agreement. The Additional Contingency Account shall be separate and independent from, and in addition to, the Equity Account described in Section 10.1.10 above. The City acknowledges and agrees that Tenant may (but not shall not be obligated to) agree with its food and beverage concession partners to provide one of the Additional Contingency Letters of Credit. The Additional Contingency Amount shall be reduced during the course of construction of the Development Project in the amounts (each reduction, a "Contingency Reduction Amount") and at the times set forth on the milestones schedule attached to this Agreement as Exhibit W, provided the job remains on budget and free from claims and disputes, as evidenced by the reports by the lender's independent construction monitor, at which time Tenant may elect to either cause a partial release of funds from the Additional Contingency Account, or a partial reduction in the amount(s) of any Additional Contingency Letter(s) of Credit, in the aggregate amount of the Contingency Reduction Amount. Any funds (including accrued interest) remaining in the Additional Contingency Account at the time of Substantial Completion of the Development Project shall be released to Tenant within five (5) Business Days of Substantial Completion so long as no Event of Default exists under this Agreement. Any outstanding Additional Contingency Letters of Credit remaining in place at the time of Substantial Completion of the Development Project shall be terminated within five (5) Business Days of Substantial Completion so long as no Event of Default exists under this Agreement. In no event shall the City be permitted to withdraw funds from the Additional Contingency Account, or to draw down on any Additional Contingency Letter of Credit, unless this Agreement and the Lease have been terminated in accordance with their terms, and the City has regained possession of the Premises. As used herein, the term "Construction Budget" shall mean the sum of the line items labeled "704," "710," "711" and "750" in the Project Budget attached hereto as Exhibit L, as such amounts may have increased or decreased in the lenderapproved budget as of the date that Tenant proposes to commence demolition activities on the Premises, and the term "Construction Budget Contingency" shall mean the sum of the line items labeled "711" and "1000" in the Project Budget attached hereto as Exhibit L, as

such amounts may have increased or decreased in the lender-approved budget as of the date that Tenant proposes to commence demolition activities on the Premises.

10.1.14 Seattle Hockey Partners, LLC shall have executed and delivered to the City the Team Non-Relocation Agreement substantially in the form of <u>Exhibit Q</u>.

10.1.15 Tenant shall have delivered to City payment of the amounts due upon commencement of demolition as provided under Section 15.

Upon request by either Party the City shall issue a written confirmation whether the foregoing conditions have been satisfied, and if so, the date thereof. If the foregoing conditions are not satisfied on or before the third anniversary of the Effective Date, then the City may at its option upon written notice to Tenant terminate this Agreement and the Lease.

10.2 <u>General Construction Obligations.</u> Tenant shall at its expense undertake and be responsible for the management of all aspects of the construction of the Development Project in accordance with this Agreement, the approved Final Design, the Design Standards, and all applicable laws. Tenant shall obtain or cause to be obtained and maintain in effect, as necessary, all building permits, licenses and other governmental approvals that may be required in connection with construction of the Development Project. Tenant shall use its good faith and reasonable best efforts to resolve issues that may arise during construction.

Responsibility for Construction Budget and Reporting. The budget for the design 10.3 and construction of the Development Project (the "Project Budget") as of the Effective Date is attached hereto as Exhibit L. Tenant shall provide updates to the Project Budget in line-item detail, including use and remaining balance of contingencies, to the City on a quarterly basis. The City has the right to confirm the adequacy of Development Project funding with respect to any material change to the Project Budget. Tenant is responsible for all cost overruns that may be experienced by the Development Project, including those due to unforeseen conditions. Tenant will notify the City within ten (10) days of discovering any event or condition likely to lead to increases in the Project Budget in excess of \$500,000 singly or \$5,000,000 in the aggregate. Tenant will inform the Seattle Center Representative of the circumstances leading up to and resulting from the potential budget increases and keep the Seattle Center Representative apprised of its work and of its plans for addressing such conditions, including copies of reports of the independent construction monitor engaged by the Leasehold Mortgagee. Neither such notice nor any communications to or from the City relating to any such budget increases will, except as may be provided in a written amendment to this Agreement, in any way modify or limit City's available remedies for Tenant's default under this Agreement.

10.4 <u>Process for Change Orders.</u> Any material change to the Final Design requires the prior written approval of the Seattle Center Director or his/her designee (a "<u>Change Order</u>"), such approval not to be unreasonably withheld, conditioned, or delayed so long as funding for any increased cost pursuant to such Change Order is available from either available Leasehold Mortgage proceeds or the Equity Account. Whether a change is "material" shall be determined pursuant to <u>Section 7.5</u>. The Seattle Center Director or his/her designee shall respond to Tenant's request for approval of a proposed Change Order within ten (10) business days after the Seattle Center Project Coordinator receives supporting materials that are sufficiently detailed and

sufficient to enable the Seattle Center Project Coordinator to fully understand the impact and implications of the proposed change to the Development Project. If the Seattle Center Project Coordinator disapproves of any Change Order, then the Seattle Center Project Coordinator shall notify Tenant Representative of such decision, the reason(s) for such decision, and what action(s) Tenant could take to make the proposed change acceptable.

10.5 <u>Substantial Completion and Creation of Punchlist.</u> "<u>Substantial Completion</u>" means and shall occur when the Project Architect shall have issued a Certificate of Substantial Completion in the form of AIA G-704 or its equivalent; the Parties shall have approved the punchlist; and a certificate of occupancy (which may be a temporary certificate of occupancy subject to standard and customary conditions for occupancy) shall have been issued for all or substantially all of the Arena.

When Tenant believes that all requirements for Substantial Completion of the Development Project will have occurred (save only the issuance by the Project Architect of a Certificate of Substantial Completion, approval of the punchlist, and issuance of the certificate of occupancy), Tenant shall notify the City and the Project Architect. The Tenant Representative, the Seattle Center Project Coordinator, the Project Architect, and such other designee(s) as the Seattle Center Director may select shall participate in a joint walk-through of the Development Project. The Project Architect shall be directed to complete within ten (10) business days after such notification a thorough inspection of the Development Project to determine whether a Certificate of Substantial Completion can be issued and to prepare the punchlist for approval by the Parties.

10.6 <u>Final Completion.</u> "Final Completion" means and shall occur when the Project Architect shall have delivered to the Seattle Center Project Coordinator a certificate stating that all work pursuant to the Final Design, including, but not limited to, all punchlist work, has been finally completed in accordance with the Final Design; and a final and unconditional certificate of occupancy shall have been issued for all of the Development Project. When Tenant believes that all punchlist work has been completed, Tenant shall notify the City and the Project Architect. The Tenant Representative, the Seattle Center Project Coordinator, the Project Architect, and such other designee(s) as the Seattle Center Director may select shall participate in a joint walk-through of the Development Project, and if applicable, altered or damaged adjacent areas. If any City property or property of third persons shall have been altered or damaged by Tenant or its consultants, contractors, subcontractors, or agents during construction of the Development Project, Final Completion shall not occur until such property has been repaired or restored. The terms of this Section shall survive expiration or termination of this Agreement.

10.7 <u>Delivery of Record Drawings.</u> Tenant shall keep a complete set of the Final Design at the Development Premises throughout the duration of the Development Project. Within sixty (60) days after Final Completion of the Development Project, Tenant shall provide the Seattle Center Project Coordinator with a complete set of drawings and electronic drawing files as provided in <u>Section 9.3</u> reflecting the final "as-built" condition of the Development Project. [From time to time upon request Tenant shall provide copies of construction warranties related to adjacent Seattle Center premises or public safety, as determined by the Seattle Center Project Coordinator. If (x) Tenant installs any improvements outside the Development Premises or otherwise in areas that are to be maintained by Seattle Center and not Tenant, (y) there is any system jointlymaintained by Tenant and Seattle Center, or (z) any Tenant system connects to a Seattle Center Att 2 - Development Agreement (Arena at Seattle Center) $\mathsf{V2}$

system, in each event as reasonably determined by the Seattle Center Project Coordinator, then Tenant shall provide to the Seattle Center Project Coordinator copies of construction warranties related to such improvements or systems. The terms of this Section shall survive expiration or termination of this Agreement.

Mechanic's Liens. Tenant agrees to keep the Development Premises free from any 10.8 liens of mechanics, materialmen, laborers, surveyors, engineers, architects, artisans, contractors, subcontractors, suppliers, or any other lien of any kind whatsoever (a "Lien") that shall be created against or imposed upon the Development Premises other than the Leasehold Mortgage and ordinary course liens granted to lessees of equipment installed or used at the Development Premises. In the event any such Liens shall be asserted or filed by any persons, firms, or corporations performing labor or services or furnishing material or supplies in connection with the Development Project, Tenant shall pay off in full, bond over as described below, or cause the same to be discharged of record within sixty (60) days of notification thereof. Tenant reserves the right to contest the validity or amount of any such Lien in good faith provided that, within sixty (60) days after the filing of such Lien, Tenant discharges said Lien of record or records a bond which is consistent with the requirements of RCW 60.04.161. In the event Tenant shall fail to so remove any such Lien, City may take such action as City shall reasonably determine to remove such Lien and all costs and expenses incurred by City including, without limitation, amounts paid in good faith settlement of such Lien and attorneys' fees and costs, together with interest thereon, shall be paid by Tenant.

10.9 <u>Compliance with Law.</u> Tenant shall comply, and require its Prime Contractor to comply, with all laws, ordinances, rules, regulations, and orders applicable to construction of the Development Project of any public body having jurisdiction over the safety of persons or property, or over protection from damage, injury, or loss. Nothing provided in this Agreement shall be construed as imposing any duty upon the City with regard to, or as constituting any express or implied assumption of control or responsibility over safety at or on the Development Premises, or over any other safety conditions relating to employees or agents of Tenant or its contractor or any of such contractor's subcontractors, or the public.

10.10 Compliance with Seattle Center Construction Requirements.

10.10.1 <u>Compliance with Seattle Center Site Standards.</u> Tenant shall comply with the Seattle Center Site Standards, a copy of which is attached hereto as <u>Exhibit M</u>.

10.10.2 <u>Washington Licensed Contractors.</u> Tenant's Prime Contractor and all subcontractors who perform work on the Development Project shall possess a valid contractor license from the State of Washington with the classification required for the work to be performed. In addition, all contractors who perform work on the Development Project must have (i) a current Seattle Business License and be current on all Seattle Business and Occupancy taxes, (ii) a State Unified Business Identifier (UBI) number, (iii) industrial insurance coverage, and (iv) a state employment security number. While the Parties acknowledge that Tenant's Arena Contracts for the Development Project are not public contracts, the City in its capacity as landlord does not wish to have debarred contractors working with contractors in good standing. Accordingly, Tenant's contractors must not be disqualified from bidding on public contracts, and Tenant shall cause its Prime

Contractor to subcontract only with subcontractors who have not been disqualified from bidding on public contracts.

10.10.3 <u>Protection of Property in Vicinity.</u> Except as authorized under the Development Project permits or as otherwise determined by the Seattle Center Director, Tenant shall replace or repair all property that is damaged or destroyed as a direct consequence of any Development Project-related development and construction activity to a condition and level of finish of such adjacent Development Project work, with customary construction warranties for the benefit of the City, at no cost or expense to City and in consultation with the Seattle Center Project Coordinator. Tenant shall also bear sole responsibility for damage to property located outside of the Development Premises caused by any Development Project-related act or omission and shall promptly reimburse the City for all costs incurred by the City to repair any such damage.

10.10.4 Fencing Requirements During Construction. As soon as reasonably possible on a timeline to be mutually-agreed upon by the Parties, Tenant shall secure the Development Premises by a construction fence throughout and on the locations depicted on the Construction Site Logistics Plan. Tenant shall modify the fence line locations as provided in Section 3.3.1 and the Construction Site Logistics Plan. Any changes extending the fence boundaries outward from the locations permitted herein must be approved in advance in writing by the Seattle Center Project Coordinator. All construction fencing shall be painted plywood or chain link fence, minimum eleven (11) gauge by two (2) inch, and shall be at least six (6) feet tall. Chain link fence shall be covered with opaque wind screen fabric, attached to substantial metal posts spaced twelve (12) feet on center. No barbed wire is permitted. The fence shall include reasonable and appropriate signage so as to inform the public of the nature of the construction activity. Tenant shall provide a minimum of eight (8) construction signs, two (2) on each side of the Arena site and two (2) on the south site, with an architectural rendering of the Development Project on each. Such signs shall be mounted on the perimeter of the Development Premises in highly visible locations to be approved by the Seattle Center Project Coordinator. Signage shall also include wayfinding and direction/detour information on the north and south sides of the site, near entry locations on the campus. Seattle Center and Tenant will collaborate on an east fence signage program to include curated information elements to inform visitors about campus and tenant events and activities as well as project updates. The curated signage will include the ability to be changed frequently. No contractor or sub-contractor advertising signage may face the campus interior, except that such signage on cranes or mobile equipment may be visible to the campus interior on an intermittent basis. Signage shall be maintained in a clean, professional condition with graffiti removed within twentyfour (24) hours. The proposed signage wording and images/graphics must be submitted to the Seattle Center Project Coordinator for approval no less than ten (10) days prior to installation of the signs or wording, images, or graphics. Signage on fencing visible from a public right-of-way must also comply with the City's sign code ordinance (as may be amended or superseded by any sign district overlay or similar approval adopted in connection with the City's approval of the Development Project in its regulatory capacity) and be permitted or approved as required.

10.10.5 <u>Tree Protection and Replacement.</u> All existing trees on the Development Premises which are to remain after the design and construction of the Development Project is completed shall be protected during construction in accordance with applicable City construction site standards and the Construction Impact Mitigation Plan (as may be amended from time to time, the "<u>Tree Protection Plan</u>"). Tenant shall maintain a schedule of the number of trees being removed and replaced as a result of the Development Project and shall provide an updated schedule to the Seattle Center Project Coordinator periodically. Tenant shall cause two (2) trees to be planted for each tree removed for the Development Project in mutually acceptable on- or off-site locations. If Tenant falls short of the required two-for-one tree replacement ratio, Tenant shall pay Seattle Center for each additional tree that would be needed in order to meet this requirement, up to a total cost not to exceed Two Thousand Dollars (\$2,000) per tree required to be replaced.

Per Seattle Center's Century 21 Design Standards, specific trees on the Seattle Center campus are designated as Legacy Trees and cannot be removed without Seattle Center Director approval. Tenant shall use commercially reasonable efforts to maintain any Legacy Tree on the Development Premises, it being understood that removal of certain Legacy Trees might be unavoidable despite such efforts. Tenant shall cause two trees to be planted for each Legacy Tree removed for the Development Project in mutually acceptable on- or off-site locations.

10.10.6 Waste Removal. Tenant shall secure and provide within the Development Premises appropriately sized containers for the collection of all waste materials, debris, and rubbish associated with Development Project construction. Tenant shall keep the Development Premises and the property adjacent thereto free from the accumulation of waste materials, rubbish, and windblown debris associated with the Development Project and shall dispose of all flammable, hazardous, and toxic materials generated by or otherwise associated with the Development Project in accordance with Title 40 CFR, WAC Ch. 173-303 and Title 49 CFR, state and local fire codes, and any other applicable law and regulation. All waste materials, debris, and rubbish generated by or otherwise associated with the Development Project shall be disposed of legally at disposal areas away from the Seattle Center. Upon the completion of the design and construction of the Development Project, Tenant shall ensure that the Development Premises and the Seattle Center campus roadways and walkways impacted by the Development Project are cleaned and restored to their condition prior to the Development Project to the reasonable satisfaction of the Seattle Center Project Coordinator; and that all tools, equipment, and surplus materials, and waste materials, debris, and rubbish associated with the Development Project have been removed from the Development Premises and any adjacent areas.

10.10.7 <u>Dust.</u> In addition to pertinent specific measures set forth in the Construction Impact Mitigation Plan and the FEIS, Tenant shall ensure that its Prime Contractor and its subcontractors use all commercially reasonable efforts to minimize the raising of dust as a consequence of Development Project-related activity, such that adjacent areas of Seattle Center are reasonably protected from dust from construction activity. Tenant or its Development Project contractor shall ensure that those portions of streets

adjoining the Seattle Center campus used by any construction vehicles for or in connection with any Development Project-related hauling or other activity are cleaned by a street sweeping machine equipped with appropriate vacuum and water spraying devices to remove all Development Project-related dirt and debris. Tenant shall require its Prime Contractor to make reasonable efforts to contain odor on site and to schedule any work, such as roofing, where odor is difficult to contain, at such times as to minimize impact to the Northwest Rooms tenants, and other public areas.

10.10.8 <u>Noise and Vibration.</u> Noise and vibration, as identified in the FEIS and as anticipated by the Prime Contractor for specific construction phases such as excavation, shoring, and auguring, that will affect the Northwest Rooms tenants must be mitigated in accordance with the Construction Impact Mitigation Plan and the FEIS. In addition, if the Phase 1 mass excavation described in the Construction Impact Mitigation Plan and the FEIS has not been substantially completed by May 15, 2019, for the remaining duration of the Phase 1 mass excavation activities, Tenant shall be obligated to construct or install a sound wall or otherwise achieve noise attenuation on the East side of the Development Premises that is acceptable to the City in its reasonable discretion, taking into account the projected duration of continuing mass excavation.

If the Seattle Center Project Coordinator determines that noise or vibration that is not in compliance with the Construction Impact Mitigation Plan has a material adverse effect on Seattle Center or Seattle Center operations or events, the Seattle Center Project Coordinator will notify the Tenant Representative pursuant to <u>Section 1.5.4(i)</u> herein.

10.10.9 <u>Materials Storage.</u> Tenant shall ensure that all Project-related operations, including storage of materials, are confined within the applicable fenced area pursuant to <u>Section 10.10.4</u>; provided, however, that necessary trucking of equipment and materials may occur in accordance with <u>Section 3.4</u>. The City bears no responsibility or liability for the security of stored materials, which are stored at Tenant's sole risk.

10.10.10 <u>Materials Present at Turnover Date.</u> Ownership and control of all materials and component parts on the Development Premises which are to be demolished or removed as a part of the Development Project, including all furniture, fixtures, and personal property abandoned in place, but subject to <u>Section 3.6</u> and to Tenant's agreement to salvage certain items as provided in Article II, Section 14 of the Lease, shall immediately vest in Tenant upon the applicable Turnover Date. Tenant shall comply with all laws governing the storage and ultimate disposal of all such materials or facility components. Tenant shall provide the Seattle Center Project Coordinator with a copy of all manifests and receipts evidencing proper disposal when reasonably requested by the Seattle Center Project Coordinator or as required by applicable law.

SECTION 11. DEACCESSION AND INSTALLATION OF ART

11.1 <u>Art Deaccessioning and Removal</u>. The Development Project will require the permanent removal of certain existing works of visual art and artistic elements ("<u>Existing Art</u>") currently located within the Development Premises. Tenant shall accomplish the removal and

disposition of the following Existing Art at Tenant's sole cost and in compliance with the requirements in the following Subsections:

11.1.1 <u>Play Ray Plaza.</u> The City has completed the deaccessioning process which removed the Play Ray Plaza ("<u>Plaza</u>") from the City's art collection. Tenant may deconstruct and remove the Plaza without any obligation to salvage or restore any portion of the Plaza.

11.1.2 <u>Acrobat Constellation</u>. The City has completed the deaccessioning process which removed Acrobat Constellation ("<u>Acrobats</u>") from the City's art collection. Tenant may remove Acrobats and make final disposition in the manner determined by Tenant.

11.1.3 <u>Focus Skatepark Panels.</u> The City intends to incorporate the Focus Skatepark Panels (the "<u>Panels</u>") into the relocated Skate Park or an alternate location determined by the City. Tenant shall work with the City Representative on a plan to remove and store the Panels without causing damage, including the schedule for removal. To accommodate Tenant's construction schedule, removal of the Panels will need to be completed before the City is prepared to install the Panels at an alternate location. As a result, Tenant shall hire the artist's designated firm to remove and store the Panels for up to twenty-four (24) months.

11.1.4 <u>Hydraulis</u>. The City shall complete the deaccessioning process to remove "Hydraulis" from the City's art collection. Tenant shall cause the removal and disposition of Hydraulis to be completed without damage to the work, and shall make disposition of the work as directed by the Seattle Center Representative.

11.2 <u>Art Plan</u>. Tenant shall invest a minimum of Three Million Five Hundred Thousand Dollars (\$3,500,000) into arts and the cultural ecology of the Seattle Center/Uptown Arts and Cultural District (the "<u>Art Investment</u>"). The Art Investment shall be in addition to the costs Tenant pays for deaccessioning and removal of Existing Art as provided under <u>Section 11.1</u>.

Tenant shall make the Art Investment in two phases, as follows:

"<u>Phase One</u>" of Tenant's Art Investment begins on the Effective Date of this Agreement and continues through completion of the Development Project. During Phase One, Tenant shall invest a minimum of \$1,750,000 in permanently-sited works of public art created specifically for the Arena and sited on the Operating Term Premises. Tenant shall manage (either directly or through a consultant) the artist selection and integration of the art, which shall be consistent with the recommended art plan developed by Haddad-Drugan. Tenant shall comply with Lease requirements regarding installation of art, including, but not limited to, requirements for VARA waivers executed in favor of the City.

"<u>Phase Two</u>" of Tenant's Art Investment shall begin on the Operating Term Commencement Date and shall continue for a ten (10)-year period thereafter. During Phase Two, Tenant shall invest \$175,000 per year, which amount shall increase each year during Phase Two by an escalator of three percent (3%), as further described under the Lease.

SECTION 12. HAZARDOUS MATERIALS

As-Is; Definitions. As of the Effective Date, Tenant has had a full opportunity to 12.1 perform due diligence with respect to Existing Hazardous Substances, and Tenant hereby accepts the Development Premises in its "as-is" condition. Throughout the Term of this Agreement (and without limitation of the Lease), Tenant shall bear all costs and expenses of remedying any and all environmental contamination by a Hazardous Substance, the presence of which contamination is discovered in preparation for or during, or caused by Tenant during any construction, renovation, or maintenance undertaken by or for Tenant or during the Term of this Agreement or the Lease; provided, however, that this shall not be construed as a release by Tenant of claims that Tenant may have against any party who causes the migration or release after the Effective Date of any Hazardous Substance onto the Development Premises from elsewhere on the Seattle Center campus that does not arise from Tenant's construction or operations activities. As used herein, the term "Hazardous Substance" means any matter including petroleum products and by-products, asbestos, infectious waste and any other materials, which is now or hereafter designated as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601 et seq., or that is now or hereafter regulated by applicable Environmental Laws; the term "Existing Hazardous Substance" means any Hazardous Substance existing on the Development Premises as of the Effective Date; the term "Environmental Law" means, as amended from time to time, the Federal Resource Conservation and Recovery Act of 1976, 42 U.S.C. Section 6901 et seq., Federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Section 9601 et seq., Federal Hazardous Materials Transportation Control Act of 1980, 42 U.S.C. Section 1801 et seq., Federal Clean Air Act, 42 U.S.C. Section 7401 et seq., Federal Water Pollution Control Act, Federal Water Act of 1977, 93 U.S.C. Section 1251 et seq., Federal Insecticide, Fungicide and Rodenticide Act, Federal Pesticide Act of 1978, 7 U.S.C. Section 136 et seq., Federal Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Federal Safe Drinking Water Act, 42 U.S.C. Section 300f et seq., Washington Water Pollution Control Act, RCW Chapter 90.48, Washington Clean Air Act, RCW Chapter 70.94, Washington Solid Waste Management Recovery and Recycling Act, RCW Chapter 70.95, Washington Hazardous Waste Management Act, RCW Chapter 70.105, Washington Hazardous Waste Fees Act, RCW Chapter 70.95E, Washington Model Toxics Control Act, RCW Chapter 70.105D, Washington Nuclear Energy and Radiation Act, RCW Chapter 70.98, Washington Radioactive Waste Storage and Transportation Act, RCW Chapter 70.99, Washington Underground Petroleum Storage Tanks Act, RCW Chapter 70.148, and any regulations promulgated thereunder from time to time.

12.2 <u>Remedial Work.</u> Without limitation of the applicable terms of the Lease, Tenant shall comply with the terms and conditions of the Lease applicable to Hazardous Substances and Environmental Laws. Supplementing those terms during the Term of this Agreement:

12.2.1 Tenant shall bear all costs and expenses of remedying any and all environmental contamination by a Hazardous Substance, the presence of which contamination is discovered in preparation for or during demolition, excavation, or construction of the Development Project; <u>provided</u>, <u>however</u>, that this shall not be construed as a release by Tenant of claims that Tenant may have against any party who causes the migration or release after the Effective Date of any Hazardous Substance onto

the Development Premises from elsewhere on the Seattle Center campus that does not arise from Tenant's construction or operations activities.

12.2.2 If Tenant or any of its agents or contractors shall discover any Existing Hazardous Substance at any time during the course of inspection, pre-construction, demolition, excavation, or actual construction or renovation of the Development Premises, Tenant shall immediately notify the Seattle Center Project Coordinator. Designated representatives of Tenant and City shall immediately meet and confer concerning the nature and extent of the potential contamination and the appropriate remedial work, which may include but not be limited to further characterization, assessment, testing, responsibility for notification of appropriate regulatory authorities, and any remediation approach.

12.2.3 The representatives of both Seattle Center and Tenant shall work together in good faith to expeditiously come to agreement regarding the remedial work in order to avoid unnecessary construction delay while still complying with all applicable Environmental Laws. Tenant may proceed with remedial work only when an oral agreement has been reached, and the agreement shall then be memorialized in writing within three (3) days ("Remedial Work Plan"). As part of the Remedial Work Plan, Tenant shall use the services of an environmental consultant reasonably acceptable to City. The objective of the Remedial Work Plan shall be to achieve a cleanup that meets the standards for unrestricted use under MTCA. The Remedial Work Plan shall specify which party shall notify all appropriate governmental authorities of the nature and extent of the hazard presented, as required by and in compliance with Environmental Laws. Tenant shall complete all work specified in the Remedial Work Plan and shall conduct all construction in compliance with the Remedial Work Plan except as otherwise provided for herein. At all times during the Remedial Work, Tenant shall give City prompt access to the environmental professional(s) specified in the Remedial Work Plan, any contractors performing the Remedial Work, and to the data, records, and reports generated by the environmental professional(s) for the Remedial Work. The Remedial Work Plan may be amended by the written agreement of Tenant and City, and each reference to the Remedial Work Plan includes any such amendments.

12.2.4 Tenant shall ensure that all Existing Hazardous Substances are removed from the Development Premises to a cleanup standard consistent with the Remedial Work Plan, and shall ensure that all Existing Hazardous Substances are disposed of off-site in compliance with all applicable Environmental Laws. Tenant shall demonstrate achievement of the objective established for cleanup in the Remedial Work Plan (either a cleanup that meets the standards for unrestricted use under MTCA or a different standard agreed to by City). Tenant shall maintain at its place of business all records pertaining to remediation and disposal, and shall not destroy any such records without prior City approval.

12.2.5 If Tenant, its Prime Contractor, or any subcontractor thereof violates any applicable Environmental Law, the terms of the Remedial Work Plan, if any, or any of the terms of this Section concerning the presence or use of Hazardous Substances or the handling or storing of hazardous wastes, upon receipt of notice of such violation or the expiration of all challenges and appeals of such notice, whichever occurs later, Tenant shall promptly take such action as is necessary to mitigate and correct the violation. If Tenant does not act in a prudent and prompt manner, City reserves the right, but not the obligation, upon reasonable prior notice to Tenant, to act in place of Tenant (for which purpose Tenant hereby appoints City as its agent), to come onto the Development Premises and to take such action as is necessary to ensure compliance or to mitigate the violation. If the Seattle Center Director has a reasonable belief that Tenant or its Prime Contractor or any subcontractor thereof is in violation of any Environmental Law regarding the presence or use of Hazardous Substances, or that action or inaction by Tenant, its Prime Contractor, or any subcontractor thereof, presents a threat of violation or a threat of damage to the Development Premises, City reserves the right, upon reasonable prior notice to Tenant, to enter onto the Development Premises and take such corrective or mitigating action as the Seattle Center Director deems necessary. All reasonable costs and expenses incurred by City directly attributable to any such action shall become immediately due and payable by Tenant upon presentation of an invoice therefor.

12.2.6 Prior to completion of the design and construction of the Development Project, in addition to all other requirements under this Agreement, Tenant or its contractor shall remove any Hazardous Substances placed on the Development Premises by or at the direction of Tenant during the Term of this Agreement and shall demonstrate such removal to the Seattle Center Director's reasonable satisfaction.

12.2.7 In addition to all other indemnification provided in this Agreement and the Lease, and notwithstanding the expiration or earlier termination of this Agreement and to the fullest extent provided by law, Tenant shall defend, indemnify, and hold City free and harmless from any and all claims, causes of action, regulatory demands, liabilities, fines, penalties, losses, and expenses, including without limitation cleanup or other remedial costs (and including the fees of consultants, contractors and attorneys, costs and all other reasonable litigation expenses when incurred and whether incurred in defense of actual litigation or in reasonable anticipation of litigation), arising from the existence of any Hazardous Substance placed by Tenant or its contractor or any subcontractor thereof on the Development Premises, or from Tenant's violation of its obligations under this Section 12, or from the migration or release of any Hazardous Substance into the surrounding environment that results from Tenant's construction, whether made, commenced or incurred (i) during the Term of this Agreement, or (ii) after the expiration or termination of this Agreement if arising out of an event occurring during the Term of this Agreement; provided, that City shall provide Tenant with prior written notice of any event giving rise to Tenant's indemnification obligation hereunder.

SECTION 13. INDEMNITIES AND REIMBURSEMENTS

13.1 <u>General Indemnities.</u> Without limitation of the applicable terms of the Lease, during the Term of this Agreement:

13.1.1 To the fullest extent permitted by law, Tenant shall indemnify, defend (using counsel reasonably acceptable to City), and hold City, its officers, agents, employees, and elected officials (collectively, "<u>City Indemnified Parties</u>") harmless from

and against all claims, suits, losses, damages, fines, penalties, liabilities, and expenses (including City's actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) of any kind whatsoever arising out of the design and construction of the Development Project; provided, however, that this indemnity shall not extend to claims (i) brought against the City by any tenants of Seattle Center in connection with the City's relocation of such tenants as provided in Section 4 (but expressly not excluding claims by Pottery Northwest or Force 10 Hoops, LLC dba the Seattle Storm from and after assignment of their respective leases to Tenant) or (ii) arising as a result of the City's breach of its representations, warranties, or covenants set forth in this Agreement or the Other Transaction Documents. Tenant's defense and indemnity obligations extend to claims brought by its own employees and Tenant's foregoing obligations are specifically and expressly intended to act as a waiver of Tenant's immunity under Washington's Industrial Insurance Act, RCW Title 51, but only as to City Indemnified Parties and to the extent necessary to provide City Indemnified Parties with a full and complete defense and indemnity.

13.1.2 To the extent necessary to comply with RCW 4.24.115 as in effect on the date of this Agreement, Tenant's obligation to indemnify City for damages arising out of bodily injury to persons or damage to property relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, road, or other structure, project, development, or improvement attached to real estate, including the Development Project (i) shall not apply to damages caused by or resulting from the sole negligence of City Indemnified Parties; and (ii) to the extent caused by or resulting from the concurrent negligence of (A) City Indemnified Parties and (B) Tenant, its board members, agents, contractors, officers, affiliates, employees, guests or invitees shall apply only to the extent of the negligence of Tenant, its board members, agents, contractors, officers, employees, guests or invitees; provided, however; the limitations on indemnity set forth in this Section shall automatically and without further act by either City or Tenant be deemed amended so as to remove any of the restrictions contained in this Section 113.1.2 no longer required by then applicable law.

13.2 <u>Mechanic's Lien Indemnity.</u> Tenant shall indemnify, defend, and hold the City harmless from and against any breach of <u>Section 10.8</u> ("<u>Mechanic's Liens</u>").

13.3 <u>Survival.</u> The terms of this Section 13 shall survive expiration or termination of this Agreement.

SECTION 14. DEFAULTS

14.1 <u>Events of Default.</u> The following events shall constitute an "<u>Event of Default</u>" of the Agreement:

(i) With respect to any non-monetary obligations of either Party under this Agreement or any monetary obligation of a Party under this Agreement that is not a sum certain, a Party shall have failed to perform or comply in any material respect with such obligation and such failure shall have continued for thirty (30) days after notice thereof

from the non-defaulting Party, or if the curing of such non-monetary default is reasonably feasible by the defaulting Party, but not within such 30-day period, the defaulting Party shall not have commenced the curing of such failure within such thirty (30) day period, or having so commenced, shall thereafter have failed or neglected to prosecute or complete the curing of such Event of Default with diligence and dispatch within ninety (90) days after the original notice thereof; or

(ii) Either a Party shall have made a general assignment for the benefit of creditors, or shall have admitted in writing its inability to pay its debts as they become due or shall have filed a petition in bankruptcy, or shall have been adjudicated bankrupt or insolvent, or shall have filed a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, or shall have filed an answer admitting, or shall have failed reasonably to contest, the material allegations of a petition filed against it in any such proceeding, or shall have sought or consented to or acquiesced in the appointment of any trustee, receiver or liquidator for such Party; or

(iii) Either (i) within ninety (90) days after the commencement of any proceeding against a Party or any trustee, receiver or liquidator of such Party seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law, rule or regulation, such proceeding shall not have been dismissed, or (ii) if, within ninety (90) days after the appointment without the consent or acquiescence of either a Party or any trustee, receiver or liquidator of such party or of any material part of its properties, such appointment shall not have been vacated; or

(iv) With respect to any monetary obligation of a Party under the Agreement that is a sum certain, such Party shall have failed to pay such amount within ten (10) business days after written notice thereof from the other Party.

An "Event of Default" (as defined in the pertinent Other Transaction Document) by either Party under any Other Transaction Document shall constitute an Event of Default under this Agreement for so long as such Event of Default exists under such Other Transaction Document.

14.2 <u>Remedies.</u> Upon the occurrence and during the continuance of an Event of Default by a Party, the other Party shall be entitled to exercise any or all of the following remedies, as well as any other remedies available at law or in equity, except as expressly limited hereunder:

14.2.1 <u>Damages.</u> Damages resulting from such Event of Default; provided, however, that neither Tenant or the City shall be responsible for payment to the other party of consequential, special, or punitive damages in any way arising from this Agreement or any claim of breach or failure under this Agreement.

14.2.2 <u>Specific Performance and other Equitable Remedies.</u> Specific performance of this Agreement, as well as other injunctive relief.

14.2.3 <u>Correction of Work, Self-Help.</u> At the Seattle Center Director's option, the City and its contractors may enter upon the Development Premises and cause corrective

work or other correction or mitigation of the Event of Default by Tenant to be performed in accordance with the standards set forth herein at Tenant's expense, Tenant shall cooperate in all respects with any such corrective or mitigation work, and the City shall not bear any liability to Tenant, except for gross negligence or willful misconduct, on account of any such corrective or mitigation work performed hereunder by the City.

14.2.4 <u>Termination</u>. The remedy of termination of this Agreement for default under this Agreement shall be subject to and exclusively governed by Article XIX, Section 2(b) of the Lease, and this Agreement shall terminate automatically upon any termination of the Lease prior to expiration of the Term of this Agreement. Remedies under this Agreement, other than termination, shall survive for any breach of this Agreement that shall have occurred prior to termination, including but not limited to damages, enforcement of the security interests described in <u>Sections 10.1.10</u> and <u>10.1.13</u>, and the remedies set forth below. All indemnities herein shall survive with respect to any pertinent act or omission that shall have occurred prior to termination. If this Agreement is terminated prior to expiration of the Term as a result of a Tenant Event of Default, Tenant shall also:

(a) Cease and cause to be discontinued all activity associated with the Development Project on the Development Premises, except as provided below.

(b) At the election of the City and upon notice from the City, remove all construction and other equipment and uninstalled materials on the Development Premises or other areas of the Seattle Center being used by Tenant or any contractor or subcontractor thereof in connection with the Development Project as soon as reasonable practicable.

(c) At the election of the City and upon notice from the City, and in each case pursuant to a work plan approved by the Seattle Center Director, either: (i) expeditiously restore the Development Premises and all other areas of the Seattle Center campus used by Tenant or any contractor or subcontractor thereof in connection with the Development Project to its condition immediately preceding the Effective Date, or to such other level of completion as may be approved by the Seattle Center Director; or (ii) expeditiously perform such work as required to leave the Development Premises in safe and stable condition; and in either case immediately thereafter surrender to the City the Development Premises and all remaining work-in-progress.

Upon any such termination by the City, the City reserves all rights to proceed with the Development Project or portions thereof, as the Development Project may be modified by the City in its sole discretion, including through enforcement by the City of the collateral assignments of contracts described in <u>Section 8.2</u>.

14.2.5 <u>Default Interest.</u> Upon the occurrence of any monetary default the nondefaulting Party shall also have the right to interest at the Default Rate (subject to applicable usury laws then in effect in the State of Washington) between the date such payment is due and the date such payment is actually received by the non-defaulting Party. As used herein, the term "<u>Default Rate</u>" shall mean an interest rate equal to the prime rate in effect on the date that the applicable underlying payment was made or required to be made (as reported in *The Wall Street Journal* or, if the *Wall Street Journal* stops reporting the prime rate, then such other similar periodical agreed to by Landlord and Tenant in their reasonable discretion) plus four percent (4%).

14.2.6 Security <u>Interest</u>. Tenant may enforce its rights under the security interests and/or letters of credit described in <u>Section 10.1.10</u> and <u>10.1.13</u>.

14.3 Emergency Corrective Action.

(a) If Tenant fails to comply with any non-monetary obligation under this Agreement and the failure results in an emergency, the City shall have the right, but not the obligation, to take corrective action, including the right to enter the Development Premises to carry out the corrective action, and to be reimbursed by Tenant for all costs incurred to remedy the non-compliance. As used in this section, an emergency means a condition which is or reasonably could become unsafe, or which materially and adversely interferes with a third-party tenant's or licensee's authorized use or operations, or which creates an imminent risk of loss or damage, as reasonably determined by the Director. Before exercising any right to take corrective action under this Section 14.3, the Seattle Center Project Coordinator or Seattle Center Representative will provide Tenant notice and opportunity to remedy the emergency situation when feasible and reasonable under the circumstances.

(b) If Tenant fails to comply with any substantive condition in this Agreement and the Seattle Center Director reasonably determines that the failure has a material adverse impact on public safety or the operations or events of Seattle Center or its tenants, the Seattle Center Director, following at least twenty-four (24) hours' prior notice to Tenant outlining the alleged failure and the immediate corrective action required, may issue a notice ordering Tenant to suspend construction in the pertinent Development Premises until Tenant takes corrective action to the reasonable satisfaction of the Seattle Center Director. This right, with respect to such activities, to suspend shall not extend to actions or consequences of Tenant's activities if, with respect to such activities, Tenant has complied with the procedures provided under this Agreement regarding potential impacts of its Development Project on public safety or Center events or tenants. City's remedies in this Section do not limit City's other remedies under this Agreement or the Lease.

14.4 <u>Termination of Lease</u>. Notwithstanding anything to the contrary herein, this Agreement shall terminate automatically upon any termination of the Lease prior to expiration of the Term of this Agreement.

SECTION 15. PAYMENTS

15.1 <u>Payment for Relocation of Skate Park, Maintenance Facility and Facilities</u>. In consideration of the City's need to relocate the Seattle Center Skate Park ("<u>Skate Park</u>"), the Seattle Center Campus Maintenance Facility and associated support spaces ("<u>Maintenance Facility</u>"), and Seattle Center public restrooms affected by the Development Project, Tenant shall pay the City an

aggregate amount of One Million Five Hundred Thousand Dollars (\$1,500,000), to be utilized by City for such projects, as determined and allocated in the City's sole discretion. Tenant shall pay the City in two installments of Seven Hundred Fifty Thousand Dollars (\$750,000) each, with the first payment due prior to beginning excavation and construction under <u>Section 10.1</u>, and the second payment due upon the Operating Term Commencement Date. Tenant shall have no further responsibilities or obligations with respect to the Skate Park, the Maintenance Facility, or the public restroom facilities, including without limitation any obligation to locate an alternative site for such facilities or to fund or cause the completion of any construction activities in respect of such relocation or any ongoing operations.

15.2 <u>Payment for Relocation of Other Tenants</u>. In addition to the payment under Section 15.1, Tenant shall pay City Two Hundred Fifty Thousand Dollars (\$250,000) in consideration of the City's relocation before the Turnover Date of tenants occupying portions of the Premises. Payment is due within thirty (30) days after the date the conditions to demolition are satisfied pursuant to <u>Section 10.1</u>.

15.3 <u>Additional MOU Payments.</u> The following payment obligations under the MOU have not been paid under the MOU and are hereby restated: [*To be inserted at the time of signing if any of the following were not paid: reimbursement of Development Costs per MOU Section* **4**]. With respect to payments pursuant to Section 4 of the MOU, "Development Costs" shall include costs incurred through the date Tenant satisfies the conditions in <u>Section 10.1</u> hereof.

15.4 <u>Security Staffing and Capital Costs; Marketing Costs</u>. Pursuant to the Construction Impact Mitigation Plan the City and Tenant have agreed upon (i) payment of \$125,000 from Tenant to the City on account of the staffing and capital costs identified in <u>Section 1.4</u> hereof and Section 3.5 of the Construction Impact Mitigation Plan, payable in two (2) installments of \$62,500 each, on January 1 and July 1, 2019; (ii) payment of \$500,000 for an "open for business during construction" marketing plan as provided in Section 10.0 of the Construction Impact Mitigation Plan; and (iii) payment of \$74,000 for City's costs associated with the rescheduling of the Seattle/King County Clinic at Tenant's previous request. The payment described in <u>clause (iii)</u> and the cash portion of the payment described in <u>clause (ii)</u> are payable at such time as mutually agreed upon by the Seattle Center Director and Tenant's chief executive officer.

15.5 <u>Seattle Center Costs</u>. Tenant shall reimburse Seattle Center for the cost of the Seattle Center Representative and Seattle Center Project Coordinator and any other Seattle Center staff requested by Tenant to be involved with the Development Project, including admission guards, laborers, trades staff, and gardeners. Tenant shall pay Seattle Center the amount of each approved invoice within thirty (30) days of receiving invoices therefor.

The provisions of this <u>Section 15</u> shall survive the termination of this Agreement as to any outstanding payments that were due and payable as of the date of such termination.

SECTION 16. INSURANCE

Without limitation of applicable terms of the Lease, this Agreement incorporates by reference the provisions of Article IX of the Lease, including specifically those that are applicable during the Term of this Agreement.

SECTION 17. OTHER PROVISIONS

17.1 <u>Governing Law.</u> This Agreement is, and the Other Transaction Documents will be, governed by the laws of the State of Washington. Venue for any action under this Agreement and the Other Transaction Documents, including any bankruptcy proceeding, will be in King County, Washington. Should any part, term, portion, or provision of this Agreement, or the application thereof to any person or circumstances be held to be illegal or in conflict with any governmental restrictions, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and the same shall remain enforceable and valid to the fullest extent permitted by law.

17.2 <u>City as Regulatory Authority.</u> As applicable to the City this Agreement binds the City only in its proprietary capacity as the owner of the Development Premises and Seattle Center, and this Agreement does not bind or obligate the City in its capacity as a regulatory authority, nor shall anything in this Agreement be interpreted to limit, bind or change the City's codes and regulatory authority.

17.3 Dispute Resolution. The Parties hereto shall make their best efforts to resolve disputes as expeditiously as possible through negotiations at the lowest possible decision-making level, and in the event such negotiations are unsuccessful, to participate in good faith in the mediation process described below, and attempt to resolve all claims and disputes between them in a dispute resolution effort. In the event an issue cannot be resolved by negotiations between subordinate staff of Tenant and Seattle Center, the matter shall be referred to the Seattle Center Director and Tenant Representative. If those officials are unable to resolve the dispute within a period of seven (7) days after the matter has been formally referred to them for resolution, they shall meet during the immediately succeeding seven (7) days to select a mediator to assist in the resolution of such dispute; provided, that in the event the Seattle Center Director and Tenant Representative cannot agree upon a mediator within such seven (7) day period, either Party may apply to the American Arbitration Association or the Judicial Arbitration and Mediation Service for the appointment of a mediator according to the process that is established by such entity for such action. Tenant and City shall share equally the cost charged for the mediation of any dispute. The mediator shall have the authority to engage one or more expert consultants with knowledge in the field(s) or area(s) involved in the matter(s) that are in dispute to assist the mediator and the Parties to evaluate their respective claims and reach agreement to resolve their dispute. Notwithstanding the existence of any dispute between the Parties hereto, the Parties shall continue to carry out, without unreasonable delay, all of their respective responsibilities under this Agreement to the extent not affected by the dispute; provided that this shall not be construed as limiting any right or remedy expressly set forth in Section 14. Neither Party to this Agreement shall commence any litigation against the other with respect to any claim or dispute under this Agreement without first participating, in good faith, in mediation as contemplated in this Section or as provided in Lease Article XIX, Section 3.

Att 2 - Development Agreement (Arena at Seattle Center) V2

17.4 <u>Assignment.</u> Tenant may not transfer its interest in this Agreement, except to a Leasehold Mortgagee (as such term is defined in the Lease) permitted pursuant to the Lease, without the approval by the City in its discretion. This Agreement may not in any event be assigned or transferred except to and in conjunction with a permitted transferee of the interest of the Tenant under the Lease and ArenaCo under the Integration Agreement.

17.5 <u>Coordination with Mortgage Financing and Mortgagee Protection Provisions.</u> Notwithstanding anything to the contrary contained herein, commencing upon the later of (i) the date the City shall have issued written confirmation that the conditions of <u>Section 10.1</u> have been satisfied, and (ii) the date that Leasehold Mortgagee shall have made its first advance for costs of demolition or construction activities Mortgagee's Cure Rights (as defined in the Lease) shall apply concurrently to both the Lease and this Agreement.

17.6 Entire Agreement; Relationship to Lease Agreement and Seattle Center Integration Agreement. This Agreement, together with the Other Transaction Documents and all of the exhibits attached thereto, constitute an integrated transaction that contains all of the representations and the entire agreement with respect to the subject matter hereof, and supersede the MOU in all respects, except for any obligations accrued prior to the Effective Date under the MOU. Each Party hereto represents that it is not aware of any defaults under the MOU or any obligations accrued under the MOU prior to the Effective Date. Each of the Parties hereby expressly acknowledges that it has not relied on any statement, correspondence, memorandum, agreement, proposal, oral presentation, warranty or representation not contained in this Agreement or the Other Transaction Documents with respect to the subject matter herein. Except as otherwise specified in this Agreement or the Other Transaction Documents, any prior statements, correspondence, memoranda, agreements, proposals, oral presentations, warranties, or representations by any person are superseded in total by this Agreement and the Other Transaction Documents with respect to the subject matter herein.

17.7 <u>Amendments and Waivers.</u> This Agreement may not be modified or amended except by a written instrument signed by both Parties hereto. No action other than a written document from the Seattle Center Director specifically so stating shall constitute a waiver by City of any particular breach or default by Tenant, nor shall such a document waive any failure by Tenant to fully comply with any other term or condition of this Agreement, irrespective of any knowledge any City officer or employee may have of such breach, default, or noncompliance. City's failure to insist upon full performance of any provision of this Agreement shall not be deemed to constitute consent to or acceptance of such incomplete performance in the future.

17.8 <u>Notices.</u> Any notice required or permitted to be delivered under this Agreement shall be in writing and shall be considered given on the earlier of (i) actual receipt, (ii) when delivered, if delivered by hand during regular business hours, (iii) three (3) days after being sent by United States Postal Service, registered or certified mail, postage prepaid, return receipt requested and first class mail, postage prepaid, or (iv) the next business day if sent by a reputable national overnight express mail service that provides tracing and proof of receipt or refusal of items mailed. Notices shall be sent to the representatives and addresses listed below, or such other representative and address as a Party may from time to time designate.

To the City:

Jill Crary Project Management Office The City of Seattle 305 Harrison Street, Room 109 Seattle, WA 98109

Jae Lee Project Management Office The City of Seattle 305 Harrison Street, Room 109 Seattle, WA 98109

For all other notices to the City:

Seattle Center Director Seattle Center Armory 305 Harrison Street Seattle, WA 98109

With a copy to:

Civil Division Chief Seattle City Attorney's Office 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097

To Tenant:

Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

With a copy to:

Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024 With a copy to:

Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

With a copy to:

Gibson, Dunn & Crutcher LLP Attn: Douglas M. Champion, Esq. 333 South Grand Avenue, Suite 4900 Los Angeles, CA 90071-3197

With a copy to:

Perkins Coie LLP Attn: Kristine Wilson, Esq. 1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099

With a copy to:

Katten Muchin Rosenman LLP Attn: Adam Klein, Esq. 525 W. Monroe Street Chicago, IL 60661-3693

Estoppel Certificates. Within thirty (30) days after request by any Party (which 17.9 request may be from time to time as often as reasonably required by a Party but not more than once every six (6) months), the non-requesting Party shall execute and deliver to the requesting Party, without charge, an estoppel certificate (the "Estoppel Certificate") related to the facts pertaining to this Agreement in such form as the requesting Party may reasonably request and as reasonably approved by the non-requesting Party. Any such Estoppel Certificate may be conclusively relied upon by any lender, investor, or subtenant. If any Party fails to respond to such request within such thirty (30) day period, then the requesting Party may deliver a second notice to the other Party stating that the failure of the other Party to respond to such request within five (5) business days after receipt of such second request will result in a deemed approval with respect to the requested matters. The failure to deliver such statement within that five (5) business day period shall (with respect to third parties relying upon such Estoppel Certificate), without limiting any other remedy which the requesting party may have as a result of such failure, be conclusive upon the Party which fails to deliver such statement that this Agreement is in force and effect with only such modifications as have been identified by the requesting Party, and that there are no outstanding defaults in the performance of the requesting Party.

17.10 <u>Non-Discrimination</u>. Without limiting Tenant's general obligation for compliance with all applicable laws and regulations, for the Term of this Agreement, Tenant shall comply with

Att 2 - Development Agreement (Arena at Seattle Center) V2

all equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including, but not limited to, SMC Chapters 14.04, 14.10, and 20.42, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.

17.11 <u>Compliance with Laws, Permits, and Licenses.</u> Tenant, at no cost to City, shall comply with all applicable laws, including, without limitation, the ADA with respect to the Development Project, and any rules and regulations of any governmental entity as now or hereafter enacted or promulgated. Whenever Tenant is informed of any violation of any such law, ordinance, rule, regulation, license, permit or authorization committed by it or any of its officers, employees, contractors, agents, or invitees, or any of its contractor's subcontractors, Tenant shall immediately desist from and/or prevent or correct such violation. Without limiting the generality of the foregoing, Tenant, at no cost to City, shall secure and maintain in full force and effect during the Term of this Agreement, all required licenses, permits, and similar legal authorizations required in connection with the Development Project and shall comply with all requirements thereof, and shall submit to the Seattle Center Project Coordinator reasonably acceptable evidence of Tenant's satisfaction of all such requirements whenever requested in writing by such official.

17.12 <u>No Third-Party Beneficiaries.</u> No third party shall be or deemed to be a third-party beneficiary of this Agreement, such agreement being only between Tenant and the City.

17.13 <u>Counterparts.</u> This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument. Counterpart signature copies of this Agreement may be delivered by facsimile or email/.pdf and shall be deemed effective upon delivery, provided that originally executed copies shall be delivered by such party via overnight courier the following business day

17.14 <u>Time is of the Essence</u>. Time is of the essence of this Agreement and all covenants and deadlines hereunder, including as set forth on any exhibit attached hereto.

17.15 <u>No Agency or Partnership</u>. Nothing contained in this Agreement shall be construed to create any agency relationship, partnership, joint venture or other similar arrangement between Tenant and City. Neither Party nor its agents have authority to or shall create any obligation or responsibility on behalf of the other Party or bind the other Party in any manner.

17.16 <u>Partial Invalidity.</u> If any provision of this Agreement or its application to any person or circumstance shall be determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

17.17 <u>Titles.</u> The titles of the Sections and subsections of this Agreement are for convenience only, and do not define or limit the contents.

[SIGNATURES FOLLOW ON NEXT PAGE]

Att 2 - Development Agreement (Arena at Seattle Center) V2

Executed as of the date first written above.

<u>City</u>:

THE CITY OF SEATTLE, a Washington municipal corporation

By: Jenny A. Durkan Its: Mayor

Tenant:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By: Timothy J. Leiweke Its: Authorized Signatory Att 2 - Development Agreement (Arena at Seattle Center) V2

List of Exhibits

- Exhibit A: Approved Baseline Plans
- Exhibit B-1: Depiction of Development Premises
- Exhibit B-2: Legal Description of Development Premises
- Exhibit C-1: Construction Site Logistics Plan
- Exhibit C-2: Form of Crane Overhang License Agreement
- Exhibit D: Shoring and Tie-Back Plan
- Exhibit D-1: Form of Shoring and Tie-Back Easement
- Exhibit E: Construction Impact Mitigation Plan
- Exhibit F: Design and Construction Schedule
- Exhibit G: List of Major Events
- Exhibit H: Memorandum of Agreement for Event Curbside Management dated June 20, 2011
- Exhibit I: List of Arena Contracts
- Exhibit J: Form of Collateral Assignment of Arena Contracts
- Exhibit K: Initial Sign Plan
- Exhibit L: Project Budget
- Exhibit M: Seattle Center Site Standards
- Exhibit N: [Reserved]
- Exhibit O: Inclusion of Women and Minority Businesses and Labor and Social Equity Provisions for Development Project
- Exhibit P: Additional Contingency Reduction Schedule
- Exhibit Q: Team Non-Relocation Agreement
- Exhibit R: Collaborative Turnover Schedule

Exhibit A Approved Baseline Plans

EXHIBIT A

Approved Baseline Plans

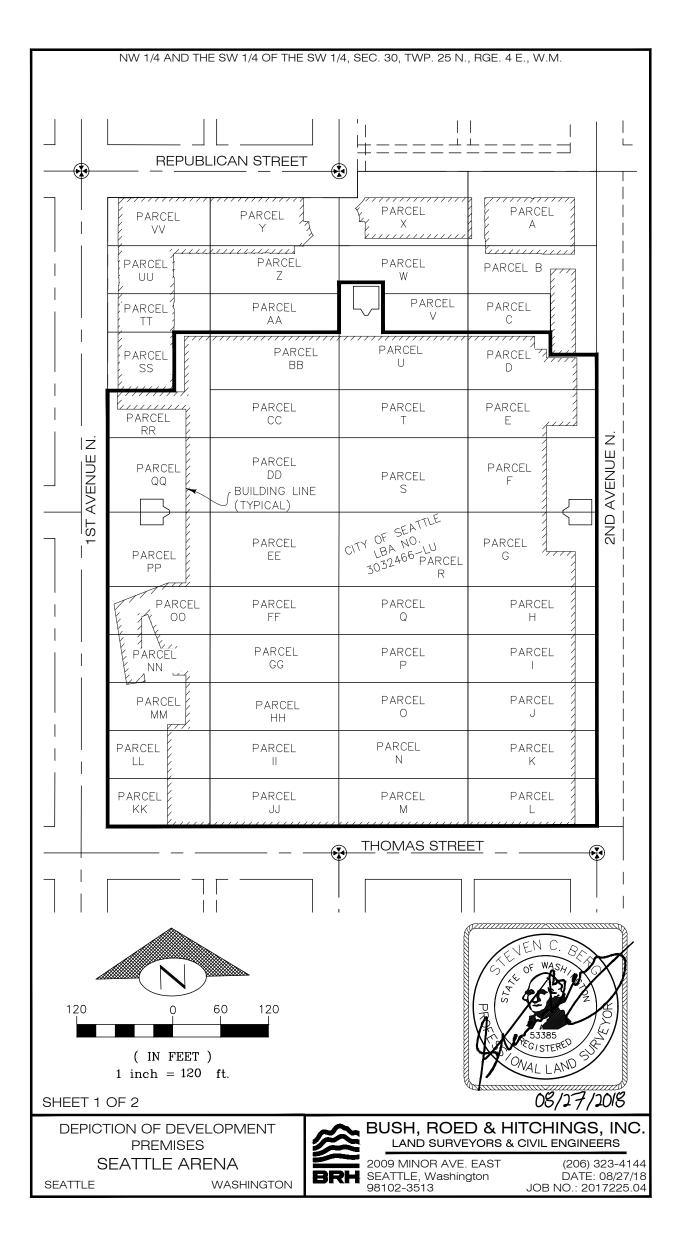
Source: Seattle Center Arena – 100% Design Development Documents (5/11/2018)

These 100% Design Development placeholder plans represent design evolution as of May 11, 2018 and will be replaced with 100% Construction Document drawings reflecting design refinements and approvals by the Seattle Center Director.

SHEET	TITLE
COV-01	COVER SHEET – VOLUME 1
X0-1	SHEET INDEX – VOLUME 1
COV-02	COVER SHEET – VOLUME 2
X0-2	SHEET INDEX – VOLUME 1
X1-1	GRID GEOMETRY PLAN – NORTH
X1-2	GRID GEOMETRY PLAN – SOUTH
X2-1	BUILDING PERSPECTIVES
X2-2	BUILDING PERSPECTIVES
C001	CIVIL COVER SHEET
C100	DEMO PLAN
C101	TESC PLAN
C200	UTILITY PLAN
C201	UTILITY PLAN
L1-001	SITE OVERVIEW PLAN
L1-002	GREEN FACTOR
L2-010	TREE AND PLANT PROTECTION
L2-011	TREE INVENTORY TABLE
L2-101	SITE MATERIALS PLAN
L2-102	SITE MATERIALS PLAN- SOUTH PARCEL
L2-103	SITE SECURITY DIAGRAM
L2-301	SITE GRADING PLAN
L2-302	SITE GRADING PLAN – SOUTH PARCEL
L2-401	IRRIGATION PLAN
L2-501	PLANTING PLAN
L2-502	PLANT SCHEDULE
L2-503	PLANTING PLAN – SOUTH PARCEL
L7-001	SITE SECTIONS
L7-002	SITE SECTIONS
L7-003	SITE SECTIONS
L7-004	SITE SECTIONS
L7-005	SITE SECTIONS
L8-001	SITE DETAILS
L8-002	SITE DETAILS
L8-003	SITE DETAILS
L8-501	PLANTING DETAILS

A1-00	SITE PLAN
A5-1-1	BUILDING ELEVATIONS
A5-1-2	BUILDING ELEVATIONS
A5-2-1	ENLARGED EXTERIOR ELEVATIONS
A5-2-2	ENLARGED EXTERIOR ELEVATIONS
A5-2-3	SE STEIGLIR ENLARGED PLANS, ELEVATIONS & SECTIONS
A5-2-4	SW STEIGLIR ENLARGED PLANS, ELEVATIONS & SECTIONS
A5-2-5	NW STEIGLIR ENLARGED PLANS, ELEVATIONS & SECTIONS
A5-2-6	NE STEIGLIR ENLARGED PLANS, ELEVATIONS & SECTIONS
A7-1-1	OVERALL BUILDING SECTIONS
A7-1-2	OVERALL BUILDING SECTIONS

Exhibit B-1 Depiction of Development Premises



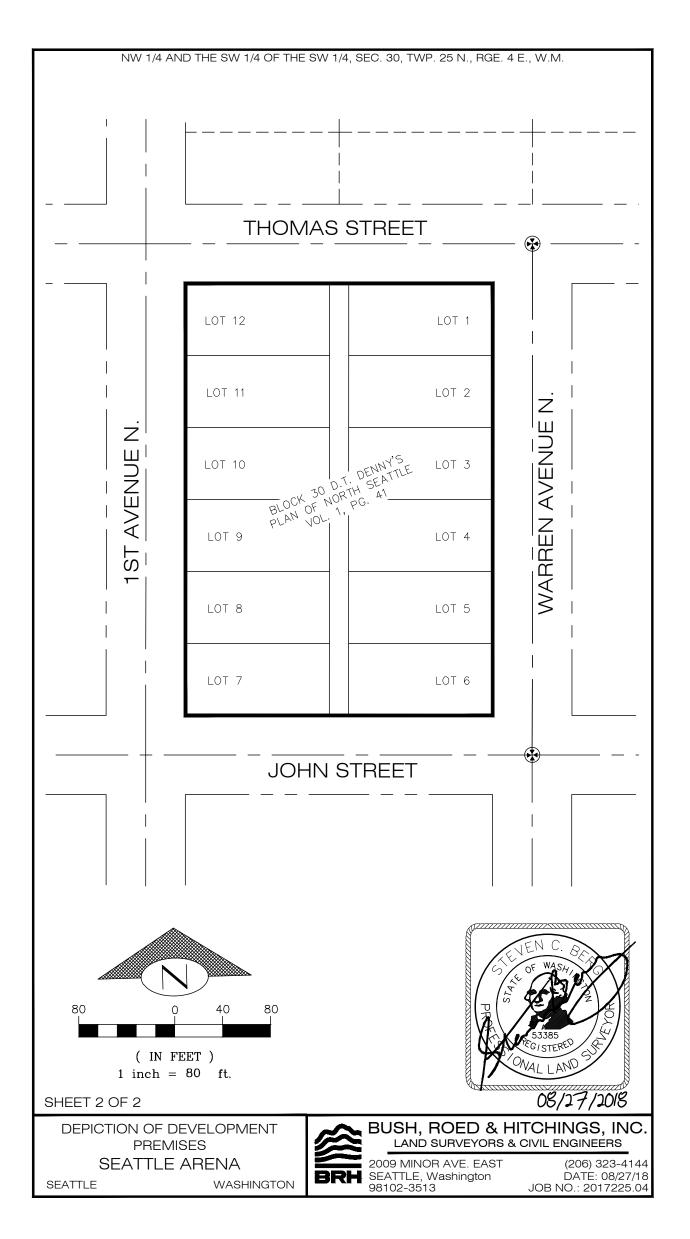


Exhibit B-2 Legal Description of Development Premises

Exhibit B-2

Legal Description of Development Premises

ARENA SITE:

Parcels D through U, and BB through RR, City of Seattle of Lot Boundary Adjustment No. 3032466-LU, recorded under Recording No. _____, Records of King County, Washington.

SOUTH SITE:

Lots 1 through 5, inclusive, Block 30, D.T. Denny's Plan of North Seattle, according to the plat thereof recorded in Volume 1 of Plats, page 41, in King County, Washington; EXCEPT the South 6 feet of said Lot 5;

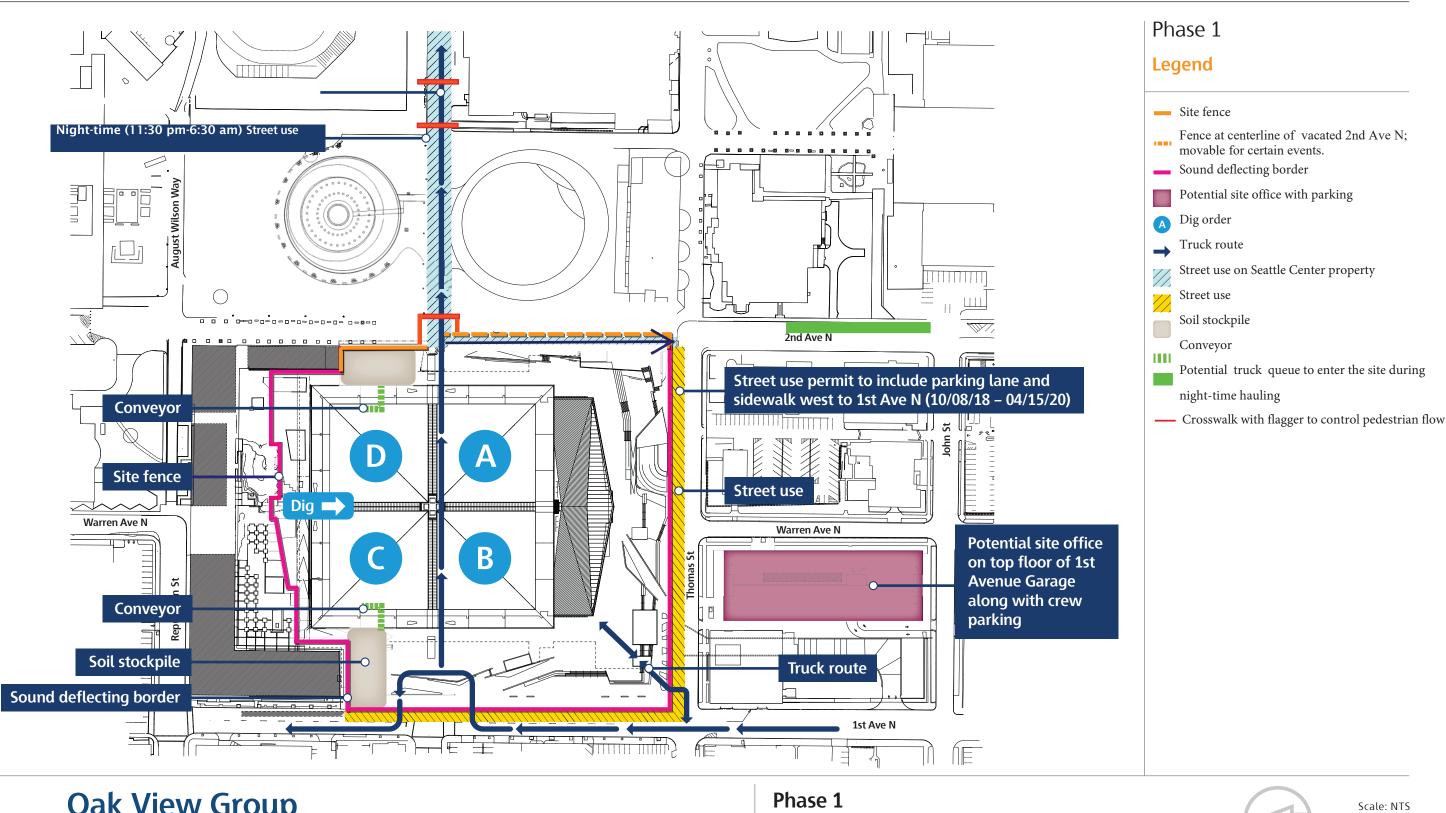
TOGETHER WITH that portion of alley vacated by City of Seattle Ordinance No. 117474 which attached to said premises by operation of law.

AND

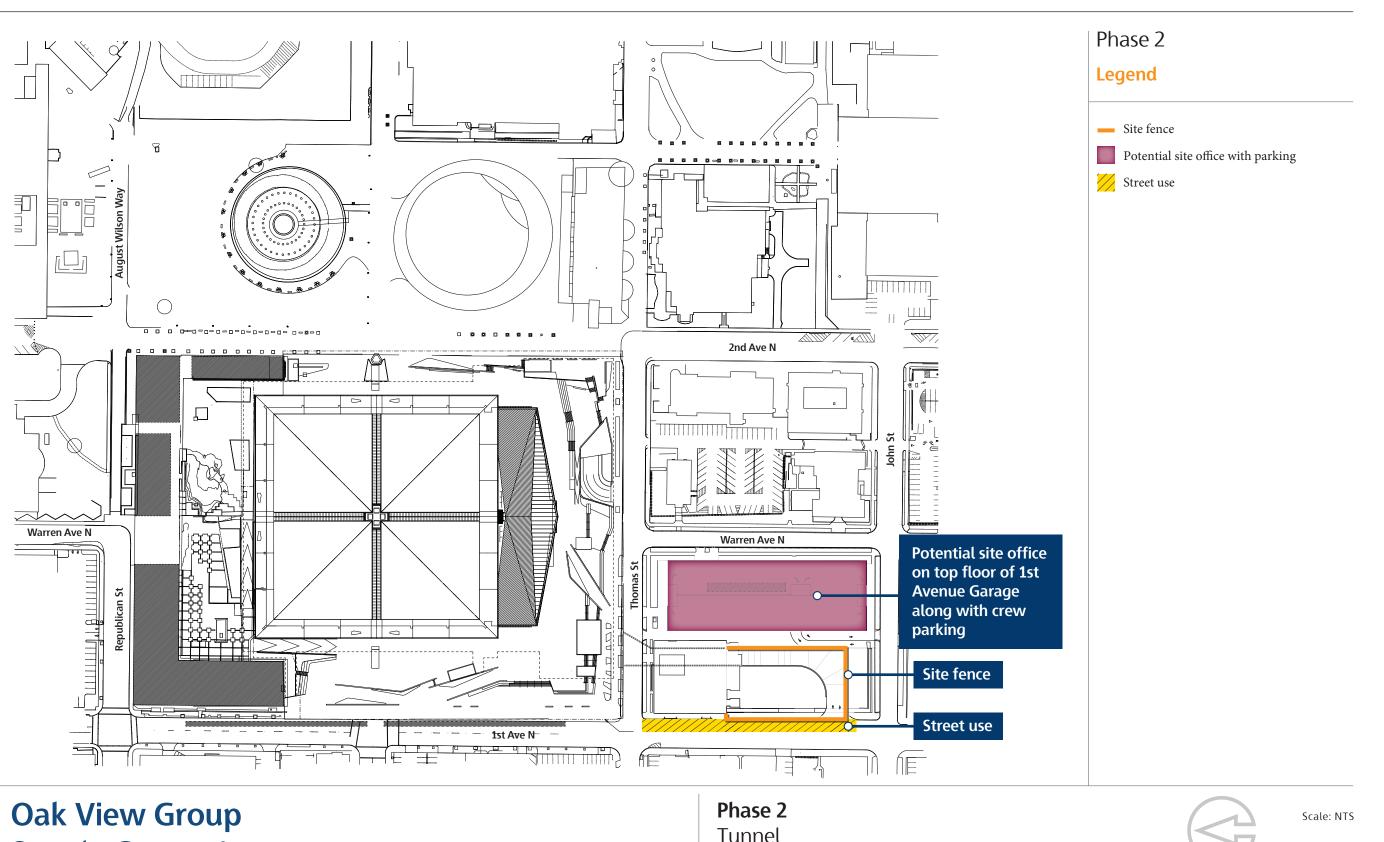
Lots 6 through 12, inclusive, and the South 6 feet of Lot 5, Block 30, D.T. Denny's Plan of North Seattle, according to the plat thereof recorded in Volume 1 of Plats, page 41, in King County, Washington;

TOGETHER WITH that portion of alley vacated by City of Seattle Ordinance No. 117474 which attached to said premises by operation of law.

Exhibit C-1 Construction Site Logistics Plan

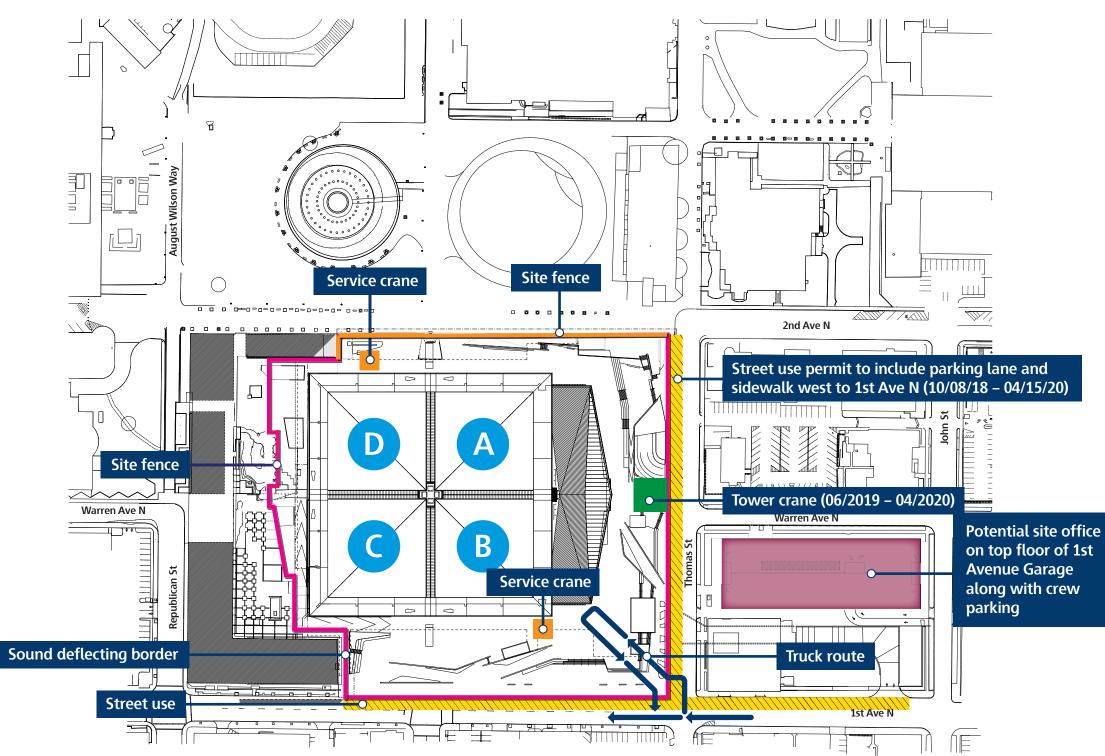


Oak View Group Seattle Center Arena Excavation/Demolition (Interior) 10/2018 - 03/2019



Seattle Center Arena

Tunnel 12/2018 - 07/2019



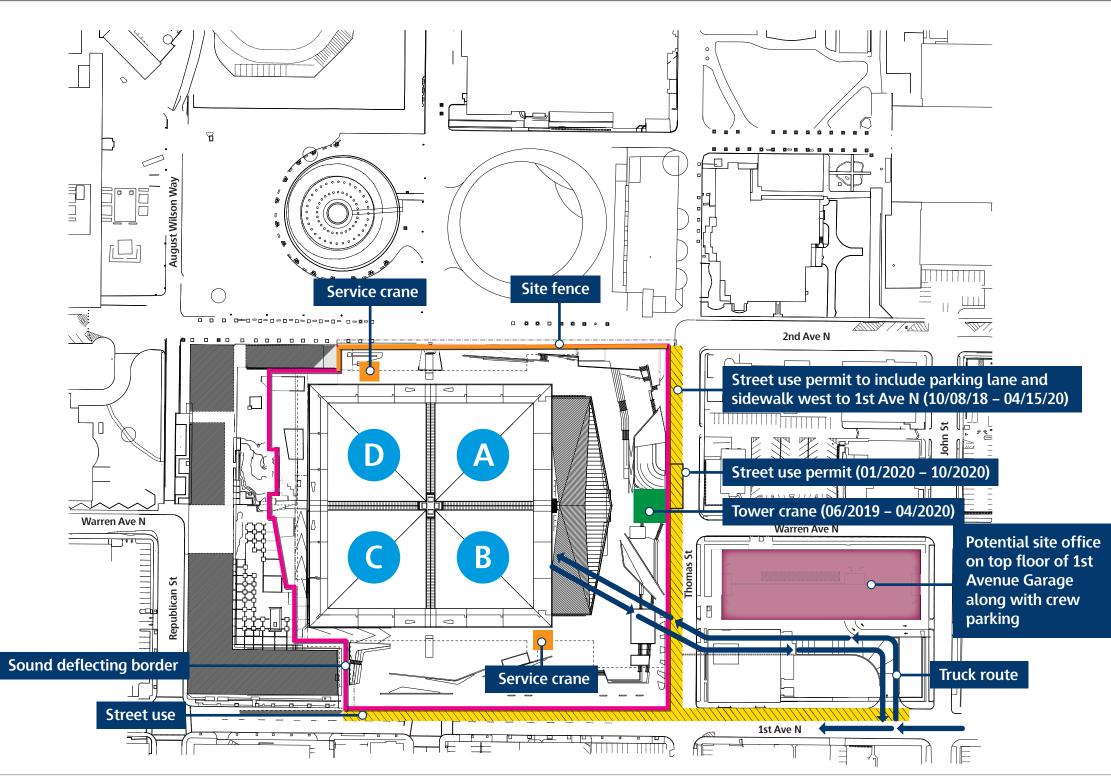
Oak View Group Seattle Center Arena

Phase 3 Structure I 01/2019 - 08/2019



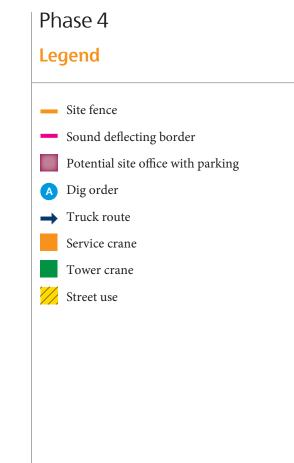


Scale: NTS



Oak View Group Seattle Center Arena

Phase 4 Structure II and Interiors 09/2019 – 09/2020





Scale: NTS

Exhibit C-2 Form of Crane Overhang License Agreement

EXHIBIT C-2

FORM OF CRANE OVERHANG LICENSE AGREEMENT

[Note: subject to updates to reflect actual overhang areas, loads, and other applicable details.]

This CRANE OVERHANG LICENSE AGREEMENT (this "<u>Agreement</u>") is made as of _______, 2018, by and between the City of Seattle, a Washington municipal corporation ("<u>City</u>"), acting by and through its Seattle Center Director (the "Director"), and Seattle Arena Company, LLC, a Delaware limited liability company ("<u>ArenaCo</u>"), with reference to the following facts:

WHEREAS, ArenaCo leases from City that certain real property located in the City of Seattle, State of Washington, and more particularly described on <u>Exhibit A</u> attached hereto and incorporated herein (the "<u>Arena Property</u>") pursuant to that certain Lease Agreement (Arena at Seattle Center) of even date herewith, as evidenced by that certain Memorandum of Lease of even date herewith and recorded in the Official Public Records of King County, Washington concurrently herewith (collectively, the "<u>Lease Agreement</u>"); and

WHEREAS, City owns certain real property adjacent to the Arena Property, more particularly defined under the Lease Agreement as the "Seattle Center" and referred to herein as the "Seattle Center Campus"; and

WHEREAS, in connection with the redevelopment of KeyArena (the "<u>Arena</u>") proposed to occur on the Arena Property pursuant to that certain Development Agreement (Arena at Seattle Center) of even date herewith by and between the City and ArenaCo (as the same may be amended, modified, or assigned, the "<u>Development Agreement</u>"), City and ArenaCo desire to enter into this Agreement to provide ArenaCo with the temporary right, license, and privilege over, across, and above a portion of the Seattle Center Campus for the purpose of facilitating uninterrupted aerial swing for the arm of one or more construction crane(s) (collectively, the "<u>Cranes</u>") to be utilized by ArenaCo during construction of the Arena;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and ArenaCo hereby agree as follows:

1. <u>Crane Overhang License</u>. City hereby grants to ArenaCo a temporary, non-exclusive aerial license above ground (the "<u>Crane Overhang License</u>"), in, over and through the area depicted in the drawing attached hereto as <u>Exhibit C</u> and made a part hereof for all purposes (the "<u>Crane Overhang License Area</u>"), solely to accommodate (i) weathervaning of the Cranes when required by weather conditions that could jeopardize the structural integrity, or cause the failure of the Cranes, and (ii) the aerial swing for the arm of one or more Cranes to be utilized by ArenaCo and its employees, contractors, subcontractors, and agents (collectively, the "<u>ArenaCo Parties</u>") during the construction of the Arena. All Crane operators engaged by ArenaCo, or any of its contractors, subcontractors or agents, as the case may be, for the Arena

shall have qualifications that comply with the then-applicable standards of the Occupational Safety and Health Administration.

- 2. Use of the Crane Overhang License Area. During the Term of this Agreement:
 - a. ArenaCo shall permit only personnel who are trained and qualified according to the standards set forth by the Crane Manufacturers' Association of America to operate, supervise, and guide the Cranes;
 - b. ArenaCo shall not use the Cranes in any manner that unreasonably interferes with the use or operation of the Seattle Center Campus, its contractors, subcontractors, employees, tenants, or invitees;
 - c. the Cranes shall be operated in a manner that prevents them from interfering with any crane located on the Seattle Center Campus, and ArenaCo shall ensure that, while operating within the Crane Overhang License Area, the Crane shall not collide with any cranes or improvements now or hereafter constructed on the Seattle Center Campus;
 - d. ArenaCo shall erect, operate, and dismantle the Cranes in compliance with applicable statutes, codes, or regulations of governmental authorities with jurisdiction over the Seattle Center Campus;
 - e. ArenaCo shall obtain and pay for all licenses and permits required in connection with installation and operation of the Cranes; and
 - f. ArenaCo agrees not to make any unlawful use of the Crane Overhang License Area.
- <u>Term</u>. The Crane Overhang License shall commence on the effective date of the Development Agreement and shall automatically expire without any further act of any party hereto at midnight on the date which is [•] days after the date Final Completion is achieved, as such term is defined in the Development Agreement.
- 4. <u>Insurance</u>. Any insurance requirements with respect to the Crane Overhang License shall be governed by Article IX of the Lease Agreement.
- **5.** <u>**Compliance with Laws.**</u> ArenaCo shall, and shall cause its members, officers, employees, contractors, subcontractors, and agents to, comply with all applicable permits, laws, rules and regulations of all governmental agencies having jurisdiction over the Arena with respect to the maintenance and operation of the construction crane(s) described herein.

6. <u>Indemnity</u>.

a. <u>ArenaCo Indemnification of City</u>. Except as otherwise provided in this <u>Section 6</u> below, ArenaCo shall indemnify, defend (using legal counsel reasonably acceptable to City) and save City or any of City's elected officials, advisory bodies, directors, employees, contractors, agents or representatives (collectively, the "<u>City Parties</u>")

harmless from all claims, suits, losses, damages, fines, penalties, liabilities and expenses (including City's actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property, or otherwise arising out of or in connection with (a) the occupation, use, or improvement of the Crane Overhang License or the Crane Overhang License Area during the Term of this Agreement, (b) any breach of any covenant, representation or warranty made by ArenaCo in this Agreement or in any schedule or exhibit attached hereto or any other certificate or document delivered by ArenaCo to City pursuant to this Agreement, or (c) any negligent or wrongful act or omission of ArenaCo or any of ArenaCo's assignees, subtenants and licensees, and their respective agents, servants, employees, representatives, contractors, licensees, invitees, and guests (collectively, the "ArenaCo Parties") in or about the Crane License Area during the Term of this Agreement. ArenaCo agrees that the foregoing indemnity specifically covers actions brought by its own employees. ArenaCo's indemnity obligations shall survive termination or expiration of this Agreement.

- b. <u>RCW Title 51 Waiver</u>. The foregoing indemnities are expressly intended to and do constitute a waiver of each Party's immunity under the State of Washington's Industrial Insurance Act, RCW Title 51, for claims brought by such Party's employees against the other Party, provided that such waiver shall apply only to the extent necessary to provide the indemnified Party (and its elected officials, directors, employees, and agents, as applicable) with a full and complete indemnity from claims made by the other Party and its employees, to the extent of their negligence. Each Party shall promptly notify the other Party of casualties or accidents occurring in or about the Crane License Area of which the notifying Party has actual knowledge.
- c. <u>RCW 4.24.115</u>. In compliance with RCW 4.24.115 or any successor provision, all provisions of this Agreement pursuant to which either party ("<u>Indemnitor</u>") agrees to indemnify the other party ("<u>Indemnitee</u>") against liability for damages arising out of bodily injury to persons or damage to property relative to the construction, alteration, repair, addition to, subtraction from, improvement to, or maintenance of, any building, road, or other structure, project, development, or improvement attached to real estate, including the Crane License Area, (a) shall not apply to damages caused by or resulting from the sole negligence of the Indemnitee, its agents, contractors or employees, and (b) to the extent caused by or resulting from the concurrent negligence of Indemnitee's agents, contractors or employees, shall apply only to the extent of the Indemnitor's negligence.
- d. <u>No Personal Liability</u>. Neither Party's elected officials, appointed officials, board members, members, shareholders and other owners, directors, officers, employees, agents, and attorneys or other representatives shall be personally liable for any obligations or other matters arising under this Agreement.
- 7. <u>Notices</u>. All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service, or mailed in the United States mail postage prepaid. If such

notices are delivered by overnight courier shall be considered delivered on the first business day after deposit with such courier. If such notices are mailed, they shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a party shall from time to time direct:

If to City:

Jill Crary Project Management Office The City of Seattle 305 Harrison Street, Room 109 Seattle, WA 98109

Jae Lee Project Management Office The City of Seattle 305 Harrison Street, Room 109 Seattle, WA 98109

Seattle Center Director Seattle Center Armory 305 Harrison Street Seattle, WA 98109

With a copy to:

Civil Division Chief Seattle City Attorney's Office 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097

If to ArenaCo:

Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

With a copy to:

Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024 With a copy to:

Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024

With a copy to:

Gibson, Dunn & Crutcher LLP Attn: Douglas M. Champion, Esq. 333 South Grand Avenue, Suite 4900 Los Angeles, CA 90071-3197

With a copy to:

Perkins Coie LLP Attn: Kristine Wilson, Esq. 1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099

- 8. <u>Severability</u>. Any term or provision of this Agreement that is invalid or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement, or affecting the validity or enforceability of any of the terms or provisions of this Agreement.
- **9.** <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, with the same force and effect as though all the parties executing such counterparts had executed but one instrument. Signature and/or acknowledgment pages may be detached from such counterparts and attached to this Agreement to physically form one legally effective document for recording purposes.
- 10. <u>Choice of Law</u>. This Agreement is governed by the laws of the State of Washington. Venue for any action under this Agreement shall be in King County, Washington. The terms of this Agreement are not intended to establish or to create any rights in any persons or entities other than the parties and the respective approved successors or assigns of each of the parties.
- **11.** <u>Amendments</u>. No alteration or modification or waiver of the terms or conditions of this Agreement shall be valid and binding unless made in writing and signed by the authorized representatives of the parties hereto.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Crane Overhang License Agreement as of the date and year first written above.

CITY:

THE CITY OF SEATTLE,

a Washington municipal corporation

By:	
Name:	
Its:	

ARENACO:

SEATTLE ARENA COMPANY, LLC,

a Delaware limited liability company

By: ______ Name: ______ Its:

STATE OF WASHINGTON)

) ss. COUNTY OF KING)

On this _____ day of ______, 2018, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared to me ______, the ______ of the City of Seattle, the municipal corporation, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written

[Signature of Notary]

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

My appointment expires _____

STATE OF WASHINGTON)

) ss. COUNTY OF KING)

On this _____ day of ______, 2018, before me, the undersigned a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared to me ______, the ______ of Seattle Arena Company, LLC, a Delaware limited liability company, that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said company, for the uses and purposes therein mentioned, and on oath stated that she was authorized to execute the said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written

[Signature of Notary]

(Legibly Print or Stamp Name of Notary)

Notary public in and for the state of Washington, residing at _____

My appointment expires _____

Exhibit A

Description of Arena Property

[To be inserted]

<u>Exhibit B</u>

Description of Seattle Center Campus

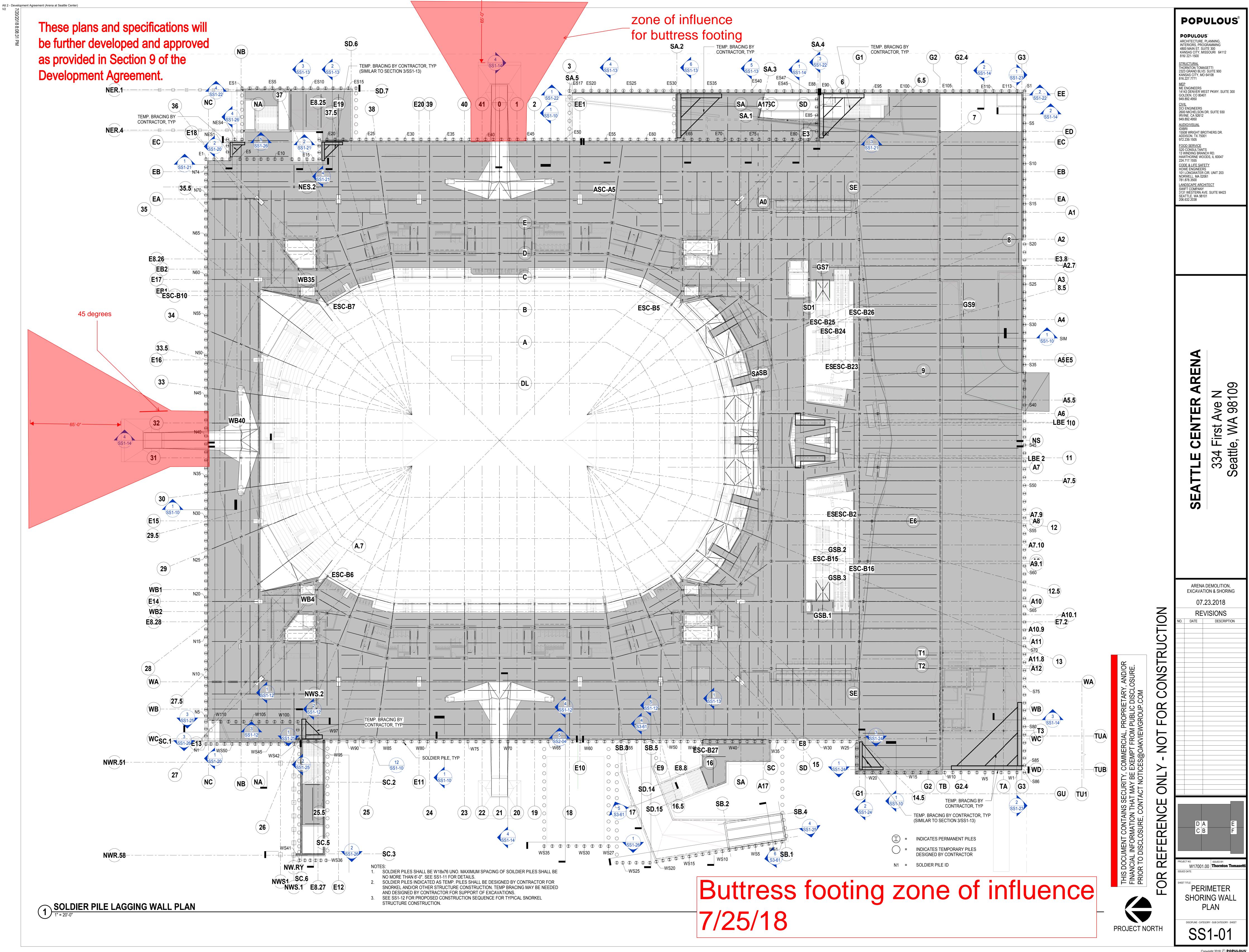
[To be inserted]

<u>Exhibit C</u>

Crane Overhang License Area

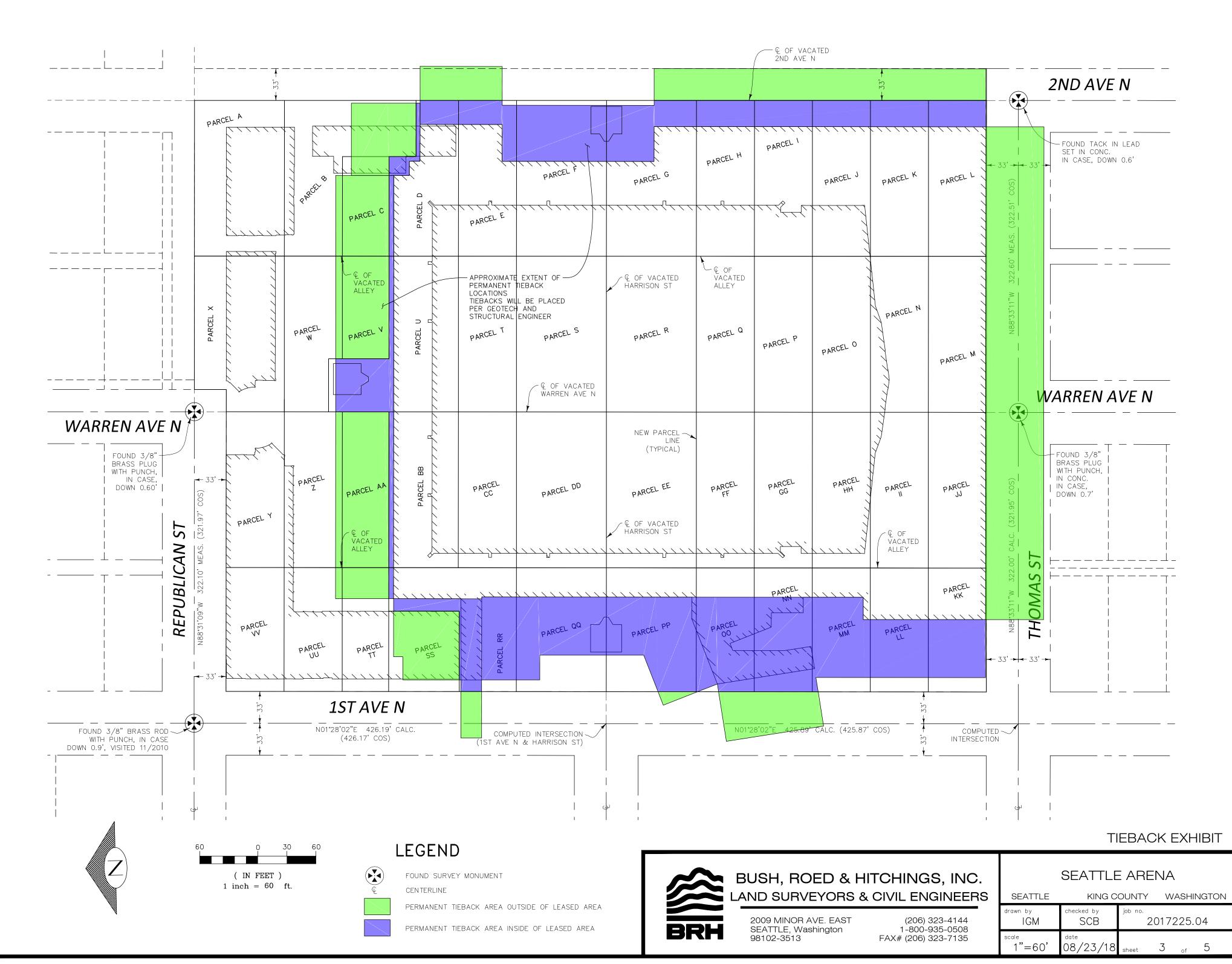
[To be attached]

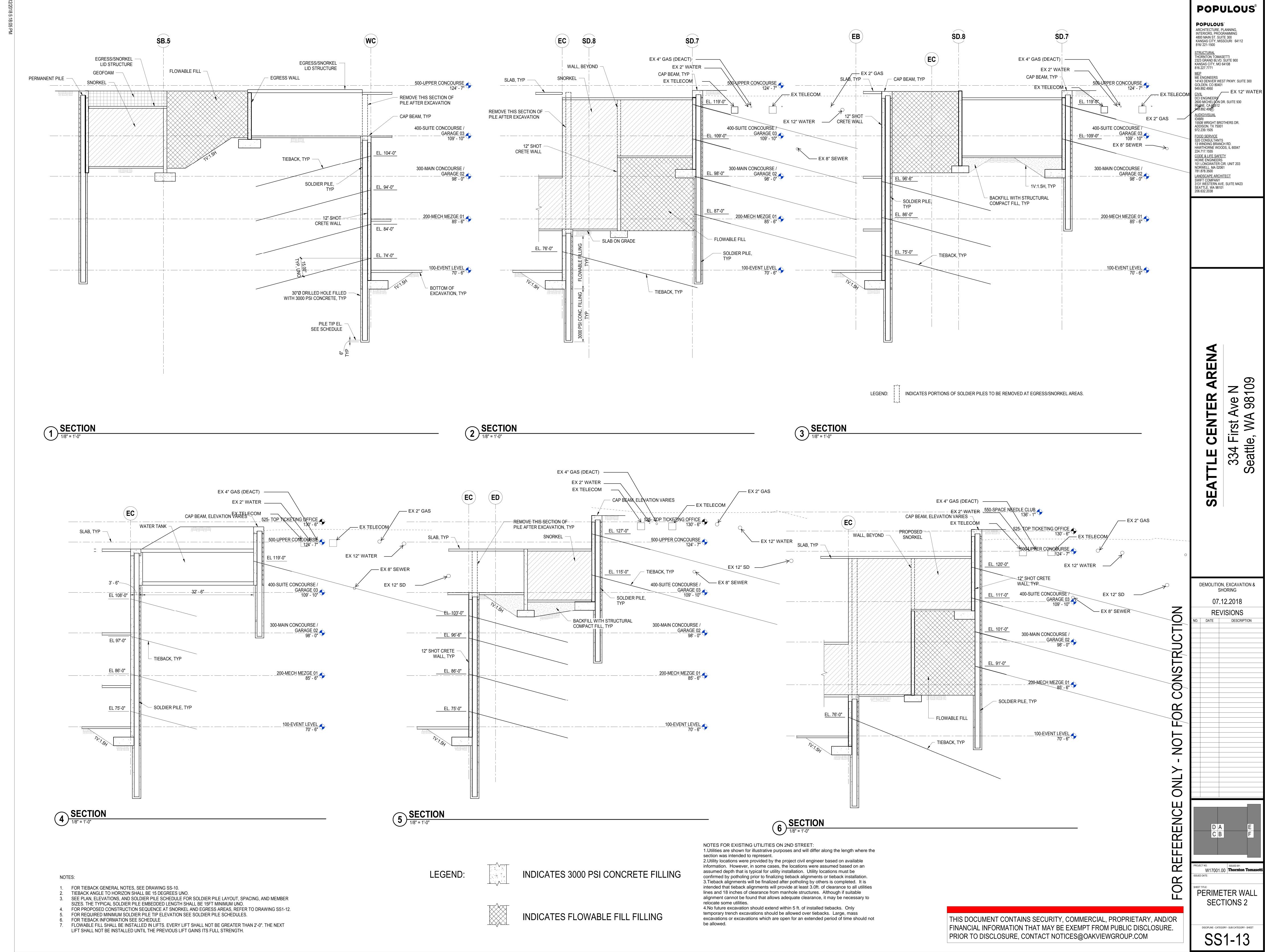
Exhibit D Shoring and Tie-Back Plan



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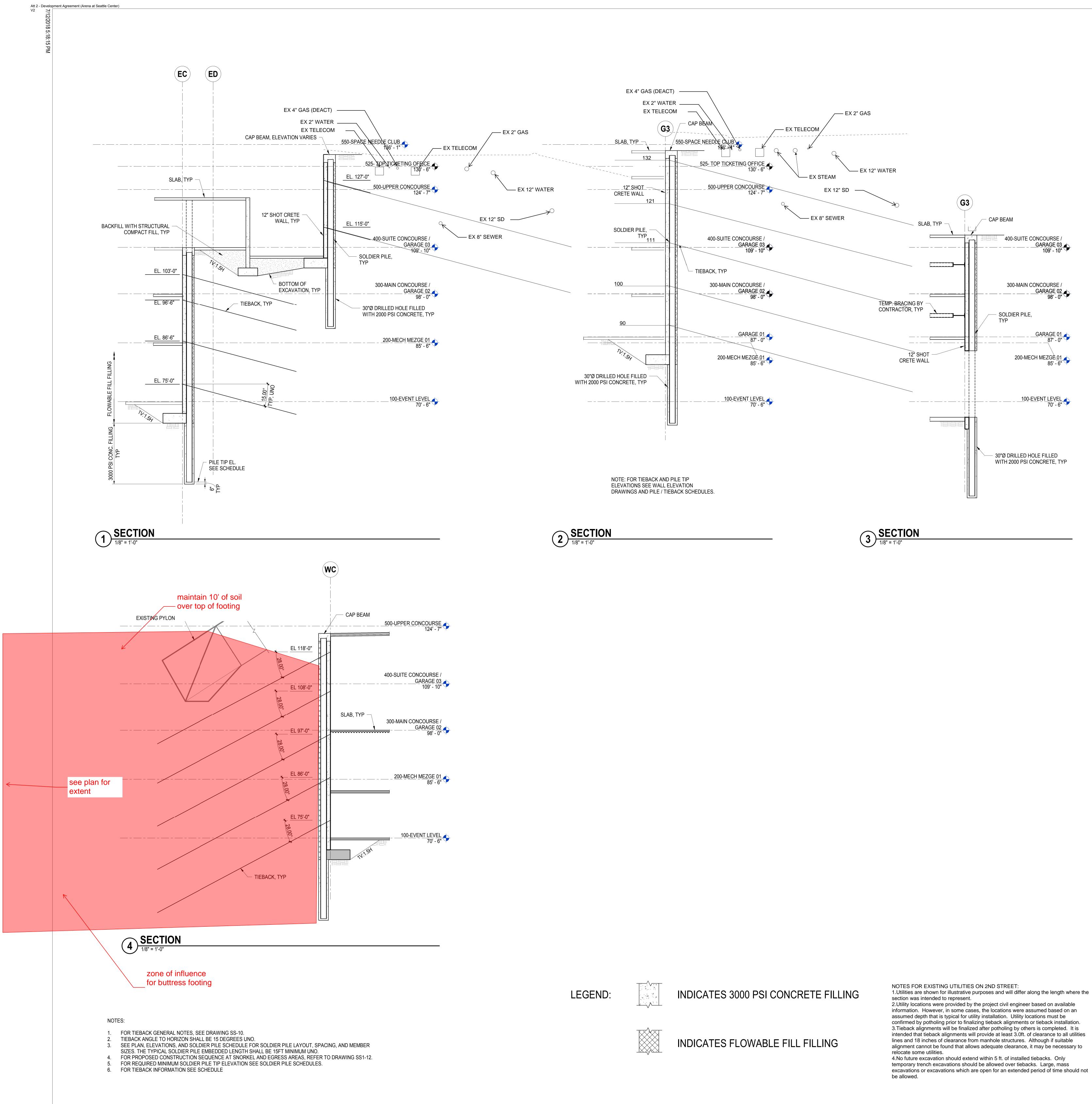




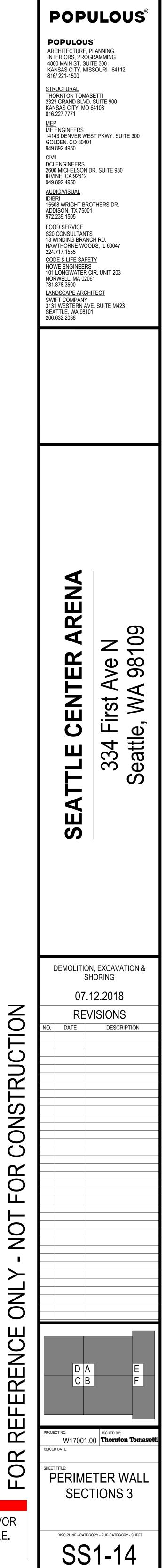
V2



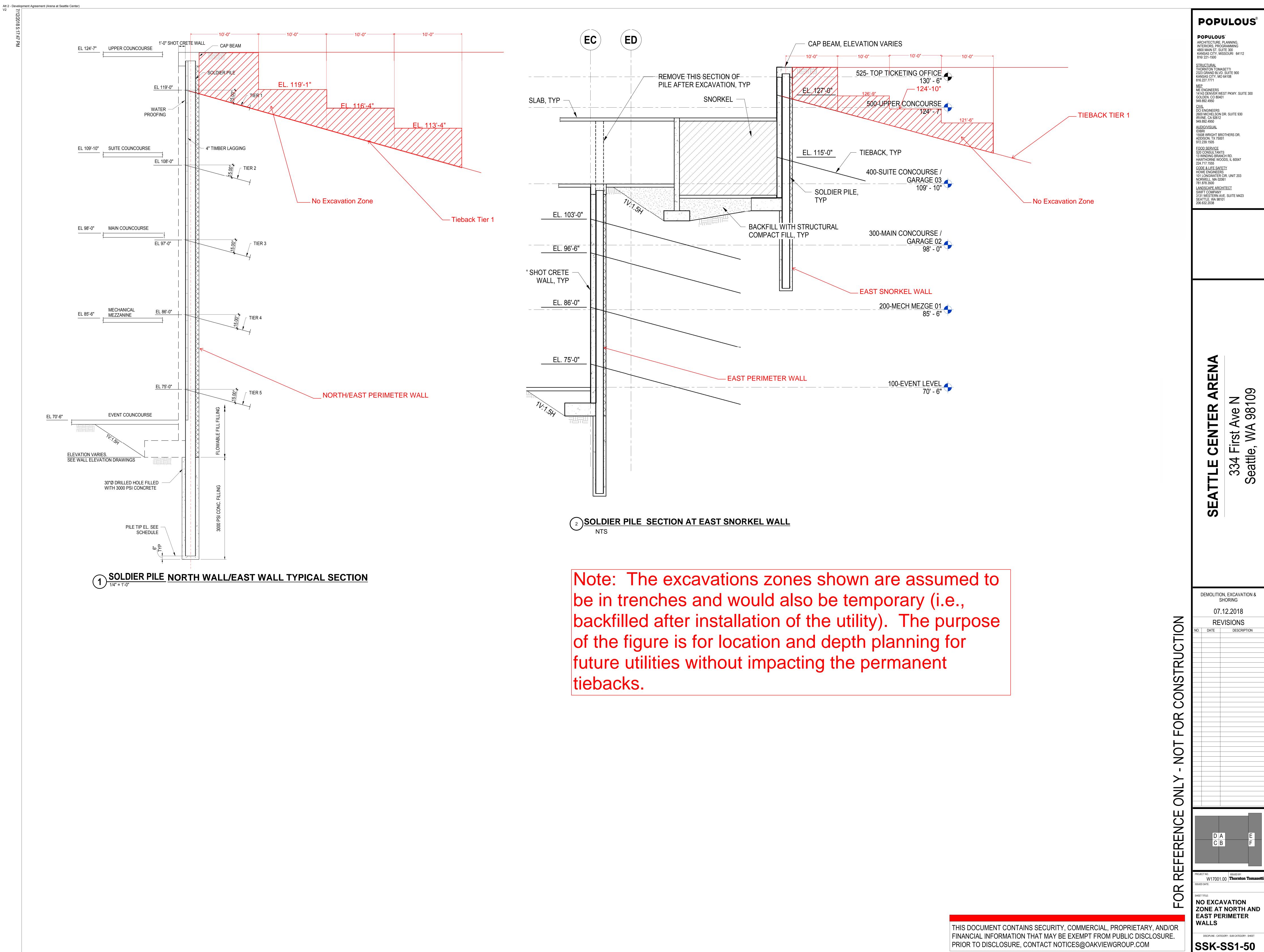
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information. However, in some cases, the locations were assumed based on an confirmed by potholing prior to finalizing tieback alignments or tieback installation. 3.Tieback alignments will be finalized after potholing by others is completed. It is intended that tieback alignments will provide at least 3.0ft. of clearance to all utilities lines and 18 inches of clearance from manhole structures. Although if suitable alignment cannot be found that allows adequate clearance, it may be necessary to



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<u>Exhibit E</u> Construction Impact Mitigation Plan

Construction Impacts Mitigation Plan:

Seattle Center Arena Renovation Project

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Intent of the Construction Impacts Mitigation Plan

This Construction Impacts Mitigation Plan (the "CMP") anticipates and reduces the potential impacts from construction of the Seattle Center Arena Renovation Project (the "Project") on the surrounding Seattle Center campus, resident organizations, and other community neighbors and businesses. Impacts addressed in this CMP relate to construction noise and sensitive receivers, haul routes, street closures, construction dust, erosion control measures, environmental health, historic and cultural resources preservation, aesthetics, light and glare, public services and utilities, and tree protection. A key component of this CMP is the implementation of regular communications with Seattle Center and its resident organizations, the community, and Project neighbors regarding process and schedule. Implementation of this CMP is the responsibility of Seattle Arena Company, LLC (the "Tenant"), the General Contractor, and the subcontractors working on the Project.

The CMP is an exhibit to the Development Agreement. The CMP provides additional detail regarding Tenant's plans to mitigate construction impacts; it does not modify the terms of the Development Agreement. The CMP must be interpreted, implemented, and enforced consistent with the terms of the Development Agreement. Additionally, if there is a conflict between any permit or regulatory approval and the CMP, including Appendix B, the regulatory approval or permit shall govern to the extent necessary to resolve the conflict.

1.0 Project Overview

The Project is the renovation of the existing arena at Seattle Center and associated improvements to create a modern, multi-purpose entertainment and sports center that would host concerts, sporting events, family shows, community-oriented events, and numerous other events, and numerous other events, and that could accommodate a professional National Hockey League (NHL) and/or National Basketball Association (NBA) franchise. The proposal would also continue to accommodate many current uses, including the Seattle Storm Women's National Basketball Association (WNBA) franchise. The plan for this Project is to transform the existing arena by expanding its footprint below-grade while protecting the landmarked exteriors above grade. It is anticipated that construction will commence in Fall 2018 and be completed by Fall 2020.

The Project will include the following infrastructure, buildings, and other related improvements:

- Landmark-designated arena features will be preserved or restored, including the roof and edge beam structure, pylons, and the north, west, and east curtain walls.
- The south façade of the arena, including the curtain wall, will be removed.

- An atrium lobby will be added to the south of the arena, which would be the main entrance to the arena.
- Five (5) buildings (West Court Building, NASA Building, Blue Spruce Building, Seattle Center Pavilion, and Restroom Pavilion); the skatepark; one surface parking lot; and the loading/marshaling area to the south of the arena will be demolished, as well as the plazas to the west and east of the arena.
- A new box office and buildings that will contain emergency exit stairs and mechanical equipment will be constructed in plazas around the arena.
- If additional exhaust fans are needed for the life safety system, the size of the cupola the structure on top of the existing arena—may be modified.
- New signage and accent lighting will be installed throughout the site.
- The exterior plaza level will be returned to a condition similar to its original 1962 grade by removing the below-grade entrances and associated stairs. Hardscape and landscape features will also be redesigned and reconstructed. This redesign would make the exterior plazas ADA compliant and would include spaces for recreation, performance, and gathering.
- In the International Plaza, the existing hardscape and select landscaping and trees would be removed and replaced with landscape, hardscape, lighting and way-finding to create a consistent 360 degree pedestrian experience around the arena, an east-west oriented ADA ramp would be installed, and the DuPen Fountain and Thiry Planter would be maintained.
- A below-grade parking garage for approximately four hundred fifty (450) vehicles will be built below the south plaza, south of the arena, with a two-lane access drive from Thomas St.
- A loading area with approximately eight (8) loading docks will be built below the south plaza. The loading area will be accessed off of 1st Ave N through a tunnel under the Bressi Garage and Thomas St.

The proposed improvements are depicted within the figures below and the Site Logistics Plan in Appendix A.

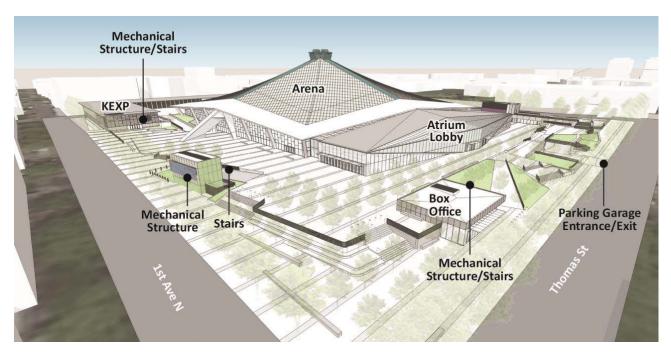


Figure 1-1. Schematic Drawing of Arena Project

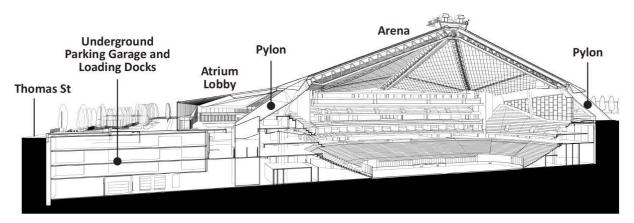


Figure 1-2. Cross Section – Showing Arena and Parking Garage

1.1 Construction Activities and Project Phases

Construction is generally divided into 4 overlapping phases. Demolition and excavation would be the most intense phase. The construction phases are summarized below.

Phase 1: Demolition and Excavation

- Work would include interior and exterior demolition, excavation to the perimeter of the existing
 roof footings, removal of demolished and excavated materials from the site, and installation of
 earth retention systems including soldier piles immediately outside of the foundation walls around
 the perimeter of the arena. Soldier piles would be placed using a drilling method, followed by a
 concrete pour; no pile driving would occur. Demolition and removal of any hazardous materials
 would be in accordance with federal, state, and City regulations. All hazardous materials in the
 buildings to be demolished or renovated have been identified and will be safely abated prior to
 demolition in accordance with SDCI regulations.
- Excavation of the arena building below-grade would begin on the north side of the arena and progress to the south side of the arena.
- Demolition of exterior structures (Blue Spruce Building, skatepark, Seattle Center Pavilion, West Court Building [existing box office], Restroom Pavilion, and NASA Building) and plaza hardscape and vegetation would occur from approximately October 2018 to mid-November 2018.
- Most demolition and excavation materials would first be stockpiled in two areas: at the south end of the International Fountain Pavilion building, adjacent to the vacated portion of 2nd Ave N, and to the south end of the KEXP building adjacent to 1st Ave N.
- Up to 200 workers would work 2 extended or 3 shifts daily (between 400 and 600 total daily construction workers).
- With nighttime work, truck hauling would occur 7 days a week, 18 hours a day, for approximately 6 months.
- Seattle Center has approved truck hauling through the Seattle Center campus on vacated Harrison Street, which is no longer a public street, between 11:30 pm and 6:30 am and south on the western half of vacated 2nd Street during some daytime hours until 11:30 pm.
- A sound-deflecting border will be installed along the north, west, and south sides of the project for the duration of construction.

Phase 2: Loading Dock Access Tunnel Construction

• The loading dock tunnel would be dug out using a mining-style method that would leave Bressi Garage undisturbed. The mining method would involve horizontal drilling with perforated pipes. The pipes would be pressure-grouted to form a shell of grout and enhanced soils. Soils would be removed by hand in 3- to 4-foot increments. Tunnel footings and structure would be built as the tunnel advances.

• Trucks would access the site using the current parking lot access on 1st Ave N. Once the tunnel is complete, the tunnel will become the main artery for construction deliveries.

Phase 3: Structure Construction I

- Excavation for the underground parking garage would be completed and construction of the parking garage and atrium would begin.
- Interior construction would occur, including concourse structural work, erection of bridge-level trusses, upgrades to the roof structure, and installation of the rigging structure.
- Retaining and shear wall installation at the parking structure would begin.
- Three cranes (two mobile cranes and one tower crane) would be located on the project site. Deliveries to the southern crane would occur on the closed portion of Thomas St.

Phase 4: Structure Construction II and Interiors

- The remainder of the arena structure would be built and the interiors of the arena installed.
- The rooftop platform and equipment would be installed.
- All levels of the new underground parking garage would be built.
- The plazas, signage, and landscaping would be completed.
- Trucks would mostly enter and exit the project site through the loading dock tunnel.

1.1 Schedule Milestones

- Estimated start date: October 2018
- Duration: 24 Months

ID		2018		2019			:020
	Phases	Oct Nov Dec	Jan Feb Mar Apr	May Jun Jul J	Aug Sep Oct Nov De	Jan Feb Mar Apr	May Jun Jul Aug Sep
1	Demolition						
2	Perimeter Shoring, Zones C and D						
3	Perimeter Shoring, Zones A and B						
4	Temp Roof Structure Shoring						
5	Mass Excavation						
6	Loading Dock Tunnel						
7	Existing Roof Structure Upgrades						
8	Bowl and concourse Structure						
9	Parking Garage and Atrium Structure						
10	N, E, and W Plaza						
11	Atrium Buildout						
12	Event Level					= =	
13	Main Concourse Level						
14	Mezzanine Level						
15	Suite Level						
16	Upper Concourse Level	1			l		
17	Space Needle Club Level						
18	Press/Bridge Level						
19	Punch List and Commissioning	1					

Figure 1-3. Approximate Construction Schedule Overview

2.0 Construction Communication

2.1 Contact Person

General Requirements

- The General Contractor will designate a project manager to fill the position of "Construction Project Manager" to provide information to the local community and to address comments regarding on-going operations and schedule.
- Tenant has retained as of June 2018 a "Community Liaison" to communicate with Seattle Center and its resident organizations, and with the community and Project neighbors regarding process and schedule. The Community Liaison will work with each group in coordination with the Construction Project Manager to ensure that any comments are promptly addressed.
- For night-time work, Tenant will also retain an Independent Noise Monitor ("INM"), an individual, firm, or contracted staff member within SDCI. The INM will coordinate with

SDCI, gather continuous noise data, take periodic noise measurements, and respond to noise complaints during hours of night-time work covered by the variance.

Specific Plans and Procedures

- The Construction Project Manager will:
 - Act as the initial point of contact for general construction information and nonemergency concerns related to construction.
 - Attend meetings of the affected neighbors with the Community Liaison and the Seattle Center project coordinator.
 - Manage a construction hot line, including logging calls and coordinating with the Community Liaison to generate appropriate responses.
 - Assemble and maintain a Construction Notification List.
 - Prepare and distribute monthly construction bulletins describing general progress and schedule related information for distribution via email to the Construction Notification List.
 - Provide reports of construction hot line calls and responses to Tenant.
- The Community Liaison will:
 - Collect and distribute general information about the Project.
 - Schedule and attend meetings with neighbors and the Construction Project Manager in advance of the start of construction and as desired by neighbors during construction. Should periodic neighborhood-wide meetings be scheduled, the Community Liaison will coordinate with the City, Seattle Center, the INM, and the Construction Project Manager in advance.
 - Assemble contact names for the Construction Notification List and keep it up to date.
 - Act as a point of contact for people seeking information about the Project.
 - Maintain the Project website, which will include general information about the Project, construction updates, and periodic special updates on construction activity.
 - Meet with Seattle Center's communication director.
 - Attend regular meetings with Tenant and City project management teams.
 - Provide regular reports of community engagement and responses.
- The INM will:
 - Coordinate with contractor's night-time crews about planned work operations.
 - Coordinate with Tenant's Community Liaison on any updates or concerns from the neighborhood and residents.

- Coordinate with SDCI on any questions or concerns from the City regarding project noise.
- Conduct nightly verification of fixed noise monitoring stations with hand-held noise monitor to validate noise monitoring results from the fixed locations.
- Conduct regular spot-check noise monitoring at various locations of the project site with hand-held monitor.
- Address noise exceedances and monitor alarms in the field.
- Generate weekly and annual reports to SDCI regarding exceedances, noise complaints logged, and work modifications completed to resolve complaints.

2.2 Communication Methods

- Monthly Bulletins: The Construction Project Manager will prepare monthly construction update bulletins, beginning September 2018 (assuming an October 2018 start of site preparation and start of utility work) and continue at least through completion of construction (October 2020). These bulletins will cover general construction updates, notices for street and sidewalk closures, noise and work hour variances, and other construction activities that may affect the surrounding neighborhood. Bulletins prepared by Tenant and the General Contractor will be distributed by email and/or mailings to the immediately surrounding neighborhoods. The current list includes the following:
 - Seattle Center
 - SDOT
 - King County
 - Residences and businesses within three hundred (300) feet of the Project site.
- Construction Hotline: A construction hotline, managed by the Construction Project Manager, will serve as the primary access point for Project information. Complaints received by the Community Liaison or the Construction Project Manager, including impacts related to noise, dust, traffic, parking, lighting, construction personnel, schedule or any items pertaining to construction, will be acknowledged and a response coordinated. A response to daytime complaints will be provided within four (4) hours, and a response to night-time complaints will be provided within two (2) hours. Coordination meetings will be held as needed depending on the nature of the complaint. The General Contractor shall implement commercially reasonable modifications to the construction practices to eliminate or mitigate the concerns relayed in the complaints.
- **Construction Website:** Tenant will maintain a construction media website that will include general information about the project, design, construction updates, and

periodic special updates on construction activity. The website will also contain links to real-time noise monitoring data.

- **Special Project Updates**: The Construction Project Manager will provide the Construction Notification List with an additional Project update if there is to be any construction activity beyond the usual day-to-day work that will affect the surrounding neighbors. Notices will be sent out at least ten (10) days prior to each phase of construction and at least ten (10) days prior to any one-day or several-day mobility impact that is not a part of the day-to-day construction activities such as street or sidewalk closures, and noise and work hour variances. This notification will be in addition to the regular Project updates described elsewhere in this CMP.
- Public Engagement Events: Tenant and the City will provide public engagement events, including campus coordination meetings, communication committee meetings, and event collaboration meetings. Tenant will host bi-weekly (every other week) meetings to coordinate with community, city, and resident organizations on mitigation construction impacts and advance efforts to support ongoing activities at Seattle Center and in the adjacent communities. Participants will include Tenant, contractor, and City representatives including SDOT and SDCI, as needed.

City and Tenant will staff a monthly Community Coordination Committee that will ensure frequent communications between Tenant, communities/resident organizations and Seattle Center regarding construction activities, impact mitigation and on-going operations of the Arena. The Committee membership will include all affected organizations both in the community and on the Seattle Center campus.

Tenant will work with the community to jointly sponsor events on campus and offcampus that promote small businesses in the area and arts and culture in the respective communities. These events can be new or existing events to host and/or promote. The intent is to activate the neighborhood and provide incentives for customers to continue to support the Uptown businesses and organizations during the construction period.

- **Project Sign:** A project sign will be in place prior to construction with the name of the Project, a 24-hour hotline with contact information, and the anticipated duration of the Project.
- **9-1-1 Emergency:** Contact the appropriate public authority using 9-1-1 for any emergency requiring immediate assistance.

2.3 Notification Timing and Tracking

When	Action				
4 months prior to	Outreach to neighboring property owners				
construction	introducing the Project and proposed				
	permit actions (in connection with permit				
	notice standards). Notice will include				
	advance notice of construction activities.				
10 weeks prior to	Outreach to affected parties within a 2-				
construction	block radius.				
6 weeks prior to construction	Provide construction information on the				
	project website.				
4 weeks prior to construction	Post flyers at nearby community				
	gathering spaces.				
72 hours prior to	Place no-park signs for lane closures as needed;				
construction	place signs for pedestrian and business access notices. To be coordinated with SDOT, Seattle				
	Center Project Coordinator, and the Community				
Ongoing activities	Web and email updates to Construction				
	Notification List and others as requested. To				
	be reviewed with General Contractor and				
	Community Liaison.				

3.0 Construction Noise and Sensitive Receivers

3.1 Construction Hours

- Daytime hours will utilize louder equipment that would not be used during night-time hours. The equipment used during the night-time will not exceed levels permitted within the approved MPPCNV (defined below).
- During the first phase of construction, truck hauling will not occur during the weekday peak traffic hours (7-9 AM and 3-7 PM) and will be coordinated with SDOT.

3.2 Noise-Sensitive Receivers

- Nearby residential-use properties in the commercial district include several multi-unit apartment complexes, including the Expo apartments on Republican Street; Astro apartments and Dalmasso apartments; and the Sacred Heart Women's Shelter on Thomas Street. Residences are sensitive receivers for night-time noise.
- KEXP, a broadcast facility with a recording studio, is located immediately northwest of the existing arena (in the Northwest Rooms). In addition to noise, as a broadcast facility, KEXP is also sensitive to vibration impacts.
- Although not considered a sensitive receptor for noise by the Federal Transit Administration or the City's noise ordinance, the Project will also consider noise impacts that might impact theaters (such as the SIFF Film Center, The Vera Project, Seattle Children's Theatre, Seattle Repertory Theatre, and Cornish Playhouse).
- The nearest school facility, the Downtown (Lakeside) School at 204 Warren Ave N, is about 200 feet east of the 1st Ave N Garage and 300 feet south of Seattle Center, and is scheduled to open in fall 2018.

3.3 Construction Noise Management

- The General Contractor will submit to Seattle Center and then SDCI for review and approval, prior to the commencement of construction activities, a final Noise Management and Mitigation Plan ("NMMP") that will detail the mitigation measures that must be implemented to minimize the noise impacts on receptors. A Tenant-developed NMMP can be seen in Appendix B (approved as part of the MPPCNV) will serve as the baseline for the General Contractor to follow.
- To mitigate noise impacts during the construction phases, many measures will be employed. These measures are described in detail in the NMMP, and include the following:

- Construct 12-foot high noise barriers on the north, west, and south sides of the construction site
- Use conveyors to load excavated material into trucks for off-site transport
- Use a quieted loader on the west side of the arena for activities related to the offsite transport of excavated materials (75 dBA at 50 feet)
- Operate concrete mix or pump trucks in the northeast corner of the north plaza construction area or, alternatively, around the nearest corners to the east or west
- Prohibit mobile crane use west of arena or in the north plaza during night-time hours
- Reduce impact wrench noise by 10 dBA, when operating north, west, or south of the arena, through use of quieter equipment, portable noise barriers, enclosures, or combinations thereof
- Prohibit impact work such as auger shaking, jack hammering, hoe ram use, or vibratory compacting during night-time hours
- Use drilling methods in lieu of impact driving methods for shoring (i.e., soldier pile walls) and pier installation
- Prohibit concrete saw use during night-time hours
- Maintain a minimum operating setback of 375 feet from the façade of The Astro apartment building for concrete trucks operating in the excavated southern portion of the site during night-time hours
- In lieu of pure-tone, mobile equipment backup alarms, use strobe warning lights or flaggers when possible. When the use of strobe warning lights or flaggers is not feasible, the construction contractor will use broadband backup alarms. Also, create site logistics that minimize the need for mobile equipment to reverse.
- Conduct continuous noise monitoring at locations representing sensitive receivers in vicinity of site to ensure night-time construction activities comply with the proposed modified night-time construction noise limits
- Where predictive noise modeling indicates bedroom/sleeping room windows would be exposed to levels over the 60- dBA standard night-time limit due to night-time construction:
 - Offer to install new bedroom/sleeping room windows for buildings more than 20 years old
 - For buildings without air conditioning or ventilation systems, offer to purchase portable or window air conditioning units for bedrooms/sleeping

rooms where predicted levels under warm season scenarios exceed 60 dBA.

- Perform construction activity within the existing building shell when feasible to provide shielding to noise-sensitive receiver locations.
- Reduce ramp grades from maximum possible slopes to reduce vehicle engine power needed to ascend roadways.
- Prohibit compression brakes
- Construct enclosures around stationary equipment that is outside the existing shell of the arena
- Perform particularly noisy operations during daytime hours and/or schedule several noisy operations to occur concurrently rather than separately
- Employ time constraints for noisy operations to reduce potential impacts during sensitive time periods
- Provide training to supervisors to increase awareness of construction noise as it relates to the noise-sensitive surroundings and the requirements of the NMMP
- Use properly sized and maintained mufflers, engine intake silencers (if feasible), and engine enclosures (if feasible)
- Turn off idle equipment after no more than five minutes
- To reduce noise during loading of heavy materials such as concrete debris into haul truck trailers, employ one of the following mitigation measures:
 - Line truck beds with rubberized, shock and noise-absorbing material. Load large concrete pieces using progressive link excavator buckets or similar, and ensure that loading is performed by a skilled operator to minimize the potential for impact-type noises during loading activities, or, alternatively,
 - Load truck beds first with soils and/or fine gravels followed by larger pieces of concrete debris using excavator equipped with progressive link excavator buckets or similar. Ensure that loading is performed by a skilled operator to minimize the potential for impact-type noises during loading activities.
- Maintain and/or lubricate material conveyors to ensure they do not squeak
- Provide 24-hour construction noise monitoring system to log construction site noise
- Use broadband backup alarms, in lieu of pure-tone alarms, during daytime hours
- Restrict truck hauling during the AM and PM peak traffic hours (typically between 7 and 9 AM and between 3 and 7 PM, Monday through Friday)
- Coordinate schedules with sensitive receptors (e.g., KEXP, theaters, venues)

3.4 Construction Haul Route

- A haul route control plan will be developed with the General Contractor, hauling subcontractor, SDOT, and Seattle Center prior to the start of construction. Subcontractors are anticipated to use two routes to haul demolition materials offsite, with the primary and secondary routes varying during day-time and night-time hours. The final haul route plan will be established in the final quarter of 2018 after further investigation into pricing, logistics, and coordination with stakeholders. See Appendix A for initial haul route information.
- Preliminary planning estimates suggest that the earthwork would generate about 51,640 truck trips during the first six months of construction and approximately 73,000 truck trips during months 7-18 of construction. This would correspond to about 290 truck trips per day for months 1-6 and 80-100 truck trips for months 7-18. To minimize traffic impacts in the Project vicinity, truck hauling will not be allowed during peak trip hours defined in coordination with SDOT. Night-time truck hauling is expected to result in significant impacts to noise in the site vicinity. As a result, in coordination with Seattle Center (Seattle Center Project Coordinator), special hauling routes heading east through the Seattle Center campus (away from the closest residences) will be used in night-time hours (11:30 PM to 6:30 AM). See Figures 3-1 and 3-2 for mitigation measures associated with the through-campus truck hauling route.

Truck hauling route - Harrison St mitigation (limited to 11:30 pm - 6:30 am)

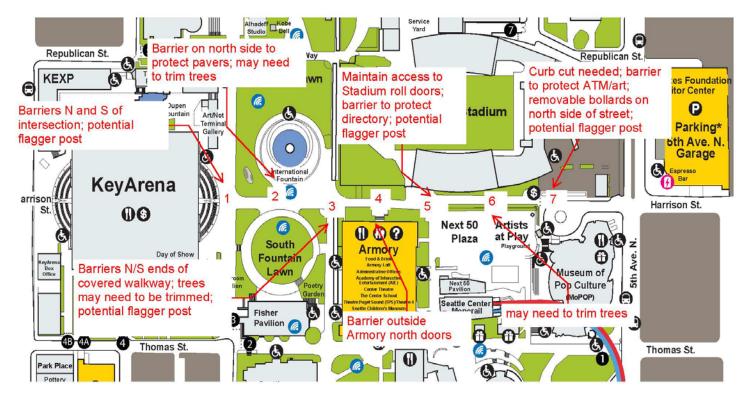


Figure 3-1. Harrison Truck Hauling Route Mitigation



Figure 3-2. Pedestrian route to Harrison turnaround.

3.5 Construction Traffic Management Plan

- General Contractor will develop a Construction Traffic Management Plan (the "Construction TMP") with SDOT before the start of construction.
- The Construction TMP shall include:
 - Identification of truck staging and off-site queueing locations.
 - Locations and methods for partial or complete street closures (e.g., timing, signage, location and duration restrictions).
 - Closed for the duration of construction (24 months), unless otherwise specified:
 - On Thomas St between 1st Ave N and 2nd Ave N, the northside parking lane and sidewalk would be closed. In Phase 4 only, the north-side travel lane (west-bound) may be closed for a period of time to complete the parking garage. Flaggers would be used to ensure traffic circulation.
 - Phase 1 only: The western half of vacated 2nd Ave N from Thomas St to the south edge of the intersection of vacated Harrison would St be closed. The western half of vacated 2nd Ave N would be reopened for the following: New Year's Eve, Northwest Folklife Festival, Pride Festival, Seafair, Bite of Seattle, Bumbershoot, and the installation and removal of the Fisher Pavilion ice. It may also be open during the day on other dates.
 - On 1st Ave N, the east parking lane and sidewalk between Thomas St and the south end of the King County Metro bus stop would be closed (the bus stop would remain open).
 - The King County Metro bus stop along 1st Ave N, immediately north of John St would be closed.
 - \circ The bus layover area on 1_{st} Ave N would be closed.
 - Phases 2, 3, and 4: East parking lane and sidewalk of 1st Ave N between John St and Thomas St closed.
 - Vacated Harrison Street from vacated 2nd Ave N to the east through the Seattle Center campus, during night-time (11:30 pm to 6:30 am) hours only. Seattle Center operations vehicles will be allowed on Harrison and coordinated with hauling. Specific pedestrian routes will

be established to allow east/west foot traffic. General Contractor must obtain Seattle Center's approval of traffic control and safety plan for this use. General Contractor must provide a guard at the gate 8 (the Harrison turnaround) and install a temporary or permanent driveway cut. See Figures 3-1 and 3-2.

- Dump trucks during excavation
 - Each truck is assumed to hold approximately 20 cubic yards of soil. Preliminary planning estimates suggest that the earthwork would generate about 51,640 truck trips during the first six months of construction and approximately 73,000 truck trips during months 7-18 of construction.
 - To minimize traffic impacts in the Project vicinity, truck hauling will not be allowed during peak trip hours (7-9 AM and 3-7 PM) as coordinated with SDOT Monday thru Friday. Frequency of trucks during exporting of soil will be about 290 truck trips per day.
 - Identification of arrival/departure times that would minimize traffic impacts
 - Trucks will avoid peak trip hours as coordinated with SDOT Monday thru Friday to minimize traffic impacts. For continuous concrete pours, this may not be possible.
 - General trucking circulation patterns mitigation, delivery routing, size/type of trucks
 - Trucks will be located:
 - On Thomas St, between Warren Ave N and 2nd Ave N, in north parking lane.
 - On 1st Ave N between John St and the King County Metro Bus stop, in east parking lane.
 - On the western half of the vacated portion of 2nd Ave N within the Seattle Center campus.
 - Flaggers and traffic control will be utilized to reduce noise and idle time where applicable. Flaggers will be used to assist trucks getting into the site, reduce backing up and staging of vehicles.
 - General Contractor will be responsible for coordinating deliveries among the different trades to avoid traffic congestion. Off-site lay down yards / warehouses will be utilized when possible to reduce the number

of trips and truck traffic. Trucks will be a mix of flatbed trucks and trailer trucks.

- Delivery and haul truck routes may change throughout each phase of the Project.
- The General Contractor will be responsible for hiring contract haulers.
- To prevent tracking of debris from the site to the city streets, proper Temporary Erosion and Sediment Control (TESC) and SWPPP measures will be in place. Additionally, equipment located within the mass excavation will remain in the area of mass excavation and the trucks will be located on the closed portion of the streets/curbs/plazas.
- General Contractor will properly coordinate trucking details to ensure no queuing of trucks in right-of-way areas that would block traffic.
- Per request of Seattle Center, truck queuing on 2nd Ave N will be limited to night-time hours only (after 10 PM).
- Tenant will coordinate with Seattle Center regarding curbside management. An adequate location will be identified for relocating a temporary loading zone to serve school buses that currently use the 1st Ave N loading zone along the arena plaza. Bus loading and unloading locations on 2nd Ave N will be open for daytime use and as needed per the Curbspace MOA.
- No truck queuing or staging will be allowed at or in the vicinity of I-5.
- All necessary SDOT and SDCI permits shall be in place prior to any trucking activity.
- During heaviest periods of truck hauling, signal timing modifications may be made by SDOT.
- Construction parking management:
 - Construction workers will initially park at 1st Ave N garage. Overflow parking will be accommodated by surrounding parking lots and garages. Onsite craft employees will peak at approximately 600 per day.
 - Carpooling, use of mass transit, and use of non-motorized vehicles will be encouraged. The Construction Project Manager will facilitate "lunch 'n learns" at the construction site offering information on how to use the King County Metro and Sound Transit Systems.
 - Tenant will coordinate with Seattle Center regarding limitations on parking during peak/holiday weekends and special events.
 - A construction outreach plan will be developed and implemented to provide information to businesses and residences along 1st Ave N if the temporary flex zone (i.e., on-street parking) loss occurs.

• See below for parking map.



- Throughout the Project, the General Contractor would monitor haul routes through Seattle Center campus and on designated non-arterial haul routes to assess roadbed damage. If damage is identified, General Contractor would repair project related roadway damage on haul routes through Seattle Center campus and on designated non-arterial haul routes, to the satisfaction of SDOT and/or Seattle Center.
- The General Contractor will use commercially reasonable efforts to avoid impacting parking and events during peak/holiday weekends and special events. The General Contractor is aware of the parking demands for events and will coordinate with Seattle Center and surrounding community groups pursuant to the Seattle Center Integration Agreement.
- Tenant agrees to pay to the City \$125,000 on account of the staffing and capital costs identified in Section 3.5 of the Construction Impact Mitigation Plan, payable in two (2) installments of \$62,500 each, on January 1 and July 1, 2019.

3.6 Pedestrian Safety Plan

 A pedestrian safety plan will be developed by the General Contractor in coordination with Seattle Center and SDOT standards to ensure pedestrian access around the construction zone, including safe pedestrian pathways along Thomas St between 1st Ave N and 2nd Ave N, access to the Northwest Courtyard and the Northwest Rooms, or an alternative pathway with signage. Flaggers will be posted for pedestrian and Seattle Center vehicle crossings along vacated Harrison St during its night-time truck hauling usage.

- Safe and convenient passage for cyclists and pedestrians will be maintained through and around construction areas.
- Pedestrian crossings will be improved (sidewalk replacement and new lighting), advanced signage will be installed, and/or alternative pathways will be provided along 1st Ave N between John St and Republican St as applicable.

3.7 Metro Bus Planning

- An adequate location for a temporary King County Metro bus layover facility will be established in coordination with King County to replace the layover space at the north end of the arena plaza. Potential locations could include Republican St just east of 1st Ave N or Warren Ave N just north of Republican St.
- In coordination with King County Metro, a temporary bus stop will be added to replace the stop just north of John St along 1st Ave N. Potential locations could include the stop just south of Republican or just north of Denny Way or other locations as determined by King County. The General Contractor will coordinate with King County Metro and Seattle Center to address the loss of some on-street parking spaces in these locations.

3.8 Bike Lane Accommodations

• Temporary bike lane accommodations will be made to replace any loss of the on-street bike lane along 1st Ave N between John St and the north edge of the arena plaza. Alternatives are under review to shift the lanes along 1st Ave N to the west to accommodate all existing bicycle and vehicle lanes. This could also be designed as a protected bike lane along the west side of the street. This would require the temporary loss of on-street parking and may require traffic signal modifications.

4.0 Construction Dust & Erosion Control Measures

4.1 Air

• Tenant will obtain approval of a Dust Control Plan from the City. Dust control measures will include:

- Establishing a hotline for surrounding community members who may be affected by project-related dust. The contact person shall respond to and take corrective action within 48 hours. Signs with information about the hotline will be posted around the site.
- Watering soils to prevent blowing of dust.

- Using water sprays or other non-toxic dust control methods on unpaved roadways.
- Wash down all equipment before moving from the project site onto the Seattle Center campus or a paved public road. Install and use wheel washers to clean truck tires.
- Covering soil piles when practical.
- Minimizing work during periods of high winds.
- Limiting vehicle speeds on unpaved construction areas to 15 miles per hour (MPH).
- Turning off construction vehicles when not in use to help control emissions. Construction activities and equipment will follow Seattle Department of Construction and Inspections (SDCI) regulations for controlling emissions to the air.
- Covering all haul trucks transporting soil, sand, or other loose material off-site to minimize impacts to air quality.
- Regularly servicing and maintaining construction equipment engines to minimize air quality and odor issues caused by tailpipe emissions.
- Installing self-contained wheel washes at each construction exit. Wheel washes will be maintained on a weekly basis and monitored by both the construction manager and the installing subcontractor.
- Adequately wet all storage piles, treat with chemical dust suppressants, or cover piles when material is not being added to or removed from the pile.
- Surrounding streets will be street swept as needed during the duration of the project until such time as all interior roadways / plazas are paved. Thereafter, if soil or mud is tracked onto public streets or vacated roadways through Seattle Center campus used for hauling, the General Contractor will remove all visible mud or dirt track-out onto adjacent public roads by street sweeping or a high efficiency particulate air (HEPA) filter equipped vacuum device.
- General Contractor shall schedule delivery of materials transported by truck to and from the project area to minimize congestion during peak travel times on adjacent City streets. This will minimize secondary air quality impacts otherwise caused by traffic having to travel at reduced speeds.
- General Contractor shall comply with SDCI dust control standards.
- Street sweeping on Seattle Center campus between 6:30 am and 7 am during Phase 1 and while trucks are hauling through the Seattle Center campus.

4.2 Erosion Control

 During construction, a Stormwater Pollution Prevention Plan (SWPPP) and associated Best Management Practices (BMPs) will be implemented to manage stormwater properly. The Project will comply with Erosion and Sediment Control guidelines set forth in King County's stormwater manual. The civil engineer will prepare a Temporary Erosion and Sediment Control Plan (TESC) and a SWPPP to meet the 12 Required Elements per the NPDES General Construction permit and the County's stormwater manual.

- Specific measures to reduce or control erosion include:
 - Clearly marking the clearing limits with high visibility fencing and stabilizing construction entrances located off existing paved driveways.
 - Providing stabilized construction roads and parking onsite.
 - Controlling stormwater flow rates through temporary sediment traps, as well as through permanent stormwater control facilities.
 - Providing perimeter protection through silt fencing and straw wattles. Sediment controls may also include filtration or chemical treatments, if necessary.
 - Stabilizing soil on a temporary and permanent basis through seeding/sodding, mulching, and plastic covering.
 - Protecting slopes through interceptor swales, check dams, and plastic covering. Inlet protection will be provided to prevent discharge of sediment-laden stormwater offsite.
 - Stabilizing and protecting all existing and proposed drainage channels through channel lining and outlet protection. All trench de-watering will be routed to appropriate sedimentation traps or ponds. The General Contractor will implement, inspect, and maintain all BMPs on a regular basis.
 - General Contractor shall ensure that its subcontractors cover the soils loaded into the trucks with tarps or other materials to prevent spillage onto the street and transport by wind.
 - General Contractor shall ensure that its subcontractors use tarps to cover temporary onsite storage piles.
 - Excavation activities will be conducted consistent with WAC requirements and include required shoring and safety systems.
 - A licensed geotechnical engineer shall conduct a geotechnical hazard evaluation, and recommendations from that evaluation will be incorporated into the project design.
 - A Washington-licensed geotechnical engineer shall monitor earthwork activities to ensure that conditions encountered are consistent with the findings of the final design-level geotechnical report.

5.0 Public Health and Safety

- Reasonable and customary quantities of chemicals will be used during the construction process, such as gasoline and diesel, for vehicle use. No other toxic or hazardous chemicals will be stored onsite during construction.
- Rodent control measures will be implemented a minimum of 15 days prior to any clearing or demolition. The project will comply with the requirements outlined in Section 3303.15 of the 2015 Seattle Building Code. The rat eradication program must be approved by a qualified pest control agent and in compliance with Seattle-King County Public Health

Department guidelines and approved by the SDCI building official prior to demolition permit issuance (2015 Seattle Building Code).

All construction would be conducted in compliance with the City of Seattle Fire Code, which
is based on the International Fire Code and provides minimum standards for fire and life
safety for buildings, access roads, and fire protection equipment installation (SDCI, 2015).
Workplace safety and construction site BMPs, such as fencing, designated pedestrian
walkways, business access points, signage, etc., will be used to protect construction
workers, pedestrians, and visitors to Seattle Center during active construction.

6.0 Historic and Cultural Resources Preservation

- Vibration monitoring will be conducted for the Northwest Rooms, International Plaza, Bressi Garage, and any other sensitive structures within one hundred (100) feet of earthwork activities.
- The exteriors of Key Arena, the Northwest Rooms, the Bressi Garage, and the International Plaza will be stabilized during construction as needed.
- The exterior masonry walls of Bressi Garage will be restored as needed using in-kind tuck pointed and cleaning.
- Dust and particulate impacts adjacent to the project site and haul route could be reduced by the implementation of a dust control program, use of a noise curtain within the Arena where the glass curtain is removed, and regular cleaning.
- If cultural or archeological objects are found during site preparation work, the Washington State Department of Archaeology and Historic Preservation will be notified, and appropriate measures will be taken. An Inadvertent Discovery Plan has been prepared, which outlines construction phase protocols for Discovery of Archaeological Resources and Protocols for Discovery of Human Remains.
- Tenant will abide by the conditions of the Landmarks Preservation Board's Certificate of Approval and the Controls and Incentives Agreements for the Northwest Rooms, KeyArena, and Bressi Garage.

7.0 Aesthetics, Light and Glare

- A construction lighting plan will be created and implemented. The construction lighting plan will contain the following elements:
 - The General Contractor will ensure that all lighting related to construction activities is shielded or directed when feasible to restrict direct illumination onto properties

located outside the Project site. However, construction lighting shall not be so limited as to compromise the safety of construction workers.

- Fugitive light sources from portable sources used for construction will be minimized.
- Night-time exterior construction work will be limited as much as possible following the demolition and excavation phase.
- Construction fencing will be installed around the perimeter of the construction area. Signage would be posted along the fencing (e.g., providing notice of businesses open during construction; identifying pedestrian walkways and routes; announcing the coming land use, improvements, and events; identifying construction companies on site; and perhaps including art). All signage facing into campus shall be reviewed and approved by the Seattle Center Director.
- General Contractor will utilize existing vegetation to reduce light and glare impacts to sensitive receptors. Vegetation removed for construction activities would be replanted.
- Construction staging and materials storage areas will be restored as quickly as possible following project completion.
- Low-level directional construction and security lighting shall be provided to increase visibility for security / construction personnel and passersby.

8.0 Public Services and Utilities

- Construction will be conducted in compliance with the City Fire Code.
- General Contractor will coordinate with utility providers to reduce utility outages to area businesses and residences.
- General Contractor will work closely with Seattle Center Project Coordinator and the Northwest Rooms tenants to schedule utility down-times during non-business hours, and to coordinate any access needs to the Northwest Rooms to minimize disruption and keep tenants fully informed of each step of the process.
- Potholing and utility location and identification would be conducted in advance of any construction activity to minimize the potential to inadvertently disrupt underground utility services.
- The planning, scheduling, relocation, and reconnection of applicable Northwest Rooms utilities shall be coordinated to ensure, as much as possible, a seamless transition.
- General Contractor will provide advance notice of any planned temporary service outages.
- Coordination with SPU and King County during project design will reduce the potential for construction-related impacts to existing pipes or other facilities.

• Tenant has hired a full-time Community Liaison to coordinate with local community organizations during the construction phase to minimize impacts to the surrounding community.

9.0 Tree Protection

- A Tree, Vegetation, and Soil Protection Plan will be developed that includes the following elements:
 - Consultation from a registered arborist to assist the General Contractor with tree preservation guidelines and protection specifications.
 - On-site monitoring and review of tree protection barriers in coordination with the General Contractor.
 - Tree preservation details for critical root zone, pruning, and other work near trees.
- The Project will follow the protection measures outlined in the following documents:
 - Director's Rule 30-15 A tree protection plan will be prepared by a tree care professional who has field reviewed the site and assessed the tree's size, location, and condition, and determine that the encroachment into the drip line will not adversely impact the survival or stability of the tree.
 - SDOT's 2014 Street Tree Manual Each Street Tree that is not approved for removal shall be fenced, including all unpaved areas of the critical root zone to prevent compaction, grading or other disturbance.
 - Seattle Center's Landscape Management Plan and Site Standards where applicable.
 - All existing trees along the project limits (vacated 2nd Ave N, Northwest Rooms courtyard and Harrison Street) which are to remain after the project is completed shall be protected during construction in accordance with Seattle Center site standards incorporated into the technical specifications approved by the Seattle Center Director.
 - Legacy tree (Atlas Cedar) located outside of the construction fence within the lower courtyard to be retained with protection when construction activities occur.
 - Provide access to Seattle Center staff to check on and water protected trees.
- Tenant has committed to tree replacement at a 2:1 ratio as required by Executive Order 03-05 (Tree Replacement). Tenant has committed to planting approximately 100 new trees on the project site, including specimen trees to be planted in the same location as the 2 legacy trees that would be removed from the southeast portion of the International Plaza (also known as the North Courtyard).

- Historic markers may be installed to recognize the legacy of the removed trees, and steps may also be taken to preserve other legacy trees on campus.
- The Project will also comply with Seattle Municipal Code 25.11 to reduce impacts to trees. The purpose and intent of following this code is to:
 - Implement the goals and policies of Seattle's Comprehensive Plan especially those in the Environment Element dealing with protection of the urban forest;
 - Preserve and enhance the City's physical and aesthetic character by preventing untimely and indiscriminate removal or destruction of trees;
 - Protect trees on undeveloped sites that are not undergoing development by not allowing tree removal except in hazardous situations, to prevent premature loss of trees so their retention may be considered during the development review and approval process;
 - Reward tree protection efforts by granting flexibility for certain development standards, and to promote site planning and horticultural practices that are consistent with the reasonable use of property;
 - Especially protect exceptional trees that because of their unique historical, ecological, or aesthetic value constitute an important community resource; to require flexibility in design to protect exceptional trees;
 - Provide the option of modifying development standards to protect trees over two (2) feet in diameter in the same manner that modification of development standards is required for exceptional trees; and
 - Encourage retention of trees over six (6) inches in diameter through the design review and other processes for larger projects, through education concerning the value of retaining trees, and by not permitting their removal on undeveloped land prior to development permit review.

10.0 Marketing and Promotion

Tenant has committed to contributing \$500,000 (payable over 2 years and up to 30% of the contribution may be delivered in-kind in lieu of cash) to Seattle Center's operation and development of an "open for business during construction" marketing campaign. The cash portion

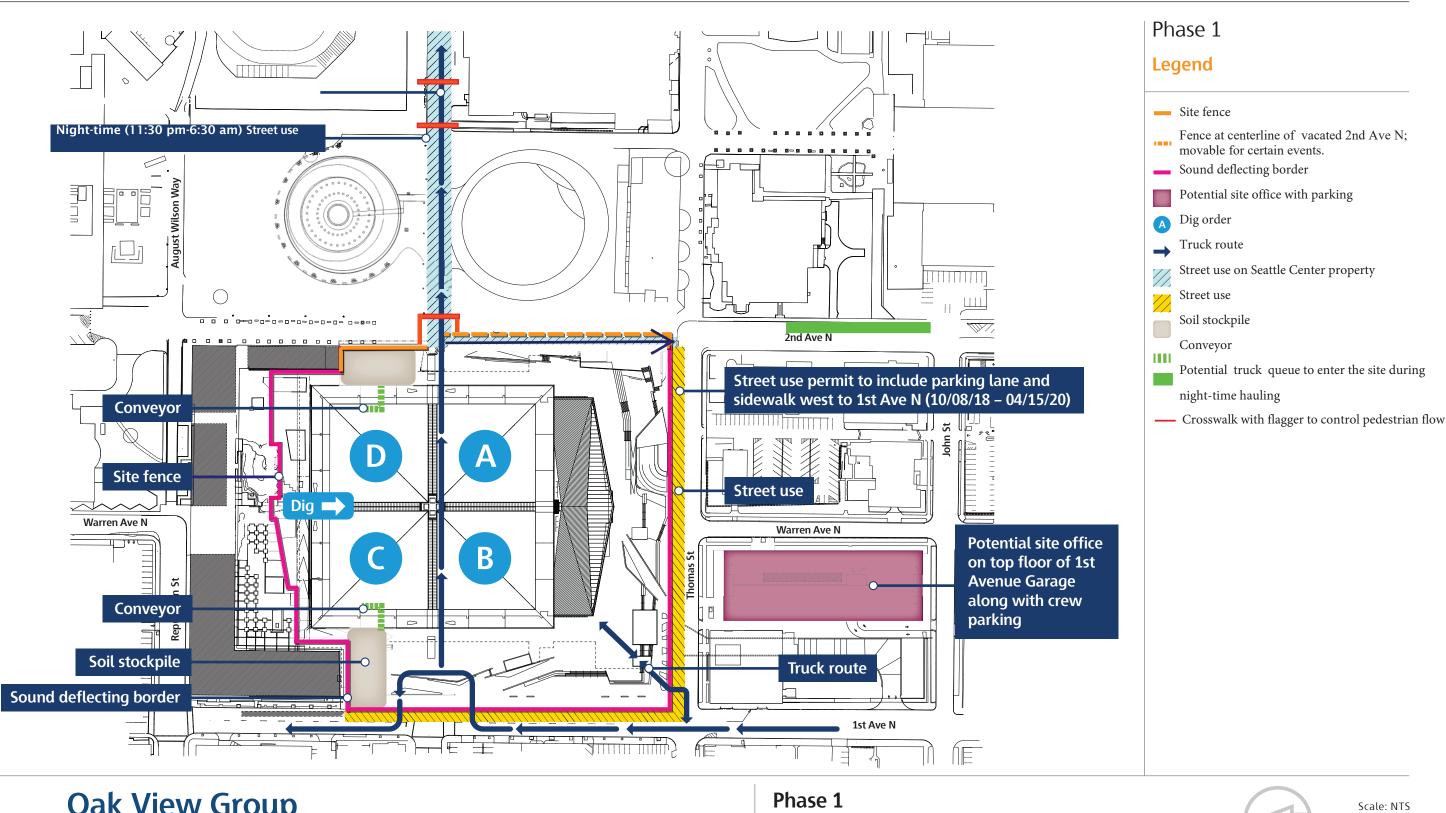
of this payment is payable in two equal installments, the first by a date to be mutually agreed upon by the Seattle Center Director and Tenant's chief executive officer.

Tenant has hired a full-time Community Liaison to work with Seattle Center tenants and affected Uptown businesses to ensure the public is aware that businesses are open during construction. The Community Liaison was hired in June 2018, and the position will continue after construction is complete and into project operation.

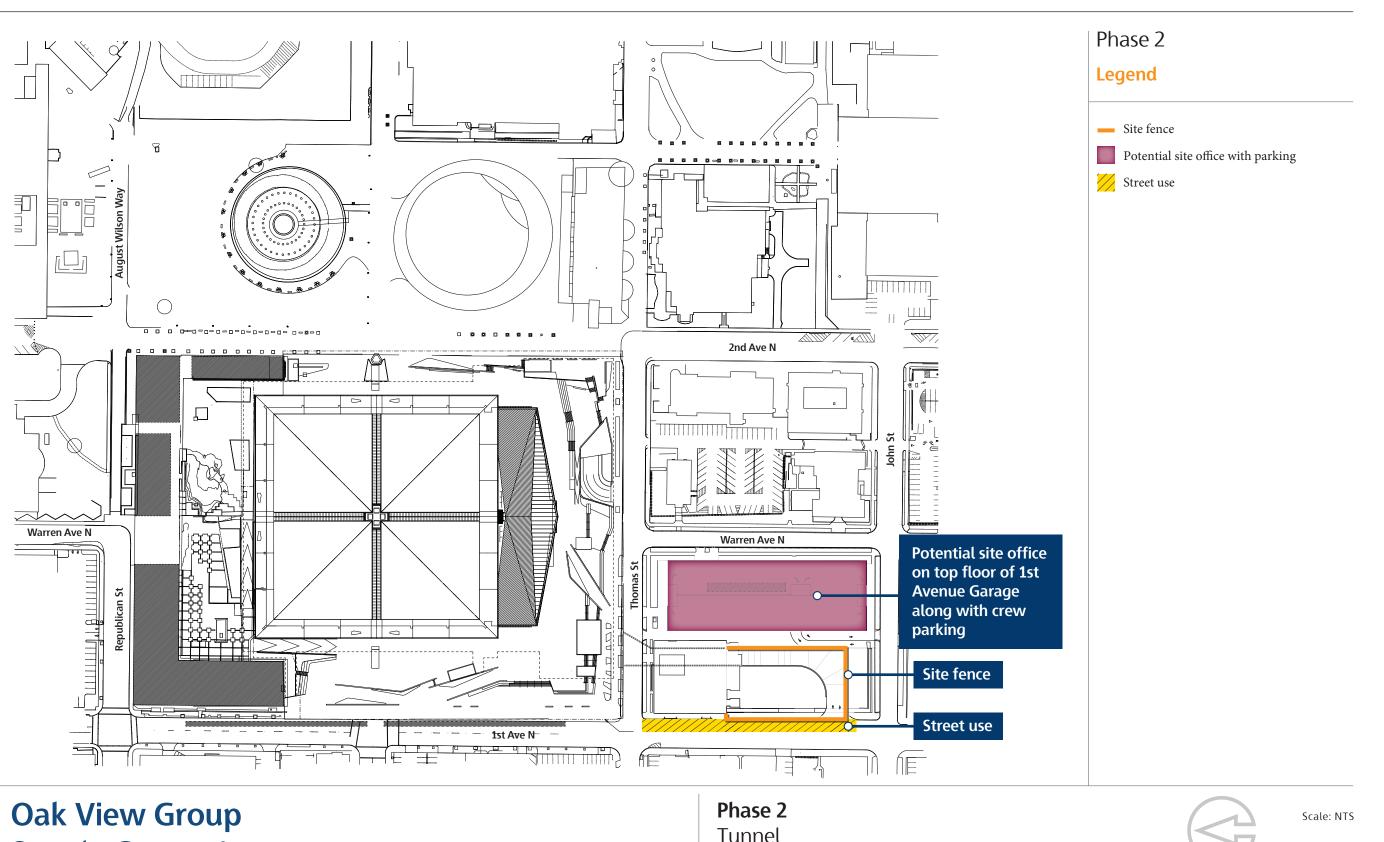
Tenant agrees to pay \$74,000 for City's costs associated with the rescheduling of the Seattle/King County Clinic at Tenant's previous request.

APPENDIX A

Site Logistics Plan

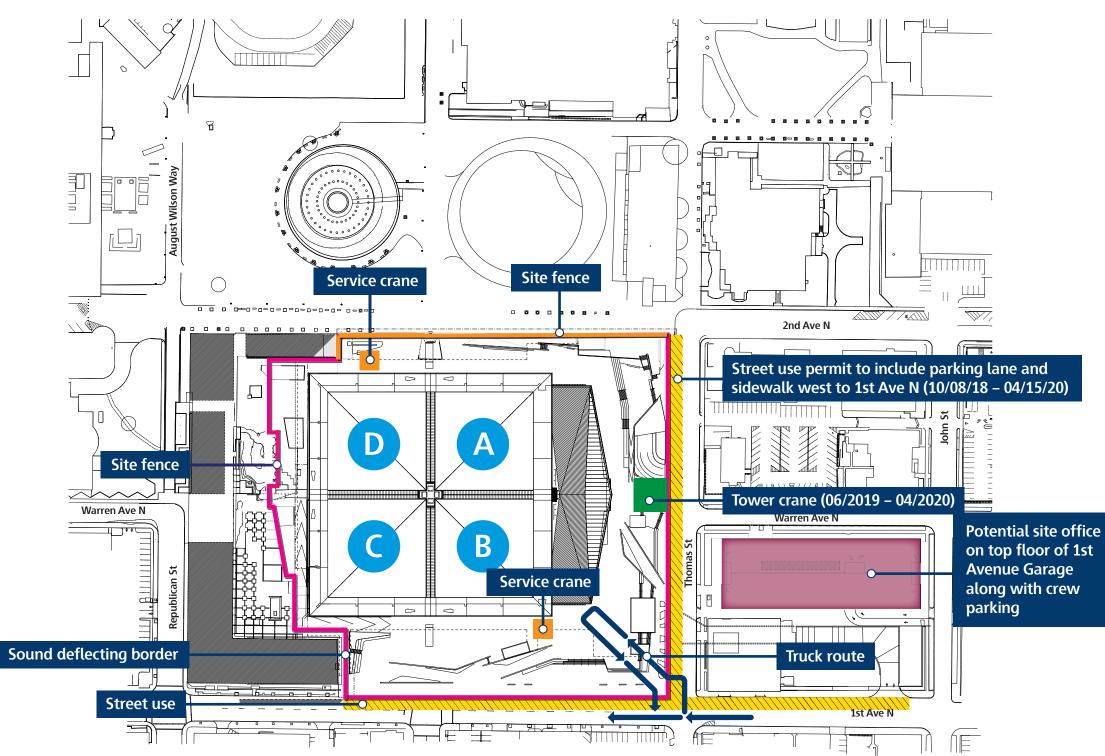


Oak View Group Seattle Center Arena Excavation/Demolition (Interior) 10/2018 - 03/2019



Seattle Center Arena

Tunnel 12/2018 - 07/2019



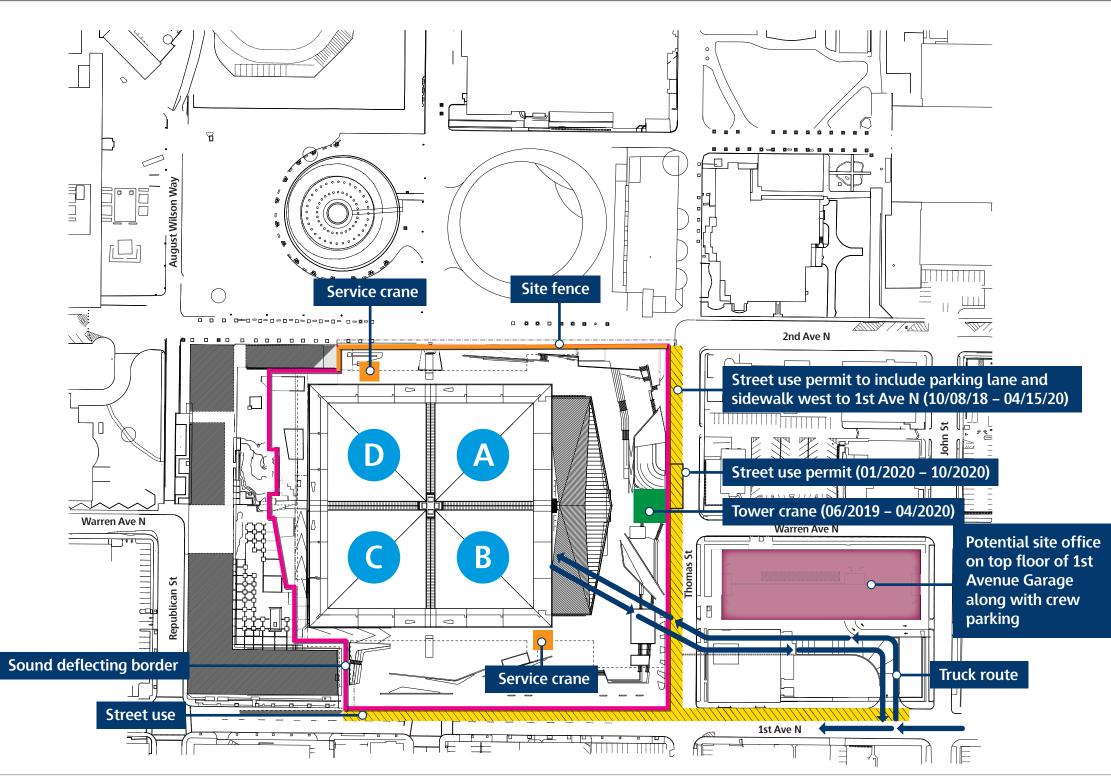
Oak View Group Seattle Center Arena

Phase 3 Structure I 01/2019 - 08/2019



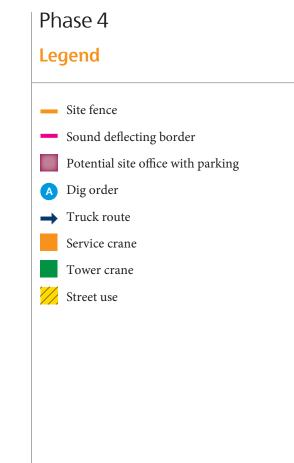


Scale: NTS



Oak View Group Seattle Center Arena

Phase 4 Structure II and Interiors 09/2019 – 09/2020





Scale: NTS

APPENDIX B

Noise Management and Mitigation Plan

Prepared for:

CAA Icon Seattle, WA

Prepared by:

Ramboll US Corporation Lynnwood, Washington

August 30, 2018

SEATTLE ARENA REDEVELOPMENT PROJECT NOISE MANAGEMENT AND MITIGATION PLAN *REVISED AUGUST 30, 2018*



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APPENDICES

Appendix A: Sound Level Measurement Data Appendix B: Site Logistics Plan

ACRONYMS AND ABBREVIATIONS

Acoustically neutral	a description of equipment or material such as a wind screen used over a sound level meter microphone that, due to its composition, has little or no effect on the sound pressure levels reaching the microphone
CadnaA	Computer Aided Noise Abatement, a computer noise model used in this analysis
dB	decibel, referring to a unit measured on the decibel scale used to quantify sound levels
dBA	A-weighted decibel, a system for weighting measured sound levels to reflect the frequencies that people hear best
Distance attenuation	the rate at which sound levels decrease with increasing distance from a noise source based on the dissipation of sound energy as the sound wave increases in size (think of a balloon getting thinner as it becomes more inflated)
Equivalent sound level (Leq)	A sound level metric that is the level that if held constant over the same period of time would have the same sound energy as the actual, fluctuating sound (i.e., an energy-average sound level)
ISO	International Organization for Standardization, which establishes standard methods and procedures for accomplishing specific activities and calculations. The ISO has defined a number of standards related to the quantification of environmental noise.
Leq	Equivalent sound level (see above)
Lmax	Maximum sound level; highest sound level within a specified time interval; Fast Lmax is a 125 millisecond (1/8 second) sound level
Ln	Statistical noise level, the level exceeded during n percent of the measurement period, where n is a number between 0 and 100 (for example, L50 is the level exceeded 50 percent of the time)
Maximum permissible level	Term used in state and local noise rules in Washington State to define base sound levels specified in these regulations. Such base levels are often allowed to be exceeded for defined time periods. <i>Not</i> to be confused with Lmax or the actually allowed maximum sound level limit.
Model Receptor	A theoretical location used in computer modeling at which the model calculates sound levels from a source or sources. Modeling receptors are usually placed at locations representing one or more potentially noise-sensitive uses.
Noise contour	Graphic depiction of model-calculated sound levels showing changes with distance(s) from the noise source(s) and indicating changes due to any intervening obstacles such as buildings or terrain

Noise metric	One of a number of measures used to quantify noise (e.g., Leq, or Lmax)
SLM	Sound level measurement
SMC	Seattle Municipal Code
Sound level	Sound pressure level (see below)
Sound power level	A measure of the sound energy emitted by noise source expressed as energy per unit of time. <i>Not</i> to be confused with sound pressure level.
Sound pressure level	Ten times the base-10 logarithm of the square of the ratio of the mean square sound pressure, in a stated frequency band (often weighted), and the reference mean-square sound pressure of 20 μ Pa (micro pascals, a standard reference unit of pressure), which is approximately equal to the threshold of human hearing at 1 kilohertz. Sound pressure level is expressed in decibels.

Att 2 - Development Agreement (Arena at Seattle Center) V2

1. INTRODUCTION

This Noise Management and Mitigation Plan (NMMP) was prepared in support of the Major Public Project Construction Noise Variance (MPPCNV) submitted to the Seattle Department of Construction and Inspections (SDCI) by Oak View Group ("OVG") for the renovation of the arena at Seattle Center ("Arena") under Chapter 25.08 Seattle Municipal Code ("SMC") and the City's Director's Rule 3-2009.

OVG requests a two-year noise variance for the renovation of the Arena to allow necessary construction work activities to exceed the sound level limits described in Chapter 25.08 SMC during nighttime hours (between 10 PM and 7 AM on weekdays and between 10 PM and 9 AM on weekends and legal holidays ("nighttime")). The analysis in this NMMP demonstrates that means and methods are available to meet the noise limits requested in the MPPCNV over the proposed two-year construction period. Ultimately, the selected construction contractor will propose their own construction activities and schedule and the NMMP will be updated to meet the commitments OVG has made in the MPPCNV application.

Construction activities and equipment used during the renovation of the Arena may not be identical to the equipment identified in this application, but will be substantially similar to those identified in the Proposed Construction Activities section.

This NMMP includes the following:

- Description of existing baseline sound levels at noise-sensitive receptors near the Arena
- Proposed modified noise limits for nighttime construction activities that would render the project economically or functionally unreasonable if limited to daytime construction
- A description of the proposed construction activities, including a description of the noisiest proposed activities or periods
- Model-calculated noise contours to identify levels that may be expected at nearby properties during the noisiest nighttime construction activities
- Proposed noise-mitigation measures
- Provisions for compliance tracking and actions taken to resolve public complaints
- Description of public communication and outreach efforts

2. **PROJECT DESCRIPTION**

2.1 Overview of the City of Seattle Arena Renovation

On January 11, 2017, the City of Seattle ("City") released a Request for Proposals ("RFP") for the redevelopment of the Arena as a world-class, multi-purpose sports and entertainment facility. The City developed the RFP with input from ten City departments and in consultation with constituencies throughout Seattle. The City's objectives for the redevelopment of the Arena include each of the following (collectively, the "Arena Objectives"):

- To provide a world-class civic arena to attract and present music, entertainment, and sports events, potentially including National Basketball Association ("NBA") and NHL events, to Seattle and the region;
- To provide for Arena design and operations in a manner that integrates with and enhances connections to Uptown and adjoining neighborhoods and aligns with the Urban Design Framework;
- To provide for design, permitting, development, demolition and construction of the Arena with minimal City financial participation;
- To provide for the continuous, successful, and sustainable operation of the Arena as a worldclass civic venue with minimal City financial participation or risk;
- To provide for mitigation of transportation impacts due to Arena construction and operations;
- To provide Arena construction and operations in a manner that is equitable for workers and consistent with the City's Race and Social Justice Initiative; and
- To provide for Arena design and operational integration with Seattle Center, contributing positively to the vibrancy of Seattle Center.

On April 12, 2017, OVG submitted to the City a proposal in response to the RFP. Between April 12, 2017 and June 2, 2017, the City carefully evaluated the various proposals in response to the RFP to determine, among other things, how the proposals met the Arena Objectives.

On June 7, 2017, the City selected OVG's response as the preferred proposal for the renovation of the Arena. Between June 7, 2017, and December 4, 2017, OVG and the City negotiated the terms of the Memorandum of Understanding (the "MOU"), regarding, among other terms, the Parties' commitment to negotiate a lease and development agreement in good faith consistent with the terms, conditions, and limitations set forth in the MOU.

On August 14, 2017, the Seattle City Council adopted Resolution 31764, which set forth the City Council's expectations for the negotiation of, and approval process for, the MOU. On December 4, 2017, the Seattle City Council adopted Ordinance 125480 approving the MOU. On December 6, 2017, Mayor Jenny Durkan signed the ordinance and executed the MOU.

Since the adoption of the MOU, OVG has been working closely with the City and community stakeholders to design a redevelopment project that achieves the Arena Objectives. In an effort to secure an NHL hockey team, OVG's partner, Seattle Hockey Partners LLC ("SHP"), applied for an expansion team on February 13, 2018. As part of the application process, and in an effort to demonstrate to the NHL that Seattle would be a thriving marketplace for a hockey team, SHP

conducted a season ticket drive on March 1, 2018, receiving an overwhelmingly positive response. Over 25,000 tickets were sold in the first hour. SHP continues to work with the league regarding expansion opportunities.

As set out in Exhibit E to the MOU, OVG and the City have planned a timeline for the redevelopment of the Arena to have an arena ready by the fall of 2020 in order to achieve the Arena Objectives. Finishing the redevelopment of the Arena for the 2020 hockey season has become increasingly important to further SHP's and the City's chances of being awarded an NHL expansion team. Project delays could jeopardize SHP's chances of securing an NHL team, frustrating the Arena Objectives.

Opening the Arena by the fall of 2020 will require nighttime construction activities to occur over the two-year construction period.

3. TERMINOLOGY AND BACKGROUND

3.1 Noise Level Terminology and Human Hearing

Noise is sometimes defined as unwanted sound; the terms noise and sound are used more or less synonymously in this plan.

The human ear responds to a very wide range of sound intensities. The decibel scale (dB) used to describe sound is a logarithmic rating system which accounts for the large differences in audible sound intensities. This scale accounts for the human perception of a doubling of loudness as an increase of 10 dB. Therefore, a 70-dB sound level will sound about twice as loud as a 60-dB sound level. People generally cannot detect differences of 1 dB; in ideal laboratory situations, differences of 2 or 3 dB can be detected by people, but such a change is generally not detectable in an average outdoor environment. A 5-dB change is generally perceived under normal listening conditions.

As mentioned above, the dB used to describe noise is logarithmic. On this scale, a doubling of soundgenerating activity causes a 3-dB increase in average sound produced by that source, but not a doubling of the loudness of the sound (which requires a 10-dB increase). For example, if traffic along a road is causing a 60-dB sound level at a nearby location, a doubling of the number of vehicles on this same road would cause the sound level at this same location to increase to 63 dB. However, such an increase might not be discernible in a complex acoustical environment such as a typical outdoor environment.

When addressing the effects of noise on people, it is useful to consider the frequency response of the human ear. Sound-measuring instruments are therefore often programmed to weight measured sounds based on the way people hear. The frequency-weighting most often used is A-weighting because it approximates the frequency response of human hearing and is highly correlated to the effects of noise on people. Measurements from instruments using this system are reported in "A-weighted decibels" or dBA. All sound levels in this document are reported in A-weighted decibels.

Relatively long, multi-source line sources such as roads with steady traffic emit cylindrical sound waves. Because these sound waves spread cylindrically, sound levels from such sources decrease at a rate of 3 dBA with each doubling of distance from the source. Sound waves from discrete events or stationary point sources (such as a generator or crane in a stationary location) spread as a sphere, and sound levels from such sources decrease 6 dBA per doubling of the distance from the source. Conversely, moving half the distance closer to a source increases sound levels by 3 and 6 dBA for line and point sources, respectively.

Distance from the source, the frequency of the sound, the absorbency of the intervening ground, obstructions, and duration of the noise-producing event all affect the transmission and perception of noise. The degree of this effect also depends on who is listening and on existing sound levels.

Noise Source At a Given Distance	Sound Level (dBA)	Noise Environments	Subjective Impression
Civil defense siren (100 feet)	130		
Jet takeoff (200 feet)	120		Pain threshold
Loud rock music	110	Rock music concert	
Pile driver (50 feet)	100		Very loud
Ambulance siren (100 feet)			
	90	Boiler room	
Freight cars (50 feet)		Printing press plant	
Freeway (100 feet)	80	Noisy restaurant	
Busy traffic, hair dryer	70		Moderately loud
Normal Conversation (5 feet)	60	Data processing center	
Light traffic (100 feet)	50	Private business office	
Bird Calls (distant)	40		Quiet
Soft whisper (5 feet)	30	Quiet bedroom	
	20	Recording studio	
Normal Breathing	10		
	0		Hearing threshold

Table 1. Common Sound Levels/Sources and Subjective Human Responses

3.2 Noise Level Descriptors

Environmental noise is usually described in terms of certain metrics that allow comparison of sound levels at different locations or in different time periods.

The equivalent sound level, or L_{eq}, is the level that, if held constant over the same period of time, would have the same sound energy as the actual, fluctuating sound. As such, the L_{eq} can be considered an energy-average sound level. Because the Leq considers sound levels over time, this metric accounts for the number and levels of noise events during an interval (e.g., 1 hour) as well as the cumulative duration of these events.

The maximum sound level, or Lmax, is the highest sound level within a specified time interval.

The Lns are statistical noise levels, or levels exceeded during n percent of the measurement period (for example, L50 is the level exceeded 50 percent of the time). The L1 metric may be used in lieu of the Lmax when monitoring compliance with noise regulations. It has been found to more reliable at identifying representative, worst-case sound levels during higher intensity construction activities than the Lmax. The Lmax may be affected by singular, uncharacteristic events (e.g., an accidental dropped load or crash), and is not typically representative of regular worst-case events or activities.

4. AFFECTED ENVIRONMENT

4.1 City of Seattle Noise Regulations

The project site and the surrounding properties are located within the City of Seattle, and the noise limits included in the Seattle noise ordinance (Seattle Municipal Code Chapter – SMC 25.08) apply to this project. The SMC sets noise limits based on sound levels and durations of allowable daytime/nighttime operational noise (upper portion of <u>Table 2</u>) and daytime construction noise (lower portion of <u>Table 2</u>). These limits are based on the zoning of the source and receiving properties.

As indicated in <u>Table 2</u>, the Seattle operational and construction noise limits are based on soundenergy average equivalent sound levels (Leqs) that vary by zoning of the noise source and receiving properties. Operational noise limits also include not-to-be-exceeded Lmax levels.

The Seattle noise code identifies a number of noise sources or activities that are exempt from the noise limits shown in **Table 2**. The following sources are among those specifically exempted:

- Sounds created by motor vehicles, except that sounds created by any motor vehicle operated off highways shall be subject to the exterior sound level limits when the sounds are received within a residential district of the City (25.08.480), and
- Sounds created by warning devices or alarms (such as back-up alarms on vehicles) not operated continuously for more than 30 minutes per incident (25.08.530)

Construction or maintenance equipment that exceeds the exterior operational sound level limits established by Section 25.08.410, when measured from the interior of buildings within a commercial district, is prohibited between the hours of 8 AM and 5 PM. For purposes of this assessment and report, interior sound levels shall be measured only after every reasonable effort, including but not limited to closing windows and doors, is taken to reduce the impact of the exterior construction noise.

Table 2. Seattle Maximum Permissible Levels and Construction Noise Limits (dBA)									
Zoning District of	Zoning	District of Receiving P	roperty						
Noise Source [25.08.410 & 420 & 425]	Residential Day / Night	Commercial	Industrial						
Operational Noise Limits (SMC 25.08.410) (a)									
Residential	55 / 45	57	60						
Commercial	57 / 47	60	65						
Industrial	60 / 50	65	70						
Daytime	e Construction Noise L	imits (SMC 25.08.425)	(b)						
On-site sources like dozers, lo ditchers, and pneumatic equip			highway trucks,						
Residential	80	82	85						
Commercial	82	85	90						
Industrial	85	90	95						
weekdays and 9 AM and 5 P	M weekends, but may no Leq (1 hr) 9 Leq (30 minute Leq (15 minute Leq (7.5 minute	90 dBA s) 93 dBA s) 96 dBA	nits [25.08.425 B]:						
Note: The above operational noise limits are based on the measurement interval equivalent sound level (Leq) <i>and</i> a not-to-be-exceeded Lmax level 15 dBA higher than the indicated limits. The construction noise limits are based on an hourly Leq, unless noted otherwise for impact equipment. ^(a) The operational noise limits for residential receivers are reduced by 10 dBA during nighttime hours (i.e., 10 PM to 7 AM weekdays, 10 PM to 9 AM weekends) and are displayed for daytime/nighttime hours. ^(b) Construction noise limits apply at 50' or a real property line, whichever is <u>greater</u> . Construction noise is limited to the higher levels listed in the lower portion of the table during "daytime" hours only. For purposes of limiting construction noise received in certain zones, daytime hours are defined as 7 AM to 7 PM weekdays and 9 AM to 7 PM weekends for noise received in Lowrise, Midrise, Highrise, Residential-Commercial, or Neighborhood-Commercial zones. For construction projects in all other zones, and for public projects or locations where there are no residential uses within 100 feet, daytime construction hours are defined as 7 AM to 10 PM weekdays and 9 AM to 10 PM weekends.									

Table 2. Seattle Maximum Permissible Levels and Construction Noise Limits (dBA)

4.2 Land Use, Zoning, and Sensitive Receivers

The project site and surrounding residential-use and commercial properties are zoned "Seattle Mixed" or SM and are classified as Commercial receiving districts. As shown in <u>Table 2</u>, this 1-hour Leq sound level limit for a commercial noise sources affecting a commercial receiving source is 60 dBA, 24 hours a day (see shaded cell in upper portion of table). In the absence of a noise variance, the noise limit applied to nighttime construction activities would be 60 dBA.

The project site is located in a dense, urban environment, with residential-use receivers in the commercial zone west, north, northwest, and southwest of the project site, as well as the women's shelter to the south. While residential uses may be sensitive to increases in daytime noise, they are generally most sensitive to nighttime noise, including noises that may affect sleep.

Non-residential, noise-sensitive receptors in the project vicinity include KEXP and several theaters. Although not included in the assessment for the variance application, OVG is working with these venues separately, to minimize impacts to these uses.

4.3 Existing Ambient Sound Levels

To establish alternative nighttime construction noise limits to be applied to the project, Ramboll measured ambient sound levels at potentially affected sensitive receivers in the project vicinity. Sound levels were measured between June 12 and 13 and again between June 30 and July 8, 2018. These measurement data were supplemented by sound level data captured by ESA as part of their noise impact assessment for the Draft Environmental Impact Statement for the project.

For the measurements, Ramboll used Larson Davis LxT, Class 1 sound level meters. The microphones were placed on tripods approximately 5 feet above the ground or rooftop location from which the measurement was taken. The meters were field-calibrated prior to the measurements and had been factory calibrated within the twelve-month period preceding the measurements.

The measurement locations were selected to represent sensitive receivers surrounding the Arena site with the most potential to be affected by noise during nighttime hours. The locations included the rooftop of the Expo apartments north of the site, the rooftop of the Astro apartments west of the site, and at ground level at the women's shelter south of the site.

Because there are two distinct nighttime time periods when different nighttime construction activities are proposed, Ramboll considered two distinct periods to assess the ambient levels and the resulting proposed modified nighttime noise limits. The two periods of interest are Period 1, from 5 to 7 AM and 10 to 11 PM and Period 2, from 11 PM to 5 AM. (Period 2 ambient levels are represented by the measured sound levels during the quietest nighttime hours, between midnight and 5 AM). A summary of the ambient measurements for the Period 1 time intervals is provided in <u>Table 3</u>. A summary of the ambient measurements for the Period 2 time interval is provided in <u>Table 4</u>. A complete data set can be found in Appendix A.

Table 3.	Period 1	Ambient Sound	Levels, 5 to 7	7 AM and 10 to	11 PM (dBA)
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Date	SLM1 Expo Rooftop			SLM2 Astro Rooftop		SLM3 Sacred Heart Shelter		SLM4 Astro Ground	
	Leq (a)	Lmax (b)	Leq (a)	Lmax (b)	Leq (a)	Lmax (b)	Leq (a)	Lmax (b	
Thursday, November 30, 2017	-	-	-	-	-	-	70	87-103	
Friday, December 01, 2017	-	-	-	-	-	-	66	80-82	
Thursday, March 08, 2018	-	-	-	-	-	-	67	82-87	
Friday, March 09, 2018	-	-	-	-	-	-	67	82-84	
Thursday, May 17, 2018	-	-	-	-	-	-	67	81-89	
Friday, May 18, 2018	-	-	-	-	-	-	68	84-97	
Saturday, May 19, 2018	-	-	-	-	-	-	69	80-88	
Sunday, May 20, 2018	-	-	-	-	-	-	66	82-83	
Monday, May 21, 2018	-	-	-	-	-	-	68	81-96	
Tuesday, May 22, 2018	-	-	-	-	-	-	66	82-87	
Wednesday, May 23, 2018	-	-	-	-	-	-	64	82	
Monday, June 11, 2018	58	87	59	77	56	72	-	-	
Tuesday, June 12, 2018	60	76-84	59	71-85	57	75-81	-	-	
Wednesday, June 13, 2018	-	-	58	85-96	57	72-86	-	-	
Saturday, June 30, 2018	58	77	60	95	57	78	-	-	
Sunday, July 01, 2018	57	75-89	58	71-79	57	72-94	-	-	
Monday, July 02, 2018	57	67-80	59	74-82	60	81-85	-	-	
Tuesday, July 03, 2018	57	78-84	59	72-81	55	79-85	-	-	
Wednesday, July 04, 2018 ^(c)	56	71-83	67	74-88	58	78-97	-	-	
Thursday, July 05, 2018	56	70-78	58	77-86	57	70-93	-	-	
Friday, July 06, 2018	57	71-78	59	75-79	56	74-83	-	-	
Saturday, July 07, 2018	57	68-79	59	75-81	66	74-88	-	-	
Sunday, July 08, 2018	59	83	57	72-75	53	69-76	-	-	
Average Leq	58	-	60	-	60	-	68	-	
Range of Lmax	-	67-89	-	71-95	-	69-97	-	80- 103	

^(a) Average ambient sound level between 5 and 7 AM and between 10 and 11 PM

 $^{\rm (b)}$ Range of Lmax levels between 5 and 7 AM and between 10 and 11 PM

^(c) Levels measured between 10 and 11 PM on July 4 were removed from the calculation.

Source: Ramboll US Corporation, 2018

Date	SLM1 Expo Rooftop		SLM2 Astro Rooftop		SLM3 Sacred Heart Shelter		SLM4 Astro Ground	
	Leq (a)	Lmax (b)	Leq (a)	Lmax (b)	Leq (a)	Lmax (b)	Leq (a)	Lmax ^(b)
Thursday, November 30, 2017	-	-	-	-	-	-	63	80-93
Friday, December 01, 2017	-	-	-	-	-	-	62	81-84
Thursday, March 08, 2018	-	-	-	-	-	-	67	79-101
Friday, March 09, 2018	-	-	-	-	-	-	66	81-102
Thursday, May 17, 2018	-	-	-	-	-	-	62	80-83
Friday, May 18, 2018	-	-	-	-	-	-	63	78-83
Saturday, May 19, 2018	-	-	-	-	-	-	67	84-92
Sunday, May 20, 2018	-	-	-	-	-	-	65	77-86
Monday, May 21, 2018	-	-	-	-	-	-	62	78-84
Tuesday, May 22, 2018	-	-	-	-	-	-	66	82-97
Wednesday, May 23, 2018	-	-	-	-	-	-	62	78-85
Tuesday, June 12, 2018	55	70-84	56	68-90	54	71-87	-	-
Wednesday, June 13, 2018	54	62-92	54	68-76	54	68-78	-	-
Sunday, July 01, 2018	54	64-74	57	71-86	52	71-84	-	-
Monday, July 02, 2018	54	67-88	56	70-89	50	68-79	-	-
Tuesday, July 03, 2018	53	61-78	55	70-75	53	68-84	-	-
Wednesday, July 04, 2018	54	67-88	56	71-94	52	67-81	-	-
Thursday, July 05, 2018	54	69-83	56	70-82	53	71-80	-	-
Friday, July 06, 2018	53	64-72	56	70-73	56	66-85	-	-
Saturday, July 07, 2018	55	68-82	57	71-78	54	74-80	-	-
Sunday, July 08, 2018	56	70-89	59	70-84	55	69-90	-	-
Average Leq	54	-	56	-	54	-	64	-
Range of Lmax	-	61-92	-	68-94	-	66-90	-	77- 102
^(a) Average ambient sound le ^(b) Range of Lmax levels betw Source: Ramboll US Corpora	veen 12a	m and 5a		n				

Table 4. Period 2 Ambient Sound Levels, 12am – 5am (dBA)

To supplement our measurements, ESA provided measured sound level data taken at ground level along 1st Avenue North in support of the noise impact assessment conducted for the FEIS for the project. ESA collected data in November-December 2017, March 2018, and May 2018. A summary of the data is included for Period 1 in <u>Table 3</u> and for Period 2 in <u>Table 4</u>. The average overall measured ESA data was approximately 8 dBA higher than at the Astro roof level for during both time periods.

The Ramboll and ESA measurement locations are displayed in **Figure 1**.

Heavy traffic on 1st Avenue N affects ground level and lower floors of buildings adjacent to 1st Avenue N more than the upper level floors. To identify the existing ambient sound levels at different floors of buildings adjacent to 1st Avenue N, Ramboll used the measured ground elevation (ESA) and rooftop (Ramboll) sound levels as a basis and assumed a linear variation between them. The resulting sound levels at Floors 2 through 6 of buildings adjacent to 1st Avenue N are identified in <u>Table 5</u>.

	Leq Sound		
Building Floor	Period 1: 5-7 AM, 10-11 PM	Period 2: 12 - 5 AM	Measurement Notes
Ground Floor	68	64	Measured By ESA
2nd Floor	66	63	
3rd Floor	65	62	
4th Floor	64	60	Linear estimate
5th Floor	63	59	
6th Floor	61	58	
Rooftop Patio	60	56	Measured by Ramboll

Table 5.	Estimated Sound	Levels at	Different Buildin	a Floors,	1st Ave N	(Leg, dBA)
				9		

Seattle Arena Redevelopment Project Noise Management and Mitigation Plan

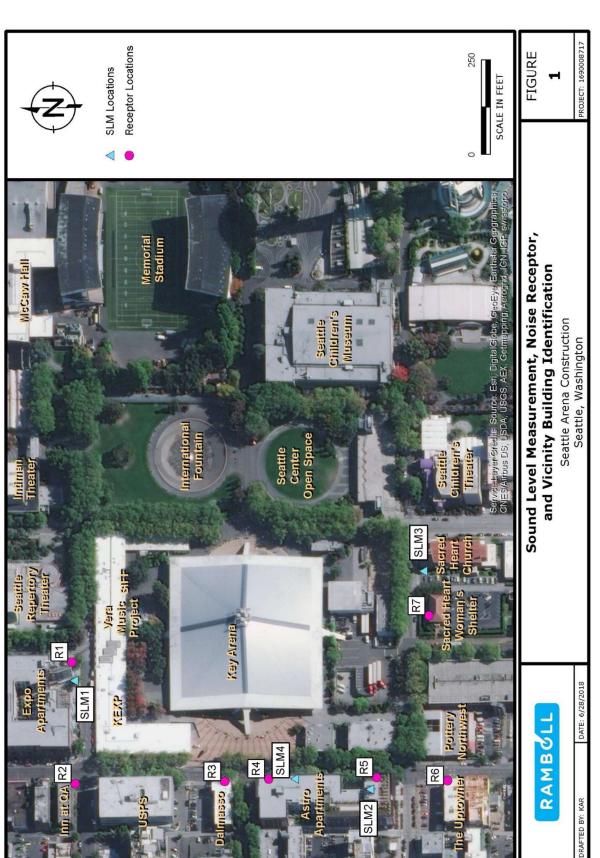


Figure 1. Ambient Sound Level Measurement (SLM) and Model Receptor Locations

Affected Environment

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Att 2 - Development Agreement (Arena at Seattle Center) V2

4.4 Terms of Proposed Variance

As detailed in the MPPCNV application, OVG requests that construction noise generated on the site during nighttime hours (between 10 PM and 7 AM on weekdays and between 10 PM and 9 AM weekends and legal holidays) be allowed to exceed the noise limits identified in SMC 25.08.410. The variance is requested for the approximately 2-year duration of construction, expected to occur between October 2018 and October 2020. The MPPCNV is subject to review by SDCI after the first year of construction, as provided in SMC 25.08.655.D. Additional coordination with SDCI would continue throughout construction.

The noise variance application proposes two different modified nighttime noise limits for two distinct time periods. Exterior excavation and construction activities during Period 1, between 5 and 7 AM and between 10 and 11 PM, would be greater than activities proposed during Period 2, between 11 PM and 5 AM. The modified nighttime noise limits are being proposed for nighttime noise-sensitive receivers in proximity to the Arena site. Nighttime noise-sensitive receivers are generally properties where people are sleeping, such as residential uses.

The proposed descriptors and noise limits for Seattle Arena Redevelopment project are based on OVG and SDCI discussions and a review of prior SDCI decisions on MPPCNV applications. SDCI typically grants variances that allow for an increase of 6 dBA over measured ambient noise levels, with measurements taken during the quietest nighttime hours (i.e., midnight to 5 AM) used to characterize the entire overnight period. In this case, however, there will be two distinct periods of operation during the nighttime, and two different measuring periods were used to characterize the existing ambient levels. As described above, the distinct time periods are referred to as Period 1, from 5 to 7 AM and 10 to 11 PM, and Period 2, from 11 to 5 AM. It should be noted that the Period 2 ambient levels were identified using the levels measured during the quietest nighttime hours (i.e., midnight to 5 AM) although the activity is expected to occur from 11 PM to 5 AM. This ensures a conservative approach.

During Period 1 between 5 and 7 AM and 10 and 11 PM, the measured and estimated ambient Leqs, as shown in <u>Table 3</u> and <u>Table 5</u>, are generally at or above the applicable nighttime noise limit of 60 dBA (Leq). The exception is at the Expo apartments, where a proposed modified nighttime Leq limit set at 6 dBA over the measured ambient Leq of 58 dBA would result in a modified limit only 4 dBA higher than the existing nighttime noise limit.

During Period 2 between midnight and 5 AM, the measured ambient levels as shown in <u>Table 4</u> and <u>Table 5</u> are below the existing noise limit of 60 dBA at both the Expo apartments and the Sacred Heart women's shelter. Adding a 6 dBA increase to the existing ambient Leq of 54 dBA would result in no change to the existing Leq noise limit. Receivers adjacent to 1st Avenue N, however, are currently exposed to ambient Leqs greater than 60 dBA, and the proposed modified nighttime noise limits at these locations would exceed the existing limit by 4 to 10 dBA, depending on which floor the receiver is located.

The resulting proposed modified noise limits for all receptor locations are identified in Table 6.

		P	eriod 1		Period 2			
		5 to 7 AM, 10 to 11 PM			11 PM to 5 AM			Chandaud
Sensitive Receiver		Ambient Leq ^a	Proposed Modified Limit		Ambient	Proposed Modified Limit		Standard Nighttime Limit Leq
			Leq	L1	Leq ^b	Leq	L1	
R1 – Expo Apts	2nd – 6th Floors	58	64	74	54	60	70	60
R2 – Inn at Queen Anne	1st Floor	68	74	84	64	70	80	60
	2nd Floor	66	72	82	63	69	79	60
	3rd Floor	65	71	81	62	68	78	60
	4th Floor	64	70	80	60	66	80	60
R3 –	1st Floor	68	74	84	64	70	79	60
Dalmasso	2nd Floor	66	72	82	63	69	78	60
Apts	3rd Floor	65	71	81	62	68	79	60
	2nd Floor	66	72	82	63	69	78	60
	3rd Floor	65	71	81	62	68	76	60
R4 – Astro Apts	4th Floor	64	70	80	60	66	75	60
P	5th Floor	63	69	79	59	65	74	60
	6th Floor	61	67	77	58	64	79	60
	2nd Floor	66	72	82	63	69	78	60
	3rd Floor	65	71	81	62	68	76	60
R5 – Astro Apts	4th Floor	64	70	80	60	66	75	60
	5th Floor	63	69	79	59	65	74	60
	6th Floor	61	67	77	58	64	80	60
R6 – The	1st Floor	68	74	84	64	70	79	60
Uptowner Apts	2nd Floor	66	72	82	63	69	78	60
	3rd Floor	65	71	81	62	68	70	60
R7 – Sacred Heart Women's Shelter	1st - 2nd Floors	60	66	76	54	60	70	60
^a Based on me						en 10 and	l 11 PM.	

Table 6. Proposed Modified Nighttime Construction Noise Limits (dBA)

As shown in <u>Table 6</u>, in addition to an hourly Leq limit, the noise variance application also proposes a limit on the hourly L1 (i.e., the sound level exceeded 1 percent of the time interval or 36 seconds of an hour) to control potential short-term noises. The proposed L1 limits are 10 dBA above the proposed modified Leq noise level limits. The proposed L1 limits would fall within the range of existing Lmax sound levels measured during Period 1 (<u>Table 3</u>, Page 9) and Period 2 (<u>Table 4</u>, Page 10).

5. EXPECTED CONSTRUCTION ACTIVITIES

OVG has carefully reviewed the anticipated means and methods of redeveloping the Arena, has developed an expected list of construction activities and an estimated schedule for this work. OVG and its construction contractor, Skanska Hunt Joint Venture, will develop a Construction Management Plan (CMP). OVG, Skanska-Hunt Joint Venture, and Ramboll have developed this initial Noise Management and Mitigation Plan (NMMP) for inclusion with project's application for a Major Public Project Construction Noise Variance (MPPCNV).

5.1 Construction Schedule Overview

If the noise variance were granted, construction would occur from approximately October 2018 to October 2020, a duration of approximately 24 months. Because of the dynamic nature of construction, the sequencing, extent, and timing of construction activities would vary, and timelines shown are approximate. During Phase 1, work would occur throughout the day from 7 am to 10 pm, with truckhauling during the day and at night for approximately the first 6 months. Night-time construction would involve the following for the first 6-months: truck hauling (from 5 am and 7 am and 10 pm to 11 pm, and from 11 pm to 5 am), excavation (from 5 am and 7 am and 10 pm to 11 pm, and from 11 pm to 5 am), and shoring (from 10 pm to 11 pm, weekdays). Trucks would not operate during morning and evening peak traffic hours. Seattle Center has approved truck hauling through the Seattle Center campus on vacated Harrison Street, which is no longer a public street, between 11:30 pm and 6:30 am. For daytime only truck hauling operations, truck hauling would be limited to daytime, non-peak hours (approximately 8 hours a day or less) and would last at least 12 months. During Phase 2 of construction, no night-time construction activities are currently planned. For the remaining phases of construction (Phases 3 and 4), night-time work (from 5 am to 7 am and 10 pm to 11 pm) would include structure construction and interior finish work. Some interior finish work and deliveries will occur between 11 pm and 5 am (Monday through Friday) during Phases 3 and 4. OVG will coordinate with Seattle Center, neighborhood residents, businesses and event operators to keep them apprised of construction activities as outlined in Section 9.2.

If the noise variance were not granted, construction would extend the demolition and excavation period by at least 6 months, and total construction would take at least 30 months. Work would occur during "daytime," defined as between 7 AM and 10 PM weekdays, and between 9 AM and 10 PM on weekends and legal holidays (SMC 25.08.425). Truck hauling would be further restricted to avoid peak periods. Additionally, street closures would be different than with the night-work plan.

5.2 Major Construction Phases and Equipment

Construction will be spilt into four construction phases, with excavation and demolition proceeding by zone. (See Appendix B, Site Logistic Plans). The four construction phases will involve the following work.

- Phase 1: Demolition and Excavation of existing arena
 - O Work would include exterior and interior demolition, excavation to the perimeter of existing roof footings, removal of demolished and excavated materials from the site, shoring, and installation of earth retention systems including soldier piles immediately

outside of the foundation walls around the perimeter of the arena. No auger-driven piles are proposed. Any required piles will be soldier piles placed at 80-feet deep using a drilling method followed by a concrete pour. Temporary roof shoring will also occur during this phase. Piles placed for roof-support will be caisson-drilled, placed, and then a concrete pour will complete the pile. At the north end of the site, concrete for soldier piles will be pumped from the north end of the east side of the arena.

- Mass excavation will begin on the north side of the arena and progress to the south and will continue to the south part of the site for excavation for the underground parking garage and atrium (see Seattle Center Arena Renovation Project Final Environmental Impact Statement ("FEIS") Excerpts, Figures 2-2, 2-4, and 2-8 in Appendix B herein for extent of building below-grade).
- The south ends of the Northwest Rooms would be stabilized for adjacent excavation (See FEIS Excerpts, Figures 2-2 and 2-8, Appendix B).
- Most demolition and excavation materials would be stockpiled at the south ends of the Northwest Rooms, on the west and east sides of the arena. The project team will use one primary path to enter the project site and three locations to exit. All trucks will enter the site along 1st Ave N. Demolition and excavated materials will be removed from the project site from the west side of the arena and transferred to trucks on 1st Ave N, and from the east side of the arena to the vacated portion of 2nd Ave N on the Seattle Center campus and south along 2nd Ave N and to vacated Harrison St through the Seattle Center campus between 11:30 pm and 6:30 am.
- An additional truck path will enter the southwest corner of the project site off Thomas Street. Trucks will enter and exit this area, but the access point will be utilized for materials rather than exporting soil.
- Demolition of exterior structures (Blue Spruce Building, skatepark, Seattle Center Pavilion, West Court Building [existing box office], Restroom Pavilion, and NASA Building) will occur from October 2018 to mid-November 2018.
- With nighttime work, multiple shifts will be required.
- With nighttime work, truck hauling would occur 7 days a week, 18 hours a day, for approximately 6 months (see FEIS Excerpts, Table 2-2, Appendix B). For daytime only truck hauling operations, truck hauling would be limited to daytime, non-peak, hours (approximately 8 hours a day or less) and would last at least 12 months.
- Impact equipment (including impact hammers, concrete saws, concrete cutters, and vibratory compactors) would be used for demolition inside and outside of the arena.
- A sound-deflecting border (noise barrier) will be installed along the north, west, and south sides of the project for the duration of construction.
- Phase 2: Loading Dock Tunnel Construction
 - The loading dock tunnel will be dug out using a mining-style method that will leave the Bressi Garage undisturbed. The mining method would involve horizontal drilling with perforated pipes. The pipes would be pressure-grouted to form a shell of grout and enhanced soils. Soils would be removed by hand in 3- to 4-foot increments. The tunnel footings and structure would be built as the tunnel advances.
 - Trucks would access the site using the current parking lot access on 1st Ave N. Once the tunnel is complete, the tunnel will become the main artery for construction deliveries.

- Phase 3: Structure Construction I, focusing on south portion of arena site
 - Excavation for the underground parking garage would be completed and construction of the parking garage and atrium would begin.
 - Interior construction would occur including concourse structural work, erection of bridgelevel trusses, upgrades to the roof structure, and installation of the rigging structure.
 - Retaining and shear wall installation at the parking structure would begin.
 - Three cranes would be located on the project site. Deliveries to the southern crane would occur on the closed portion of Thomas St.
 - During Phase 3 of construction, trucks will enter the site from the southwest corner. Trucks will enter the site by approaching the southwest corner of the site moving north along 1st Ave N. Trucks will be directed by flaggers to enter the site off Thomas directly adjacent to 1st Ave N.
 - There will be two mobile cranes located on the east and west side of the arena. A tower crane will be located at the south end of the site adjacent to Thomas St.
- Phase 4: Structure Construction II and Interiors, focusing on atrium construction
 - During Phase 4 of construction, the remainder of the arena structure will be built and the interiors of the arena will be installed. Arena concourse structural work will be completed and the bowl seating will be built.
 - The roof top platform and equipment will also be installed.
 - All levels of the parking structure will be built.
 - The plazas, signage, and landscaping will also be completed.
 - During Phase 4, traffic entering and exiting the site will do so mostly through the loading dock tunnel.
 - There will be two mobile cranes located on the east and west side of the arena. A tower crane will be located at the south end of the site adjacent to Thomas St.

Expected nighttime construction activities that require a noise variance are part of some or all of the phases above. OVG has developed an expected schedule and list of equipment to be used during nighttime hours by the contractor.

Table 7 summarizes the construction phases that were used by Ramboll as the basis for the MPPCNV application assessment. Each are described in detail in Section 6.2 with a focus on those activities that are expected to occur during nighttime hours, including mainly those equipment and activities that are anticipated to generate acoustically significant levels of noise. A graphical representation of a general overview of the construction schedule has been provided in **Figure 2**.

Construction Phase Number	Phase General Decription	Date Range							
Phase 1	Demolition, Shoring, and Excavation of existing Arena	October 2018 to March 2019							
Phase 2	Loading Dock Tunnel Construction (No Nighttime Construction)	November 2018 to June 2019							
Phase 1 – Phas	e 3 overlap	January 2019 to March 2019							
Phase 3	Structure Construction	February 2019 to June 2020							
Phase 3 – Phas	e 4 overlap	June 2019 to June 2020							
Phase 4 Interior Build Out September 2019 to September 2020									
The schedule used to	on of construction phases and date ranges a characterize the phases and date ranges id ed in a conservative assessment of construc	lentified the potential for overlapping							

Table 7. Construction Phasing Summary

ID	Phases		201	B							019											202				
	Phases	Oct	Not	Dec	Jan	r Feb	Ma	r Apr	Ma	y Jun	Jul	Au	y S	ap Oc	t No	v De	c Je	m F	eb	Marr	Арг	Ма	y Ju	ı Ju	I Au	y Sep
1	Demolition	I				[
2	Perimeter Shoring, Zones C and D	1																								
3	Perimeter Shoring, Zones A and B																									
4	Temp Roof Structure Shoring																									
5	Mass Excavation																									
6	Loading Dock Tunnel																									
7	Existing Roof Structure Upgrades				L																					
8	Bowl and concourse Structure																									
9	Parking Garage and Atrium Structure																1									
10	N, E, and W Plaza																									
11	Atrium Buildout																									
12	Event Level																									
13	Main Concourse Level																									
14	Mezzanine Level													I												
15	Suite Level													1												
16	Upper Concourse Level																									
17	Space Needle Club Level																									
18	Press/Bridge Level																									
19	Punch List and Commissioning																									

Figure 2. Approximate Construction Schedule Overview

5.3 Construction Activities and Coordination with Surrounding Communities

Before and during construction activities, the construction contractor will coordinate with the surrounding residential properties and business, as necessary, to ensure that construction activities are carried through with minimal impact on these existing land uses. Specifically, the construction contractor will coordinate with the Seattle Center to ensure that hauling activities do no disrupt scheduled Seattle Center events. During these events hauling of construction related materials will occur along 1st Avenue and other surface streets, and not through the Seattle Center. A summary of Seattle Center events, during which time construction hauling through the Center would be temporarily suspended, is provided in **Table 8**.

Year	Date	Event				
2018	November 2018	Install Fisher Pavilion Ice				
2018	December 2018	New Year's Eve				
	January 2019	Remove Fisher Pavilion Ice				
	May 2019	NW Folklife Festival				
	June 2019	Pride Festival				
2019	July 2019	Seafair				
2019	July 2019	Bite of Seattle				
2020	August/September 2019	Bumbershoot				
	November 2019	Install Fisher Pavilion Ice				
	December 2019	New Year's Eve				
	January 2020	Remove Fisher Pavilion Ice				
	May 2020	NW Folklife Festival				
	June 2020	Pride Festival				
2020	July 2020	Seafair				
	July 2020	Bite of Seattle				
	August/September 2020	Bumbershoot				

Table 8. Seattle Center Events When No Eastern Nighttime Hauling Would Occur

Nearby residential-use properties in the commercial district include several multi-unit apartment complexes, including the Expo apartments on Republican Street; Astro apartments, Inn at Queen Anne, Dalmasso apartments, and The Uptowner apartments on 1st Avenue N; and the Sacred Heart Women's Shelter on Thomas Street. The noise monitoring and complaint-resolution plan, as detailed in <u>Section 8</u> and <u>Section 9</u> of this report, address methods by which the construction contractor will ensure that noise levels are maintained at permissible levels and that noise complaints are resolved swiftly and effectively. Note also that the construction contractor will construct a 12-foot tall noise barrier around the north, west, and south sides of the project boundary to further reduce noise from on-site construction activities and equipment. Details of the noise barrier are found in Section 7.1.

Nearby businesses include those located within the Northwest Rooms, including KEXP, Vera Music Project, Seattle International Film Festival, A/NT Gallery, and others. These businesses represent the

nearest commercial receivers of noise from project-related construction activities. As such, the construction contractor will coordinate directly with these businesses, as necessary, to ensure that the potential for noise impact from specific construction activities is minimized. As indicated, a noise barrier will be constructed north of the project area, within the outdoor courtyard and gathering space located south of the Northwest Rooms area. The 12-foot tall noise barrier is expected to effectively shield construction-related noise at these businesses. Additional details are provided in <u>Section 9</u>.

6. CONSTRUCTION NOISE ASSESSMENT

This construction noise assessment was completed through predictive noise modeling of various construction phases and equipment types at potentially sensitive receiving locations in the project vicinity. The assessment used the best available information at the time of the assessment. However, once the contractor is in place and has proposed their specific construction schedule and equipment, the NMMP may need to be updated. A discussion of the methods and results of our assessment follows.

6.1 Noise Modeling Methodology

Noise modeling of construction equipment was completed using the CadnaA noise model. CadnaA is a computer tool that calculates sound levels after considering the noise reductions or enhancements caused by distance, topography, intervening structures, varying ground surfaces, atmospheric absorption, and meteorological conditions. The model uses algorithms that comply with the international standards in ISO-9613-2:1996. Existing building locations and elevations and topography were derived from readily available onsite sources of digital elevation data and aerial imagery.

Figure 1 identifies the model receptors used in this analysis, which were selected to represent the nearest uses sensitive to nighttime noise (e.g., residences). For the Expo and Astro apartment buildings, modeled receptor locations were selected to represent floors 2-6. The first floors of both buildings are used for retail or commercial businesses. For all other locations, all floors were considered in the modeling (the other buildings all have between 2 and 4 floors).

6.2 Construction Phases and Noisiest Construction Equipment

Ramboll considered four main construction phases described in Section 5 as the basis for this modeling assessment. A description of acoustically-significant equipment and assumptions for each construction model scenario are provided below in the following subsections. The type and numbers of equipment by modeled scenario, approximate date ranges, as well as representative sound levels that were used in the analysis, are provided in <u>Table 9</u>; equipment shown in this table include only those that would operate outdoors during nighttime hours.

Note that equipment that would operate indoors are assumed to be shielded by the existing and/or future building envelope, and are anticipated to be minor relative to most outdoor equipment noises. Smaller portable but stationary equipment (e.g., generators and compressors) will operate inside the Arena building at night where specified, and would not measurably influence exterior sound levels.

Further, note that a stationary, electrically-power crane is proposed at the south end of the project site, south of the existing arena building. The crane would service the southern half of the project site. Noise emissions from typical electrically-powered crane operations are acoustically negligible relative to other sources of construction noise, and so the stationary crane has not been included in this assessment.

Type of Equipment	Sound Level at 50 feet (dBA, Leq)	Data Source
Air Compressor	78	1
Drill Rig	73	2
Concrete Truck	81	1
Conveyor	62	2
Dump Truck Passby	69	2
Excavator	81	1
Generator	81	1
Loader	81 / 75 ^(a)	2
Mobile Crane	81	1
Impact Wrench	85 / 75 ^(b)	1

Table 9. Proposed Nighttime Construction Equipment

^(a) Sound levels are presented as unmitigated/mitigated.

^(b) Sound levels are presented as unmitigated/mitigated. To meet the specified sound levels, either quieter equipment can be selected or the equipment/activities can be housed in an enclosure.

Data Sources:

1 - Federal Highway Administration's Roadway Noise Construction Model (RCNM), 2008

2 – Ramboll Archive

On-site haul routes¹, limits of construction, approximate location of construction equipment, depth of excavation, and potential noise barrier locations were derived from preliminary construction drawings provided by CAA ICON and through discussions between CAA ICON, Skanska-Hunt Joint Venture, and Ramboll.

¹ Off-site trucks were not considered in the modeling since they are not regulated by the City of Seattle's noise ordinance.

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6.3 Noise Model Scenarios

The constructed phases identified in Section 5.2 include a variety of activities, including some that will occur during daytime hours only (e.g., demolition, Bressi tunnel, etc.) and others that may occur at night for extended periods of time and/or may overlap with other construction activities. Quantitative assessment of nighttime construction activities through noise modeling, therefore, requires assessment beyond a simple review of each construction phase. This construction noise modeling assessment was completed to evaluate anticipated worst-case nighttime noise emission scenarios that would result during overlap of construction phase activities.

<u>Table 10</u> summarizes the scenarios that were modeled, including a description of the activities evaluated in each scenario and approximate date ranges. Note that topography was considered either at existing grade or at final excavated depth, as indicated, because equipment located at the bottom of an excavated pit may be at least partially shielded by intervening terrain.

Table 10. Summary of Noise Model Scenarios for Nighttime Construction

Model	•	Construction Phases	uctior ses		Site	Construction Activities	Modeled Equipment
Scenario	1	2 (a)	e	4	l opograpny		
					Existing	5 to 7 AM, 10 to 11 PM	5 to 7 AM, 10 to 11 PM
					Grade	No demolition at night	East of Arena Only:
						Perimeter and roof shoring	Excavator (x1)
						(East Only)	Soldier pile drill (x1)
						Mass excavation (East Only)	Drill Crane (x1)
						 Conveyance of exacavated 	Concrete truck (x1)
						material	Compressor (x2)
						Off-site hauling of materials	Generator (x2)
						(both East and West)	Conveyor (x3)
Scenario 1	>						 Haul-out Loader (x1 each W, E)
	<						Haul truck, west off of 1st Ave N and/or east
							through Seattle Center (x12/hr each direction)
						<u>11 PM to 5 AM</u>	<u>11 PM to 5 AM</u>
						 No demolition at night 	East of Arena Only:
						 Mass excavation (East Only) 	Excavator (x1)
						 Conveyance of exacavated 	Generator (x2)
						material	Conveyor (x3)
						Off-site hauling of materials	 Haul-out Loader (x1 each W, E)
						(both East and West)	Haul truck, west off of 1st Ave N and east through Seattle Center (x12/hr each direction)

	C	Construction Phases	ictior ies	_	Site	Construction Activities	Modeled Equipment
	۳.	2 ^(a)	ĸ	4	l opograpny		
Scenario 2	×				Depth	 5 to 7 AM, 10 to 11 PM No demolition at night Perimeter and roof shoring (East Only) Mass excavation (East Only) Conveyance of exacavated material Off-site hauling of materials (both East and West) (both East and West) 11 PM to 5 AM No demolition at night Mass excavation (East Only) Conveyance of exacavated materials Off-site hauling of materials (both East and West) 	 5 to 7 AM. 10 to 11 PM East of Arena Only: East of Arena Only: Excavator (x1) Soldier pile drill (x1) Soldier pile drill (x1) Drill Crane (x1) Concrete truck (x1) Compressor (x2) Compressor (x2) Generator (x2) Generator (x2) Haul truck, west off of 1st Ave N and/or east through Seattle Center (x12/hr each direction) 11 PM to 5 AM East of Arena Only: East of Arena Only: East of Arena Only: East of Arena Only: Haul-out Loader (x1 each W, E)

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		Construction	uction	_			
Model		Phases	ses		Site	Construction Activities	Modeled Equipment
scenario	-	2 ^(a)	ß	4	i opograpny		
Scenario 3	×		×		Excavated Depth	 5 to 7 AM. 10 to 11 PM Remaining excavation (East Only) Installation of Roof Pillar Footings Bowl and Concourse Structure Bowl and Concourse Structure Conveyance of exacavated material Off-site hauling of materials (both East and West) 	 5 to 7 AM. 10 to 11 PM East of Arena Only: East of Arena Only: Excavator (x1) Generator (x2) Gonveyor (x3) Conveyor (x3) Haul-out Loader (x1 each W, E) Mobile Crane (x1 E) Mobile Crane (x1 E) Drill Rig (x1 each N, S, E, W) Oncrete Pump Truck (x1 each N, S, E, W) Impact Wrench (2x each N, S, E, W) Haul trucks, west off of 1st Ave N and/or east through Seattle Center (x12/hr each direction) Truck deliveries, SW corner of site (x4/hr)
						 11 PM to 5 AM Remaining excavation (East Only) Conveyance of exacavated material Off-site hauling of materials (both East and West) 	 11 PM to 5 AM East of Arena Only: Excavator (x1) Econveyor (x2) Conveyor (x3) Haul-out Loader (x1 each W, E) Haul truck, west off of 1st Ave N and/or east through Seattle Center (x12/hr) Truck deliveries, SW corner of site (x4/hr)
Scenario 4			×		Excavated Depth	 5 to 7 AM, 10 to 11 PM Roof Structure Upgrades Elevator Support Towers Bowl and Concourse Structure Parking Garage and Atrium Structure 11 PM to 5 AM Truck Deliveries 	 5 to 7 AM. 10 to 11 PM Generator (x2 East) Mobile Crane (x1 E) Concrete Pump Truck (x1 each N, S, E, W) Impact Wrench (x2 each N, S, E, W) Truck deliveries, west side of site (x4/hr) 11 PM to 5 AM Truck deliveries, west side of site (x4/hr)

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Model		Construction Phases	uction ses	_	Site	Construction Activities	Modeled Equipment
scenario	1	(a)	۴	4	l opograpny		
					Excavated	<u>5 to 7 AM, 10 to 11 PM</u>	5 to 7 AM, 10 to 11 PM
					Depth	 Bowl and Concourse Structure 	Generator (x2 East)
						 Parking Garage and Atrium 	Mobile Crane (x1 E)
						Structure	Concrete Pump Truck (x1 each N, S, E, W, and SW
						 N, E, and W Plaza 	corner)
Scenario 5			>	>		 Atrium Buildout 	• Impact Wrench (x2 each N, S, E, W)
			<	×			• Truck deliveries, west side of site (x4/hr)
						<u>11 PM to 5 AM</u>	<u>11 PM to 5 AM</u>
						 Truck Deliveries 	• Truck deliveries, west side of site (x4/hr)
					Excavated	<u>5 to 7 AM, 10 to 11 PM</u>	5 to 7 AM, 10 to 11 PM
					Depth	 Finish Exterior Work 	Generator (x2 East)
							Mobile Crane (x1 E)
Scenario 6							Concrete Pump Truck (x1 E)
				×			• Impact Wrench (x2 E)
							• Truck deliveries, west side of site (x4/hr)
						<u>11 PM to 5 AM</u>	11 PM to 5 AM
						 Truck Deliveries 	• Truck deliveries, west side of site (x4/hr)
^(a) During Ph	lase 2,	constr	uction	activti	es will be limite	During Phase 2, construction activites will be limited to daytime hours only	
Source: Ramboll US Corporation, 2018	Doll U	S Corpc	rration,	. 2018			

Construction Noise Assessment

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6.3.1 Noise Model Scenario 1

Noise model Scenario 1 includes activity that will occur during Phase 1 of the project, at the very start of the construction program. During this period, the following tasks may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Install Soldier Piles
 - Assumed use of soldier drill pile rig on the east side of the arena to install soldier piles
 - Assumed use of mobile crane and concrete truck concurrent with drill rig
 - Drill rig and associated equipment operating at existing grade
 - Zone D (NE quadrant) and Zone A (SE quadrant) are on the east side of the arena, and piling activities in these zones could occur at night
 - Zones B and C are on the west side of the arena, and piling activities in these quadrants will occur during daytime hours only

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

- Excavate around Perimeter East of Arena
 - o Use of excavator on east side of the arena
 - Excavator will operate within the area to be excavated for shoring
 - Excavator operating at existing grade
- <u>Conveyance of Excavated Materials</u>
 - Assumed use of 3 conveyors to move fill materials to east and west sides of arena for truck loading and off-haul
 - Conveyors operating at existing grade
 - Conveyance noise is from motors that drive conveyor belts
- Off-Site Haul of Excavated Materials
 - o Hauling of excavated materials to occur from the west and east sides of arena
 - → On east side, trucks would arrive at the site traveling north from 2nd Avenue N to approximate center of eastern project boundary and exit on vacated Harrison through the Seattle Center campus
 - \rightarrow On west side, trucks would enter and exit the site from 1st Avenue N, with trucks entering just south of Harrison St and trucks exiting just north of Harrison St
 - Assumed up to 12 trucks per hour would arrive for loading and haul-out during nighttime hours
 - A loader would be operating on the east or west side during hauling to fill hoppers feeding conveyors for truck loading

6.3.2 Noise Model Scenario 2

Noise model Scenario 2 includes activity that will occur during Phase 1 of the project, as excavation reaches the final intended depths. During this period, the following may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Complete Installation of Soldier Piles
 - Assumed use of soldier drill pile rig on the east side of the arena to install soldier piles
 - Assumed use of mobile crane and concrete truck concurrent with drill rig
 - o Drill rig and associated equipment operating at existing grade

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

- Continue Perimeter Excavation on East Side of Arena
 - Use of excavator on east side of the arena
 - Excavator operating at final grade
- <u>Conveyance of Excavated Materials</u>
 - Assumed use of 3 conveyors to move fill materials to east and west sides of arena for truck loading and off-haul
 - Conveyors operating at existing grade
 - Conveyance noise is from motors that drive conveyor belts
- Off-Site Haul of Excavated Materials
 - Hauling of excavated materials to occur from the west and east sides of arena
 - → On east side, trucks would arrive at the site traveling north from 2nd Avenue N to approximate center of eastern project boundary and exit on vacated Harrison through the Seattle Center campus
 - \rightarrow On west side, trucks would enter and exit the site from 1st Avenue N, with trucks entering just south of Harrison St and trucks exiting just north of Harrison St
 - Assumed up to 12 trucks per hour would arrive for loading and haul-out during nighttime hours
 - A loader would be operating on the east or west side during hauling to fill hoppers feeding conveyors for truck loading

6.3.3 Noise Model Scenario 3

Noise model Scenario 3 includes activity that will occur during overlap of Phases 1, 2, and 3. Phase 2, construction of the Loading Dock Tunnel, is expected to occur during daytime hours only and is not considered in this application. During the overlap, the following activities may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Installation of Roof Pillar Footings
 - Concurrent use of 4 drill rigs around the north, west, east, and south sides of the arena to install pillar footings
 - Concurrent use of concrete pump trucks near pillar footing locations
 - Equipment assumed to operate at excavated depth, except for concrete pump truck in NE corner of north plaza operating outside of excavated area

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

- <u>Completion of Mass Excavation</u>
 - Use of excavator on east side of the arena
 - Excavator operating at final grade
- <u>Conveyance of Excavated Materials</u>
 - Assumed use of 3 conveyors to move fill materials to east and west sides of arena for truck loading and off-haul
 - Conveyors operating at existing grade
 - Conveyance noise is from motors that drive conveyor belts
- Off-Site Haul of Excavated Materials
 - Hauling of excavated materials to occur from the west and east sides of arena
 - \rightarrow On east side, trucks would arrive at the site traveling north from 2nd Avenue N to approximate center of eastern project boundary
 - \rightarrow On west side, trucks would enter and exit the site from 1st Avenue N, with trucks entering just south of Harrison St and trucks exiting just north of Harrison St
 - Assumed up to 12 trucks per hour would arrive for loading and haul-out during nighttime hours
 - A loader would be operating on the east or west side during hauling to fill hoppers feeding conveyors for truck loading

6.3.4 Noise Model Scenario 4

Noise model Scenario 4 includes activity that will occur during Phase 3 of the project. During this period, the following tasks may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Footings, Slabs, Columns
 - Concurrent use of 4 drill rigs and concrete pump trucks around the north, west, east, and south sides of the arena to install pillar footings
 - Equipment assumed to operate at excavated depth, except for concrete pump truck in NE corner of north plaza operating outside of excavated area
- Erect, bolt and weld elevator support towers Zone C, Zone D Zone A, and Zone B
 - Concurrent use of 2 impact wrenches operating north, west, south, and east of arena at excavated depth

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

• Truck deliveries in southwest portion of site (4 trucks per hour)

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6.3.5 Noise Model Scenario 5

Noise model Scenario 5 includes activities that will occur during the overlap of Phase 3 and 4 of the project. During this period, the following tasks may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Structural Concrete and Steel: Interior and Exterior of Arena, Parking, Atrium
 - Use of 4 concrete trucks for footings, walls, slabs, and columns around perimeter of arena.
 - Concrete pump truck for garage in south portion of site
 - Equipment assumed to operate at excavated depth, except for concrete pump truck in NE corner of north plaza operating outside of excavated area
 - Concurrent use of 2 impact wrenches operating north, west, south, and east of arena at excavated depth

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

• Truck deliveries in southwest portion of site (4 trucks per hour)

6.3.6 Noise Model Scenario 6

Noise model Scenario 6 includes activity that will occur during Phase 4 only of the project. Phase 4 work consists mostly of interior work, but will include finishing up exterior work. During this period, the following tasks may occur **outside** during **nighttime** hours:

Period 1: 5 to 7 AM and 10 to 11 PM

- Finish exterior work
 - Mobile crane operating east of arena
 - One concrete pump truck east of arena
 - Two impact wrenches east of arena

Period 1: 5 to 7 AM and 10 to 11 PM and Period 2: 11PM to 5 AM

• Truck deliveries in southwest portion of site (4 trucks per hour)

6.4 Noise Modeling Results

Using the assumed nighttime operations and equipment identified above with no specified noise barriers or quieted equipment, the nighttime construction sound levels modeled for each receptor and scenario combination are displayed in <u>Table 11</u> for Period 1 and <u>Table 12</u> For Period 2. As shown in the tables,_without specified noise mitigation measures, the model-calculated sound levels substantially exceed the proposed modified nighttime construction noise limits requested in the MPPCNV for many scenario and receptor combinations. Therefore, noise mitigation was considered and evaluated.

a			Mode	led Sound L	evels (dBA, l	Leq)		
Sensitive Receiver	Floor	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Modified Limit
	2nd	59	58	61	67	67	50	64
	3rd	61	61	63	67	67	51	64
R1 – Expo Apts	4th	63	63	65	69	69	52	64
лріз	5th	63	63	66	70	70	53	64
	6th	63	63	65	69	69	50	64
	1st	50	49	53	62	62	42	74
R2 – Inn	2nd	52	52	57	63	63	42	72
at Queen Anne	3rd	53	52	58	65	65	43	71
-	4th	54	53	58	65	65	46	70
R3 –	1st	74	74	74	76	76	42	74
Dalmasso	2nd	71	71	71	76	76	42	72
Apts	3rd	74	74	74	76	76	42	71
	2nd	70	70	70	80	80	43	72
R4 – Astro Apts R5 – Astro Apts R6 – The Uptowner	3rd	72	72	72	80	80	43	71
	4th	72	72	72	80	80	43	70
	5th	72	72	72	80	80	43	69
	6th	72	72	72	79	79	43	67
	2nd	65	65	66	75	75	44	72
	3rd	65	65	68	76	76	44	71
	4th	65	65	68	76	76	45	70
	5th	65	65	68	76	76	45	69
	6th	65	65	68	76	76	46	67
	1st	57	56	57	65	65	40	74
	2nd	60	59	59	66	66	40	72
Apts	3rd	60	59	59	66	66	40	71
R7 – Sacred	1st	63	63	62	64	64	48	66
Heart Women's Shelter	2nd	65	64	63	68	69	56	66

Table 11. Noise Modeling Results for Period 1, No Mitigation

e			Mode	led Sound Lo	evels (dBA, I	Leq)		
Sensitive Receiver	Floor	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Modified Limit
	2nd	58	58	58	11	27	27	60
	3rd	61	61	61	16	30	30	60
R1 – Expo Apts	4th	63	63	63	20	30	30	60
Apts	5th	63	63	63	20	31	31	60
	6th	63	63	63	24	33	33	60
	1st	49	49	49	10	30	30	70
R2 – Inn	2nd	52	52	52	12	30	30	69
at Queen Anne	3rd	53	52	52	13	30	30	68
-	4th	54	54	54	13	31	31	66
R3 –	1st	74	74	74	18	44	44	70
Dalmasso	2nd	71	71	71	19	44	44	69
Apts	3rd	74	74	74	20	44	44	68
	2nd	70	70	70	22	43	43	69
	3rd	72	72	72	22	45	45	68
R4 – Astro Apts	4th	72	72	72	24	45	45	66
Apto	5th	72	72	72	26	46	46	65
	6th	72	72	72	28	46	46	64
	2nd	65	65	65	30	39	39	69
	3rd	65	65	65	33	42	42	68
R5 – Astro Apts	4th	65	65	65	37	44	44	66
Apto	5th	65	65	65	40	45	45	65
R6 – The	6th	65	65	65	40	45	45	64
	1st	56	56	56	21	37	37	70
Uptowner	2nd	59	59	59	22	38	38	69
Apts	3rd	59	59	59	22	38	38	68
R7 – Sacred	1st	62	61	61	24	30	30	60
Heart Women's Shelter	2nd	62	61	61	26	33	33	60
Source: Ran	nboll, 20	18						

Table 12. Noise Modeling Results for Period 2, No Mitigation

7. MITIGATION

As shown in <u>Table 11</u> and <u>Table 12</u>, without specified noise mitigation measures, the modelcalculated sound levels exceed the proposed modified nighttime construction noise limits requested in the MPPCNV. Therefore, various noise mitigation measures were identified and evaluated for their effectiveness. The following noise mitigation was found to be effective at reducing nighttime construction noise to levels that comply with the proposed modified nighttime limits.

7.1 Permanent Construction Noise Barriers

To enable compliance with the proposed nighttime noise limits outlined in the MPPCNV, noise barriers will be required around the north, south, and west sides of the site. The barriers will shield adjacent residential-use properties in the commercial zone and non-residential uses from on-site construction activities during both daytime and nighttime hours. The barriers will be 12-feet in height, and will be located as illustrated in **Figure 3** through **Figure 12**. The barriers will be installed so that they are solid from ground to top, with no gaps or breaks along their length, except where intended to allow for truck or worker access. Barrier materials will be either metal or wood and be of a density of at least 4 pounds per square foot.

Northern Barrier - At the northern perimeter of the site, a 12-foot tall noise barrier will be installed within the existing courtyard north of the arena and would wrap at the east and west ends toward the south, to the approximate southern limits of the KEXP and A/NT Gallery. The barrier will be provided to shield recreational uses within the courtyard, as well as uses immediately adjacent to the arena (e.g., KEXP, Vera, SIFF, A/NT, etc.). The barrier also would provide shielding of construction noise at residents of the multi-floor Expo Apartment building located further north, on the north side of Republican Street. The barrier will be installed prior to commencement of excavation activities and will be maintained for the entire duration of construction.

Southern Barrier - At the southern project boundary, a 12-foot barrier will be located along the north side of Thomas Street, between 1st Avenue N and 2nd Avenue N. The barrier would provide shielding during daytime and nighttime hours for existing uses on the south side of Thomas Street in the vicinity of this barrier, including the Sacred Heart women's shelter and the Sacred Heart of Jesus Catholic Parish. This barrier also will provide at least partial shielding for residential-use and non-residential land uses located west and east of 1st Ave N and 2nd Ave N, respectively, including the Uptowner Apartment building, the Children's Theater, and others. At the west end of the southern barrier, a gap may be provided to allow daytime access for material delivery.

Western Barrier - Along 1st Avenue N, a 12-foot tall noise barrier is proposed that would provide shielding at residential-use and non-residential land uses located along the west side of 1st Avenue N. Residential uses in this commercial area include the multi-floor Astro apartment building, the Dalmasso apartment building, The Uptowner apartment building to the southwest, and the Inn at Queen Anne to the northwest. The barrier would provide shielding mostly to lower-level floors located within these buildings, including those located within the 1st, 2nd, and 3rd floors. At elevated floors, the benefit of the noise barrier is reduced because line of sight between receivers and sources of

construction noise is less likely to be blocked. Gaps in the barrier just north and south of Harrison Street would be required for off-site hauling of excavated materials.

Eastern Boundary - No solid barrier is included for the eastern site boundary as part of this application.

7.2 Required Nighttime Equipment Mitigation Measures

In addition to a perimeter noise barrier, the following noise mitigation measures are required for the model to demonstrate compliance with the MPPCNV modified noise limits:

- Use conveyors to load excavated material into trucks for off-site transport
- Use a quieted loader on the west side of the arena for activities related to the off-site transport of excavated materials (75 dBA at 50 feet, as shown in <u>Table 9</u>) for scenarios 1 through 3
- Operate concrete mix or pump trucks in the northeast corner of the north plaza construction area or, alternatively, around the nearest corners to the east or west
- Prohibit mobile crane use west of arena during nighttime hours
- Reduce impact wrench noise by 10 dBA (as shown in <u>Table 9</u>), when operating north, west, or south of the arena, through use of quieter equipment, portable noise barriers, enclosures, or combinations thereof
- Prohibit impact work such as auger shaking, jack hammering, hoe ram use, or vibratory compacting during nighttime hours
- Use drilling methods in lieu of impact driving methods for shoring (i.e., soldier pile walls) and pier installation
- Prohibit concrete saw use during nighttime hours
- Maintain a minimum operating setback of 375 feet from the façade of The Astro apartment building for concrete trucks operating in the excavated southern portion of the site

7.3 Noise Modeling Results – With Mitigation

Using the assumed nighttime operations and equipment identified above with the noise mitigation measures and barriers identified above, the nighttime construction sound levels modeled for each receptor and scenario combination are displayed in <u>Table 13</u> for Period 1 activities and <u>Table 14</u> for Period 2 activities. As shown in the tables, the model-calculated results including the specified noise mitigation measures indicate that nighttime construction activities can occur and comply with the proposed modified nighttime construction noise limits requested in the MPPCNV.

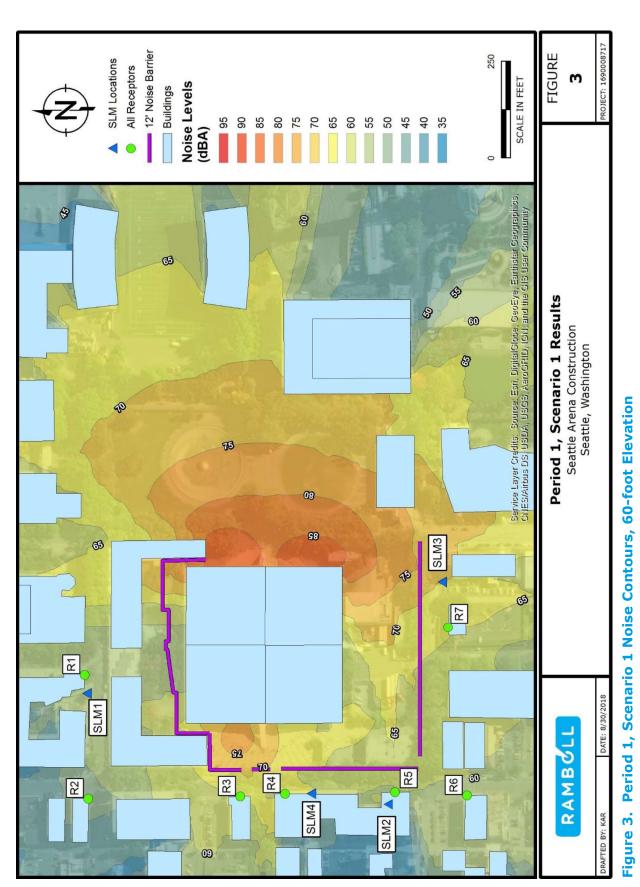
Noise model contours with the specified noise mitigation measures are displayed in Figure 3 through Figure 12 following the table. The noise contours were developed to represent the top floors of the Astro and Expo apartments (i.e., 60 feet in elevation), since these were the worst-affected locations. The noise levels at lower elevations would be expected to receive more benefit from the 12-foot high noise barrier and would be lower than shown in Figure 3 through Figure 12.

			Mode	led Sound L	evels (dBA, I	Leq)		
Sensitive Receiver	Floor	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Modified Limit
	2nd	52	51	59	59	59	51	64
	3rd	55	54	60	60	60	51	64
R1 – Expo Apts	4th	55	54	62	62	62	53	64
Αρισ	5th	56	54	62	63	63	53	64
	6th	57	57	63	64	64	51	64
	1st	46	43	51	52	52	42	74
R2 – Inn	2nd	48	46	55	56	56	43	72
at Queen Anne	3rd	49	47	56	58	58	43	71
	4th	51	49	57	58	58	47	70
R3 -	1st	60	60	60	60	60	43	74
Dalmasso	2nd	61	60	61	61	61	43	72
Apts	3rd	65	65	65	63	63	43	71
R4 – Astro Apts	2nd	59	59	59	62	62	43	72
	3rd	63	63	63	67	67	44	71
	4th	63	63	64	67	67	44	70
, ipco	5th	63	63	64	67	67	44	69
R5 – Astro Apts R6 – The Uptowner Apts	6th	64	63	64	67	67	44	67
	2nd	58	52	58	60	62	45	72
	3rd	59	58	63	65	67	47	71
	4th	59	59	64	66	67	47	70
	5th	59	59	64	66	67	46	69
	6th	59	59	64	65	67	46	67
	1st	52	50	51	52	52	42	74
	2nd	54	50	51	53	54	42	72
	3rd	54	50	51	53	54	42	71
R7 – Sacred	1st	58	55	55	55	57	48	66
Heart Women's Shelter	2nd	62	61	59	57	58	55	66

Table 13. Noise Modeling Results for Period 1, With Mitigation

Receiver			Fioue	ieu Souna E	evels (dBA, I	Leq)		
Receiver	Floor	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Modified Limit
	2nd	51	51	51	11	27	27	60
	3rd	54	54	54	12	30	30	60
R1 – Expo Apts	4th	54	53	53	20	30	30	60
Аріз	5th	55	54	54	20	31	31	60
	6th	57	57	57	23	33	33	60
	1st	44	43	43	10	30	30	70
R2 – Inn	2nd	47	46	46	12	30	30	69
at Queen Anne	3rd	48	47	47	12	30	30	68
	4th	50	49	49	12	31	31	66
R3 –	1st	60	60	60	18	44	44	70
Dalmasso	2nd	61	60	60	19	44	44	69
Apts	3rd	65	65	65	20	44	44	68
R4 – Astro Apts	2nd	59	59	59	19	43	43	69
	3rd	63	63	63	22	45	45	68
	4th	63	63	63	25	45	45	66
Аріз	5th	63	63	63	25	46	46	65
R5 – Astro Apts R6 – The Uptowner	6th	63	63	63	27	46	46	64
	2nd	53	51	51	27	39	39	69
	3rd	56	55	55	31	42	42	68
	4th	57	56	56	36	44	44	66
	5th	57	56	56	37	45	45	65
	6th	57	56	56	38	45	45	64
	1st	49	48	48	21	37	37	70
	2nd	50	48	48	22	38	38	69
Apts	3rd	50	48	48	22	38	38	68
R7 – Sacred	1st	56	51	51	22	30	30	60
Heart Women's Shelter	2nd	60	56	56	24	33	33	60

Table 14. Noise Modeling Results for Period 2, With Mitigation



Mitigation

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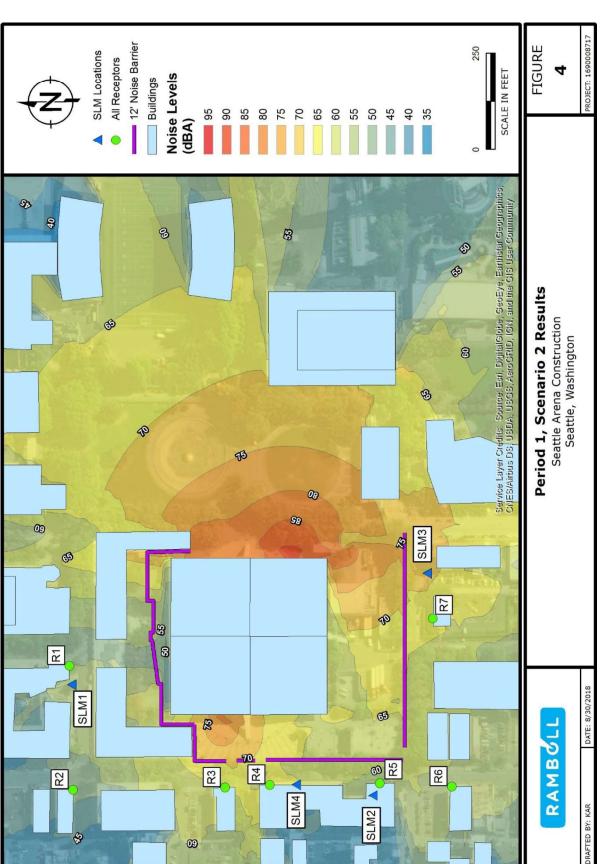
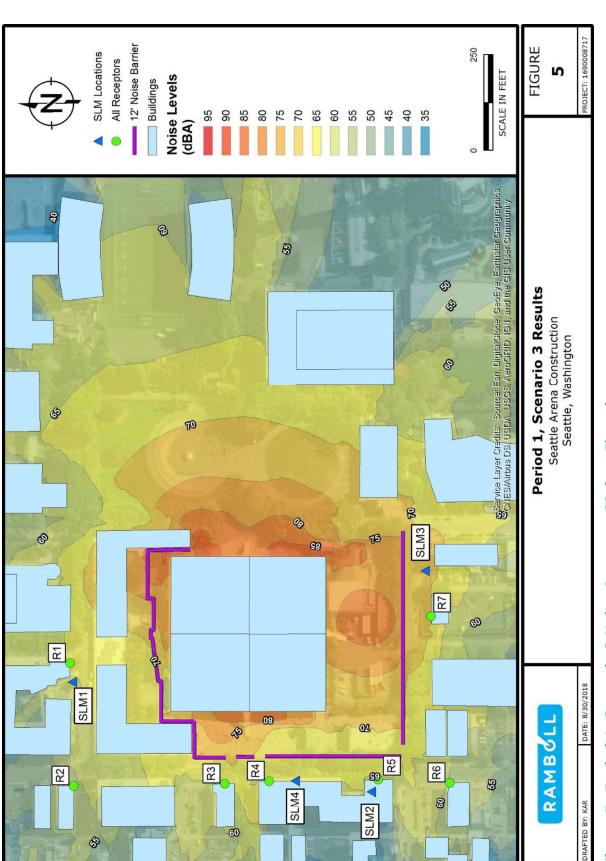


Figure 4. Period 1, Scenario 2 Noise Contours, 60-foot Elevation

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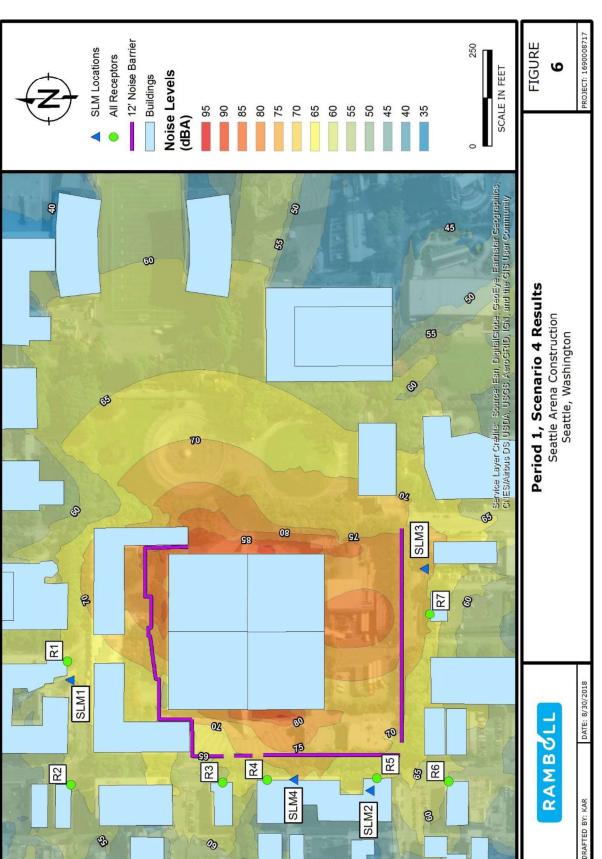
Mitigation

Att 2 - Development Agreement (Arena at Seattle Center) V2



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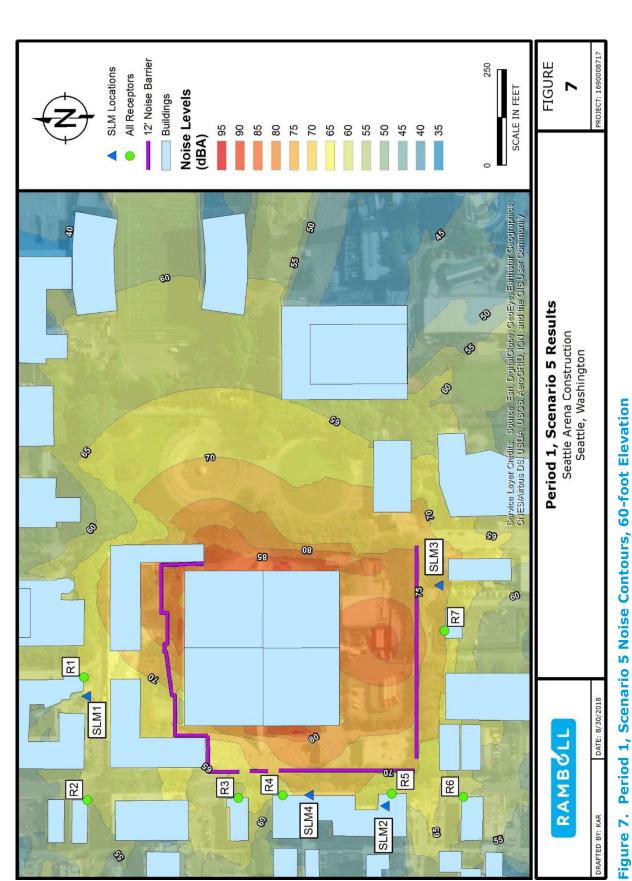




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Mitigation

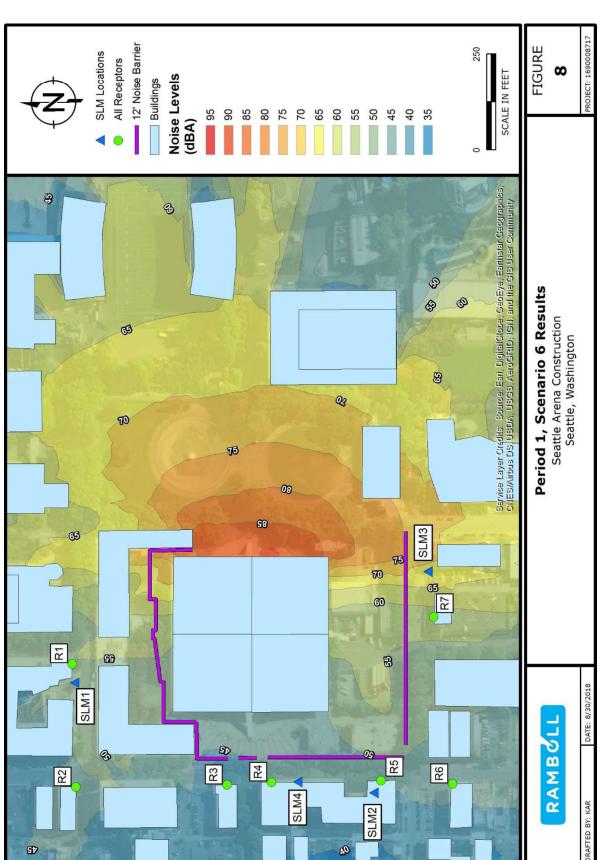


Mitigation

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Att 2 - Development Agreement (Arena at Seattle Center) V2



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Mitigation



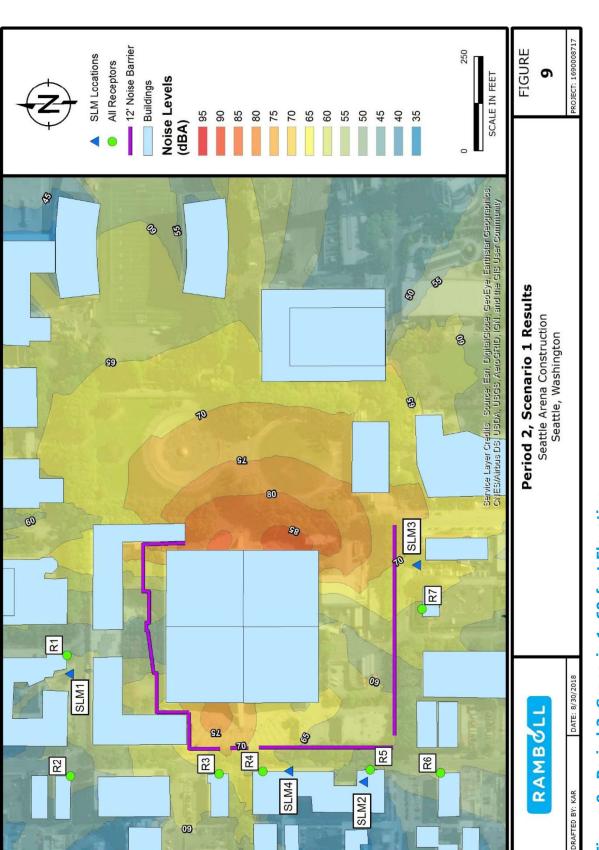


Figure 9. Period 2, Scenario 1, 60-foot Elevation

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Mitigation

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Att 2 - Development Agreement (Arena at Seattle Center) V2

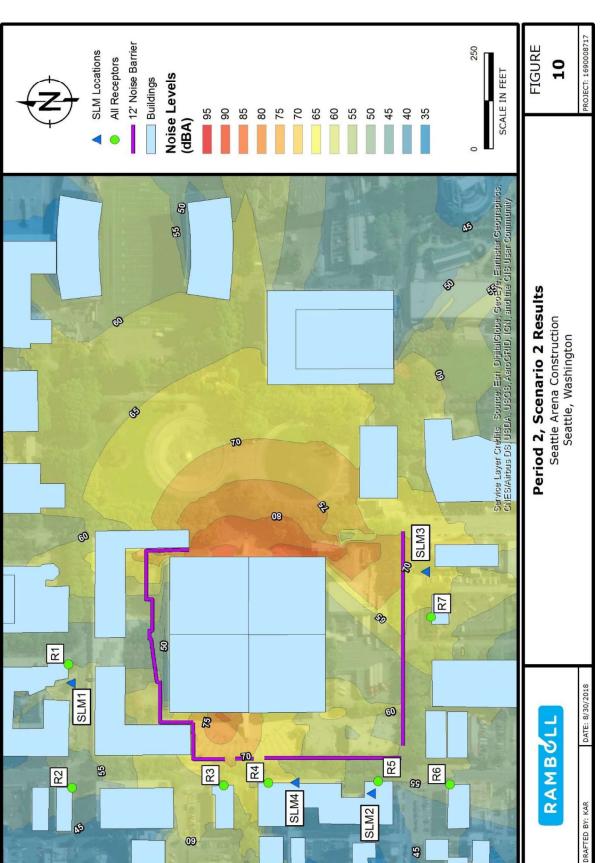
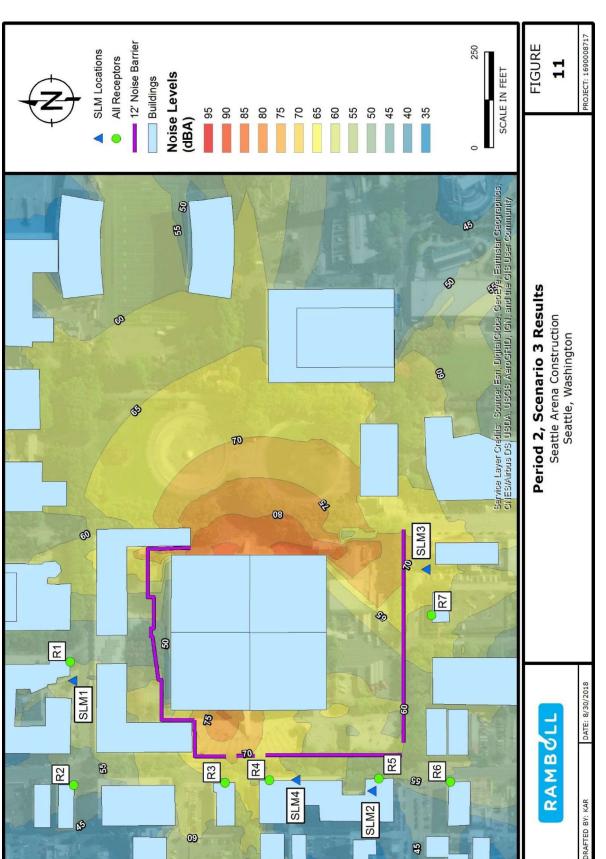


Figure 10. Period 2, Scenario 2, 60-foot Elevation

Ramboll

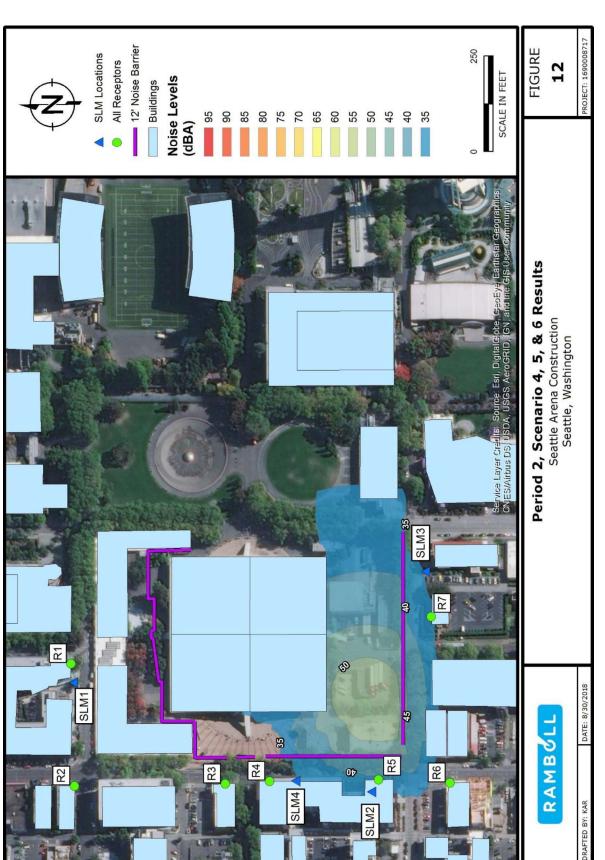
Att 2 - Development Agreement (Arena at Seattle Center) V2



Mitigation

Ramboll

Att 2 - Development Agreement (Arena at Seattle Center) V2



7.4 Additional Required Nighttime Mitigation

The contractor will do the following to minimize nighttime construction noise, between 10 PM and 7 AM weekdays and 10 PM and 9 AM weekends and legal holidays, as defined in SMC 25.08.110. Following are the required minimum mitigation measures included in our assumptions and modeling results to maintain construction noise levels at or below the proposed modified nighttime noise limits established in the MPPCNV:

- In lieu of pure-tone, mobile equipment backup alarms, use strobe warning lights or flaggers when possible. When the use of strobe warning lights or flaggers is not feasible, the construction contractor will use broadband backup alarms. Also, create site logistics that minimize the need for mobile equipment to reverse.
- Conduct continuous noise monitoring representing sensitive receivers in vicinity of site to ensure nighttime construction activities comply with the proposed modified nighttime construction noise limits under the terms of the MPPCNV

7.5 Mitigation in Response to Nighttime Impacts at Residential Uses

Noise mitigation measures will be offered for locations where bedroom/sleeping room windows would be exposed to levels over the 60-dBA standard nighttime limit due to nighttime construction.

- For buildings more than 20 years old, new bedroom/sleeping room windows will be offered. Current construction plans and predictive noise modeling indicate the following older buildings may receive nighttime construction sound levels in excess of 60 dBA:
 - \circ $\;$ The Dalmasso apartments facing 1^{st} Avenue N and the construction site
 - The Sacred Heart women's shelter facing the construction site
- For buildings without air conditioning or ventilation systems (The Astro apartments have air conditioning), offer to purchase portable or window air conditioning units for bedrooms/sleeping rooms where predicted levels under Scenarios 4 through 6 exceed 60 dBA. Scenarios 1 through 3 would occur between October 2018 and February 2019, when windows would not need to remain open for cooling purposes. Current construction plans and predictive noise modeling indicate the following buildings may receive nighttime construction sound levels in excess of 60 dBA:
 - Portions of The Expo apartments facing Republican Street
 - The Dalmasso apartments facing 1st Avenue N
 - The Sacred Heart women's shelter facing the construction site

7.6 Mitigation for Adjacent, On-site Uses

KEXP and other occupants of the Northwest rooms are the nearest receivers to the proposed construction activities and have the greatest potential to be exposed to daytime construction noise levels disruptive to their uses. OVG is in separate discussions with these uses to identify mitigation measures unique to their uses/locations that will allow them to continue operating in their current locations over the construction period.

7.7 Potential Additional Mitigation Measures

The construction contractor will use the following standard best practices during all construction:

The construction contractor will use the following standard best practices during daytime and nighttime construction:

- Perform construction activity within the existing building shell to provide shielding to noisesensitive receiver locations.
- Reduce ramp grades from maximum possible slopes to reduce vehicle engine power needed to ascend roadways.
- Prohibit compression brakes
- Construct enclosures around stationary equipment that is outside the existing shell of the arena
- Perform particularly noisy operations during daytime hours and/or schedule several noisy operations to occur concurrently rather than separately
- Employ time constraints for noisy operations to reduce potential impacts during sensitive time periods
- Provide training to supervisors to increase awareness of construction noise as it relates to the noise-sensitive surroundings and the requirements of the NMMP
- Use properly sized and maintained mufflers, engine intake silencers (if feasible), and engine enclosures (if feasible)
- Turn off idle equipment after no more than five minutes
- To reduce noise during loading of heavy materials such as concrete debris into haul truck trailers, employ one of the following mitigation measures:
 - Line truck beds with rubberized, shock and noise-absorbing material. Load large concrete pieces using progressive link excavator buckets or similar, and ensure that loading is performed by a skilled operator to minimize the potential for impact-type noises during loading activities, or
 - Carefully load truck beds first with soils and/or fine gravels followed by larger pieces of concrete debris using excavator equipped with progressive link excavator buckets or similar. Ensure that loading is performed by a skilled operator to minimize the potential for impact-type noises during loading activities.
- Maintain and/or lubricate material conveyors to ensure they do not squeak
- Provide 24-hour construction noise monitoring system to log construction site noise
- Use broadband backup alarms, in lieu of pure-tone alarms, during daytime hours
- Restrict truck hauling during the AM and PM peak traffic hours (i.e., between 7 and 9 AM and between 3 and 7 PM, Monday through Friday)
- Coordinate schedules with nearby sensitive receptors (e.g., KEXP, theaters, venues)

8. COMPLIANCE MONITORING AND REPORTING

Director's Rule 3-2009, Section C.2, indicates that monitoring and reporting of nighttime construction noise needs to be conducted to ensure that the variance and proposed mitigation measures are effective, and whether the NMMP should be adjusted. The rule indicates that the monitoring staff be impartial and suggests that OVG provide for an Independent Noise Monitor (INM). The INM may be an individual, firm, or contracted staff member within SDCI independent from the contractor whose responsibility is to oversee the monitoring of sound levels from construction covered by the MPPCNV and to report directly to the SDCI Coordinator for Noise Abatement.

The INM will coordinate with SDCI, gather continuous noise data, and take periodic noise measurements of the activities.

8.1 Noise Monitoring Locations

The applicant will establish three (3) permanent (i.e., long-term) noise monitoring terminals (NMTs) in the immediate vicinity of the project. The location of the NMTs will be finalized once permissions and access are granted, but are anticipated to be approximately within the general vicinity of the long-term measurement locations that are identified in Section 4.3, as indicated by SLM1, SLM2, and SLM3, and as is illustrated in Figure 1 on page 12.

The microphones of the equipment will be placed at least 5 feet above the surface of the monitoring location (i.e., above the deck or roof-top), will have a clear line of sight to construction activities and will be at least 15 feet from any nearby walls to prevent the influence of noise reflections.

The equipment will be located as far from very nearby existing ambient sources as is possible, such as rooftop gathering areas, so as to minimize the potential for false-positive noise alerts.

The equipment will be installed permanently so that it does not require continuous adjustment or checks.

8.2 Noise Monitoring Equipment

Automated noise monitoring equipment will meet the International Organization for Standardization (ISO) requirements for a Class 1 sound level meter (i.e., equivalent but superseding the American National Standards Institute (ANSI) Type 1 meter requirements). The noise monitoring equipment will be factoring calibrated within the previous 12 months prior to deployment, and will undergo annual factory calibration every 12 months thereafter. The equipment also will be program to undergo daily charge-injection calibration to ensure the equipment continues to function properly and accurately.

Noise monitoring equipment will have the capability to log L_{eq} on a 1-second and hourly basis, and to initiate a recording of audio files when the L_{eq} sound-level thresholds are exceeded (i.e., threshold-triggered audio recordings). The sound level thresholds will be set at 3-dBA below the MPPCNV nighttime L_{eq} noise levels limits that are established for each monitoring location. Threshold-triggered audio recordings will be set to record at least 10 seconds before the threshold-exceeding event to allow for easier source identification.

8.3 Remote Access to Noise Data

The noise measurement equipment will allow for remote access to historical and real-time noise data, as well as threshold-triggered audio recordings. These data and the audio recordings will be available to SDCI, the contractor, and the applicant. If necessary and/or if requested to do so, limited access to data (i.e., viewing only) will be available to members of the public through an online web-based portal.

8.4 INM Duties

If the monitoring equipment detects an exceedance of the MPPCNV nighttime noise level limits, or if a caller to the hotline has a noise-related complaint and requests additional information, the INM will be notified. If the INM receives a complaint call during nighttime work hours, the INM will notify the contractor, perform a site inspection within 30 minutes of receiving the complaint, conduct short-term noise measurements (minimum 15 minutes per location) while on-site to confirm whether an exceedance of the MPPCNV sound-level limits is occurring, and investigate potential work modifications to resolve the complaint. INM's regular duties include, but are not limited to:

- Coordinating with contractor's night time crews about planned work operations.
- Coordinating with WSDOT Communications Team and Ombudsman on any updates or concerns from neighborhood and residents.
- Coordinating with SDCI on any questions or concerns from the City regarding project noise.
- Conducting nightly verification of fixed noise monitoring stations with hand held noise monitor to validate noise monitoring results from the fixed locations.
- Conducting regular spot-check noise monitoring at various locations of the project site with hand held monitor.
- Addressing noise exceedances and monitoring alarms in the field.

8.5 Reporting Requirements

The INM will generate weekly and annual reports that are required as part of Director's Rule 3-2009. The reports will be provided to SDCI and will include any monitored Leq and L1 exceedances, noise complaints logged in the program database, and work modifications completed to resolve complaints. The weekly reports will be publicly available on-line.

9. PUBLIC OUTREACH AND COMMUNITY INVOLVEMENT

9.1 Contact Persons

9.1.1 Construction Project Manager

The Construction Contractor will designate a project manager to fill the position of "Construction Project Manager" to address comments regarding on-going operations and schedule.

The Construction Project Manager will:

- Act as the initial point of contact for general construction information or for non-emergency concerns related to construction
- Attend meetings of the affected neighbors with OVG Community Liaison
- Manage a construction hot line, including logging calls and coordinating with the OVG Community Liaison to generate appropriate responses
- Assemble and maintain a Construction Notification List.
- Prepare and distribute monthly construction bulletins describing general progress and schedule related information for distribution via email to the Construction Notification List

9.1.2 OVG Community Liaison

As of June 2018, OVG has retained an "OVG Community Liaison" to communicate with Seattle Center and its resident organizations and with the community and Project neighbors regarding process and schedule for the Project. OVG Community Liaison will work with each group in coordination with the Construction Project Manager to ensure any comments are addressed.

The OVG Community Liaison will:

- Collect and distribute general information about the Project
- Schedule and attend meetings with neighbors and Construction Project Manager in advance of start of construction and as desired by neighbors during construction. Should periodic neighborhood-wide meetings be scheduled, the OVG Community Liaison will coordinate with the City and Construction Project Manager in advance.
- Assemble contact names for the Construction Notification List and keep it up to date
- Act as a point of contact for people seeking information about the project
- Maintain the OVG construction media website which will include general information about the project, construction updates, and periodic special updates on construction activity
- Attend regular meetings with OVG and City project management teams

9.2 Communication Methods

9.2.1 Monthly Bulletins

The Construction Project Manager will prepare monthly construction update bulletins, beginning September 2018 (assuming an October 2018 start of site preparation and start of utility work) and continue at least through completion of construction (October 2020). These bulletins will cover general construction updates, notices for street and sidewalk closures, noise and work hour variances, and other construction activities that may affect the surrounding neighborhood. Bulletins will be distributed in-person or by email and/or mailings to the immediately surrounding neighborhoods. The current list includes the following:

- Seattle Center
- SDOT
- King County
- Residences / Businesses within 300 feet of the project site

Construction alerts will be sent electronically and distributed in person as necessary. Alerts will contain immediate changes or updates on specific activities and locations. Flyers with project information will be distributed to an outreach list and posted in the lobby/elevator of apartment residences within 300 feet of the project site.

9.2.2 Construction Hotline

A construction hotline, managed by the Construction Project Manager, will serve as the primary access point for Project information. Complaints received by the OVG Community Liaison or the Construction Project Manager including noise, dust, traffic, parking, lighting, construction personnel, schedule or any items pertaining to construction, will be acknowledged and a response coordinated on a case by case basis. The intent is that a response to any complaints (during regular or after hours) will be provided within 30 minutes. Coordination meetings will be held as needed depending on the nature and implications of the complaint. The General Contractor shall implement commercially reasonable modifications to the construction practices to eliminate or mitigate the concerns relayed in the complaints.

9.2.3 Construction Website

OVG will maintain a construction media website that will include general information about the project, design, construction updates, and periodic special updates on construction activity. The website will also contain links to real-time noise monitoring data.

9.2.4 Special Project Updates

The Construction Project Manager will provide the Construction Notification List managers with an additional Project update if there is to be any construction activity beyond the usual day to day work that will affect the surrounding neighbors. Notices will be sent out at least 10 days prior to each phase of construction and at least 10 days prior to any one-day or several-day mobility impact that is not a part of the day-to-day construction activities such as street or sidewalk closures, and noise and work hour variances. This notification will be in addition to the Project updates.

9.2.5 Public Engagement Events

OVG and the City will provide public engagement events, including campus coordination meetings, communication committee meetings, and event collaboration meetings.

OVG will host Bi-weekly (every other week) meetings to coordinate with community, city, and resident organizations on mitigating construction impacts and advance efforts to support ongoing activities at

Seattle Center and in the adjacent communities. Participants will include OVG, contractor, and City representatives including SDOT and SDCI, as needed.

City and OVG will staff a monthly Community Coordination Committee that will ensure frequent communications between OVG, communities/resident organizations and Seattle Center regarding construction activities, impact mitigation and on-going operations of the Arena. The Committee membership will include all affected organizations both in the community and on the Seattle Center campus.

OVG will work with the community to jointly sponsor events on campus and off-campus that promote small businesses in the area and arts and culture in the respective communities. These events can be new or existing events to host and/or promote. The intent is to activate the neighborhood and provide incentives for customers to continue to support the Uptown businesses and organizations during the construction period.

9.2.6 Project Sign

A project sign will be in place prior to construction with the name of the Project, a 24-hour hotline with contact information, and the duration of the Project. Signage will also be provided listing the website .url and contact information for 24-hour staff representatives, including the INM, the OVG Community Liaison, and the Seattle Center Ombudsman.

9.2.7 9-1-1 Emergency

Contact the appropriate public authority using 9-1-1 for any emergency requiring immediate assistance.

When	Action
4 months (June 2018) prior to construction	Letters to neighboring property owners introducing the Project and proposed permit actions (in connection with permit notice standards). Notice will include advance notice of construction activities and potential detour routes.
10 weeks prior to construction	Letters to affected parties within 2 block radius.
6 weeks prior to construction	Provide construction information on the project website.
4 weeks prior to construction	Post flyers at nearby community gathering spaces.
72 hours prior to construction	Place no-park signs for lane closures as needed; place signs for pedestrian and business access notices.
Ongoing activities	Web and email updates to Construction Notification List and others as requested.

9.2.8 Notification Timing and Tracking

APPENDIX A: SOUND LEVEL MEASUREMENT DATA

Seattle Arena Redevelopment Project

Noise Management and Mitigation Plan

Day/Time	SLM1	Ехро	SLM2	Astro	SLM	В Ехро
Day/Time	Leq	Lmax	Leq	Lmax	Leq	Lmax
6/11/18 2:00 PM	62.4	80.3	60.8	77.4	60.4	80.5
6/11/18 3:00 PM	60.5	76.0	59.0	82.2	57.7	80.9
6/11/18 4:00 PM	59.1	77.7	59.2	76.4	57.7	76.6
6/11/18 5:00 PM	58.4	70.2	59.4	79.8	56.2	72.5
6/11/18 6:00 PM	58.4	77.2	59.0	73.7	56.7	75.0
6/11/18 7:00 PM	58.2	78.8	58.4	72.6	55.8	71.2
6/11/18 8:00 PM	57.1	68.4	58.4	81.7	54.3	75.1
6/11/18 9:00 PM	57.2	75.6	57.9	70.1	54.6	73.6
6/11/18 10:00 PM	58.1	86.7	58.8	76.6	56.3	72.3
6/11/18 11:00 PM	58.1	78.4	59.6	73.1	63.5	86.7
6/12/18 12:00 AM	57.7	83.6	58.6	89.6	53.2	70.6
6/12/18 1:00 AM	54.7	79.8	55.0	73.1	51.5	76.4
6/12/18 2:00 AM	54.5	73.8	55.2	77.6	56.0	79.5
6/12/18 3:00 AM	52.8	70.4	53.1	75.0	56.5	87.0
6/12/18 4:00 AM	54.9	76.7	54.0	68.4	52.7	76.8
6/12/18 5:00 AM	62.6	84.4	60.6	85.4	60.2	81.0
6/12/18 6:00 AM	58.6	77.0	57.9	74.3	53.9	75.0
6/12/18 7:00 AM	62.0	78.9	61.3	83.4	59.2	77.3
6/12/18 8:00 AM	58.8	75.7	59.4	79.2	59.9	74.5
6/12/18 9:00 AM	65.3	97.0	60.1	74.6	59.5	82.8
6/12/18 10:00 AM	60.2	77.4	60.4	75.3	59.9	86.3
6/12/18 11:00 AM	59.2	77.6	59.8	80.2	58.9	78.2
6/12/18 12:00 PM	59.2	84.8	55.9	73.2	58.5	80.7
6/12/18 1:00 PM	61.3	80.0	60.7	75.7	58.9	81.5
6/12/18 2:00 PM	59.2	72.2	60.8	80.9	59.3	89.5
6/12/18 3:00 PM	58.3	72.6	59.2	74.4	55.9	78.2
6/12/18 4:00 PM	59.5	78.7	60.2	79.3	58.1	79.8
6/12/18 5:00 PM	58.8	76.5	60.5	76.6	58.5	77.6
6/12/18 6:00 PM	58.0	72.1	59.7	80.6	56.5	75.4
6/12/18 7:00 PM	60.0	86.1	59.2	78.2	56.8	78.3
6/12/18 8:00 PM	57.9	75.6	59.8	88.3	55.3	75.2
6/12/18 9:00 PM	56.9	76.4	59.8	81.3	58.1	88.4
6/12/18 10:00 PM	55.8	72.6	57.4	70.5	53.5	75.1
6/12/18 11:00 PM	54.9	67.8	56.5	71.2	50.2	67.2
6/13/18 12:00 AM	54.8	69.0	55.7	72.8	50.3	75.9
6/13/18 1:00 AM	53.3	70.7	54.5	70.3	54.4	78.0
6/13/18 2:00 AM	53.1	62.2	52.7	68.1	52.6	76.5
6/13/18 3:00 AM	54.5	92.2	53.4	73.6	51.2	68.8
6/13/18 4:00 AM	55.1	88.6	55.2	75.9	54.8	75.4

Seattle Arena Redevelopment Project

Noise Management and Mitigation Plan

Day/Time	SLM1	Ехро	SLM2	Astro	SLM	В Ехро
Day/Time	Leq	Lmax	Leq	Lmax	Leq	Lmax
6/13/18 5:00 AM	66.9	109.7	56.8	84.8	55.1	71.9
6/13/18 6:00 AM	67.5	105.6	59.5	95.8	57.6	85.7
6/13/18 7:00 AM	68.4	107.5	60.3	74.7	59.4	78.5
6/13/18 8:00 AM	63.6	84.7	65.6	90.8	59.9	77.9
6/13/18 9:00 AM	63.1	78.9	59.6	79.4	59.2	80.3
6/13/18 10:00 AM	60.6	84.8	64.9	95.5	60.0	89.3
6/13/18 11:00 AM	61.8	83.9	62.2	85.9	64.0	86.4
6/13/18 12:00 PM	58.8	85.2	60.3	87.3	59.0	82.3
6/13/18 1:00 PM	59.5	76.2	59.9	82.8	59.8	82.8
6/13/18 2:00 PM	64.0	85.4	61.2	76.9	63.3	77.4
6/30/18 1:00 PM	61.4	84.2	62.5	87.1	59.7	86.1
6/30/18 2:00 PM	65.1	89.2	65.9	92.4	63.1	89.5
6/30/18 3:00 PM	64.3	82.3	62.1	85.6	60.0	79.6
6/30/18 4:00 PM	65.5	85.8	62.5	82.8	59.7	79.0
6/30/18 5:00 PM	64.9	85.8	67.6	96.3	67.6	81.6
6/30/18 6:00 PM	61.1	76.8	62.6	77.4	57.4	75.3
6/30/18 7:00 PM	62.8	76.8	64.5	85.4	60.7	
						74.5
6/30/18 8:00 PM	60.9	74.8	63.7	77.1	58.3	76.1
6/30/18 9:00 PM	64.3	83.6	61.4	75.2	61.5	77.9
6/30/18 10:00 PM	58.1	77.0	60.2	94.7	57.3	78.4
6/30/18 11:00 PM	57.0	76.1	58.9	82.0	53.6	77.8
7/1/18 12:00 AM	55.0	73.5	58.5	82.6	52.8	80.3
7/1/18 1:00 AM	54.9	72.3	57.2	74.6	49.7	70.8
7/1/18 2:00 AM	53.2	71.1	55.7	72.8	52.6	78.0
7/1/18 3:00 AM	52.0	63.9	53.8	71.3	49.6	71.0
7/1/18 4:00 AM	54.4	72.4	58.0	86.3	53.7	83.6
7/1/18 5:00 AM	58.2	88.8	55.3	71.5	52.6	71.8
7/1/18 6:00 AM	55.5	78.0	56.5	73.7	60.5	93.8
7/1/18 7:00 AM	57.4	72.4	59.4	88.4	52.1	72.5
7/1/18 8:00 AM	59.4	85.7	60.2	83.1	65.6	90.9
7/1/18 9:00 AM	61.8	77.2	60.4	75.5	61.0	94.1
7/1/18 10:00 AM	61.6	80.3	62.3	77.4	65.8	82.6
7/1/18 11:00 AM	61.0	82.5	62.1	87.8	62.1	92.9
7/1/18 12:00 PM	59.9	83.2	60.6	77.4	60.4	83.7
7/1/18 1:00 PM	59.5	74.8	63.9	93.2	72.3	103.8
7/1/18 2:00 PM	59.3	81.1	61.2	81.2	60.8	83.1
7/1/18 3:00 PM	59.8	74.5	61.4	76.8	57.9	80.2
7/1/18 4:00 PM	59.6	80.7	61.0	74.9	58.4	76.2

Seattle Arena Redevelopment Project

Noise Management and Mitigation Plan

Day/Time	SLM1	Ехро	SLM2	Astro	SLM3	В Ехро
Day/Time	Leq	Lmax	Leq	Lmax	Leq	Lmax
7/1/18 5:00 PM	58.7	78.0	62.1	77.6	65.8	80.6
7/1/18 6:00 PM	59.4	81.3	61.3	74.6	58.8	76.5
7/1/18 7:00 PM	58.1	79.9	60.3	78.9	57.2	86.4
7/1/18 8:00 PM	58.1	76.0	61.7	78.6	55.9	78.8
7/1/18 9:00 PM	56.5	70.9	59.4	73.3	53.6	79.8
7/1/18 10:00 PM	56.9	74.6	59.7	79.2	55.0	72.8
7/1/18 11:00 PM	54.9	72.2	57.9	72.7	50.6	67.6
7/2/18 12:00 AM	53.3	66.8	56.8	73.2	49.9	71.8
7/2/18 1:00 AM	53.9	72.4	55.1	72.7	49.0	68.5
7/2/18 2:00 AM	52.9	87.9	56.9	89.2	51.7	79.1
7/2/18 3:00 AM	53.6	82.3	55.2	71.2	51.1	77.8
7/2/18 4:00 AM	54.5	76.4	54.3	70.4	50.0	68.9
7/2/18 5:00 AM	55.2	67.4	56.6	74.6	54.5	81.0
7/2/18 6:00 AM	57.3	75.6	60.0	81.7	59.6	82.7
7/2/18 7:00 AM	58.7	77.1	60.7	86.2	59.6	94.1
7/2/18 8:00 AM	58.7	77.9	61.1	78.5	61.3	91.7
7/2/18 9:00 AM	61.8	84.6	60.9	82.8	61.4	86.1
7/2/18 10:00 AM	59.2	78.2	62.0	78.8	58.9	82.9
7/2/18 11:00 AM	60.6	86.2	61.6	78.1	59.6	83.7
7/2/18 12:00 PM	61.9	80.3	61.0	81.2	58.0	78.0
7/2/18 1:00 PM	58.7	71.7	59.9	74.4	56.9	75.6
7/2/18 2:00 PM	58.3	78.7	60.7	78.7	58.1	82.3
7/2/18 3:00 PM	58.8	78.4	61.2	79.9	58.4	88.7
7/2/18 4:00 PM	58.9	79.2	61.4	81.6	61.6	90.6
7/2/18 5:00 PM	57.8	78.2	61.4	83.4	56.2	73.0
7/2/18 6:00 PM	61.6	91.3	67.4	98.1	57.4	77.3
7/2/18 7:00 PM	57.0	72.2	59.7	76.0	56.0	75.5
7/2/18 8:00 PM	57.6	74.0	59.6	76.2	56.0	74.5
7/2/18 9:00 PM	57.0	77.0	59.9	76.6	58.1	82.1
7/2/18 10:00 PM	58.3	79.8	60.4	74.3	62.3	84.8
7/2/18 11:00 PM	55.9	69.2	60.5	81.4	54.3	87.4
7/3/18 12:00 AM	53.7	74.5	56.4	74.8	50.5	67.7
7/3/18 1:00 AM	52.4	77.7	55.0	71.7	51.6	73.1
7/3/18 2:00 AM	50.7	60.9	53.0	70.5	50.7	70.8
7/3/18 3:00 AM	51.1	65.0	53.1	73.5	56.5	83.8
7/3/18 4:00 AM	55.0	77.3	56.3	71.9	53.2	74.5
7/3/18 5:00 AM	57.5	84.1	58.0	74.2	52.9	79.2
7/3/18 6:00 AM	56.3	77.9	58.6	81.4	56.8	85.5
7/3/18 7:00 AM	56.9	73.5	61.8	86.4	59.2	84.1
7/3/18 8:00 AM	59.1	79.4	63.2	85.4	64.7	96.2

Seattle Arena Redevelopment Project

Noise Management and Mitigation Plan

Day/Time	SLM1	Ехро	SLM2	Astro	SLM3	Ехро
Day/Time	Leq	Lmax	Leq	Lmax	Leq	Lmax
7/3/18 9:00 AM	59.7	76.8	63.5	76.6	59.5	80.8
7/3/18 10:00 AM	64.0	94.3	61.2	82.6	59.2	83.1
7/3/18 11:00 AM	59.5	77.0	59.5	73.0	61.6	78.8
7/3/18 12:00 PM	63.4	85.1	62.8	85.3	60.0	76.8
7/3/18 1:00 PM	61.2	80.9	60.3	76.8	58.4	79.6
7/3/18 2:00 PM	59.8	82.5	61.9	81.1	60.2	81.6
7/3/18 3:00 PM	58.8	81.6	61.7	87.5	59.3	79.9
7/3/18 4:00 PM	58.6	78.1	61.7	79.1	59.3	76.3
7/3/18 5:00 PM	58.2	72.2	61.8	80.7	59.3	81.1
7/3/18 6:00 PM	59.6	83.7	64.7	93.8	58.6	84.0
7/3/18 7:00 PM	58.0	76.6	59.7	73.7	55.4	77.6
7/3/18 8:00 PM	58.5	84.4	59.8	74.1	56.7	80.5
7/3/18 9:00 PM	58.0	77.7	60.1	75.8	57.9	83.3
7/3/18 10:00 PM	57.7	77.7	59.4	71.9	55.6	82.9
7/3/18 11:00 PM	57.1	88.9	60.1	84.9	53.9	77.4
7/4/18 12:00 AM	55.2	88.4	57.7	79.5	52.9	76.5
7/4/18 1:00 AM	54.3	85.9	57.2	89.0	54.1	80.7
7/4/18 2:00 AM	51.9	67.3	54.7	73.3	49.8	70.1
7/4/18 3:00 AM	51.1	68.9	53.5	71.1	47.9	66.9
7/4/18 4:00 AM	54.9	74.7	57.0	93.9	53.8	76.6
7/4/18 5:00 AM	56.0	83.0	69.3	87.9	60.6	97.4
7/4/18 6:00 AM	55.8	70.9	58.1	73.9	53.6	77.9
7/4/18 7:00 AM	59.8	89.3	62.9	93.8	56.0	83.8
7/4/18 8:00 AM	57.3	77.5	59.4	78.9	55.8	77.9
7/4/18 9:00 AM	57.6	73.0	59.2	73.3	55.7	78.1
7/4/18 10:00 AM	58.5	77.7	60.7	80.0	56.9	76.8
7/4/18 11:00 AM	60.0	85.9	65.0	93.3	57.6	75.3
7/4/18 12:00 PM	60.0	82.2	60.7	75.0	58.6	81.2
7/4/18 1:00 PM	60.5	92.6	60.2	75.6	60.4	89.3
7/4/18 2:00 PM	58.4	78.5	61.8	89.9	59.4	81.7
7/4/18 3:00 PM	57.2	75.9	60.7	82.2	56.0	80.0
7/4/18 4:00 PM	57.0	74.5	61.0	81.9	56.7	80.0
7/4/18 5:00 PM	57.9	73.3	62.3	84.9	57.1	81.0
7/4/18 6:00 PM	58.4	79.8	61.2	77.8	54.8	74.2
7/4/18 7:00 PM	59.3	86.0	64.7	93.7	59.3	98.4
7/4/18 8:00 PM	59.1	85.0	62.2	91.0	54.6	82.9
7/4/18 9:00 PM	60.3	83.4	61.3	86.1	56.7	79.3
7/4/18 10:00 PM	64.5	94.6	69.2	95.8	62.1	84.9
7/4/18 11:00 PM	59.7	89.4	62.4	94.4	60.0	97.6
7/5/18 12:00 AM	53.8	79.1	57.9	81.5	52.9	76.7
7/5/18 1:00 AM	57.5	83.3	58.9	82.2	56.5	80.4

Seattle Arena Redevelopment Project

Noise Management and Mitigation Plan

Day/Time	SLM1	Ехро	SLM2	Astro	SLM3	В Ехро
Day/Time	Leq	Lmax	Leq	Lmax	Leq	Lmax
7/5/18 2:00 AM	51.5	68.9	54.1	73.3	49.2	70.9
7/5/18 3:00 AM	52.3	69.9	54.0	71.7	50.8	73.2
7/5/18 4:00 AM	52.5	72.2	53.7	69.7	52.5	78.9
7/5/18 5:00 AM	55.3	80.4	57.8	84.0	58.5	92.7
7/5/18 6:00 AM	55.7	69.8	58.8	85.6	57.2	82.0
7/5/18 7:00 AM	58.1	82.3	59.4	74.9	60.6	87.0
7/5/18 8:00 AM	57.3	71.2	60.2	78.3	58.5	80.9
7/5/18 9:00 AM	58.1	73.5	61.3	83.1	61.0	85.0
7/5/18 10:00 AM	63.3	86.0	65.2	96.3	66.4	88.0
7/5/18 11:00 AM	65.8	96.9	66.9	97.8	58.6	87.7
7/5/18 12:00 PM	58.9	77.7	60.6	84.9	59.0	79.7
7/5/18 1:00 PM	58.7	76.3	61.4	84.6	59.0	83.2
7/5/18 2:00 PM	58.7	78.8	60.9	80.5	58.4	79.8
7/5/18 3:00 PM	59.6	77.4	63.9	92.7	68.9	102.9
7/5/18 4:00 PM	59.9	80.6	62.3	85.3	58.3	84.2
7/5/18 5:00 PM	60.5	82.9	63.4	88.1	60.3	83.7
7/5/18 6:00 PM	58.6	72.4	61.3	82.6	58.4	79.3
7/5/18 7:00 PM	58.3	81.2	63.3	91.6	55.0	76.9
7/5/18 8:00 PM	58.2	77.5	59.1	73.8	62.3	95.1
7/5/18 9:00 PM	57.2	75.3	59.5	78.9	55.3	83.6
7/5/18 10:00 PM	56.8	70.2	58.7	76.9	53.0	70.0
7/5/18 11:00 PM	55.1	69.2	58.4	77.6	60.9	95.2
7/6/18 12:00 AM	53.6	67.9	57.2	72.3	60.5	82.5
7/6/18 1:00 AM	52.6	70.5	56.0	72.4	52.1	66.2
7/6/18 2:00 AM	52.2	72.2	55.0	70.1	54.5	85.4
7/6/18 3:00 AM	51.4	63.6	54.3	70.0	51.6	67.1
7/6/18 4:00 AM	53.5	67.4	55.2	73.1	53.2	72.0
7/6/18 5:00 AM	55.9	77.7	57.1	78.7	54.7	82.7
7/6/18 6:00 AM	57.1	75.0	58.8	75.2	55.7	74.1
7/6/18 7:00 AM	57.7	73.1	59.8	73.9	61.9	83.2
7/6/18 8:00 AM	59.4	80.4	62.8	81.6	63.9	95.3
7/6/18 9:00 AM	62.6	79.7	61.4	77.9	60.5	81.2
7/6/18 10:00 AM	59.4	87.1	61.7	86.6	59.1	89.4
7/6/18 11:00 AM	67.2	88.1	64.3	85.8	62.7	87.8
7/6/18 12:00 PM	61.0	80.3	62.8	82.7	58.5	80.0
7/6/18 1:00 PM	58.8	75.7	61.0	76.6	58.9	78.2
7/6/18 2:00 PM	60.2	78.4	61.6	77.3	60.4	80.0
7/6/18 3:00 PM	60.2	90.0	60.7	77.4	58.0	76.2
7/6/18 4:00 PM	60.1	81.0	61.2	79.7	58.9	80.3
7/6/18 5:00 PM	60.7	79.0	62.4	83.2	59.4	76.4
7/6/18 6:00 PM	62.7	78.2	61.6	86.7	59.2	77.6

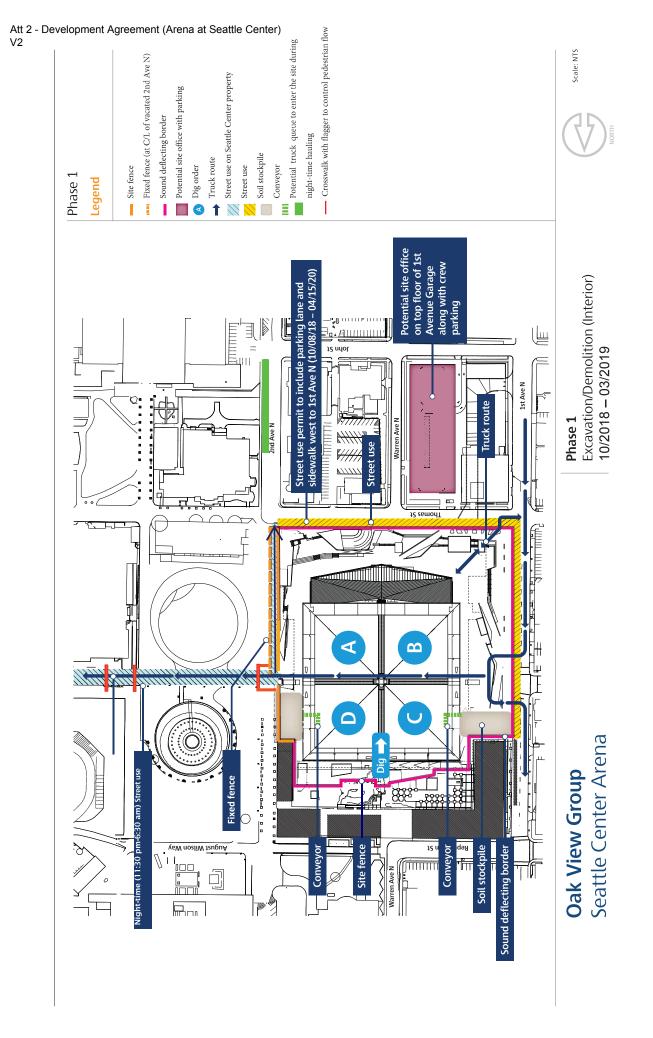
Seattle Arena Redevelopment Project

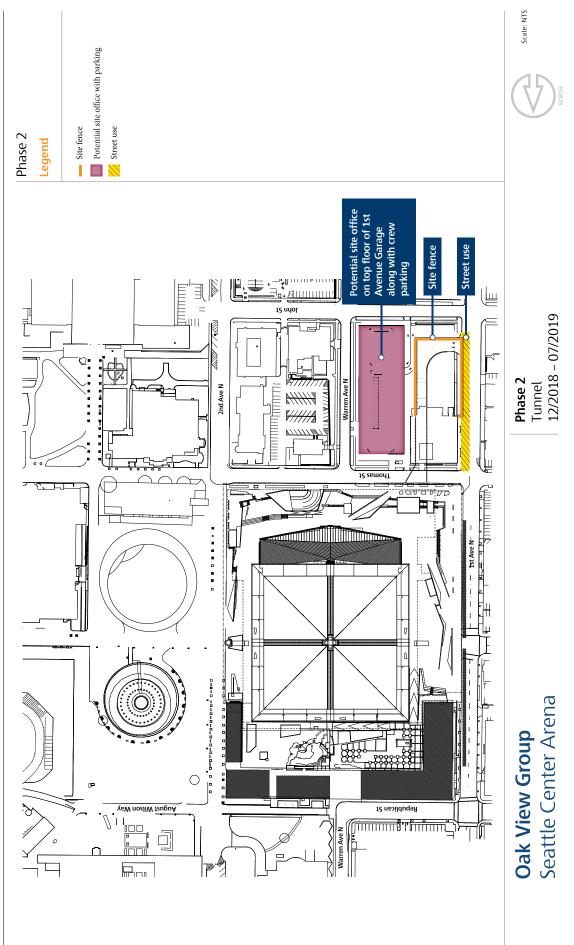
Noise Management and Mitigation Plan

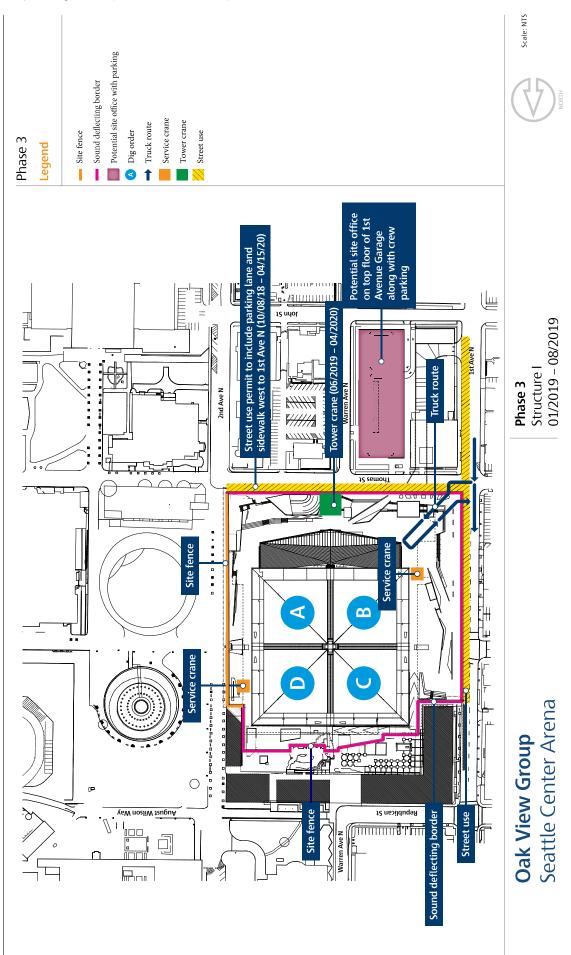
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7/6/18 8:00 PM	62.1	84.3	65.4	95.0	57.1	80.5
7/6/18 9:00 PM	61.3	83.5	60.5	82.6	57.9	77.3
7/6/18 10:00 PM	58.0	71.3	59.4	77.6	57.2	76.9
7/6/18 11:00 PM	57.8	77.9	59.6	77.4	57.7	79.8
7/7/18 12:00 AM	57.4	74.0	58.6	75.4	55.8	79.5
7/7/18 1:00 AM	56.2	81.9	57.6	78.1	53.8	75.3
7/7/18 2:00 AM	53.5	68.0	56.3	73.2	54.1	77.6
7/7/18 3:00 AM	53.2	68.5	56.5	76.0	70.9	81.6
7/7/18 4:00 AM	53.7	70.7	54.8	73.3	72.3	81.9
7/7/18 5:00 AM	54.6	67.8	57.1	74.8	67.4	82.7
7/7/18 6:00 AM	55.5	70.2	59.4	79.8	68.1	87.9
7/7/18 7:00 AM	57.0	84.4	59.2	80.7	68.2	104.5
7/7/18 8:00 AM	57.0	76.0	59.9	76.0	67.4	98.6
7/7/18 9:00 AM	64.0	85.7	65.0	84.6	65.8	85.4
7/7/18 10:00 AM	59.5	82.7	62.6	87.8	70.8	100.4
7/7/18 11:00 AM	61.9	87.4	68.6	95.8	62.3	89.2
7/7/18 12:00 PM	61.1	84.8	62.2	81.2	60.4	78.1
7/7/18 1:00 PM	59.9	82.8	62.2	80.1	63.1	78.3
7/7/18 2:00 PM	59.9	82.2	62.3	83.1	61.7	80.9
7/7/18 3:00 PM	62.4	87.7	67.1	95.9	62.1	81.2
7/7/18 4:00 PM	59.7	74.6	62.3	85.8	63.3	80.7
7/7/18 5:00 PM	61.1	77.0	63.0	76.1	67.8	80.6
7/7/18 6:00 PM	64.6	90.9	62.5	81.7	64.1	79.6
7/7/18 7:00 PM	60.9	77.9	62.4	80.0	64.0	83.2
7/7/18 8:00 PM	61.8	92.7	62.0	81.0	62.5	82.6
7/7/18 9:00 PM	60.3	73.6	62.4	80.2	62.7	81.9
7/7/18 10:00 PM	59.8	79.0	60.7	80.6	60.6	73.8
7/7/18 11:00 PM	60.3	79.8	62.2	77.8	60.4	85.3
7/8/18 12:00 AM	57.2	72.6	60.6	76.5	57.8	90.1
7/8/18 1:00 AM	55.4	89.4	60.7	83.8	57.4	81.1
7/8/18 2:00 AM	55.2	72.4	59.3	79.1	52.0	68.7
7/8/18 3:00 AM	54.3	69.7	56.1	70.1	51.4	76.7
7/8/18 4:00 AM	54.9	71.6	56.6	78.3	51.5	75.5
7/8/18 5:00 AM	59.6	82.6	56.8	72.2	53.1	69.5
7/8/18 6:00 AM	57.0	71.9	58.0	75.4	53.9	76.2
7/8/18 7:00 AM	57.3	72.0	58.4	76.7	54.3	73.3
7/8/18 8:00 AM	58.6	85.8	61.4	89.7	66.0	85.3

Seattle Arena Redevelopment Project Noise Management and Mitigation Plan

APPENDIX B: SITE LOGISTICS PLAN







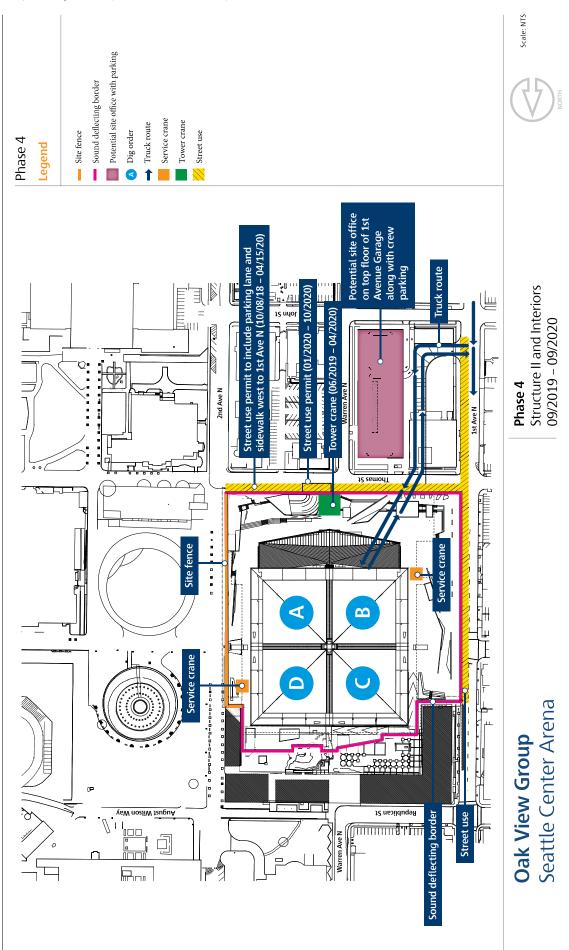


Exhibit F Design and Construction Schedule

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Exhibit G

Seattle Center

List of Major Events

1. Northwest Folklife Festival

- Event dates: Friday-Monday of Memorial Day Weekend
 - o May 24-27, 2019
 - o May 22-25, 2020
- Move fence line all the way back to the tree line on the west side of 2nd Avenue N, for the full run of the construction fence line. Basically, flush with the tree boxes. Need maximum width of roadway to accommodate booths plus 20' fire lane; this can be eked out with booths placed between the trees on the east side of the roadway, a few feet of space behind the booth for grills etc., and the 20' fire lane
- Fence move dates: 6:00am Monday prior to festival through 7:00pm Wednesday after festival

2. PrideFest

- Event Dates: Last Sunday of June
 - o June 30, 2019
 - o June 28, 2020
- Move fence line: all the way back to the tree line on the west side of 2nd Avenue N, for the full run of the construction fence line. Basically, flush with the tree boxes. Need maximum width of roadway to accommodate booths plus 20' fire lane; this can be eked out with booths placed between the trees on the east side of the roadway, a few feet of space behind the booth for grills etc., and the 20' fire lane
- Fence move dates: 6:00am Saturday prior to festival through 12:00pm Monday after festival

3. Bite of Seattle

- Event Dates: 3rd weekend in July, Friday-Sunday
 - o July 19-21, 2019
 - o July 17-19, 2020
- Move fence line: all the way back to the tree line on the west side of 2nd Avenue N, for the full run of the construction fence line. Basically, flush with the tree boxes. Need maximum width of roadway to accommodate booths plus 20' fire lane; this can be eked out with booths placed between the trees on the east side of the roadway, a few feet of space behind the booth for grills etc., and the 20' fire lane

• Fence move dates: 6:00am Monday prior to festival through 7:00pm Tuesday after festival

4. Seafair Torchlight

- Event dates: Last Saturday of July
 - o July 27, 2019
 - o July 25, 2020
- Move fence line: all the way back to the tree line on the west side of 2nd Avenue N, for the full run of the construction fence line. Basically, flush with the tree boxes. Need maximum width of roadway to accommodate booths plus 20' fire lane; this can be eked out with booths placed between the trees on the east side of the roadway, a few feet of space behind the booth for grills etc., and the 20' fire lane
- Fence move dates: 12:01am Friday prior to festival through 12:01am Sunday after festival

5. Bumbershoot

- Event dates: Friday-Sunday w/ option for Friday-Monday of Labor Day Weekend

 August 30-September 1 or 2, 2019
 - o September 4-6 or 7, 2020
- Move fence line: all the way back to the tree line on the west side of 2nd Avenue N, for the full run of the construction fence line. Basically, flush with the tree boxes. Need maximum width of roadway to accommodate booths plus 20' fire lane; this can be eked out with booths placed between the trees on the east side of the roadway, a few feet of space behind the booth for grills etc., and the 20' fire lane
- Fence move dates: 6:00am Monday prior to festival through 7:00pm Wednesday after festival

6. Winterfest Chiller Load In

- Event dates: first Monday or Tuesday of November
 - November 5, 2018
 - November 12, 2019 (may need Nov. 8, 2019 instead; we won't know until after the 2018 installation)
- Move fence line from Gate 3 through 120' north of the Fisher loading dock back to the tree line on the west side of 2nd Avenue N. The roadway will need to accommodate 2 flatbed trucks (1 with chiller, 1 with crane) with room for the crane to swing the chiller into place at the Fisher loading dock.
- Move dates: 7:00am 4:00pm day of delivery
- 7. <u>New Year's Eve</u>
- Event dates: New Year's Eve
 - o December 31, 2018

- o December 31, 2019
- Move fence line west as needed to ensure that a minimum of 20' exists between the west edge of the east side tree pits and the construction fence. Most critically, <u>absolutely no</u> vehicle traffic may enter or exit the campus along 2nd Avenue N during the closure <u>times.</u>
- Move dates: 12:00pm December 31 through 2:00am January 1

8. Winterfest Chiller Load Out

- Event dates: approximately 4th to 6th day of January, depending on how the weekend falls after New Year's Day.
 - o January 10, 2019
 - o January 9, 2020
- Move fence line from Gate 3 through 120' north of the Fisher loading dock back to the tree line on the west side of 2nd Avenue N. The roadway will need to accommodate 2 flatbed trucks (1 with chiller, 1 with crane) with room for the crane to swing the chiller out of place at the Fisher loading dock.
- Move dates: 7:00am 4:00pm day of pickup

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Exhibit H

Memorandum of Agreement for Event Curbside Management dated June 20, 2011

Seattle Department of Transportation / Seattle Center

MEMORANDUM OF AGREEMENT for Event Curbside Management

<u>Agreement</u>

This Memorandum of Agreement between Seattle Department of Transportation (SDOT) and Seattle Center describes procedures for Seattle Center to reserve right-of-way curbspace for loading, unloading and staging of events at Seattle Center. The agreement covers three types of curb reservation to be used depending on the size, duration and complexity of the event. More than one reservation type may be used along a single curb face as needed, provided use-specific signage is located to clearly delineate each type of reservation.

The reservation types are:

- <u>Type 1</u>: Used for events where loading and unloading is generally from private personal vehicles. Reservations are 30-minute and 90-minute load and unload only. No parking is allowed beyond the signed time limits.
- <u>Type 2</u>: Used when commercial truck –licensed vehicles are parked, loading, unloading and staging. Type 2 cannot be used for non-commercial vehicle parking, loading, unloading or staging.
- <u>Type 3:</u> Used for events where loading, unloading and staging require numerous specialized trucks and other equipment, some of which need to be stored at the curb for the duration of the event. There are two options for Type 3 reservations

 Special Events Permit through the Seattle Department of Parks and Recreation or Street Use Permit through SDOT.

Type 1 Reservations

The following are streets frequently used for a few days at a time for loading and unloading private personal vehicles and buses:

 North side of Thomas Street, between Warren Avenue North and 2nd Avenue North (7 spaces) f . ~**.

- South side of Republican Street, between 1st Avenue North and Warren Avenue North (9 spaces)
- South side of Republican Street, between 4th Avenue North and 5th Avenue North (12 spaces)

The following are streets occasionally used for a few days at a time for loading and unloading private personal vehicles and buses:

- South side of Thomas Street, between Warren Avenue North and 2nd Avenue North (10 spaces)
- East side of 2nd Avenue North between John Street and Thomas Street (6 spaces)

Procedure for Type 1 Reservations

- Seattle Center staff or their designee fax an application to the SDOT Traffic Permits Counter (206-684-5985) identifying dates, times, and specific space numbers to be removed from pay station operation.
- Seattle Center staff or their designee fax the same SDOT application to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.
- 3. Seattle Center crews or their designee install gorilla posts with 30-minute or 90-minute "Load and Unload Only" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center staff or their designee may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

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Type 2 Reservations

The following streets are occasionally used for commercial truck parking, loading, unloading and staging:

- East side of Warren Avenue North, between John Street and Thomas Street (15 spaces)
- Both sides of Thomas Street, between Warren Avenue North and 2nd Avenue North (south side 10 spaces, north side 7 spaces)
- Both sides of 4th Avenue North between Mercer Street and Republican Street (west side - 12, east side - 10)
- South side of Republican Street, between 4th Avenue North and 5th Avenue North (12 spaces)
- South side of Roy Street, between 3rd Avenue North and 4th Avenue North (22 spaces)
- West side of 2nd Avenue North, between Thomas Street and John Street (7 spaces)
- East side of Warren Avenue, between Mercer Street and Republican Street (9 spaces)
- South side of Republican Street, between 1st Avenue North and Warren Avenue North (9 spaces)

Procedure for Type 2 Reservations

- Seattle Center staff or their designee fax an application to the SDOT Traffic Permits Counter (206-684-5985) identifying dates, times, and specific space numbers to be removed from pay station operation, and requesting truck permits. All vehicles must be licensed trucks, must have the cab attached, and display the permit at all times. Seattle Center or their designee may request more permits than there are spaces to facilitate sequential usage by several trucks. SDOT will mail or messenger permits to Seattle Center or their designee at Seattle Center or their designee's request and expense. Seattle Center will be responsible for getting permits to trucks.
- Seattle Center staff or their designee fax the same SDOT application to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.

3. Seattle Center crews or their designee install gorilla posts with "No Parking" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center or their designee may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

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Type 3 Reservations

The following streets are used for major festivals for vehicle loading, unloading and staging, as well as storage for refrigerated trailers and other equipment:

- Both sides of Thomas Street, between Warren Avenue North and 2nd Avenue North (north side 7 spaces, south side 10 spaces)
- Both sides of Republican Street, between 4th Avenue North and 5th Avenue North (north side 8 spaces, south side 12 spaces)
- Both sides of Republican Street, between 1st Avenue North and Warren Avenue North (north side 10 spaces, south side 9 spaces)
- Both sides of 2nd Avenue North, between John Street and Thomas Street (west side 7 spaces, east side – 7 spaces)
- Both sides of Warren Avenue North, between Mercer Street and Republican Street (east side 9 spaces; west side 13 spaces)
- Both sides of Warren Avenue North, between John Street and Thomas Street (east side 15 spaces, west side 8 spaces)
- East side of 2nd Avenue North, between Roy Street and Mercer Street (10 spaces). During major festivals, these spaces will be used for disabled parking only (displaced from Lot 6).
- Both sides of 4th Avenue North between Republican Street and Mercer Street (west side 12 spaces, east side 10 spaces)

Procedure for Type 3 Reservations (Options 1 and 2)

(Option 1) Festivals may acquire a Special Events Permit through the Seattle Department of Parks and Recreation Special Events Committee. Such a permit supersedes standard SDOT permits and regulations and SPD routine enforcement. 1 . T . T

1. Seattle Center or Festival applies for and follows all procedures for a permit through the Special Events Committee. No SDOT permits are required.

2. Seattle Center crews or Festival install gorilla posts with "No Parking" signs to reserve curbspace no less than 2 hours before an event. Seattle Center may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

(Option 2) Seattle Center or Festival may work with SDOT Street Use Division for permits that allow curbside storage of truck trailers without cabs (as of August 1, 2007). Vehicles that do not require curbspace storage are still permitted by SDOT Traffic Permits.

- Seattle Center or Festival works directly with SDOT Street Use Permits Counter to acquire all necessary Permits. SDOT Street Use Permits must be acquired at least 24 hours in advance of the truck trailers being placed in the right-of-way. In order to obtain the permit, Seattle Center or Festival must provide the location, use area and associated permit fees to SDOT Street Use.
- For vehicles that do not require curbspace storage of truck trailers without cabs, the permitting process with SDOT Traffic Permits will be the same as for Type 2 reservations.
- Seattle Center staff fax the SDOT application to SDOT if required, and to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.
- 4. Seattle Center crews or Festival install gorilla posts with "No Parking" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

<u>Signage</u>

Seattle Center will purchase and maintain a sufficient numbers of gorilla posts to effectively reserve curbspace in the locations described, along with signs as appropriate for each type of reserved curbspace. Main signage text and colors will be SDOT standard, except as mutually agreed by SDOT and Seattle Center. Seattle Center or their designee may add auxiliary signage on the main sign, as described above, at their discretion.

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Seattle Center or their designee must locate signs along the curbspace to accurately delineate the reserved space. Signs with appropriate directional arrows must be placed at each end and at least every other parking space along the length of curbspace being reserved.

Fees

Due to the nature of Seattle Center as a unique event destination, their need to use adjacent streets in support of their event management, and the past practice of not being charged for those activities, the SDOT Director of Traffic Management waives both the hooding fees and the lost revenue fees that would otherwise accrue for use of paid curb space.

Seattle Center, or the Festival requesting a permit, is responsible for any Street Use permit fees or Special Event permit fees, and any related charges that may result from their transactions with SDOT Street Use Division or the Seattle Department of Parks and Recreation.

Enforcement

SDOT and Seattle Center will rely on SPD Parking Enforcement to enforce the Type 1 reservation 30- and 90-minute time limits. SDOT Commercial Vehicle Enforcement will enforce all truck permits for Types 2 and 3 reservations except when a Special Events Permit is in effect. SDOT Street Use will enforce street use permits.

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Term of Agreement

This Agreement will become valid when signed by representatives of Seattle Center and SDOT, and will remain in effect indefinitely, unless amended or replaced by mutual agreement of the departments' representatives.

SEATTLE DEPARTMENT OF TRANSPORTATION

Charles Bookman, Director of Traffic Management

6/16/11

Date

SEATTLE CENTER

Robert Nellams

Director 6/20/11

Date

Exhibit I List of Arena Contracts

Exhibit I

List of Arena Contracts

- 1. Agreement for Architectural and Engineering Services for Seattle Center Arena Renovation Project dated as of [•] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Populous, Inc.
- 2. Agreement for Construction Management Services for Seattle Center Arena Renovation Project dated as of [●] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Skanska Hunt II.
- 3. [Make Ready Work Agreement dated as of [•] with DLR Group.]
- Agreement for Construction Management Services for Utility Major Permit Work dated as of
 [] by and between Seattle Arena Company (as successor-by-assignment to Oak View Group,
 LLC) and MidMountain Contractors, Inc.
- 5. Agreement for Construction Management Services for Enabling and Utility Make-Ready Work dated as of [] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Shinn Mechanical, Inc.
- 6. Agreement for Construction Services for Utility Relocation Work dated as of [] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Prime Electric.

<u>Exhibit J</u> Form of Collateral Assignment of Arena Contracts

Exhibit J

ASSIGNMENT OF ARENA CONTRACTS

THIS ASSIGNMENT OF ARENA CONTRACTS (this "**Assignment**"), dated as of [_____], 2018, is made by and between SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company (the "**Assignor**"), in favor of THE CITY OF SEATTLE, a Washington municipal corporation, as subordinated secured party (the "**Assignee**").

WHEREAS, Assignor and Assignee have entered into a (i) Lease Agreement (Arena at Seattle Center), dated as of [_____], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Arena Lease"), (ii) Development Agreement (Arena at Seattle Center), dated as of [_____], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Development Agreement"), and (iii) Seattle Center Integration Agreement (Arena at Seattle Center), dated as of [_____], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Development Agreement"), and (iii) Seattle Center Integration Agreement (Arena at Seattle Center), dated as of [_____], 2018 (as amended, restated, supplemented or otherwise modified from time to time, the "Integration Agreement", and together with the Arena Lease and Development Agreement, collectively, the "City Documents");

WHEREAS, as a condition precedent to the effectiveness of the City Documents, Assignor is required to execute and deliver this Assignment and to grant the security interest and make the assignment of all Arena Contracts (as defined in the Development Agreement and listed on Exhibit I thereto and also attached hereto) to the Assignee, in all cases, as contemplated hereby and subject to Section 12 and Section 13;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees with Assignee as follows:

1. <u>Assignment of Arena Contracts</u>. To secure the Assignor's performance obligations under the Development Agreement, Assignor hereby transfers, assigns, grants and conveys to Assignee, and its successors and permitted assigns, a security interest in all of the right, title and interest of Assignor in and to each of the Arena Contracts, and hereby grants and delegates to Assignee, and its successors and permitted assigns, any and all of the benefits, duties and obligations of Assignor with respect thereto. Notwithstanding anything to the contrary herein, (a) so long as no Event of Default (as defined in the Development Agreement) has occurred and is continuing, Assignor shall have the right to exercise all of its rights and benefits under, in and to each Arena Contract, and (b) this Assignment shall not impose any obligation or any requirement on the part of Assignee to perform Assignor's obligations under any Arena Contract, or make any payments thereunder or otherwise with respect thereto, unless and until Assignee shall request that Assignor's applicable counterparty to such Arena Contract (the "**Applicable Counterparty**") in writing to continue performance on its behalf under such Arena Contract in accordance with Section 2 below.

- 2. <u>Assignee's Rights upon Event of Default.</u>
 - (a) Immediately upon the occurrence and during the continuance of an Event

of Default (as defined in the Development Agreement), or upon the failure to perform by Assignor of its obligations under any Arena Contract (after the expiration of any applicable notice and cure periods) which gives the Applicable Counterparty the right to terminate such Arena Contract, Assignee is hereby expressly authorized, subject to Section 12 and Section 13, to assume any or all of Assignor's rights under such Arena Contract, in each case with written notice to Assignor and the Applicable Counterparty, but without further authorization or demand and without the commencement of any action.

(b) Upon the occurrence and during the continuance of an Event of Default (as defined in the Development Agreement), Assignor hereby constitutes and appoints Assignee irrevocably, and with full power of substitution and revocation, the true and lawful attorney, for and in the name, place and stead of Assignor, subject to Section 12 and Section 13, to exercise (so long as such Event of Default exists) any and all rights and remedies of Assignor under each Arena Contract. Assignor hereby grants unto said attorney, subject to Section 12 and Section 13, full power and authority to do and perform (so long as such Event of Default exists) each and every act whatsoever requisite to be done with respect to each Arena Contract, as fully to all intents and purposes, as Assignor could do if personally present, hereby ratifying and confirming all that said attorney shall lawfully do or cause to be done by virtue hereof.

(c) Assignor agrees that the Applicable Counterparty to any Arena Contract may rely conclusively upon any notice given by Assignee to such Applicable Counterparty setting forth that an Event of Default (as defined in the Development Agreement) has occurred and on any notice or direction by Assignee which indicates it is in accordance with clauses (a) or (b) of this Section 2 above.

3. <u>Representations and Warranties; Covenants</u>. Assignor represents and warrants that, as of the date hereof, (i) each Arena Contract is in full force and effect, (ii) no Arena Contract has not been modified, amended or terminated, other than any such modifications or amendments delivered to Assignee prior to the date hereof, (iii) to the best of Assignor's knowledge, there are no defaults under any Arena Contract by any party thereto, and (iv) the assignment of each Arena Contract hereunder is binding upon and enforceable against the applicable counterparty/ies to each Arena Contract.

4. <u>Benefits</u>.

(a) The terms and conditions of this Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

(b) Acceptance of this Assignment by Assignee and/or exercise of Assignee's rights hereunder shall not constitute a satisfaction of all or any part of the Assignor's obligations under the City Documents.

(c) The rights and powers of Assignee hereunder shall continue and remain in full force and effect until Final Completion (as defined in the Development Agreement) has occurred. Assignee shall not be liable to Assignor or anyone claiming under or through Assignor by reason of any act or omission by Assignor hereunder.

Att 2 - Development Agreement (Arena at Seattle Center) V2

5. <u>Amendment; Waiver</u>. Except as otherwise expressly provided for in this Assignment, no amendment or waiver of any provision of this Assignment shall be effective unless the same shall be in writing and signed by Assignor and Assignee and all necessary approvals of the National Hockey League shall have been obtained, and any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

6. <u>APPLICABLE LAW</u>. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS ASSIGNMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF WASHINGTON (WITHOUT GIVING EFFECT TO THE PRINCIPLES RELATING TO CONFLICT OF LAW).

7. <u>Notices</u>. Except as specifically provided in this Assignment, all notices or other communications hereunder shall be given in the manner set forth in, and at the addresses specified in the Development Agreement. Any party may change its address for purposes of this Section by giving at least ten days' prior written notice thereof to the other parties.

8. <u>Titles and Captions</u>. Titles and captions of Sections, subsections and clauses in this Assignment are for convenience only, and neither limit nor amplify the provisions of this Assignment.

9. <u>Severability of Provisions</u>. Any provision of this Assignment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

10. <u>Counterparts</u>. This Assignment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart to this Assignment by facsimile transmission or electronic transmission in "pdf" format shall be as effective as delivery of a manually signed original.

11. <u>Entire Agreement</u>. This Assignment constitutes the entire contract between the parties relative to the subject matter hereof. Any previous agreement among or representations from the parties or their affiliates with respect to the subject matter hereof is superseded by this Assignment. Except as set forth in Sections 2(c), 12 and 13, nothing in this Assignment, express or implied, is intended to confer upon any party other than the parties hereto and thereto any rights, remedies, obligations or liabilities under or by reason of this Assignment.

12. <u>Subordination Agreement</u>. The parties hereto acknowledge and agree that the liens and security interests as evidenced herein and the rights and remedies of the Assignee hereunder are subject to, and may be restricted by, the provisions of the [Subordination and Intercreditor Agreement], dated as of [_____], 2018 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Subordination Agreement**"), between [SunTrust Bank], and its permitted successors and/or assigns, and the Assignee.

13. <u>NHL Requirements</u>. [To be provided by NHL.]

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties hereto have caused this Assignment to be duly executed as of the date first above written.

ASSIGNOR:

SEATTLE ARENA COMPANY, LLC

By:_____

Name: Title:

ASSIGNEE:

THE CITY OF SEATTLE

By:_____

Name: Title:

EXHIBIT I

LIST OF ARENA CONTRACTS

Exhibit I

List of Arena Contracts

- 1. Agreement for Architectural and Engineering Services for Seattle Center Arena Renovation Project dated as of [•] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Populous, Inc.
- 2. Agreement for Construction Management Services for Seattle Center Arena Renovation Project dated as of [●] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Skanska Hunt II.
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- 6. Agreement for Construction Services for Utility Relocation Work dated as of [] by and between Seattle Arena Company, LLC (as successor-by-assignment to Oak View Group, LLC) and Prime Electric.

CONSENT

The undersigned, counterparty to the Arena Contract listed at item _____ on Exhibit I, hereby consents to the foregoing Assignment and agrees this Assignment shall not relieve the undersigned from its obligations to perform under said Arena Contract, subject to and in accordance with the terms of such Arena Contract (other than any term that might otherwise limit this Assignment).

COUNTERPARTY:

By:		
Name:		
Title:		

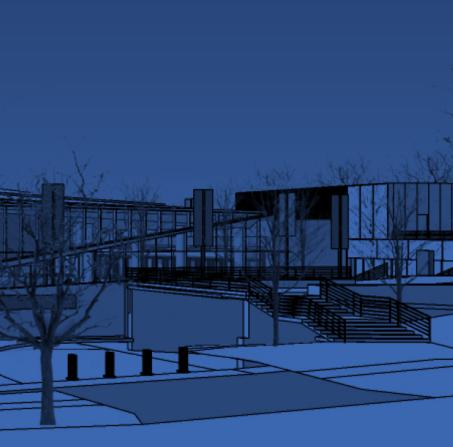
Date: _____

<u>Exhibit K</u> Initial Sign Plan

SEATTLE CENTER ARENA INITIAL SIGN PLAN

SIGN PLANNING DOCUMENTS

09/10/2018

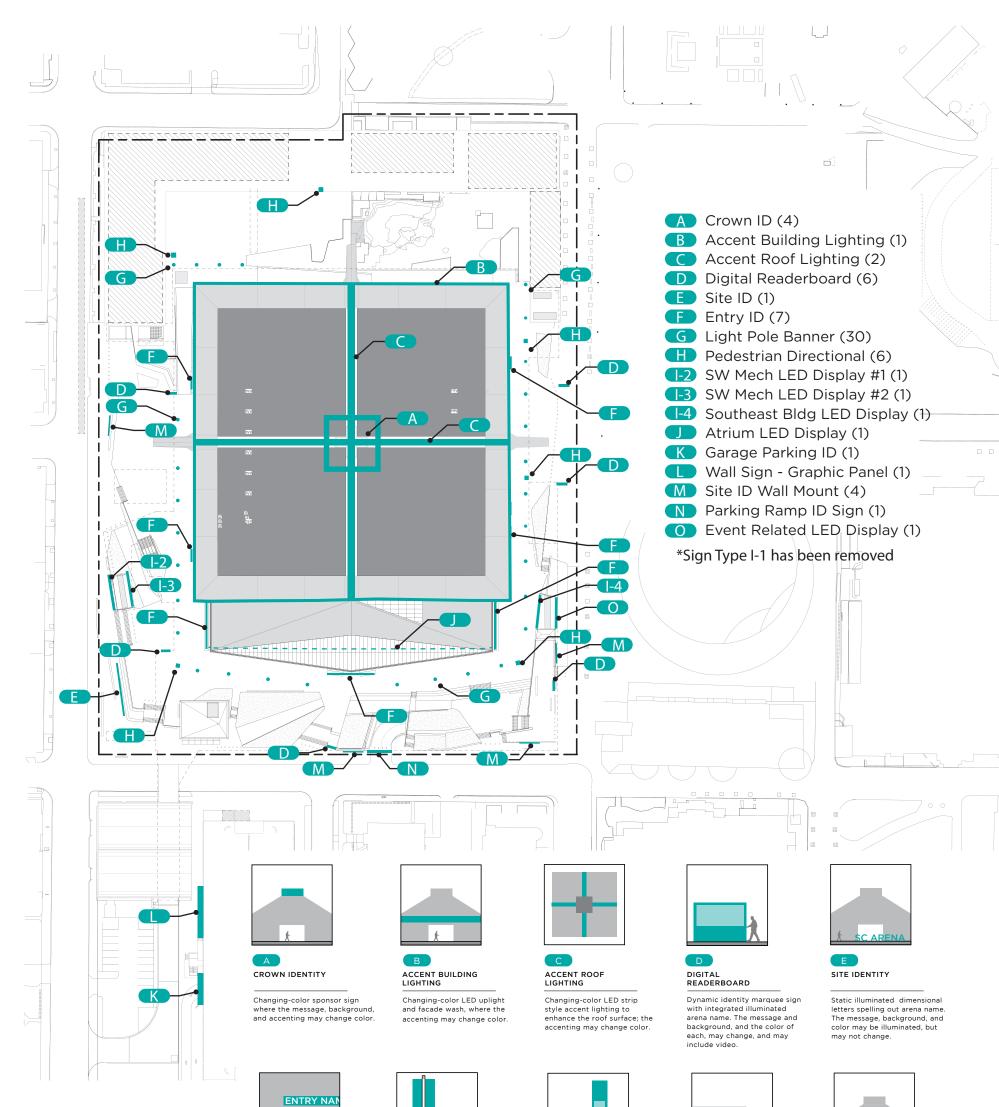


POPULOUS

Intent of the Initial Sign Plan

This Initial Sign Plan is integral to the Lease Agreement, Development Agreement, and Seattle Center Integration Agreement. It is intended to establish a logical and legible system of signs that informs and directs visitors, provides information about and supports arena events, identifies key sites of interest, and serves to enhance the aesthetic and experiential qualities of the site. The signage system will be a key contributor to promoting the brand, contributing to a sense of safety and security, and enhancing the experience of visiting the arena at Seattle Center.

Sign elements identified in this Initial Sign Plan supersede the Seattle Center Century 21 Signage Guidelines as to the areas covered by the plan. Only the sign elements identified in this Initial Sign Plan (e.g., locations, type, graphic, dimensions, and quantity) or otherwise described in the Lease Agreement, Development Agreement, or Seattle Center Integration Agreement are approved. For any sign visible from the Seattle Center Campus, additional sign elements such as brightness and refresh frequency are subject to the approval of the Seattle Center Director before installation. Additionally, this plan is subject to any applicable ordinance or regulatory requirements, and is subject to amendment for compliance with law.







Static illuminated signs over entry doors the message, background, and color may be illuminated, but may not change.



Static illuminated amenity signs

"light the way" to entry points; attachable banners for arena identity and advertising. The

message, background, and

may not change.

color may be illuminated, but

LIGHT POLE BANNERS



PEDESTRIAN DIRECTION

> Changing-image wayfinding pylon sign; illuminated, possible inclusion of map for Seattle Center. The message and background, and the color of each, may change.



SITE DYNAMIC DISPLAY

Dynamic identity sign with

integrated illuminated arena name. The message and

background, and the color of

each, may change, and may include video.



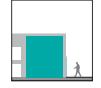
J DIGITAL ATRIUM SIGNAGE

> A currently undetermined dynamic lighting or LED technology that will preserve the transparency of the glass when the technology is not illuminated. The lighting or LED technology will visible through the south atrium facade. The message and background, and the color of each, may change, and may include video.



GARAGE PARKING

Identification sign on the First Ave. N facade of the parking structure. Internally Illuminated channel letter sign mounted directly onto building.



WALL SIGN -GRAPHIC PANEL

Wall sign on the building facade. Illuminated frame mounted sign mounted directly onto building.



SITE IDENTIFICATION WALL MOUNT SIGN

Static illuminated dimensional letters spelling out arena name. The message, background, and color may be illuminated, but may not change.



PARKING RAMP ID SIGN

Static illuminated overhead sign identifies parking access. The message, background, and color may be illuminated, but may not change.



EVENT RELATED LED DISPLAY

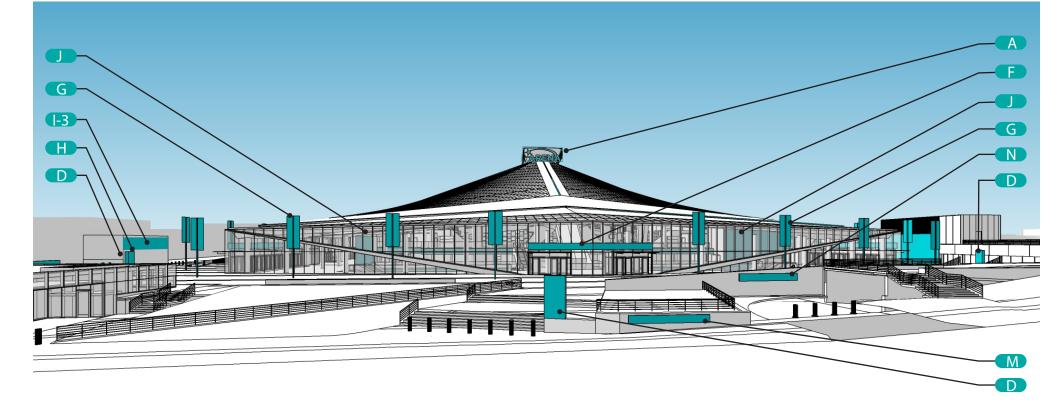
Non-video capable digital wall sign displaying information about upcoming events.

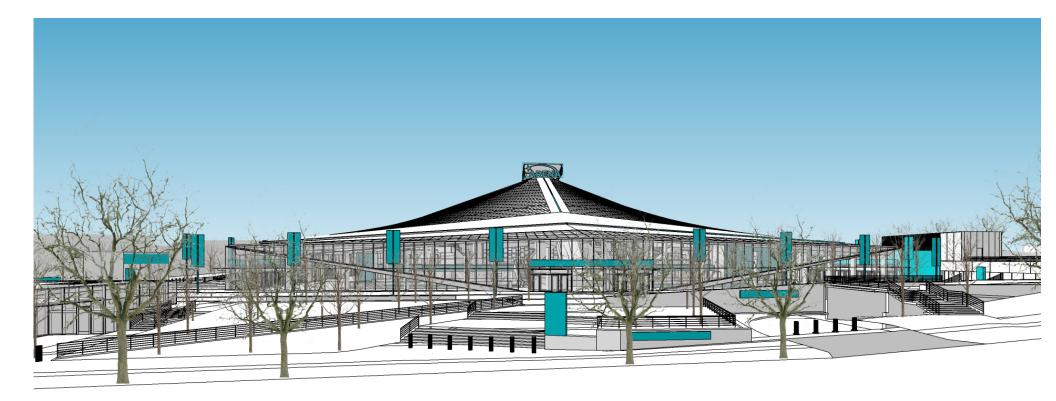
9/10/2018

Sign Type	Sign Name	Graphic	Size	Sign Sides	Quantity	Size (sqft) each side	Total (sqft)
A	Crown Identity	Changing Color (LED)	16'-0" (h) x 43'-0" (w)	1	4	688	2752
В	Accent Bldg Lighting	Changing Color (LED)	0'-6" (h) x 400'-0" (w)	1	4	200	800
C	Accent Roof Lighting	Changing Color (LED)	0'-6" (h) x 160'-0" (w)	1	4	80	320
D	Digital Readerboard	Dynamic (LED) Display	10'-0" (h) x 5'-0" (w)	2	6	100	600
E	Site Identity	Static Illuminated	10'-0" (h) x 50'-0" (w)	1	1	500	500
					_		
F	Entry Identity	Static Illuminated	3'-0" (h) x 60'-0" (w)	1	7	180	1260
					20	120	2000
G	Light Pole Banners	Static Illuminated	10'-0" (h) x 3'-0" (w)	4	30	120	3600
Н	Pedestrian Directional	Static Illuminated	11'-0" (h) x 3'-0" (w)	2	6	66	396
п	Pedestrial Directional	Static Indifinated	11-0 (II) x 5-0 (W)	2	0	00	390
		Changing Image (LED) Display;					
I-2	Site LED Display	portion Dynamic (LED) Display,	9'-8" (h) x 42'-0" (w)	1	1	405	405
12	Site LED Dispidy		5 6 (II) X 42 6 (W)		-	405	+03
I-3	Site LED Display	Changing Image (LED) Display	5'-10" (h) x 42'-0" (w)	1	1	245	245
				_	_		
1-4	Site LED Display	Changing Image (LED) Display	14'-9" (h) x 45'-0" (w)	1	1	672	672
J	Atrium LED Display	Dynamic (LED) Display	8,000 sqft (30%)	1	1	2400	2400
К	Garage Parking ID	Static Illuminated	25'-0" (h) x 8'-0" (w)	1	1	200	200
L	Wall Sign - Graphic Panel	Static Illuminated	33'-7" (h) x 20'-0" (w)	1	1	672	672
M	Site ID Wall Mount	Static Illuminated	1'-10" (h) x 18'-0" (w)	1	4	34	136
N	Parking Ramp ID Sign	Static Illuminated	6'-0" (h) x 20'-0" (w)	1	1	120	120
0	Event-Related LED Display	Changing Image (LED) Display	8'-9" (h) x 33'-7" (w)	1	1	296	296

Note: Sign I-1 has been removed

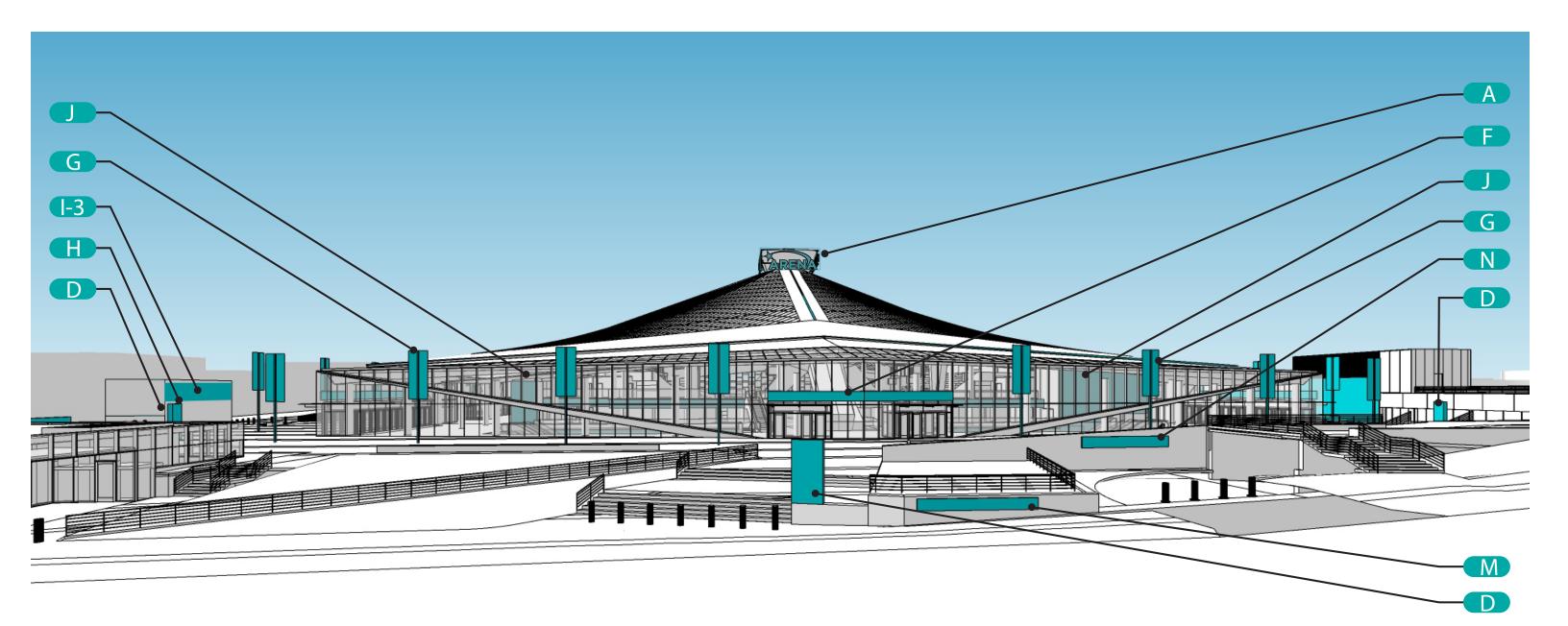
Total 15374



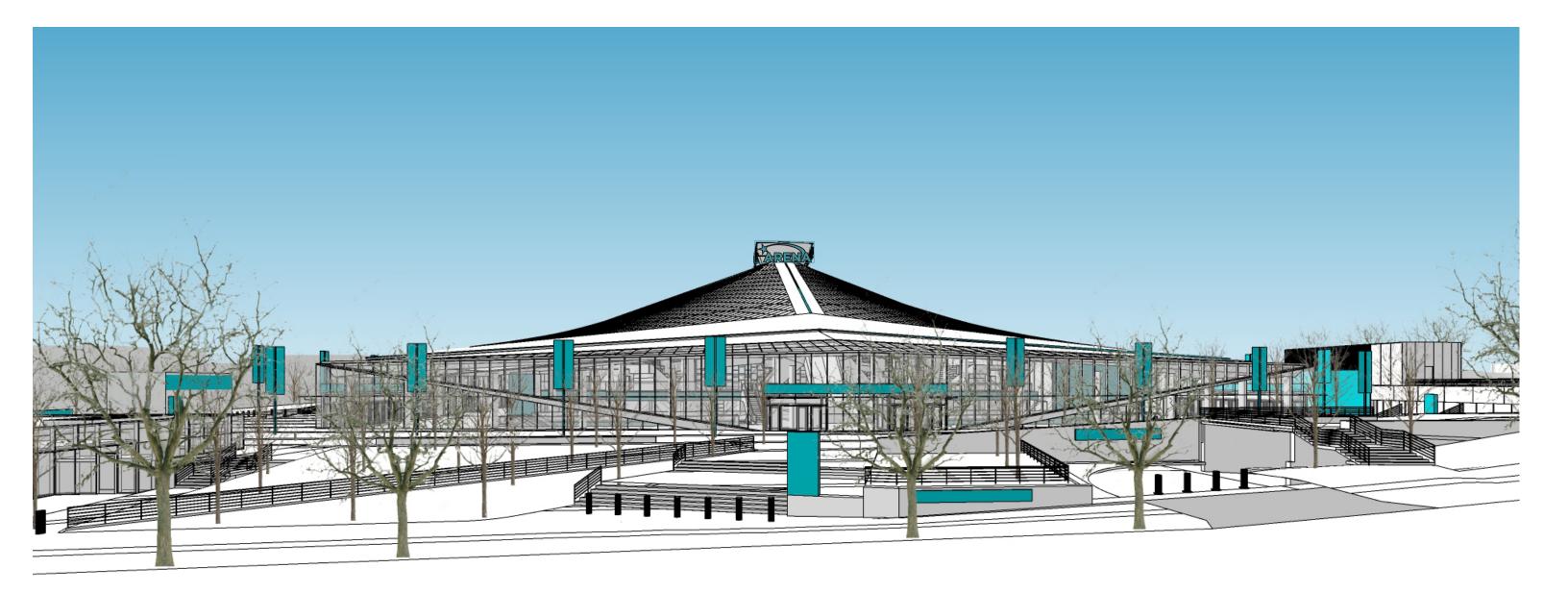




Att 2 - Development Agreement (Arena at Seattle Center) SOUTH $rac{V}{E}W$ - Warren Ave & Thomas St



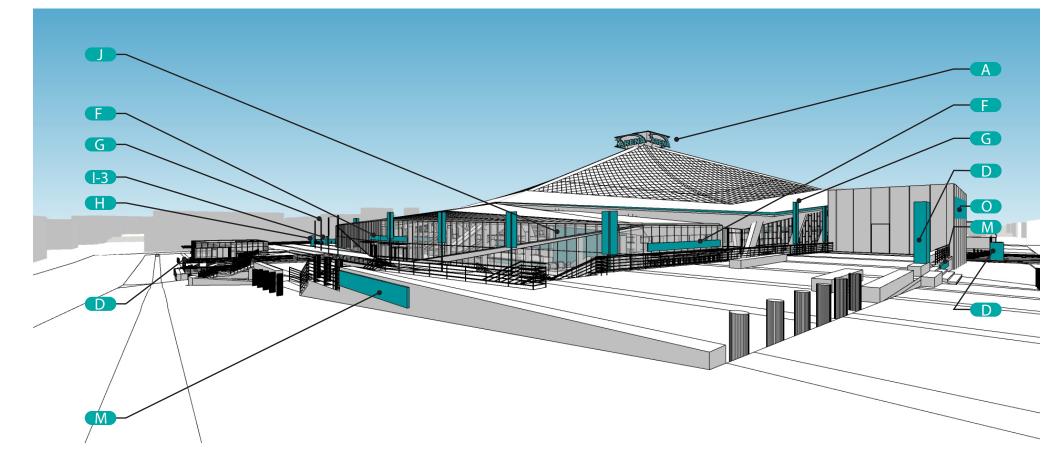
Att 2 - Development Agreement (Arena at Seattle Center) SOUTH $\dot{Vf\!EW}$ - Warren Ave & Thomas St



Att 2 - Development Agreement (Arena at Seattle Center) SOUTH $\dot{Vf\!EW}$ - Warren Ave & Thomas St



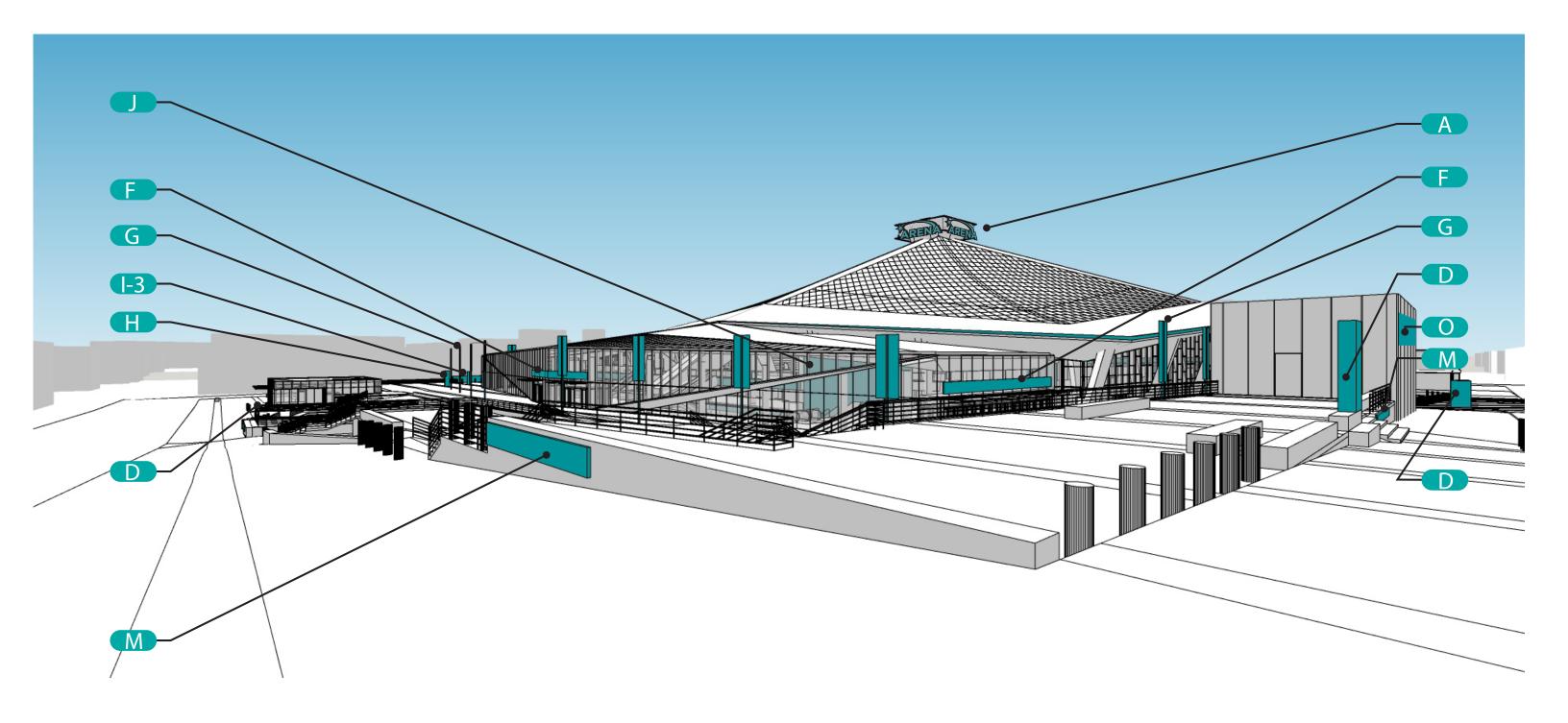
Att 2 - Development Agreement (Arena at Seattle Center) SOUTHÉAST VIEW - 2nd Avenue North & Thomas St







Att 2 - Development Agreement (Arena at Seattle Center) SOUTHEAST VIEW - 2nd Avenue North & Thomas St

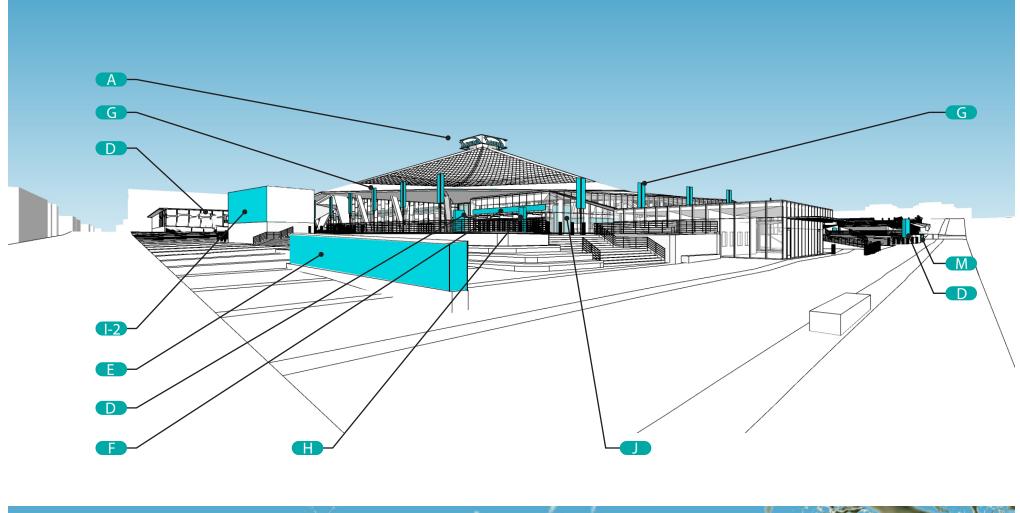


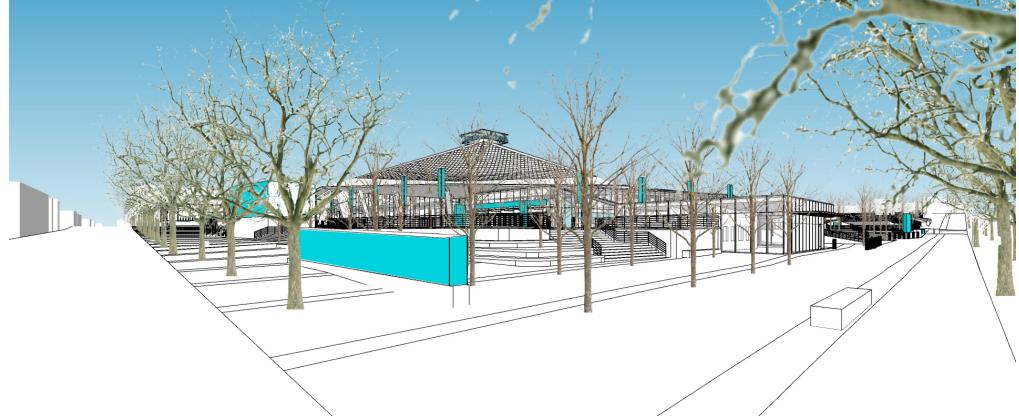
Att 2 - Development Agreement (Arena at Seattle Center) SOUTHEAST VIEW - 2nd Avenue North & Thomas St



Att 2 - Development Agreement (Arena at Seattle Center) SOUTHEAST VIEW - 2nd Avenue North & Thomas St

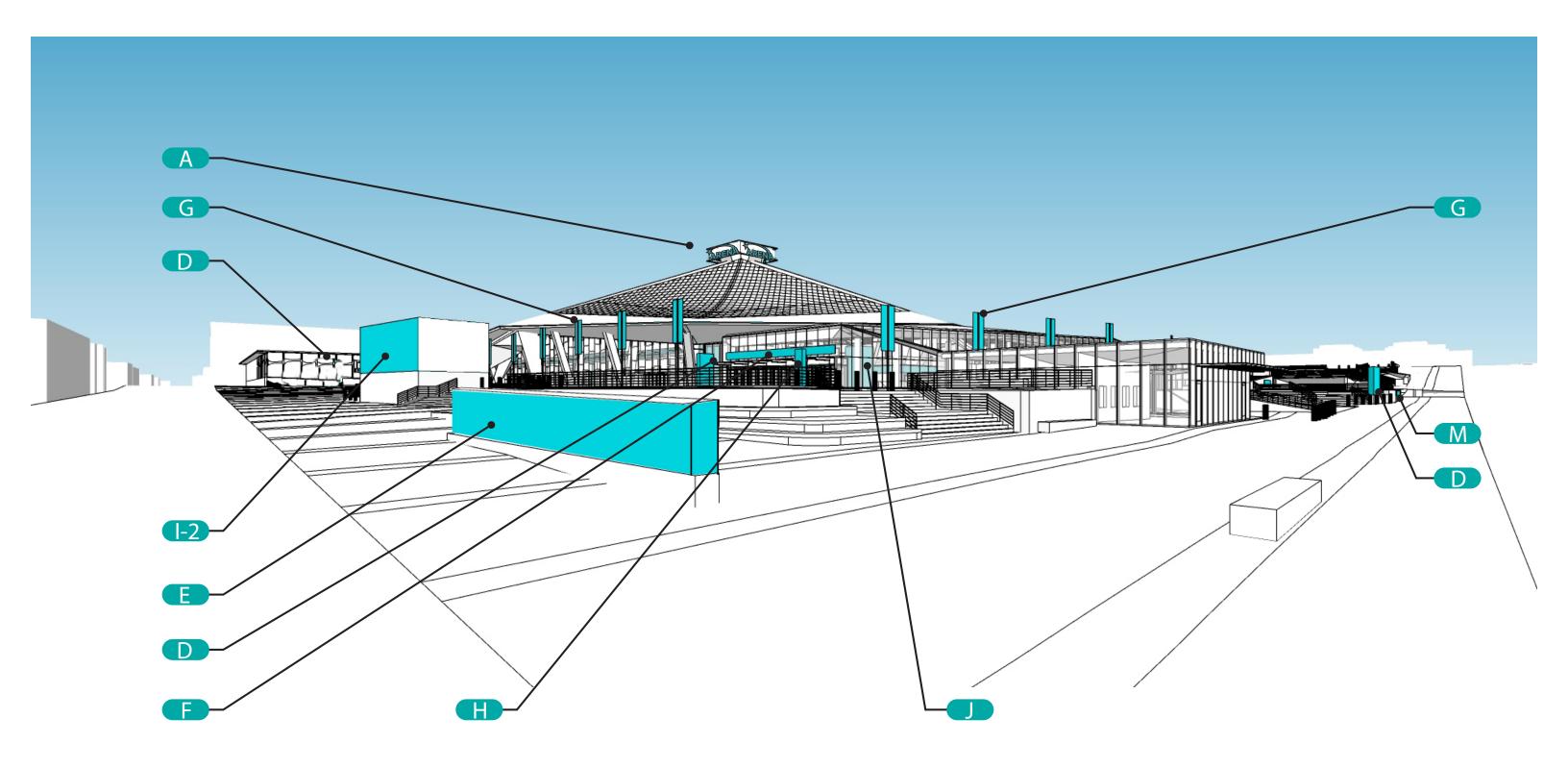




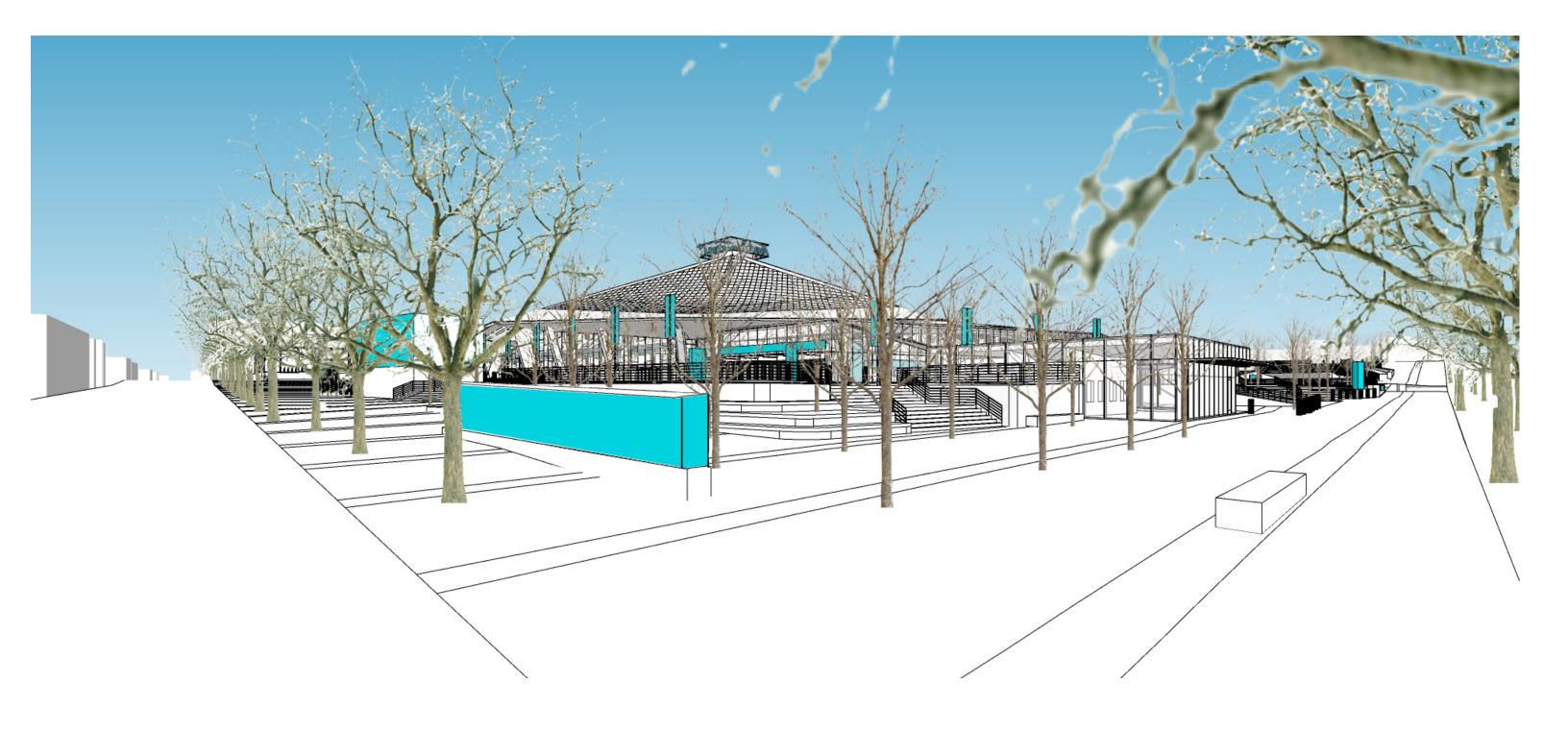




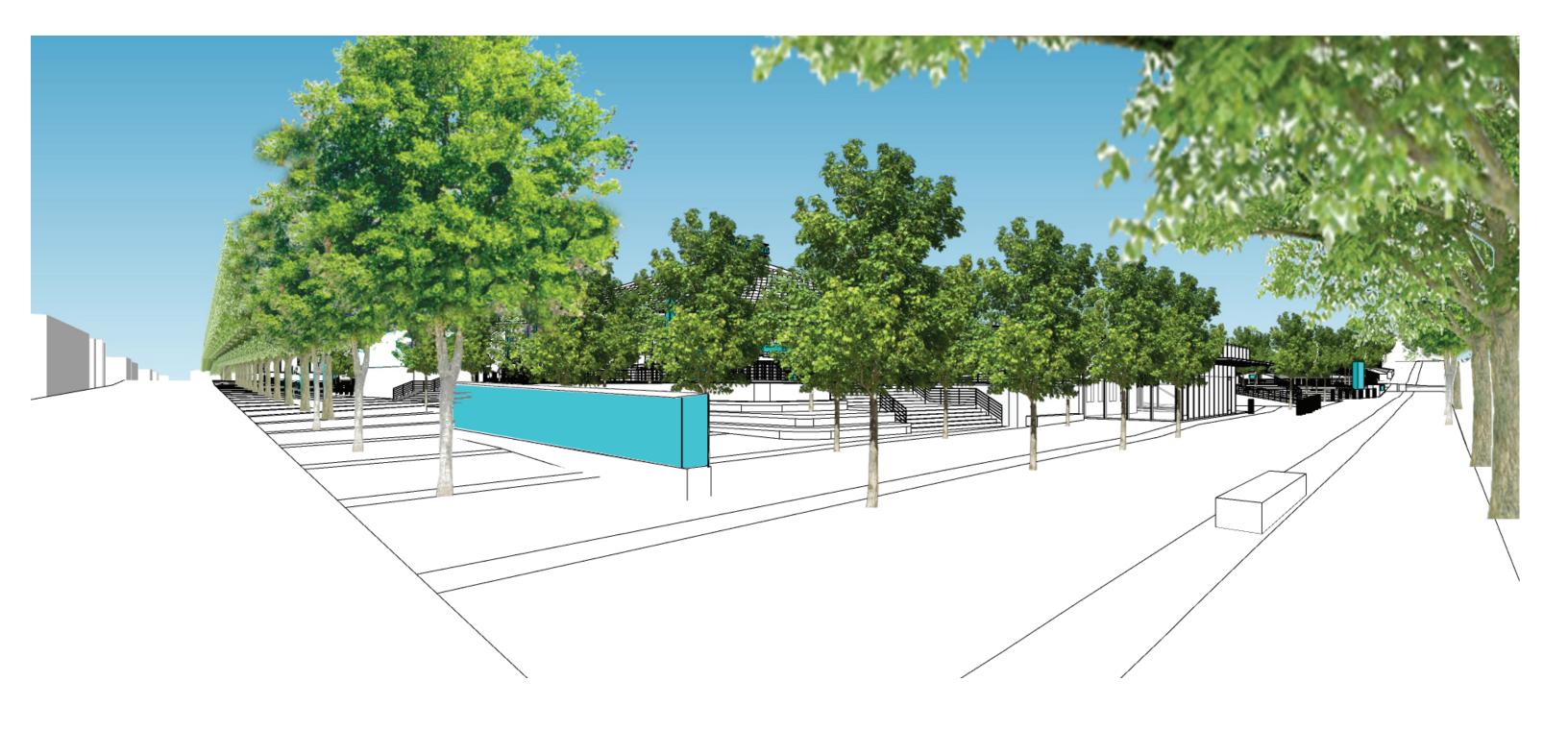
Att 2 - Development Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St



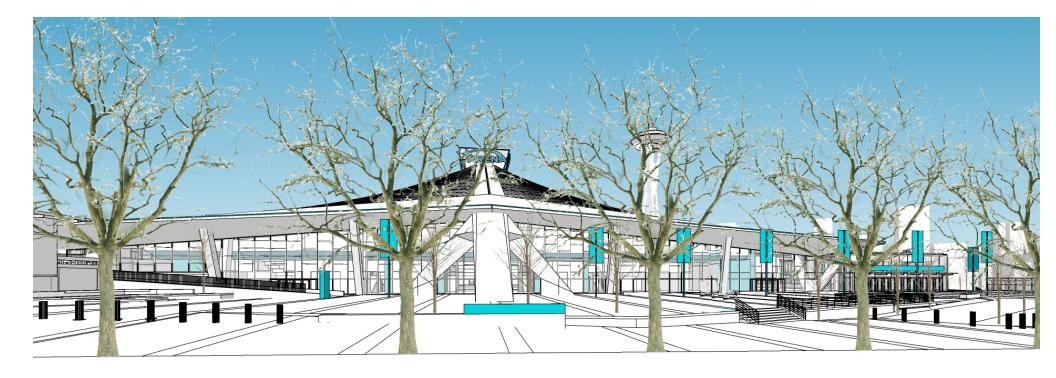
Att 2 - Development Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St



Att 2 - Development Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St











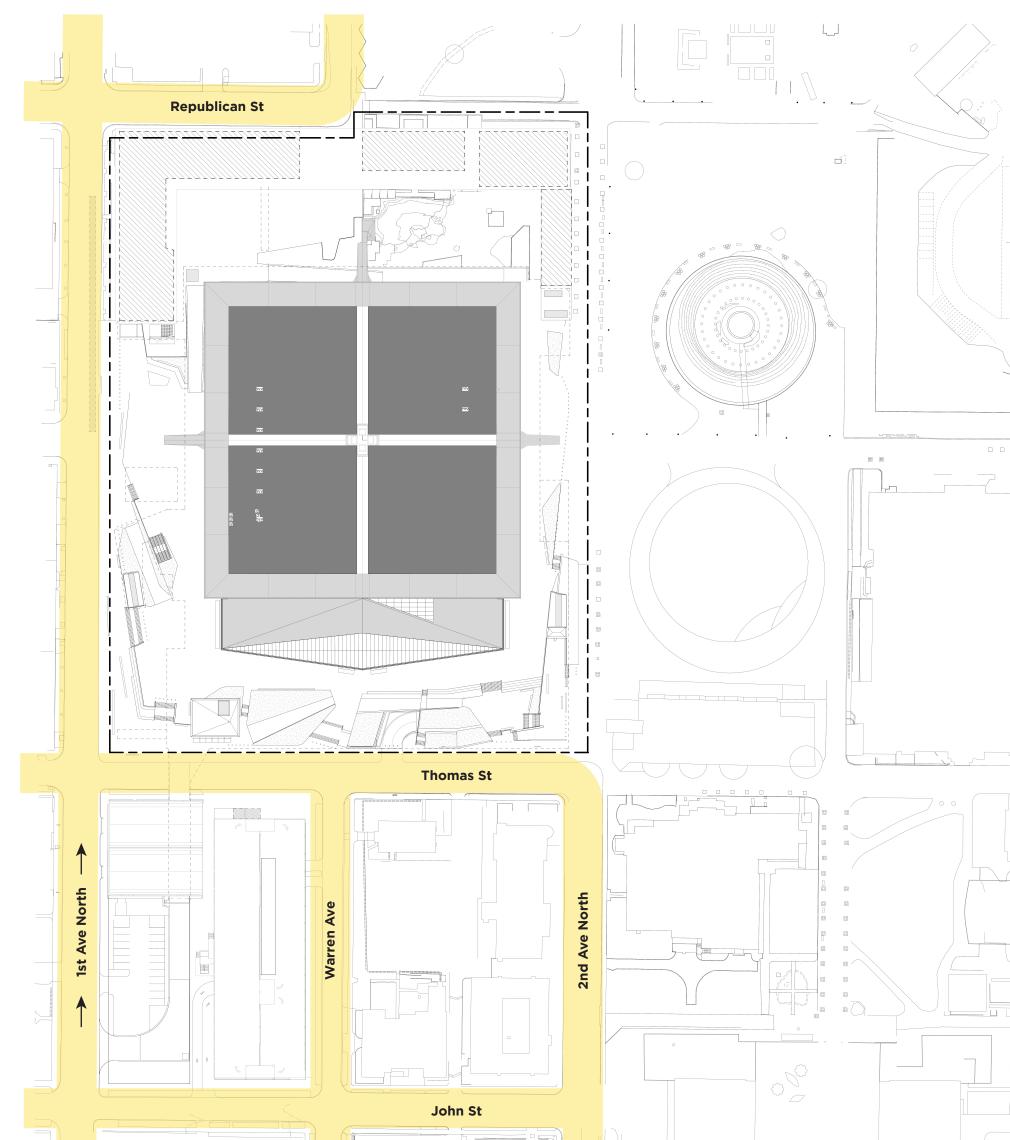
Att 2 - Development Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St



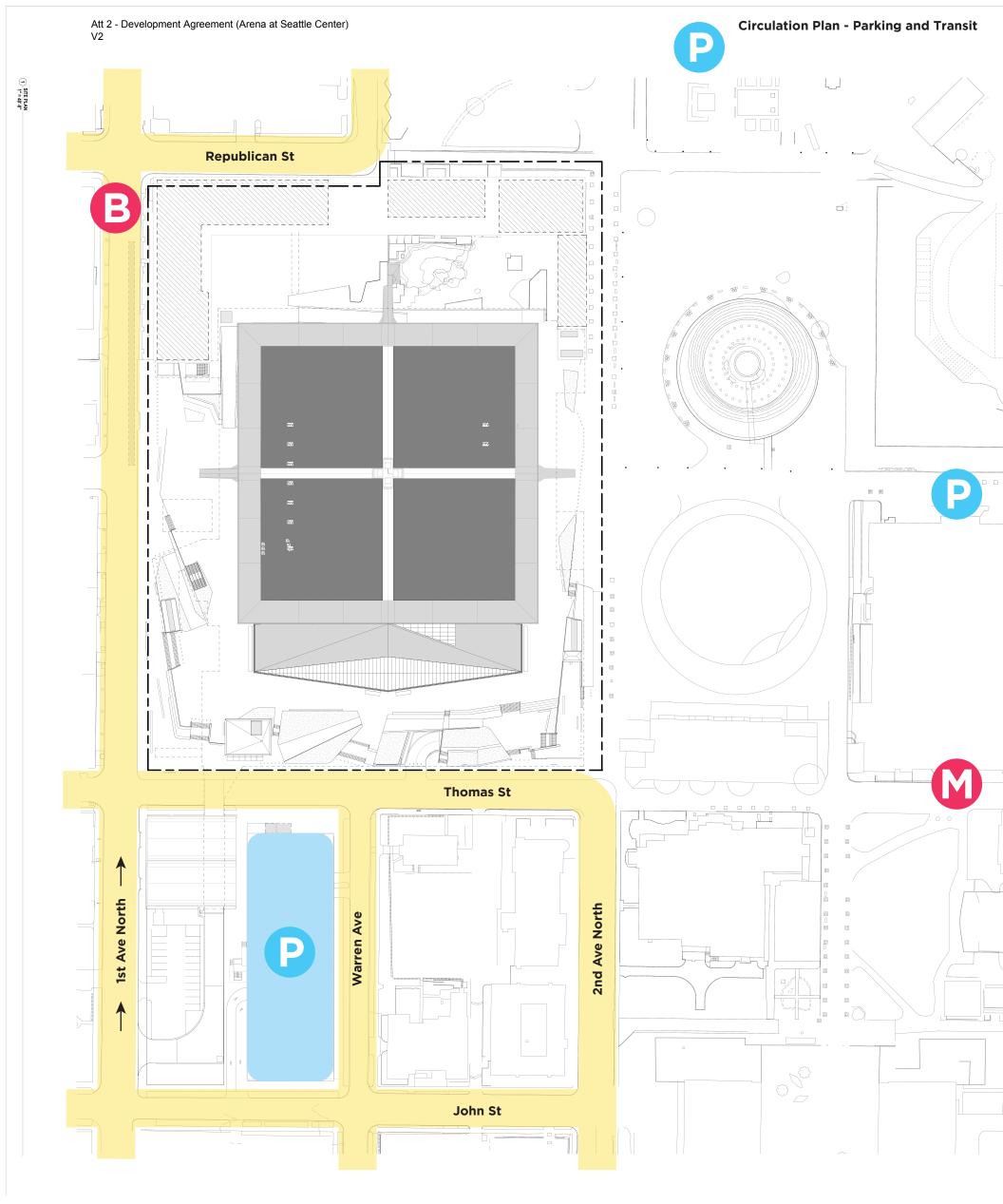
Att 2 - Development Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St

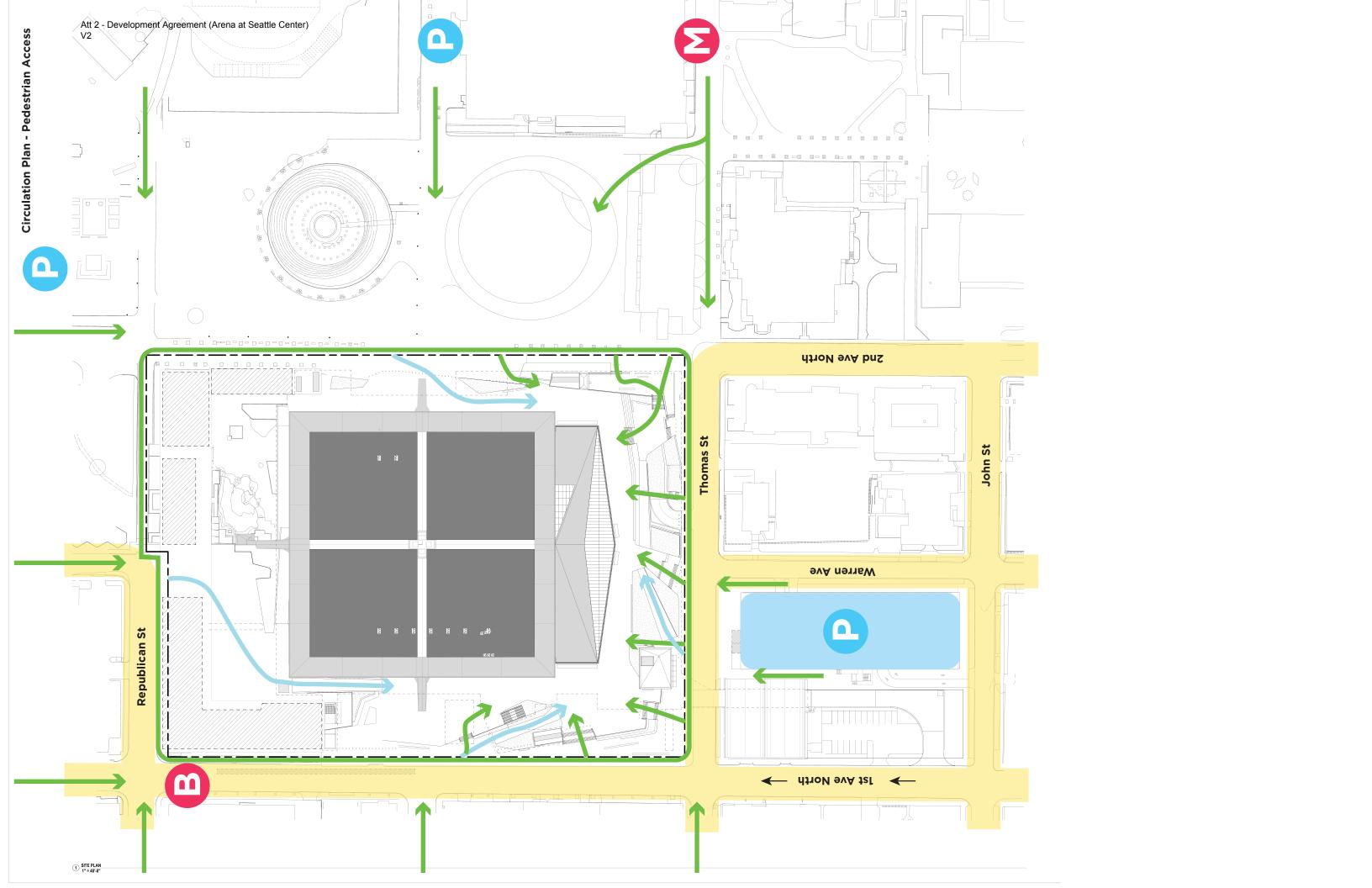


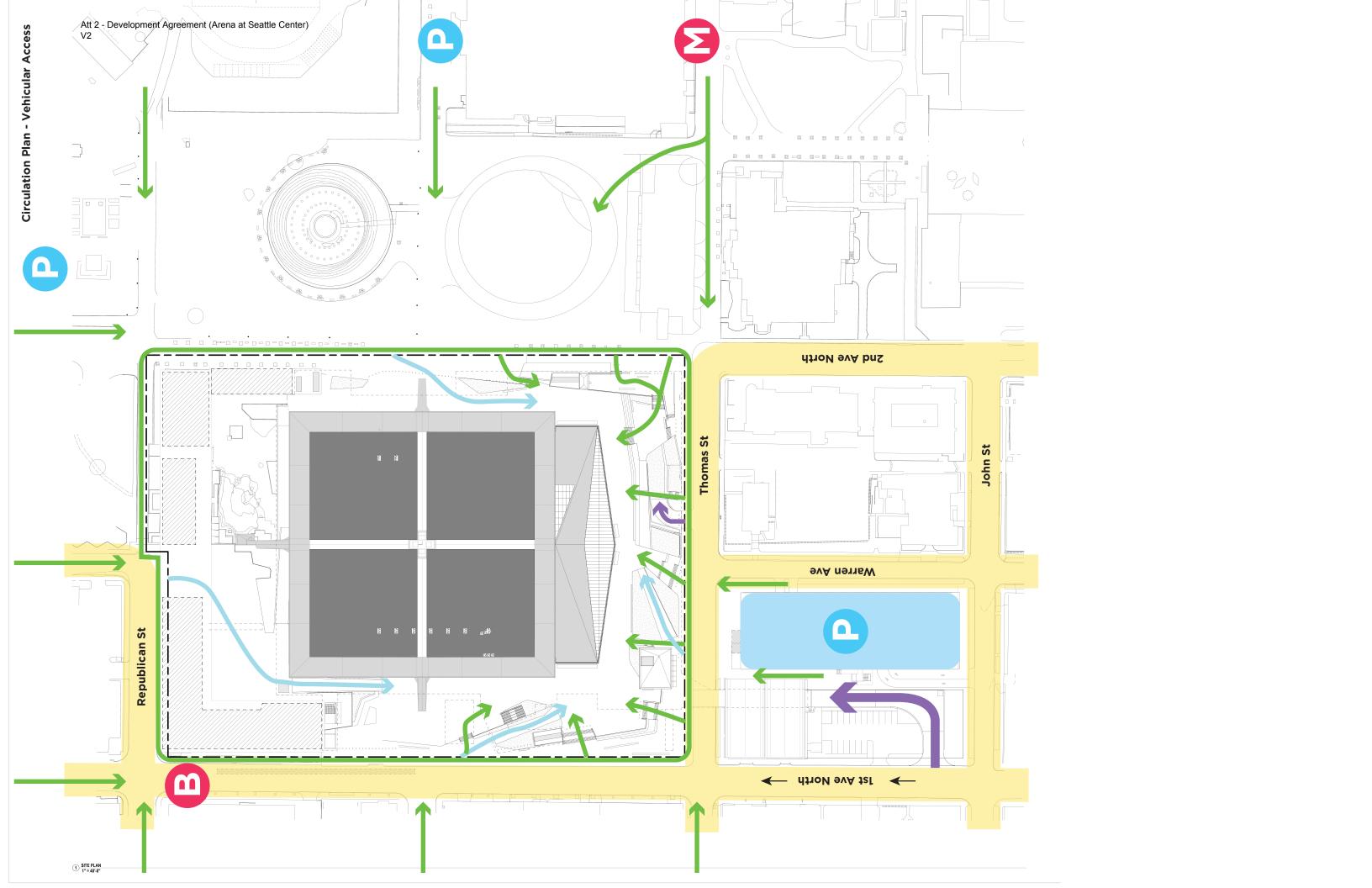
1) SITE PLAN 1" = 40'-0"

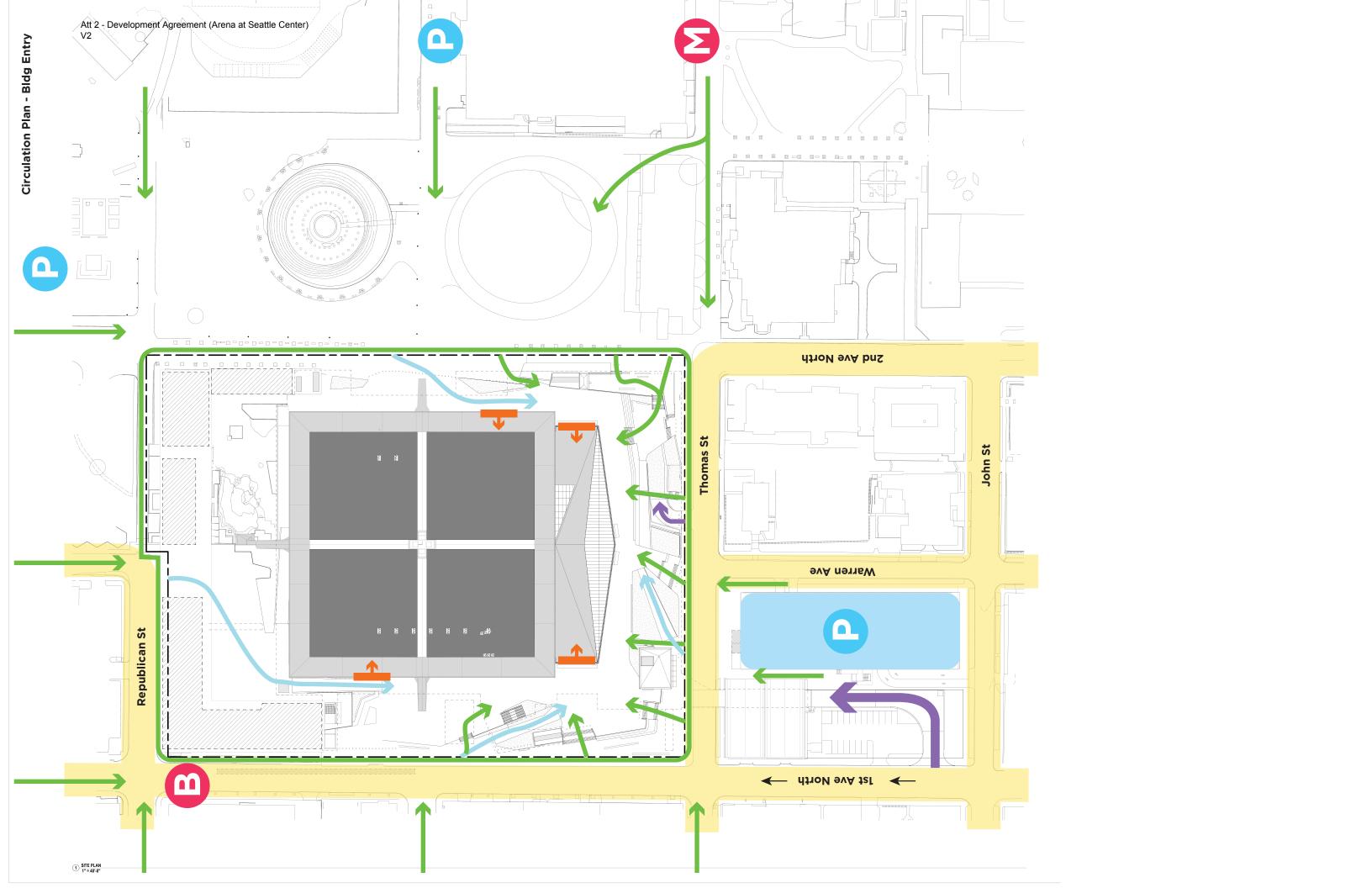


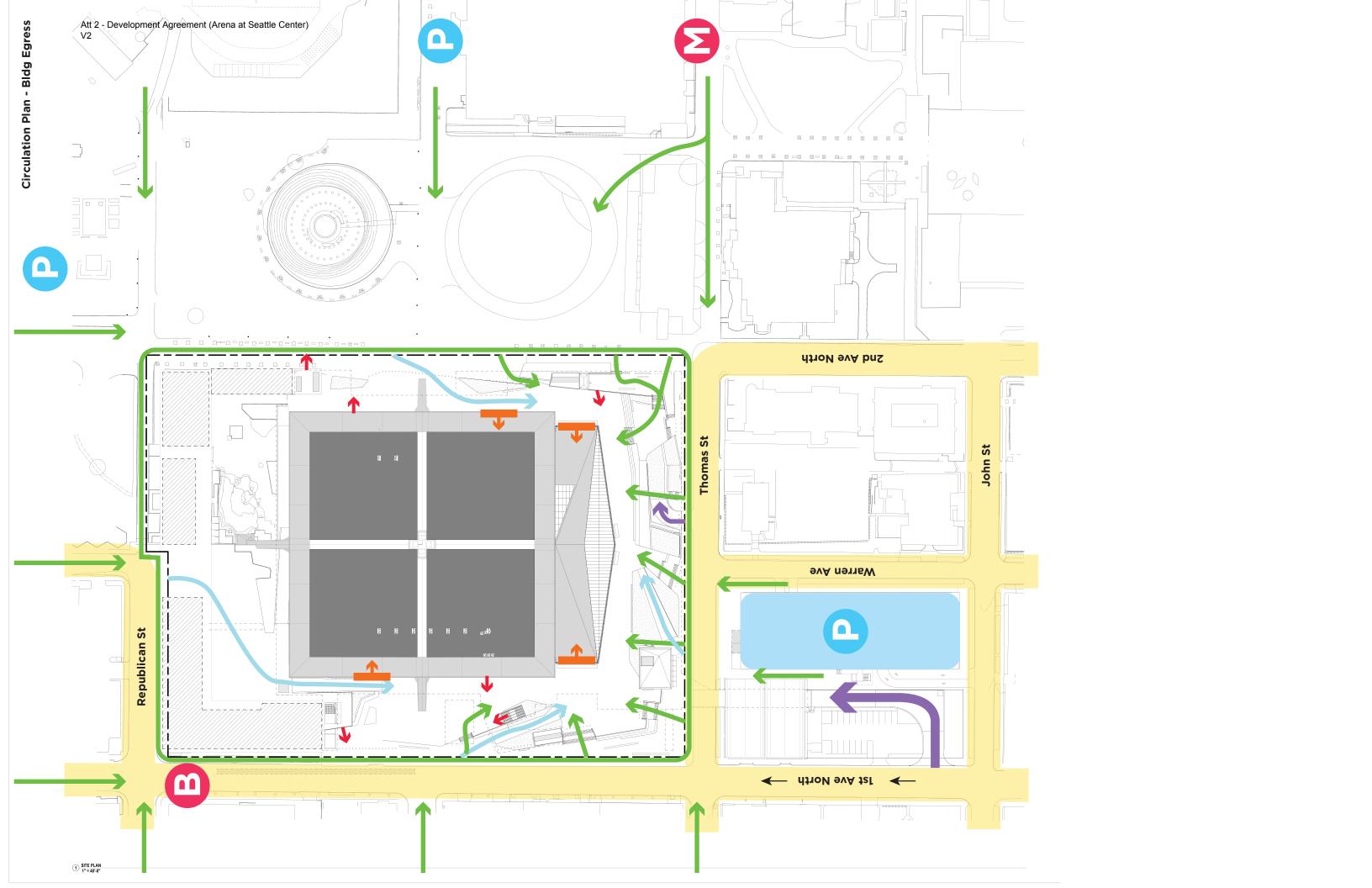












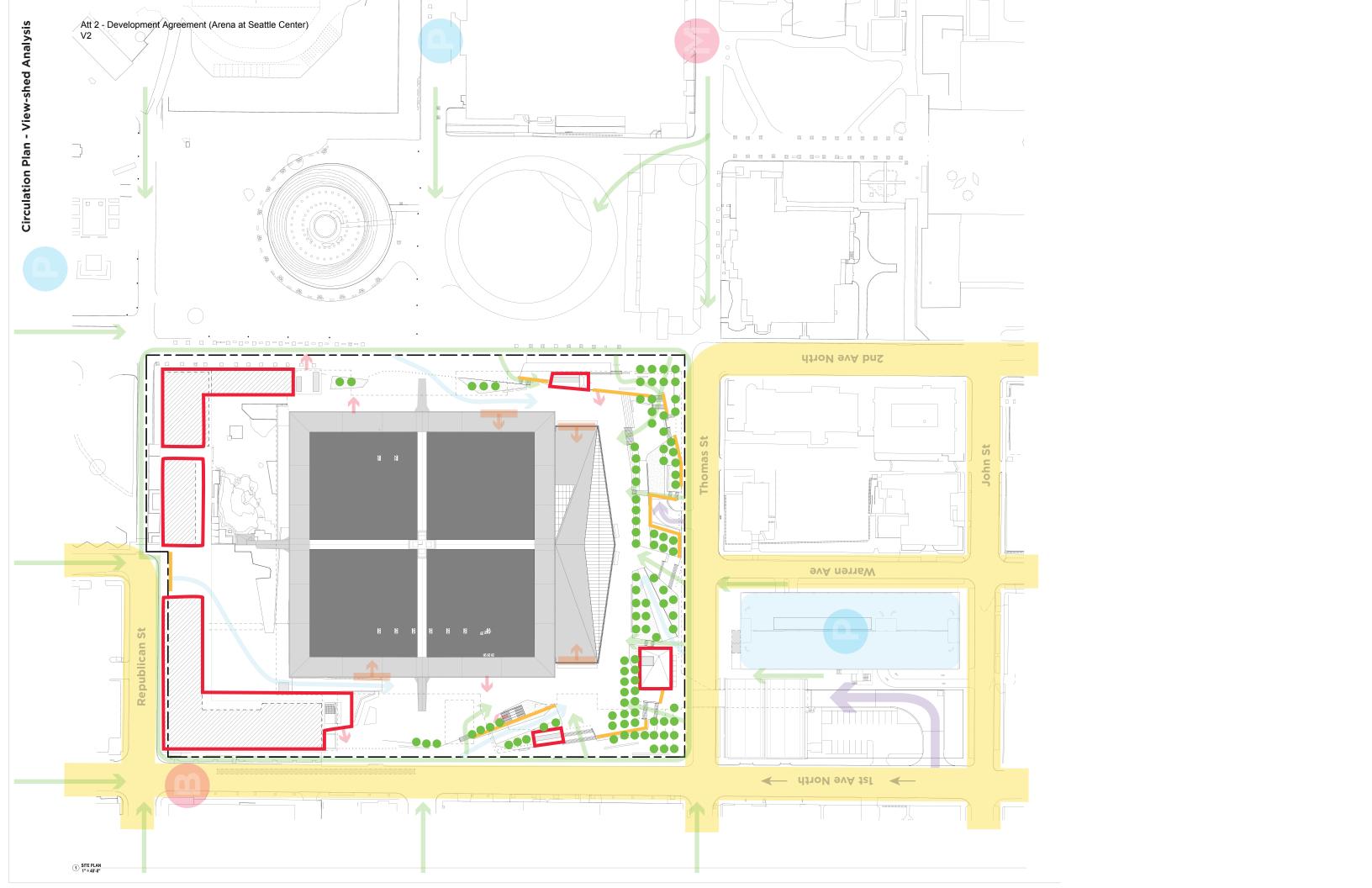


Exhibit L Project Budget

ACCT #			
	BUDGET ITEM	Base	line Budget
00. STA	ART-UP EXPENSES		
	SUBTOTAL~ START-UP EXPENSES	\$	2,600,00
00. SAI	LES & MARKETING		
	SUBTOTAL~ SALES & MARKETING	\$	2,800,00
00. LAI	ND ACQUISITION & SITE DEVELOPMENT		
25	Land Title and Condominium Surveys		20,00
40 50	Property Taxes, Land carrying costs City of Seattle Development Costs		TBD / OVG Co
50 60	Affordable Housing Contribution		3,500,00
90	Public Art		3,500,00
91	Skate Park, Maintenance Facility & Other Seattle Center Relocations		1,500,00
92	Pottery NW Relocation		25,00
93	Other Tenant Relocations		500,0
	SUBTOTAL~ LAND ACQUISITION & SITE DEVELOPMENT	\$	11,545,00
	SIGN/PROFESSIONAL SERVICES		31,522,00
05 31	Design & Engineering Services Mobility Action Plan		31,522,0
33	Environmental Testing		125,00
34	Geotechnical Report/Ground Water Analysis		258,00
60	Site Surveying (Boundary & Topographic)		135,0
70	Historic Preservation Consultants		165,00
	SUBTOTAL~ DESIGN/PROFESSIONAL SERVICES	\$	32,455,00
00. LEG	SAL & GOVERNMENTAL SERVICES		
	SUBTOTAL~ LEGAL & GOVERNMENTAL SERVICES	\$	1,625,00
00. PR	OJECT ADMINISTRATION		
	SUBTOTAL~ PROJECT ADMINISTRATION	\$	12,210,00
00 00	NSTRUCTION		
01	Preconstruction Services Fees	\$	250,00
'02	Quantity Surveyor - Fee	\$	450,00
'03	Quantity Surveyor - Reimbursables	\$	20,00
/04	Make-ready Work	\$	2,000,0
10 11	Construction Direct Costs Construction Contingency	\$ \$	450,000,0
	SUBTOTAL~ CONSTRUCTION	\$	472,720,00
50 SV	STEMS & EQUIPMENT		
50. 51.			
50. 51.	SUBTOTAL~ SYSTEMS & EQUIPMENT	\$	46,700,00
00. PEF	RMITS, TESTING, FEES, and SPECIAL TAXES		
<mark>00. PE</mark> F 01	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals	\$	4,750,00
00. PEF 01 22	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees		4,750,0 250,0
DO. PEF D1 22 23	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals	\$	4,750,0 250,0 Incl w/ 7
00. PEF 01 22 23 30	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees	\$ \$	4,750,0 250,0 Incl w/ 7 3,000,0
00. PEF 01 22 23 30 40 41	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections)	\$ \$	4,750,0 250,0 Incl w/ 7 3,000,0 Incl w/8 Incl w/8
00. PEF 01 22 23 30 40 41	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections) Electric and Gas Fees (Tap Fees)	\$ \$	4,750,0 250,0 Incl w/ 7 3,000,0 Incl w/8 Incl w/8
00. PEF 01 22 23 30 40 41	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections) Electric and Gas Fees (Tap Fees) Utility Deposits	\$ \$	4,750,00 250,00 Incl w/ 7 3,000,00 Incl w/8 Incl w/8 50,000,00
00. PEF 01 22 23 30 40 41 50	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections) Electric and Gas Fees (Tap Fees) Utility Deposits Sales Tax	\$ \$ \$	4,750,00 250,00 Incl w/ 7: 3,000,00 Incl w/80 Incl w/80 50,000,00
00. PEF 01 22 23 30 40 41 50	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections) Electric and Gas Fees (Tap Fees) Utility Deposits Sales Tax SUBTOTAL" PERMITS, TESTING, FEES, and SPECIAL TAXES	\$ \$ \$	4,750,00 250,00 Incl w/ 7: 3,000,00 Incl w/80 50,000,00 58,000,00
00. PEF 01 22 23 30 40 41 50 00. INS	RMITS, TESTING, FEES, and SPECIAL TAXES Building Permit Fees/Approvals Health Department Fees Street Closures and Traffic Mitigation Fees Owners Testing Fees (Testing & Inspections) Electric and Gas Fees (Tap Fees) Utility Deposits Sales Tax SUBTOTAL~ PERMITS, TESTING, FEES, and SPECIAL TAXES SURANCE, FINANCING & TRANSACTION COSTS	\$ \$ \$	4,750,00 250,00 Incl w/ 7: 3,000,00 Incl w/80 Incl w/80 50,000,00 58,000,00 43,345,00
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Exhibit M

Seattle Center Site Standards

Seattle Center Site Standards may be accessed via the following links:

Seattle Center Site Standards (March 2018) http://www.seattlecenter.com/admin/fileout.aspx?thefile=5824

Seattle Center Site Standards Appendices A-D http://www.seattlecenter.com/admin/fileout.aspx?thefile=5829

Exhibit N [Reserved]

<u>Exhibit O</u>

Inclusion of Women and Minority Businesses and Labor and Social Equity Provisions for Development Project

EXHIBIT O

INCLUSION OF WOMEN AND MINORITY BUSINESSES, LABOR AND SOCIAL EQUITY PROVISIONS FOR DEVELOPMENT PROJECT

Section 1 – Definitions

As used in this Exhibit, the following words have the meaning provided below.

"<u>Acceptable Worksite</u>" is defined as a Worksite that is appropriate, productive, and safe for all workers. An Acceptable Worksite is free from behaviors that may impair production or undermine the integrity of the work conditions including but not limited to job performance, safety, productivity, or efficiency of workers.

"<u>Affirmative Efforts</u>" means the good faith efforts for inclusion of women and minority-owned firms (WMBEs) documented in the Inclusion Plan included as Attachment 1 to this Exhibit.

"Apprentice" means a worker enrolled in an Apprentice Training Program.

"<u>Apprentice Training Program</u>" means a program registered and in compliance with the Washington State Apprenticeship and Training Council as defined by RCW Chapter 49.04, WAC 296-05-011, and WAC 296-05-013.

"<u>Commercially Useful Function</u>" means any activity by the Contractor, Subcontractor, or material supplier that is included in the applicable contract and is necessary to allow the work of the contract to progress.

"Contractor" means the Developer's prime or general contractor for the Development Project.

"<u>CPCS</u>" means City Purchasing and Contracting Services, a division of the City of Seattle Department of Finance and Administrative Services.

"Developer" means Seattle Arena Company, LLC.

"<u>Dispatch</u>" means the process by which a union refers workers for employment on the Development Project as provided in the CWA.

"<u>Dual Benefits</u>" means the payment by an Open-Shop Contractor or Subcontractor into both an existing employer-sponsored benefit plans while also making required payments into a Trust Fund.

"<u>Economically Distressed Area</u>" means a geographic area defined by zip code and found by the CPCS to have a high concentration of individuals; 1) living at or below 200% of the Federal Poverty Level; 2) unemployed; and or 3) without a college degree, as compared to other zip codes. King County zip codes with a high density per acre of at least 2 of the 3 criteria will be identified as Economically Distressed Areas. There are 2 classes of such zip codes: tier 1 zip codes located within the City of Seattle and tier 2 zip codes located within King County and outside the City of Seattle.

"<u>Inclusion Plan</u>" means the Contractor's plan, provided on the City-approved form that documents the proposed and/or guaranteed utilization of WMBEs on the Contract.

"Journey-Level" means an individual who has sufficient skills and knowledge of an occupation, either through a formal Apprentice Training Program or through practical on-the-job work experience, to be recognized by a state or federal registration agency and/or an industry as being fully qualified to perform the work of the occupation. Practical experience must be equal to or greater than the term of apprenticeship.

"<u>Letter(s) of Assent</u>" means the letter that is required of all Contractors and Subcontractors working on the Development Project that commits the Contractor and Subcontractor to be bound to the CWA.

"<u>Priority Hire</u>" means the program established by the City's priority hire ordinance (SMC Ch. 20.37), which prioritizes workers living in economically distressed ZIP codes, women, people of color and preferred entry candidates for hire on Covered Projects.

"<u>Priority Worker</u>" means an individual prioritized for recruitment, training and employment opportunities because the individual is a resident in an Economically Distressed Area.

"<u>Social Equity Plan</u>" means the Contractor's plan outlining how the Contractor will meet WMBE, apprenticeship requirement and labor projections, which is required by or before the start of construction. Subsequent updates can be requested by CPCS or Developer any time during the Development Project.

"<u>Subcontractor</u>" means a business contracted to perform a portion of the Work under the Contractor or subcontracted at any tier.

"<u>Women or Minority Business Enterprise or WMBE</u>" means a business that self-identifies or is certified by the Office of Minority and Women's Business Enterprise to be at least 51 percent owned by women and/or minority group members including, African Americans, Native Americans, Asians/Pacific Islanders, and Hispanics/Latinos.

"<u>Work</u>" means the provision of all labor, materials, equipment, supplies, and everything needed to complete the construction of the Development Project.

"<u>Worksite</u>" means the Development Premises and any field or company offices, construction license area, or staging area used to perform the construction of the Development Project, or other locations used in conjunction with performing the Work.

Section 2 – Affirmative Efforts, Non-Discrimination, Social Equity Requirements

2.1 Affirmative Efforts

The Developer shall require its selected Contractor to use the CPCS-approved General Contractor Inclusion Plan detailing Affirmative Efforts to solicit and contract with WMBEs on subcontracting and supply opportunities for the Development Project, and shall require its Contractor to require its first-tier subcontractors to submit the WMBE Subcontractor Inclusion Plans as a material condition of the Contract. CPCS will monitor for compliance with these requirements. The Contractor and any Subcontractor interested in obtaining assistance or information may contact CPCS at 206-684-0444.

2.1.1. Affirmative Efforts must include efforts to achieve the activities specified in the WMBE Inclusion Plans submitted by the Developer's Contractor and Subcontractors. The Developer is solely responsible for any efforts made and costs incurred to comply with WMBE requirements.

2.1.2. Reporting Requirements:

a. The Developer or Contractor must submit a copy of its General Contractor WMBE Inclusion Plan to CPCS for review and approval prior to beginning of construction.

b. The Contractor must submit copies of the Subcontractor WMBE Inclusion Plans to CPCS prior to awarding of subcontract work.

c. The Contractor shall reject any subcontractor that fails to demonstrate good faith efforts to use WMBE firm by failing to obtain a passing score as required in the instructions of the plan.

d. Monthly report to include a WMBE status report.

e. The Contractor must submit to CPCS a Social Equity Plan for review prior to commencement of construction.

f. The Contractor must submit to CPCS Subcontractor Payment Reports electronically through B2Gnow:

https://seattle.diversitycompliance.com/.

2.1.3. The Contractor must submit the first Subcontractor Payment Report in B2GNow by the 15th Day of the first month after the date specified in the notice to proceed with construction.

2.1.4. Subsequent monthly Subcontractor Payment Reports must be submitted by the 15th day of every month thereafter. When no work is performed during a reporting period, the Contractor must submit monthly reports indicating that no work was performed.

2.1.5. The last Subcontractor Payment Report must be marked as 'final' and must be submitted no later than 30 Days after the Final Completion of the Development Project. The final report must list the name of and dollar amount paid to each Subcontractor and Supplier used by the Contractor. The Owner is not to establish the Completion Date until the completed final Subcontractor Payment Report Form has been received.

2.1.6. Changes to named Subcontractors or Suppliers: A named Subcontractor or Supplier includes any WMBE firm or business named on the Inclusion Plan as a WMBE guarantee. Any named Subcontractor that the Contractor wishes to substitute during the project must be for a demonstrated "good cause" and is subject to the City's approval.

"Good cause" includes:

a. Failure of the Subcontractor to execute a written contract after a reasonable period of time;

b. Bankruptcy of the Subcontractor;

c. Failure of the Subcontractor to provide the required bond;

d. The Subcontractor is unable to perform the Work because it is debarred, is not properly licensed, or does not comply with the Subcontractor approval criteria,

e. Failure of the Subcontractor to comply with a requirement of law applicable to subcontracting;

f. The death or disability of the Subcontractor if the Subcontractor is an individual;

g. Dissolution of the Subcontractor if the Subcontractor is a corporation or partnership;

h. If there is a series of failures by the Subcontractor to perform as specified in previous contracts; or

i. Failure or refusal of the Subcontractor to perform the Work.

If the Contractor makes a change to a WMBE guarantee, then the Contractor must use good faith efforts to recruit another WMBE Subcontractor to do the Work.

2.2 Employment and Non-Discrimination Requirements

The City expects Contractors to employ a workforce reflective of the region's diversity. The Developer must include in its construction contract with the Contractor, and the Contractor must

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include a requirement in every subcontract that Contractor (and Subcontractors) must comply with the non-discrimination requirements as set forth in federal, state, and City laws and regulations.

The Developer shall include contract requirements that the Contractor must not discriminate against any employee or applicant for employment, and will make Affirmative Efforts to solicit and employ women and minorities, and to ensure that applicants are treated during employment without regard to race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin; or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. Such Affirmative Efforts include efforts relating to: employment, upgrading, promotion, demotion, or transfer; recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of payment and selection for training, including apprenticeship.

The Developer must include a provision in its construction contract with the Contractor and the Contractor must include provisions in its subcontracts allowing CPCS to audit the Contractor's and Subcontractors' non-discrimination policies and practices, including Affirmative Efforts to employ women or minority employees.

Equal Employment Opportunity Officer: Developer's Contractor must have a designated Equal Employment Opportunity Officer (EEO Officer).

The Contractor must ensure that all employees, particularly supervisors, are aware of, and comply with their obligation to maintain a working environment free from discriminatory conduct, including, but not limited to, harassment and intimidation of minorities and women, or WMBE businesses.

2.3 Prompt Payment

This Section requires every Contractor of any tier to pay every Subcontractor who is also a small business, within 30 Calendar Days of satisfactorily completed Work and delivered materials. A Subcontractor who is also a small business is defined as a business or person the Contractor has engaged by agreement to provide labor or materials for the project, including a person or persons, mechanic, Subcontractor, supplier or material person, that is (i) registered as a WMBE firm with the City of Seattle, or (ii) is a business certified by the King County Small Business Concerns Program, or (iii) is certified by the State of Washington as a WMBE firm.

Payment is considered made when mailed or personally delivered to the Contractor; an invoice is considered received when date-stamped or marked as delivered. If not date-stamped or marked as delivered, the invoice date is the date recorded by the Contractor.

The Contractor must promptly pay, within 30 Calendar Days, for invoiced Work satisfactorily completed or materials delivered by a certified small business Subcontractor (as defined above)

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and no later than 10 Working Days of receipt of a progress payment from the Owner for all other work by Subcontractors which are not certified small businesses.

The Contractor of any tier must pay such Subcontractor, less any retainage allowed under the contract, for all work that the Contractor has found to comply with the quality and performance agreed on with the Subcontractor. This includes payment for actual mobilization costs incurred. This also includes work that has been directed to the Subcontractor when the price has been agreed to by the Developer, Contractor, and Subcontractor, whether the Developer has provided payment or executed a Change Order to the Contractor. Amounts withheld are limited to the value of the portion of work that has not been satisfactorily completed, with a documented dispute per contract provisions. Such withheld amount cannot exceed 150 percent of the dispute amount.

If any work or product is unsatisfactory and subject to withholding of payment, the Contractor must provide written notification to the Subcontractor and Developer of corrective actions required by the Subcontractor including a date to be completed. Such written notice must be provided as soon as practicable after work has been performed.

After the Subcontractor satisfactorily completes the corrections, the Contractor must pay the Subcontractor within 8 Working Days the remaining amounts withheld, less retainage. Should a Contractor find work unsatisfactory without reasonable cause, fail to provide written notification within a reasonable time, or otherwise fail to comply with the scheduled Days herein, the Contractor may be found to be in breach of the contract with Developer, subject to all remedies.

The Subcontractor must make a written request to the Contractor for the release of the Subcontractor's retainage or retainage bond.

Within 10 Working Days of the request, the Contractor must determine if the subcontract has been satisfactorily completed and must notify the Subcontractor, in writing, of the Contractor's determination.

If the Contractor determines that the subcontract has been satisfactorily completed, the Subcontractor's retainage or retainage bond must be released by the Contractor within 10 working days from the date of the written notice.

If the Contractor determines that the Subcontractor has not achieved satisfactory completion of the subcontract, the Contractor must provide the Subcontractor with written notice, stating specifically why the subcontract work is not satisfactorily completed and what must be done to achieve completion. The Contractor must release the Subcontractor's retainage or bond, if one is required, within 10 working days after the Subcontractor has satisfactorily completed the work identified in the notice.

In determining whether satisfactory completion has been achieved, the Contractor may require the Subcontractor to provide documentation such as certifications and releases, showing that all laborers, lower-tiered Subcontractors, suppliers of material and equipment, and others involved in the Subcontractor's work have been paid in full. The Contractor may also require any documentation from the Subcontractor that is required by the subcontract or by the Contract between the Contractor and Developer or by law such as affidavits of wages paid, material acceptance certifications and releases from applicable governmental agencies to the extent that they relate to the Subcontractor's work.

If the Contractor fails to comply with the requirements of this Section and the Subcontractor's any required retainage or bond release is wrongfully withheld, the Subcontractor may seek recovery against the Contractor under any remedies provided for by the subcontract or by law.

2.4 Equal benefits

The Developer shall require the Contractor to comply with SMC Ch. 20.45 and the Equal Benefits Program Rules implementing such requirements, under which the Contractor is obligated to provide the same or equivalent benefits (equal benefits) to its employees with domestic partners as the Contractor provides to its employees with spouses. At the Developer's request, the Contractor must provide complete information and verification of compliance with SMC Ch. 20.45.

For further information about SMC Ch. 20.45 and the Equal Benefits Program Rules, call the City at (206) 684-0444 or refer to: http://www.seattle.gov/contracting/equalbenefits.htm

Evaluation of the Contractor's compliance with the Equal Benefits requirement will be based on these criteria:

1. A domestic partner is a person, either same sex or opposite sex partner, whose domestic partnership is registered either with the employer's internal registry or with a local government entity, per State or local law.

2. Any and all benefits must be provided equally to spouses and domestic partners, including but not limited to health insurance, dental insurance, vision insurance, pension, company discounts, and credit union membership.

3. The conditions for use of benefits including but not limited to bereavement leave, family medical leave, childcare leave, employee assistance programs, and relocation and travel benefits, must be applied equally with respect to spouses and domestic partners.

4. Equal benefits must be offered to all employees at all offices where substantive work on the Development Project is being performed.

Reporting Requirements: The Developer shall require the Contractor to submit the Equal Benefits Compliance Declaration to the CPCS representative within 3 Business Days after request.

Any violation of this Section is a breach of this Agreement for which the City may exercise any of its remedies under the Agreement or impose such other remedies as specifically provided for in SMC Ch. 20.45 and the Equal Benefits Program Rules promulgated there under.

2.5 Labor Standards and Paid sick and safe time (required for all business in Seattle)

As noted in SMC 14.16, 14.17, 14.19, and 14.20, The City has adopted a comprehensive set of wage theft prevention and labor harmonization standards to better protect those individuals who conduct business within the City limits. These protections include paid sick and safe time, fair chance employment, and minimum wage and wage theft. Contractors who conduct business inside the City limits, including attending meetings, must comply with SMC 14.16, 14.17, 14.19, and 14.20. See http://www.seattle.gov/laborstandards/ordinances, for more information.

2.6 Acceptable Worksite

The Developer shall include provisions in its construction contract which require the Contractor to ensure an Acceptable Worksite and to include the requirements of this Section in all subcontracts for the Development Project. This is a material provision and enforceable accordingly.

The intent of the person that appears to violate the Acceptable Worksite is not a measure of whether such behaviors are appropriate; rather the standard is whether a reasonable person should have known that such behavior would cause a worker to be humiliated, intimidated, or otherwise treated in an inappropriate, discriminatory, or differential manner.

Behaviors that violate an Acceptable Worksite include but are not limited to:

1. Persistent conduct that to the reasonable person would be perceived as offensive and unwelcome;

2. Conduct that a reasonable person would perceive to be harassing or bullying in nature;

3. Conduct that a reasonable person would perceive to be hazing;

4. Verbal references that a reasonable person would perceive to be offensive stereotypes or racial/gender slurs;

5. Jokes about race, gender, or sexuality that a reasonable person would perceive to be offensive;

6. Assigning undesirable tasks, unskilled work to trained apprentices and journey-level workers, manual work in lieu of work with appropriate equipment, unsupervised work, or dangerous work in disproportionate degrees to apprentices, women, or workers of color;

7. Language that a reasonable person would perceive to be offensive based on race, gender or oriented towards sexuality;

8. Name-calling, cursing or unnecessary yelling, including from a supervisor, foreman or other more senior person that a reasonable person would perceive as offensive;

9. Repeating rumors about individuals in the Worksite that a reasonable person would perceive as harassing or harmful to the individual's reputation;

10. Refusal to hire someone based on race, gender, sexuality, or any other protected class;

11. References to or requests for immigration status (other than required by law), religious affiliation, gender affiliation, criminal background, or other related aspects of a worker unless mandated by federal law.

The Contractor must ensure that all employees, particularly supervisors, are aware of, and comply with their obligation to maintain a working environment free from discriminatory conduct, including, but not limited to, harassment and intimidation of minorities and women, or WMBE businesses. The Contractor must display at each Worksite location the materials supplied by CPCS regarding Acceptable Work Sites.

An Acceptable Worksite shall include Contractor's assignment of work in a manner that respects training objectives for apprentices, and ensures an equitable distribution of meaningful work, training, and assignments among all workers, including women, people of color, or other defining characteristics.

Developer will use best efforts to enforce its contract requirements with its Contractor regarding Acceptable Worksite and the Contractor shall do the same with its Subcontractors. CPCS will be given access to the Development Project Worksite to monitor compliance with the Acceptable Worksite provisions. Monitoring may include proactive observations of the Worksite, interviews of individuals familiar with the Worksite, data that may evidence disparities, investigation of complaints by an individual familiar with the Worksite, or other evidence. Except for unusual circumstances that require confidentiality, should situations arise that may require attention; CPCS will collaborate with the Developer Representative to discuss appropriate remedies, and may likewise notify subcontractors and appropriate unions when necessary for the resolution of the situation.

A remedy may include, but is not limited to, CPCS's right to request that the Developer direct the Contractor to remove personnel from a Worksite if the City finds that individual to have engaged or failed to enforce the Acceptable Worksite provision, given the appropriate contractual and procedural protections to the affected individual.

This Section is for the benefit of the City and its interest in the Development Project. It shall not create any third-party beneficiaries or form the basis of any action against the City or Developer by a third party.

Section 3 – Priority Hire, Community Workforce Agreement, Apprentices and Trust Fund Contributions

It is Developer's responsibility to inform its Contractor of CWA and Priority Hire requirements in this Section. Additionally, Developer shall require its Contractor to inform all Subcontractors of the requirements. The Contractor or any Subcontractor may obtain guidance or information about the requirements under this Section by contacting CPCS at 206-684-0444.

The following workforce diversity requirements and aspirational goals to meet the intent of SMC Ch. 20.37 shall apply. For additional details on Priority Workers see the CWA.

APPRENTICE AND PRIORITY HIRE REQUIREMENTS AND ASPIRATIONAL GOALS	
Requirements % among all labor hours	
Apprentice Utilization	18%
Apprentice – Preferred Entry	1:5
Priority Workers	6%
– Apprentice Level	
Priority Workers	15%
– Journey Level	
Aspirational Goals	
Journey Level - % among journey hours	
People of Color	23%
Women	5%
Apprentices - % among apprentice hours	
People of Color	26%
Women	9%

3.1 Pre-Job Package and Letter of Assent

Prior to the start of construction, the Contractor shall submit the Pre-Job Package for selfperformed work along with the project specific safety plan to CPCS and attend a pre-job conference with Unions and CPCS per CWA Article IX (Jurisdictional Disputes). The Contractor's Pre-Job Package shall include a copy of the signed Letter of Assent that was provided to the Developer before Contract Execution.

[NOTE to OVG: CPCS would like to discuss timing of pre-job package and submission of forms and letters of assent.]

Each Subcontractor shall submit the Pre-Job Package three weeks prior to commencing work to the Each Subcontractor shall submit the Pre-Job Package three weeks prior to commencing work to the Contractor who then submits it to CPCS. The Subcontractor shall attend a pre-job conference with Unions and CPCS two weeks prior to commencing work. The Contractor may attend with the Subcontractor but is not required.

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The Pre-Job Package includes the Letter of Assent, Pre-Job Form, and if applicable the Core Worker list and supporting documentation. See CWA Article IX and Core Workers Article XI.

3.2 Worker Dispatch

The Contractor and all Subcontractors shall request new hires from Union hiring halls using a Craft Request Form. Core Workers of Open-shop Contractors are also required to be dispatched from Union hiring halls. Contractors shall seek to first hire Priority Workers who are Residents of Seattle Economically Distressed Areas, and then Priority Workers from ZIP codes in King County. See CWA Articles XII (Employment Diversity) and Article VI (Management Rights).

3.3 Joint Administrative Committee (JAC)

The Joint Administrative Committee is made up of labor and Developer representatives and is tasked with addressing safety, referral of Priority Workers, Apprenticeship utilization, preferred entry, job progress and other relevant issues that will affect the project. The Contractor shall attend the monthly Joint Administrative Committee meetings, track Priority Worker utilization and maintain copies of Craft Request Forms for the duration of the project.

3.4 Apprenticeship

The City has determined that there is a need for increased training and apprenticeship opportunities in the construction industry and that a diverse and well-trained workforce is critical to the economic and social vitality of the region. In establishing requirements for the use of apprentices on the Development Project, it is the City's intent to encourage the training and promotion of apprentices to journey level status.

The Contractor must ensure that 18 percent of the total Contract Labor Hours performed on the Development Project is performed by apprentices registered with the Washington State Apprenticeship Training Council.

Total Contract Labor Hours include additional hours worked as a result of Change Orders, and exclude hours worked by foremen, superintendents, supervisors, Developer Representative, and workers who are not subject to CWA wage requirements. However, it may be determined that they are subject to CWA wage requirements under the following criteria of WAC 296-127-015: 2 supervisors (e.g. foreman, general foreman, superintendents) are entitled to receive at least the journey level prevailing rate of wage for performing manual or physical labor:

a. For each hour spent in the performance of manual or physical labor if it is for more than 20 percent but less than 50 percent of their hours worked on a project during any given week.

b. For all hours worked in any given week if they perform manual or physical labor for 50 percent or more of their hours worked on a project during such week.

Developer shall require its Contractor to include the Apprentice utilization requirements of this Section in all subcontracts executed for the Project and ensure that all Subcontractors working on

the project are notified of the apprentice utilization requirements. The Contractor is responsible for meeting the Apprentice utilization requirements of the Contract, including overall compliance on all Contract labor hours worked by Subcontractors.

Additionally, the Contractor must make good faith efforts to:

a. Ensure that Apprentice hours worked are equally distributed in each trade/craft and consistent with the apprentice utilization percentage requirement of the Contract.

b. Recruit and hire minority and women apprentices for the Project. Of the total Apprentice utilization requirement percentage, the Contractor must pursue a goal of using minority and women apprentices as stated in Apprentice and Priority Hire Requirements and Aspirational Goals table.

The Contractor must ensure compliance with RCW 49.04, WAC 296-05, and the apprenticeship training standards for each trade/craft classification used on the Project, as set forth by L&I.

On a mutually agreeable date, but prior to the start of construction, the Contractor must submit to CPCS a Social Equity Plan outlining how the Apprentice utilization requirements will be met on the total Contract labor hours. The plan must be submitted on a form provided by The City or by accessing http://www.seattle.gov/contracting/apprentice.htm

CPCS will be available to provide assistance in directing the Contractor to available resources for hiring apprentices. The Developer, Contractor, and CPCS must meet to discuss any changes to the Apprentice utilization percentage.

If the Contractor determines that it will be unable to achieve the Apprentice utilization percentage, the Contractor may make a written request to the Developer to reduce the required Apprentice utilization percentage. The request must include documentation of the Contractor's good faith efforts to hire apprentices registered with WSATC approved programs. These documents must demonstrate:

a. That an inadequate number of Apprentices are available to comply with the required apprentice utilization percentage or that there is a disproportionately high ratio of material costs to labor hours, which does not make the required minimum levels of apprentice participation possible for this Contract; and

b. That the Contractor has made good faith efforts to comply with the requirement.

The Developer will submit the request to CPCS for evaluation if it determines the request has merit. If CPCS determines the change to be appropriate, CPCS will authorize the reduction in writing. If CPCS determines that a reduction in the required utilization percentage is not justified, CPCS will communicate the decision in writing to the Developer and Contractor.

The Developer shall require the Contractor and every Subcontractor to submit a profile for each worker into LCP Tracker through an online portal at http://www.lcptracker.net/ including but not limited to gender, ethnicity, and apprenticeship status of each worker.

The Developer shall require the Contractor to submit other information as may be requested by CPCS to verify compliance with the Apprentice utilization requirements of the Contract. CPCS may add, delete, or change the information required of the Contractor, as necessary.

3.5 Preferred Entry to Apprenticeship

The Developer shall require its Contractor to ensure compliance with the preferred entry requirement that one (1) of every five (5) Apprentices who have worked at least 700 hours on the project is from a recognized Pre-apprentice Training Program and receive preferred entry into apprenticeship and on to the Project per the processes in the CWA Article XV (preferred entry). Preferred entry candidates must meet all of the following qualifications to be counted toward the preferred entry requirement:

- 1. Graduate of a recognized Pre-apprentice Training Program defined in the Community Workforce Agreement or Helmets to Hardhats referral;
- 2. Be employed at least 700 hours on the project; and
- 3. Either be within their first two steps and/or years of apprenticeship or be prepared to register for an Apprenticeship Training Program.

3.6 Trust Fund Contributions

- 1. Under the CWA Article III (Wage Rates and Fringe Benefits), the Contractor and all Subcontractors are required to pay into a joint labor/management employee welfare benefit trust fund(s) ("Trust Fund"), regardless of whether they participate in an employer-sponsored benefit plan. Contractor and all Subcontractors are required to complete trust documents and submit the documents to the Union for each worker and to pay into the Trust Fund as required by that Trust Fund's schedule.
- 2. If any Subcontractor does not pay into the Trust Fund, the Union may provide notice and documentation to the Contractor and CPCS in the form of a grievance or other communication.
 - a. If after ten (10) business days from such notice, delinquencies remain unpaid, the Contractor (if different) shall withhold an amount to cover the delinquency from any unpaid funds otherwise due and owing to the delinquent Subcontractor, and shall not release such withholding until the delinquent Subcontractor is in compliance.
 - b. The delinquent Subcontractor, and Contractor (if different), by mutual agreement, may identify other agreeable solutions that assure timely payment to the Trust Fund. If the delinquent amounts are undisputed in whole or in part between the Trust Fund and the delinquent subcontractor, the Contractor (if different) shall

issue a joint check to the Trust Fund with the Subcontractor named in the amount of the undisputed delinquency.

- 3. Open-Shop Contractors that pay Dual Benefits are eligible for reimbursement from the Developer of the applicable portion of the employer-provided usual benefits as defined by WAC 296-127-014. Contractor and Subcontractors are required to submit prior to substantial completion a Dual Benefit Reimbursement Form, invoice and other supplemental information to CPCS at LaborEquity@seattle.gov. Open-Shop Contractors and Subcontractors must apply for reimbursement at least once per year but may apply as frequently as once per month. In order to be considered for reimbursement, Open-Shop Contractors and Subcontractors must submit all of the following:
 - a. Dual Benefit Reimbursement Form
 - b. Invoice specifying amount for which reimbursement is being requested
 - c. Copy of employer-provided benefit plan(s) which provide proof of coverage for usual benefits
 - d. Receipts or other proof of payments to the employer-provided plan(s) for each worker showing that they received employer-provided benefits within the last 90 days prior to starting work on the project
 - e. Receipts or other proof of payments to the employer-provided plan(s) for each worker during the period of time for which reimbursement is being requested
 - f. Receipts or other proof of payment to the Joint Health and Pension Trust Fund during the period of time for which reimbursement is being requested.
 - g. Up to date certified payroll records in LCPtracker during the period of time for which reimbursement is being requested

Section 4 – PREVAILING WAGE REQUIREMENTS

In accordance with the CWA, the Developer shall require that the Contractor and subcontractors of every tier adhere to the prevailing rates for all craft workers, in effect at the time their respective contracts are executed. The Developer shall ensure compliance with the following Overtime wage and Apprentice wage requirements on the construction project:

4.1 Overtime

The CWA requires additional payment for overtime beyond these requirements. Examples are overtime payments for missed meals and 2nd and 3rd shift overtime above specified shift hours. Overtime for hours worked outside of the regular shift shall be determined by the L&I overtime code for the applicable trade. Work performed on Covered Projects wherein the employee will work up to 10 hours per Day in a 4-Day week to accomplish 40 hours of work shall be permissible without the requirement of overtime rates if the applicable craft's Collective Bargaining Agreement allows for 4-10 shifts. No written 4-10 agreement is necessary. Contractors shall reference the applicable craft's Collective Bargaining Agreement to determine if 4-10 shifts are permissible. If an overtime or 4-Day at 10 hours per Day shift agreement is established through a Collective Bargaining Agreement provision, the Contractor must submit a copy of the Collective Bargaining Agreement provision via the online reporting portal: http://www.LCPtracker.net

4.2 **Prevailing Wage for Apprentices**

Att 2 - Development Agreement (Arena at Seattle Center) V2

An apprentice is defined as a laborer, worker, or mechanic employed to perform the Work for whom an apprentice agreement is established through a Training Program that is registered and approved by the Washington State Apprenticeship and Training Council (WSATC). Per RCW 39.12.021 and RCW 49.04, apprentices must be paid the applicable prevailing hourly rate for an apprentice of that trade.

4.3 Monitoring for Compliance with Wage Requirements

4.3.1. Payroll Reports

Payroll reports for the Contractor, every Subcontractor, and all other individuals or firms required to pay prevailing wages for Work performed on the construction project must be submitted weekly via an online reporting portal: http://www.LCPtracker.net. The Contractor is responsible for approving electronically the payrolls submitted by all Subcontractors. Payroll reports must contain the following information:

1. Name and residence address of each worker

2. Classification of work performed by each worker. The classification must be specific and match the classification categories listed in the applicable wage schedule

- 3. Total number of hours employed each Day
- 4. Total number of hours employed during the payroll period
- 5. Straight time and overtime hourly rate of wages paid to each worker
- 6. Total or gross amount earned by each worker
- 7. Deductions for medical insurance, FICA, federal withholding tax, and any other deductions taken
- 8. Net amount paid each worker
- 9. Contractor's or Subcontractor's name and address
- 10. All Days during the pay period
- 11. Date of final Day of pay period

12. Whether fringe benefits were paid to each worker as part of the hourly wage rate or whether fringe benefits were paid into an approved plan, fund, or program; and the hourly rate of fringe benefits paid, if any.

The last payroll submitted for the Work for both the Contractor and each Subcontractor must be labeled 'Final'. If no work is performed for the week, the Contractor must submit a certified payroll noting that no work has been performed.

The Contractor, every Subcontractor, and all other individuals or firms required to pay prevailing wages for Work performed on this Contract are subject to investigation by the Developer and CPCS regarding payment of the required prevailing wage to workers, laborers, and mechanics employed on the project. If the investigations result in a finding that an individual or firm has violated the requirement to pay the prevailing rate of wage, CPCS will meet with the Developer to address the appropriate enforcement actions and remedies.

The contractor shall submit statements of intent to pay prevailing wages and affidavits of wages paid to CPCS for review and approval.

4.3.2 Monitoring Prevailing Wages – Site Visit

CPCS will make routine visits to the Project Site for prevailing wages contract compliance. Contractor and its subcontractors shall cooperate with CPCS and allow CPCS unfettered access to the Project Site and records.

4.3.3 Records

The Developer must require the Contractor to maintain relevant records and information necessary to document the Contractor's compliance with these requirements, for at least 24 months after the construction work is complete. The City has the right to inspect and copy such records. The Developer must also require the Contractor to enforce this same requirement on its Subcontractors by including appropriate language in its subcontracts maintenance of records and allowance of inspection and copying for the same period of time.

4.3.4 Progress Reviews

In the event CPCS has concerns regarding substantial compliance with the CWA, Apprenticeship, WMBE, or Prevailing Wage, CPCS will meet with the Developer to discuss solutions that encourage or require compliance. While the decision remains with the Developer, options to consider include:

Step 1: Withholding Payment

Step 2: Notification of default with cure opportunity

Step 3: Suspension of Work

Step 4: Termination of subcontractor

4.3.5 Forms:

The following forms are included for use with the construction agreement with the Contractor

- 1. Statement of Intent to Pay Prevailing Wages
- 2. Affidavit of Wages Paid

Section 5 - Monitoring and Compliance of WMBE, CWA and Priority Hire Requirements

5.1 Records and Reporting

The Developer must require the Contractor to demonstrate compliance with SMC 20.42, through the submission of the Inclusion Plans, Social Equity Plan, and other reports as specified herein. The Developer must require the Contractor to allow access to its records of employment, bidding, and subcontracting, and other pertinent data requested by the City to determine compliance with these requirements. Records must be available at reasonable times and places for inspection by authorized representatives of The City.

The Developer must require the Contractor to maintain relevant records and information necessary to document the Contractor's Affirmative Efforts to use WMBEs and other businesses as Subcontractors and Suppliers under the Contract, for at least 24 months after the construction

Att 2 - Development Agreement (Arena at Seattle Center) V2

work is complete. The City has the right to inspect and copy such records. The Developer must also require the Contractor to enforce this same requirement on its Subcontractors by including appropriate language in its subcontracts maintenance of records and allowance of inspection and copying for the same period of time.

5.2 Apprentice

CPCS will verify the registration of each apprentice used on the project with the WSATC. CPCS will monitor the apprentice utilization data provided by the Contractor.

5.3 Site Visits

The City will make routine visits to the Project Site for the purpose of confirming the use of apprentices, WMBE, acceptable work site, priority hires and general compliance with the CWA and these provisions. The Contractor and its subcontractors shall cooperate with CPCS and allow CPCS unfettered access to the Project Site and records.

5.4 Monitoring Priority Hire

CPCS will monitor the Priority Hire and Apprentice utilization data provided by the Contractor.

5.5 Monthly Reports and Meetings

CPCS shall facilitate a monthly meeting to review each of these requirements. At the meeting CPCS will prepare a report that summarizes the progress and performance on each of these requirements.

5.6 Monitoring WMBE

CPCS will monitor compliance with the WMBE requirements of the construction contract, including the review and approval of Subcontractor Inclusion Plans prior to bidding of subcontract work and review and approval of the Contractor's Social Equity Plan and Social Equity Monthly Report.

5.7 Progress Reviews

In the event CPCS has concerns regarding substantial compliance with the CWA, Apprenticeship, WMBE, or Prevailing Wage, CPCS will meet with the Developer to discuss solutions that encourage or require compliance. While the decision remains with the Developer, options to consider include:

Step 1: Withholding Payment

Step 2: Notification of default with cure opportunity

Step 3: Suspension of Work

Step 4: Termination of subcontractor

Section 6 - Forms

The following forms are included with this package for use with the construction contract with the Contractor.

Att 2 - Development Agreement (Arena at Seattle Center) V2

- 1. Community Workforce Agreement
- 2. General Contractor Inclusion Plan
- 3. Subcontractor Inclusion Plan
- 4. Social Equity Plan
- Social Equity Monthly Report
 CWA Contractor forms and Pre-Job Package
- 7. Equal Benefits Form
- 8. Dual Benefit Reimbursement Form
- 9. Acceptable Worksite Poster

Exhibit P

Additional Contingency Reduction Schedule

The Additional Contingency Amount shall be reduced during the course of construction of the Development Project in the amounts (each reduction, a "<u>Contingency Reduction Amount</u>") and at the times set forth below:

- 1) Reduction down to 70% at the completion of the Excavation work.
- Reduction down to 30% at the completion of the Slab on Grade (excluding ice floor) and Elevated Building Structure (including columns, beams and floor slabs)
- Reduction down to 0% at the completion of procurement by signed contract or purchase order of all Owner Direct Furniture, Fixtures and Equipment

Items 1 and 2 above may be satisfied upon completion of the Work of directly related Subcontractors as demonstrated by the Tenant's, or Tenant's authorized representative's, approval of the Prime Contractor's Application for Final Payment submitted in compliance with the Construction Contract requirements for final payment for those scopes of work, including an executed lien release and waiver of all claims by the directly related Subcontractors.

<u>Exhibit Q</u>

Team Non-Relocation Agreement

TEAM NON-RELOCATION AGREEMENT

By and Between

THE CITY OF SEATTLE,

a Washington municipal corporation,

and

SEATTLE HOCKEY PARTNERS LLC,

a Delaware limited liability company,

Dated as of: [____], 2018

TEAM NON-RELOCATION AGREEMENT

THIS TEAM NON-RELOCATION AGREEMENT (this "**Agreement**") is entered into as of [_____], 2018 (the "**Effective Date**") by and between by and between THE CITY OF SEATTLE, a Washington municipal corporation (the "**City**"), and SEATTLE HOCKEY PARTNERS LLC, a Delaware limited liability company ("**TeamCo**").

RECITALS:

A. TeamCo is concurrently herewith entering into an Expansion Agreement with the member clubs of the National Hockey League (the "**NHL**") and the other parties thereto (the "**Expansion Agreement**"), pursuant to which TeamCo has agreed to acquire an NHL expansion club (the "**Team**") that will play its home games in Seattle, Washington.

B. Slapshot LLC, a Delaware limited liability company ("**Slapshot**"), wholly owns TeamCo and has a significant direct ownership interest in Seattle Arena Holdings, LLC, a Delaware limited liability company ("**Arena Holdings**"), and a significant indirect ownership interest in Seattle Arena Company, LLC, a Delaware limited liability company ("**ArenaCo**").

C. KeyArena (the "**Arena**") is located at the Seattle Center in Seattle, Washington and owned by the City.

D. The City desires to have the Arena redeveloped into a world-class civic arena to attract and present music, entertainment and sports events, including NHL (and potentially including National Basketball Association) events, to Seattle, Washington and the surrounding region. Renovation of the Arena is a condition to the closing of TeamCo's acquisition of the Team pursuant to the Expansion Agreement.

E. On _____, 2018, ArenaCo and the City entered into (i) the Arena Development Agreement (the "**Development Agreement**"), pursuant to which ArenaCo has agreed to renovate the Arena for the City, (ii) the Lease Agreement (Arena at Seattle Center) (the "Arena Agreement"), pursuant to which the City has agreed to lease the Arena (as well as its underlying land) to ArenaCo and ArenaCo has agreed to operate, maintain and repair the Arena and (iii) the Seattle Center Integration Agreement relating to certain Seattle Center campus and Arena operational matters (the "Integration Agreement"). In connection with the foregoing, ArenaCo and TeamCo are concurrently herewith entering into the Team Use Agreement, pursuant to which ArenaCo is agreeing to operate, maintain and repair the Arena for, and sublease the use of the Arena to, TeamCo (the "Team Agreement").

F. TeamCo, ArenaCo and the City will substantially benefit from the renovation of the Arena, the leasing of the Arena to ArenaCo and the subleasing of the Arena to TeamCo.

G. Pursuant to Article XII, Section 2 of the Arena Agreement, the City and TeamCo desire to enter into this Agreement, pursuant to which, as a material inducement to the City entering into the Development Agreement, the Arena Agreement, the Integration Agreement and other agreements related to the Arena, and subject to the terms and conditions set forth herein, TeamCo

is agreeing to cause the Team to use the Arena as the exclusive venue for Home Games during the term of the Team Agreement and not relocate the Team.

H. Pursuant to Section 10.1.14 of the Development Agreement, execution and delivery of this Agreement by TeamCo is a condition to ArenaCo's rights to commence demolition and renovation of the Arena.

I. ArenaCo has a substantial interest in the enforcement of this Agreement in connection with the entry by it into the Development Agreement, Arena Agreement, Integration Agreement and Team Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated as a substantive part of this Agreement), the mutual promises of the parties herein contained, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, TeamCo and the City, each intending to be legally bound, do hereby agree as follows:

ARTICLE 1.

DEFINITIONS

As used in this Agreement, capitalized terms shall have the meanings indicated below unless a different meaning is expressed herein.

"Affiliate" of a specified Person means a Person who is directly or indirectly controlling, controlled by, or under common control with, the specified Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of the specified Person whether through the ownership of voting securities, by contract or otherwise.

"Agreement" shall have the meaning set forth in the Preamble.

"Alternate Site Condition" means the existence of any of the following conditions, but only if such condition(s) are not primarily the result of (a) TeamCo's failure to perform its obligations required under the Team Agreement or (b) so long as TeamCo is an Affiliate of Slapshot, Slapshot's breach of its obligations as an indirect owner of ArenaCo (including any obligation of Slapshot pursuant to the Amended and Restated Limited Liability Company Agreement of Arena Holdings then in effect):

i. the NHL determines that the condition of the Arena is such that the NHL Rules (consistently applied and without discrimination in application to TeamCo, the Team or the Arena) prohibit the playing of Home Games at the Arena and such determination is confirmed by written notice from TeamCo to the City and ArenaCo, which shall include a copy of the applicable written communication from the NHL, if any;

- ii. a Governmental Authority, Applicable Law, Force Majeure Event, or Condemnation Action prevents the use or occupancy of any portion of the Arena that is reasonably necessary for the playing, exhibiting or viewing of Home Games at the Arena; or
- iii. a legitimate scheduling conflict exists with respect to a given Home Game that, pursuant to Section _____ of the Team Agreement, permits TeamCo to hold such Home Game at an alternate site.

"Alternate Site Commitment" shall have the meaning set forth in Section 2.2(b)(ii).

"**Applicable Law**" means any applicable law, statute, ordinance, rule, regulation, order or determination of any Governmental Authority.

"Arena" shall have the meaning set forth in <u>Recital C</u>.

"Arena Agreement" shall have the meaning set forth in <u>Recital E</u>.

Arena Holdings" shall have the meaning set forth in <u>Recital B</u>.

"City" shall have the meaning set forth in the Preamble.

"**Commencement Date**" means the date on which the first Home Game is played at the Arena after substantial completion of the renovation thereof (and an issuance of a certificate of occupancy) pursuant to the Development Agreement.

"**Condemnation Action**" means a taking by any Governmental Authority (or other Person with power of eminent domain) by exercise of any right of eminent domain or by appropriation or condemnation.

"**Covered Pledge**" means a Lien with respect to any of TeamCo's right, title or interest in and to any of the Team As Property.

"Development Agreement" shall have the meaning set forth in <u>Recital E</u>.

"Effective Date" shall have the meaning set forth in the Preamble.

"Expansion Agreement" shall have the meaning set forth in Recital A.

"Force Majeure Event" means any act, event, or condition that is beyond the reasonable control of the party asserting the Force Majeure Event, including the following: any act of public enemy, terrorism, blockade, war, insurrection, civil disturbance, explosion or riot; epidemic; landslide, earthquake, fire, storm, flood or washout or other catastrophic weather event; any other act of God; and any strike, lockout, or other industrial disturbance.

"Governmental Authority" means any federal, state and/or local entity, political subdivision, agency, department, commission, board, bureau, court, administrative or regulatory body or other instrumentality having jurisdiction over the Arena and/or the parties hereto.

"**Hockey Season**" means each NHL season of the Team during the Non-Relocation Term, which shall be the period beginning on the date officially promulgated by the NHL as the Team's first NHL pre-season game for such season and ending on the date on which the last NHL post-season game is to be played by the Team for such season.

"**Home Games**" means any regular season or post-season game during a Hockey Season between the Team and another NHL team that is designated by the NHL as a home game of the Team.

"Indeterminate Condition" shall have the meaning set forth in Section 2.2(b)(iii).

"Initial Term" shall have the meaning set forth in the Team Agreement.

"Integration Agreement" shall have the meaning set forth in <u>Recital E</u>.

"Lien" means any pledge, security interest, lien, charge, mortgage, encumbrance, hypothecation or conditional assignment.

"NHL" shall have the meaning set forth in <u>Recital A</u>.

"**NHL Labor Dispute**" means any of the following that results in the NHL cancelling the Home Games in question: any owners' lock-out, players', officials' or referees' strike or other NHL-specific labor disputes.

"NHL Rules" shall have the meaning set forth in the Team Agreement.

"Non-Relocation Covenants" means the collective covenants and agreements made by, and obligations imposed on, TeamCo under <u>Article 2</u> and <u>Sections 4.1, 4.2(b)</u> and <u>4.2(c)</u>.

"**Non-Relocation Default**" means TeamCo's breach of any of the Non-Relocation Covenants, for whatever reason, whether voluntary or involuntary, or effected by NHL Rules or operation of Applicable Law.

"Non-Relocation Term" shall have the meaning set forth in Section 3.1.

"**Permitted Transfer**" means any Transfer that is permitted under the provisions of <u>Article 4</u>.

"**Person**" means any individual, trust, estate, partnership, joint venture, company, corporation, association, limited liability company or other legal entity, business organization or enterprise.

"Team" shall have the meaning set forth in <u>Recital A</u>.

"Team Agreement" shall have the meaning set forth in <u>Recital E</u>.

"**Team As Property**" means TeamCo's right, title, and interest in and to the Team, including the right to operate the Team, under the Expansion Agreement and NHL Rules.

"Term" shall have the meaning set forth in <u>Section 3.1</u>.

"**Transfer**" means any sale, transfer, assignment or other disposition of any or all of TeamCo's right, title, or interest in and to any of the Team As Property, whether voluntary or involuntary; provided, that in the absence of an intent to use a Covered Pledge to effect a relocation of the Team or any reasonable expectation that it would be so used, and so long as made in accordance with NHL Rules, the making of a Covered Pledge in accordance with <u>Article 4</u>, including <u>Section 4.2(c)</u>, is not deemed to be a Transfer, but any foreclosure or sale, transfer, assignment or other disposition in lieu of foreclosure in connection with such Covered Pledge would constitute a Transfer.

ARTICLE 2.

NON-RELOCATION

2.1 Maintenance of the Franchise; City Ties.

(a) At all times during the Term, TeamCo shall maintain its existence as an entity organized under the laws of the State of Delaware (or the State of Washington) and shall not dissolve, liquidate or divide, or take any other similar action, without the prior written consent of the City.

(b) At all times during the Term after the closing of TeamCo's acquisition of the Team under the Expansion Agreement, TeamCo shall (i) maintain the membership of the Team in the NHL in good standing, (ii) hold, maintain and defend the right of the Team to play hockey as a member of the NHL, and (iii) oppose the adoption of any NHL Rule that contradicts any of the terms of this Agreement; provided, however, that the foregoing shall not prohibit TeamCo from voting in favor of adoption of such an NHL Rule if it is (A) not specifically targeted at TeamCo or the Team and (y) bundled or packaged with any other NHL Rule that is unrelated to the subject matter of this Agreement (though in such a situation TeamCo shall register its objection to such NHL Rule if compliance with such NHL Rule would cause a default under this Agreement). Without limiting the generality of the foregoing, TeamCo shall not volunteer for contraction of the Team by the NHL or vote in favor of its contraction. In any event, contraction of the Team by the NHL shall be deemed to be a Non-Relocation Default.

(c) At all times during the Term, TeamCo shall be domiciled in Seattle, Washington, it being expressly understood that "domiciled" has the meaning given under Seattle Municipal Code 5.45.076 (i.e., TeamCo shall maintain its corporate headquarters in Seattle, Washington); provided, however, that for the avoidance of doubt, TeamCo shall neither be required to maintain the Team's training facilities in Seattle, Washington nor be required to have the Team's players and/or staff live in Seattle, Washington.

2.2 **Covenant to Play**.

(a) TeamCo covenants and agrees that, during the Non-Relocation Term, the Team will play all of its Home Games in the Arena, except that TeamCo may cause the Team to play, at an alternate site: (i) up to four (4) regular season Home Games during each Hockey Season; and (ii)

any number of post-season Home Games during any Hockey Season (A) so long as the Team's opponent in any post-season series is scheduled to play an equal or greater number of its home games in such series outside of the city, municipality or similar local jurisdiction in which such opponent's NHL regular season home venue is located (except as otherwise provided under NHL Rules applicable generally to all members of the NHL which are intended to deal with the different number of home games played by opposing teams in a post-season series (e.g., in a post-season series consisting of an odd number of games, the Team may be scheduled to play one more post-season Home Game at an alternate site than the number of games the Team's opponent is scheduled to play outside of the city, municipality, or similar local jurisdiction in which such opponent's NHL regular season home venue is located)) and (B) only if required by NHL Rules applicable generally to all members of the NHL; it being agreed, for the avoidance of any doubt, that TeamCo shall not have the right to elect or otherwise voluntarily decide to play any of its post-season Home Games at any alternate site under this <u>Section 2.2(a)</u>.

(b) Notwithstanding <u>Section 2.2(a)</u>, if an Alternate Site Condition exists, TeamCo shall be entitled to make arrangements for, and the Team shall be entitled to temporarily play its Home Games at, an alternate site, on the following terms and conditions:

Promptly after TeamCo first learns of such potential Alternate Site (i) Condition, TeamCo shall deliver written notice to the City and ArenaCo identifying the Alternate Site Condition and stating the number of days such Alternate Site Condition is expected to persist and the number of Home Games expected to be played at an alternate site. TeamCo shall, prior to scheduling Home Games at an alternate site due to an Alternate Site Condition, use commercially reasonable efforts to reschedule at the Arena any and all Home Games expected to take place during such Alternate Site Condition to a new date during such time when the applicable Alternate Site Condition is no longer expected to exist (taking into account the anticipated duration of the Alternate Site Condition, the other events scheduled at the Arena and the need to obtain NHL approval and the approval of the opposing NHL team(s)) (and TeamCo shall certify that it is complying with the foregoing obligation in the notice provided by TeamCo pursuant to the immediately preceding sentence). In the event an Alternate Site Condition relates to a determination by the NHL under clause (i) of the definition of Alternate Site Condition, the notice of such Alternate Site Condition delivered by TeamCo under Section 2.2(b)(i) shall, to the extent such information is provided by the NHL (and which information shall be requested by TeamCo from the NHL) (A) reference the specific NHL Rule(s) related to the NHL's determination, (B) state the specific issues of the NHL with the condition(s) of the Arena, and (C) state the necessary corrective remedial action in order to achieve compliance with such NHL Rules.

(ii) Prior to the Team playing any of its Home Games at an alternate site, TeamCo shall make available to the City for its review a copy of the agreement, contract or other commitment made by TeamCo with respect to the Team's use of such alternate site (an "Alternate Site Commitment", which shall include, if there is no such agreement, contract or other commitment in writing, a written description of the material terms of such oral agreement, contract or commitment); provided, however, that if any Alternate Site Commitment contains a confidentiality provision that prevents TeamCo from delivering all or any portion of such Alternate Site Commitment to the City, then TeamCo may satisfy its obligations under this <u>Section 2.2(b)(ii)</u> by reasonably making available to the City for its review only those portions of such Alternate Site Commitment that relate, directly or indirectly, to the number of Home Games to be played at such alternate site or otherwise relate, directly or indirectly, to the term (including any extensions thereof) of such Alternate Site Commitment. Without limiting the generality of the foregoing, if such Alternate Site Commitment includes any provisions that would incentivize TeamCo to cause the Team to play more games at such alternate site than absolutely necessary (including by way of decreasing charges), then TeamCo shall reasonably make available to the City for its review all such provisions.

(iii) The Team may play its Home Games (that are not rescheduled at the Arena pursuant to <u>Section 2.2(b)(i)</u>) at an alternate site only during the period of time that such Alternate Site Condition exists; provided, however, that if the circumstances giving rise to such Alternate Site Condition do not allow TeamCo to reasonably determine when such Alternate Site Condition will end (an "**Indeterminate Condition**"), then TeamCo may honor its commitment to play Home Games at the alternate site reasonably made by TeamCo with respect to such Indeterminate Condition even if such commitment extends beyond the expiration of such Indeterminate Condition; provided, that the Team recommences playing its Home Games at the Arena no later than thirty (30) days after such Indeterminate Condition ends unless the following circumstances apply:

(A) If an Indeterminate Condition exists (1) prior to the commencement of any Hockey Season and is reasonably expected to still exist sixty (60) days after the commencement of such Hockey Season or (2) after the commencement of any Hockey Season, but before December 1 of such Hockey Season, and is reasonably expected to still exist sixty (60) days thereafter, then the associated commitment to play Home Games at the alternate site may extend through the final Home Game prior to the "All-Star" break of such Hockey Season; and

(B) If an Indeterminate Condition exists as of or after December 1 of any Hockey Season and is reasonably expected to still exist at the later of (1) thirty (30) days thereafter and (2) the "All-Star" break of such Hockey Season, then the associated commitment to play Home Games at the alternate site may extend through the duration of such Hockey Season.

(v) TeamCo shall use its commercially reasonable, diligent and good faith efforts to prevent, and if such Alternate Site Condition cannot be prevented, to mitigate and overcome any Alternate Site Condition (whether an Indeterminate Condition or otherwise), to the extent the applicable event or condition giving rise thereto is within the reasonable control of TeamCo and not a responsibility of ArenaCo under the Arena Agreement or Team Agreement or the City under the Arena Agreement, but which efforts shall include, to the extent relevant to the

Alternate Site Condition, enforcing TeamCo's rights against ArenaCo under the Team Agreement; provided, that, without limiting City's rights and TeamCo's obligations under this Agreement, TeamCo shall cause Slapshot to exercise its applicable (if any) approval rights, and to cause Slapshots' manager designees to exercise their applicable approval rights (if any), set forth in the Amended and Restated Limited Liability Company Agreement of Arena Holdings then in effect to the extent necessary for ArenaCo to use its commercially reasonable, diligent and good faith efforts to prevent, and if such Alternate Site Condition cannot be prevented, to mitigate and overcome any Alternate Site Condition (whether an Indeterminate Condition or otherwise), to the extent the applicable event or condition giving rise thereto is within the reasonable control of ArenaCo and a responsibility of ArenaCo under the Arena Agreement or Team Agreement.

(vi) TeamCo shall use its commercially reasonable efforts to cause an alternate site at which Home Games are played pursuant to <u>Section 2.2(b)</u> to be located in the City of Seattle, Washington (taking into account the availability therein of an alternate site with sufficient seating capacity that complies with NHL Rules and the need to obtain NHL consent to play at an alternate site). Furthermore, TeamCo shall, subject to its rights and obligations hereunder with respect to an Indeterminate Condition, use commercially reasonable, diligent, and good faith efforts to minimize any contractual commitment to play more Home Games at alternate sites than necessary under <u>Section 2.2(b)</u>.

(vii) If during the Non-Relocation Term, there occurs, from time to time, an NHL Labor Dispute, then during the pendency thereof, the Team shall not be obligated to play any NHL Home Games at the Arena that have been cancelled by the NHL as a result of such NHL Labor Dispute; provided, however, that, subject to the Team's right to play Home Games at an alternate site pursuant to, and in accordance with, <u>Section 2.2</u>, any replacement or substitute Home Games must be played at the Arena.

(viii) TeamCo shall not take (or omit to take) any action, including, without limitation, approving or permitting any amendment to any provision of the Team Agreement, that adversely impacts the rights of the City, or TeamCo's ability to perform its obligations, under, and subject to the terms and conditions of, this Agreement, in each case without the prior written consent of the City, which consent may be withheld, conditioned, or delayed in the City's sole discretion; provided, however, that the foregoing shall not prevent TeamCo from enforcing its rights, and ArenaCo's obligations, under the Team Agreement.

(ix) Promptly after TeamCo first learns of any default by ArenaCo under the Team Agreement, TeamCo shall deliver written notice to the City identifying such default. In any event if TeamCo gives a notice of default under the Team Agreement, TeamCo shall concurrently give to the City a copy of such notice of default. In addition, if the cure period, if any, applicable to ArenaCo under the Team Agreement expires without cure of ArenaCo's default, then TeamCo shall promptly give notice of such fact to the City.

In the event of either an Alternate Site Condition or a default by ArenaCo (x) under the Team Agreement, the City shall have the right, but not the obligation, during the applicable cure period hereunder in the case of a default, to perform any obligation of ArenaCo under, and in accordance with, the Team Agreement with respect to such Alternate Site Condition or to remedy such default by ArenaCo, as applicable. TeamCo shall accept such performance of such obligation of ArenaCo or such remedy of such default, as applicable, by or at the instigation of the City in fulfillment of such obligation of ArenaCo or remedy of such default, as applicable, for the account of ArenaCo, and with the same force and effect as if performed by ArenaCo. Upon receiving any notice of a default by ArenaCo under the Team Agreement, the City's cure rights shall continue during the same cure period granted to ArenaCo with respect to such default under the Team Agreement, plus thirty (30) days, and during the City's cure period, provided the City promptly commences and diligently pursues cure, TeamCo shall forbear from termination of the Team Agreement.

2.3 Non-Relocation.

Except for the Team's temporary right to play Home Games at an alternate site pursuant to, and in accordance with, <u>Section 2.2</u>, at all times during the Term, TeamCo, its Affiliates and their respective representatives shall not:

(a) (i) Relocate, attempt to relocate or permit the relocation of the Team outside the boundaries of the City during the Non-Relocation Term, (ii) change or move the home territory of the Team set forth under NHL Rules in any manner that would exclude the City during the Non-Relocation Term, or (iii) permit or cause to occur any other event that could reasonably be expected to result in the occurrence of an event described in the foregoing clause (i) or (ii).

(b) (i) Enter into any contract or other arrangement that obligates the Team to play Home Games at any location other than the Arena during the Non-Relocation Term or (ii) take (or omit to take) any other action that causes or could reasonably be expected to cause the Team's right to play professional hockey in the Arena during the Non-Relocation Term to be lost or materially impaired; provided, however, that the foregoing shall not prevent TeamCo from (A) enforcing its rights, and ArenaCo's obligations, under the Team Agreement, and (B) subject to <u>Section 2.2(b)(vii)</u>, taking any action with respect to any strike, lockout, or other labor dispute (provided the Team, subject to the Team's right to play Home Games at an alternate site pursuant to, and in accordance with, <u>Section 2.2</u>, is not playing Home Games elsewhere during any such period).

(c) Solicit, enter into, or participate in any negotiations or discussions with, or apply for or seek approval from, third parties, including the NHL, with respect to any agreement, legislation, or financing that contemplates, or could reasonably be expected to result in, any action that could constitute a Non-Relocation Default.

For the avoidance of doubt, (i) the prohibitions set forth in this <u>Section 2.3</u> shall not apply to TeamCo's, its Affiliates' and their respective representatives' actions, negotiations, discussions, applications, or agreements during the last five (5) years of the Non-Relocation Term with respect

to a proposed relocation, change or move that would take effect after the Non-Relocation Term and (ii) TeamCo shall not engage in or permit such actions by such other Persons during the Non-Relocation Term prior to the beginning of such five (5) year period.

ARTICLE 3.

TERM

3.1 **Effective Date and Non-Relocation Term.**

The terms and provisions of this Agreement shall be effective as of the Effective Date and shall continue until the termination of this Agreement pursuant to <u>Section 3.2</u> (the "**Term**"); provided, however, TeamCo's obligations under the Non-Relocation Covenants set forth in <u>Section 2.2</u> shall commence as of the Commencement Date (the period from the Commencement Date through the termination of this Agreement is referred to herein as the "**Non-Relocation Term**").

3.2 **Termination**.

This Agreement shall terminate upon the earliest of: (a) the date specified in a written agreement of the City and TeamCo to terminate this Agreement, (b) the expiration or earlier termination of the Initial Term in accordance with the terms of the Team Agreement; provided, that TeamCo and ArenaCo shall not consent to mutual termination of the Team Agreement prior to the expiration of the Initial Term, (c) the early termination of the Development Agreement prior to substantial completion of the Arena in accordance with the terms thereof, (d) the early termination of the Expansion Agreement prior to closing of TeamCo's acquisition of the Team pursuant thereto and (e) the early termination of this Agreement pursuant to Section 6.3.

ARTICLE 4.

TRANSFERS

4.1 **Transfers and Covered Pledges of Franchise.**

Subject to this <u>Article 4</u>, TeamCo may, from time to time, make a Transfer or grant a Covered Pledge; provided, however, that any such Transfer or grant of a Covered Pledge shall be (A) conditioned on the Person who acquires the Team or holds any Covered Pledge being approved by the NHL in accordance with the NHL Rules as an owner of the Team or the holder of a Covered Pledge and (B) made or granted subject to the requirements and obligations of TeamCo under this Agreement, including compliance in all respects with the Non-Relocation Covenants, so that any Person who acquires the Team (including, if applicable, the NHL), whether pursuant to any such Transfer, pursuant to any foreclosure or other action against any such Covered Pledge or otherwise, shall acquire and take the Team therein subject to all of the Non-Relocation Covenants and the other terms of this Agreement. Except as expressly set forth in <u>Section 4.4</u>, no Transfer (including, if applicable, to the NHL) or grant of a Covered Pledge shall change, limit, release or otherwise affect the obligations of TeamCo under this Agreement. Any Transfer made (or

attempted to be made) or Covered Pledge granted (or attempted to be granted) contrary to this <u>Article 4</u> is void.

4.2 Notice of Proposed Transfer; Additional Requirements.

(a) TeamCo shall give the City at least 30 days' (or if 30 days is not practicable, then at least 15 days') prior written notice of any proposed Transfer or grant of a Covered Pledge, and prompt written notice upon becoming aware of any foreclosure or other enforcement, or intended foreclosure or other enforcement, of a Covered Pledge.

(b) In connection with any Transfer, and as a condition precedent (among the other conditions to such transaction) to the effectiveness of such Transfer, the transferee must agree in writing, in form and substance reasonably acceptable to the City, to assume, in full and without qualification, this Agreement and TeamCo's obligations under this Agreement, specifically including the Non-Relocation Covenants and any then-unperformed obligations of TeamCo under this Agreement, whether accrued or due before or after the effective date of such Transfer (with such agreement having been executed and delivered to the City simultaneously with, or prior to, such Transfer).

(c) TeamCo shall not grant any Covered Pledge unless the documents and other instruments implementing the Covered Pledge expressly provide, and the pledgee agrees in writing for the intended third-party benefit of the City and its successors and assigns, that (i) such Covered Pledge is subject to this Agreement, and (ii) any purported Transfer upon foreclosure or other enforcement of the Covered Pledge shall be subject to this Agreement. Concurrently with the execution of any Covered Pledge (or, if such Covered Pledge exists on the Effective Date, prior to the execution of this Agreement), TeamCo shall reasonably make available to the City for its review a copy, certified as true and complete by an officer of TeamCo, of the express agreement of the pledgee and the third-party beneficiary language as required by this Section 4.2(c). The parties hereto acknowledge and agree that this Section 4.2(c) shall not apply to the security interest granted by TeamCo in connection with TeamCo's participation in the NHL's League-Wide Credit Facility.

4.3 **Restrictive Covenants**.

The Non-Relocation Covenants shall be deemed to be restrictive covenants that attach to and bind the Team As Property.

4.4 **Release of Transferor.**

Following a Permitted Transfer (which shall include the transferee complying with <u>Section</u> 4.2(b)) of all of the Team As Property, the transferor shall be relieved from all obligations arising under this Agreement after the date of such Permitted Transfer and the transferee shall be deemed TeamCo hereunder.

4.5 Notice of Change of Control.

To the extent not already covered by <u>Section 4.2(a)</u>, TeamCo shall give the City at least 30 days' (or if 30 days is not practicable, then at least 15 days') prior written notice of any sale, transfer, assignment, or other disposition of any direct or indirect controlling ownership interests in TeamCo, including any Change of Control (or prompt written notice after a death or similar circumstance that results in a Change of Control or any other disposition of any direct or indirect controlling ownership interests in TeamCo). "**Change of Control**" means a change of the controlling owner and Governor of TeamCo under NHL Rules.

ARTICLE 5.

DEFAULTS AND REMEDIES

5.1 Agreements and Acknowledgments; Equitable Relief.

TeamCo and the City acknowledge and agree as follows:

(a) (i) TeamCo's obligations under this Agreement are required by the Development Agreement and the Arena Agreement, are unique, are the essence of the bargain and are essential consideration for this Agreement and the other agreements being entered into by the City in connection with the Arena; (ii) the Team, upon being granted to TeamCo under the Expansion Agreement, will be extraordinary and unique and under the organization of professional hockey by and through the NHL, the Team may not be able to be replaced with another NHL team in the City; (iii) the determination of damages caused by a Non-Relocation Default, the effects of which would be suffered by the City, would be difficult, if not impossible, to ascertain, (iv) but for TeamCo's commitment to cause the Team to play its Home Games in the Arena as provided herein, the City would not have agreed to the renovation of the Arena by ArenaCo; and (v) having the Team play its Home Games in the Arena as provided herein provides a unique value to the City, including generating new jobs, additional revenue sources, economic development and increased tourism. Therefore, the parties hereto acknowledge and agree that there exists no adequate and complete remedy at law to enforce this Agreement against TeamCo, and that equitable relief by way of a decree of specific performance or an injunction (such as, without limitation, a prohibitory injunction barring the Team from relocating or playing its Home Games at any location other than the Arena in violation of this Agreement or a mandatory injunction requiring the Team to play its Home Games at the Arena in accordance with this Agreement) is the only appropriate remedy for the enforcement of this Agreement. Furthermore, based on the foregoing, TeamCo and the City hereby agree as follows (and TeamCo shall not assert or argue otherwise in any action or proceeding):

(i) Significant obligations are being incurred by the City to make the Arena available for Home Games and any Non-Relocation Default shall constitute irreparable harm to the City for which monetary damages or other remedies at law will not be an adequate remedy.

(ii) The City is entitled to obtain injunctive relief prohibiting action, directly or indirectly, by TeamCo that causes or could reasonably be expected to cause a Non-

Relocation Default, or mandating action that averts or will avert a Non-Relocation Default, or enforcing any covenant, duty, or obligation of TeamCo hereunder through specific performance. The City is further entitled to seek declaratory relief with respect to any matter under this Agreement.

(b) That the rights of the City to equitable relief (including injunctive relief) as a result of a Non-Relocation Default, as set forth in this <u>Section 5.1</u> or as otherwise allowed under Applicable Law, shall not constitute a claim pursuant to Section 101(5) of the United States Bankruptcy Code, as it may be amended or substituted, and shall not be subject to discharge or restraint of any nature in any bankruptcy, reorganization or insolvency proceeding involving TeamCo, and that this Agreement is not an "executory contract" as contemplated by Section 365 of the United States Bankruptcy Code.

(c) That, in any proceeding seeking relief for a Non-Relocation Default, any requirement for the City to (i) post any bond or other security or collateral or (ii) make any showing of irreparable harm, balance of harm, consideration of the public interest, or inadequacy of money damages, as a condition of any relief sought or granted is hereby waived, and TeamCo shall not assert or argue otherwise or request the same.

(d) That TeamCo waives any right it may have to object to or to raise any defense to any actual or requested award of the remedy of specific performance or other equitable relief in any action brought by or on behalf of the City in respect of a Non-Relocation Default in accordance herewith, except (i) alleged unclean hands of the plaintiff or laches in the commencement of the proceedings and (ii) the defense that there has in fact not been a Non-Relocation Default in accordance with the terms of this Agreement.

(e) That the obligations of TeamCo under the Non-Relocation Covenants are absolute, irrevocable and unconditional, except as expressly provided herein, and shall not be released, discharged, limited or affected by any right of setoff or counterclaim that TeamCo may have to the performance thereof.

(f) That the failure of the City to seek redress for violation of, or to insist upon the strict performance of, any provision of the Non-Relocation Covenants shall not prevent a subsequent act, which would have constituted a violation, from having the effect of a violation. No delay in the exercise of any remedy shall constitute a waiver of that remedy.

(g) TeamCo understands and acknowledges that, by operation of the foregoing provisions, it is knowingly and intentionally relinquishing or limiting certain important rights and privileges to which it otherwise might be entitled, including the right to object to a grant of specific performance and injunctive relief, and that its relinquishment and limitation thereof is voluntary and fully informed.

(h) Notwithstanding anything to the contrary in this Agreement, including <u>Section 5.1</u>, if any condition set forth in clause (i) through (iii) of the definition of Alternate Site Condition exists and was primarily the result of TeamCo's failure to perform its obligations required under the Team Agreement or, so long as TeamCo is an Affiliate of Slapshot, Slapshot's breach of its obligations as an indirect owner of ArenaCo, the Team shall not be prevented from playing at an

alternate site in accordance with <u>Section 2.2(b)</u>; provided, however, the foregoing shall not be interpreted as a waiver of any breach of this Agreement by TeamCo due to such circumstances or, except for any equitable relief preventing the Team from playing at an alternate site in accordance with <u>Section 2.2(b)</u>, limitation on remedies available to City.

(i) Upon a Non-Relocation Default, if the equitable relief provided for in this <u>Section 5.1</u> is unavailable for any reason (including due to <u>Section 5.1(h)</u>, or upon any other breach of this Agreement by TeamCo, the City shall be entitled to pursue all other legal and equitable remedies against TeamCo, whether or not such other remedies are specifically set forth in this Agreement.

ARTICLE 6.

REPRESENTATIONS AND COVENANT

6.1 **Representations and Warranties of TeamCo.**

TeamCo hereby represents and warrants to the City that, as of the Effective Date:

(a) TeamCo is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. TeamCo has all requisite limited liability company power and authority to enter into this Agreement and to perform its obligations under this Agreement.

(b) The execution, delivery and performance by TeamCo of this Agreement have been duly authorized by all necessary action, will not (i) violate the organizational documents of TeamCo (ii) violate any Applicable Law, or (iii) result in a breach of, or constitute a default (or any event which with the giving of notice or lapse of time would become a default) under, require any consent under, or give to any other person any rights of termination, amendment, acceleration, suspension, revocation or cancellation of, or result in the creation of any lien on the assets or the properties of the Team pursuant to any material agreement or any judgment or decree to which TeamCo is a party or by which TeamCo or its material assets are bound (except for any NHL consent required for TeamCo to play at an alternate site). This Agreement has been duly executed and delivered by TeamCo and constitutes valid and binding obligations of TeamCo.

(c) No suit, proceeding or other action is pending or, to the knowledge of TeamCo, threatened against TeamCo that could reasonably be expected to have a material adverse effect upon TeamCo's performance under this Agreement. No Covered Pledge exists on the Effective Date [except as set forth in Schedule 6.1(c)].

(d) Exhibit A attached hereto is a [redacted] final version of Team Agreement that contains all terms and conditions that are material to the rights of the City under this Agreement, including the term of the Team Agreement and rights of TeamCo to terminate the Team Agreement.

Att 2 - Development Agreement (Arena at Seattle Center) V2

6.2 **Representations and Warranties of the City.**

The City hereby represents and warrants to TeamCo that, as of the Effective Date:

(a) The City is a Washington municipal corporation. The City has all requisite power and authority to enter into this Agreement.

(b) The execution, delivery and performance by the City of this Agreement have been duly authorized by all necessary action, will not violate the organizational documents of the City and will not result in the breach of, or constitute a default under, any material agreement or any judgment or decree to which the City is a party or by which the City or its material assets are bound. This Agreement has been duly executed and delivered by the City and constitutes valid and binding obligations of the City.

(c) No suit, proceeding or other action is pending or, to the knowledge of the City, threatened against the City that could reasonably be expected to have a material adverse effect upon the City's performance under this Agreement.

6.3 Non-Participation Covenant.

During the Term, the City shall not provide benefits, incentives or financial support (other than those that are generally available to any potential developer without specific authorization from the City) with respect to the construction of any live entertainment venue with a capacity of more than 15,000 seats within the jurisdictional boundaries of the City of Seattle. TeamCo is entitled to seek equitable relief with respect to any breach or threatened breach by the City of this <u>Section 6.3</u>. If a court of competent jurisdiction determines that the City has breached, or will, pursuant to proposed action by the City, imminently breach, this <u>Section 6.3</u>, TeamCo shall have the right to terminate this Agreement upon written notice to the City and ArenaCo unless such determination by such court grants TeamCo equitable relief to remedy such breach and the City promptly complies with such equitable relief.

ARTICLE 7.

MISCELLANEOUS

7.1 Entire Agreement.

This Agreement represents the entire agreement between the City and TeamCo, and supersedes all prior negotiations, representations or agreements of the City and TeamCo, written or oral, with respect to the subject matter of this Agreement. TeamCo acknowledges that other agreements with covenants and restrictions that are the same or similar to the Non-Relocation Covenants are or will be executed by TeamCo in favor of other third parties, and that such agreements shall not affect the interpretation or enforcement of this Agreement, the obligations of TeamCo hereunder, and the City's rights hereunder.

7.2 Amendments.

No waiver, modification or amendment of this Agreement or of any of its conditions or provisions shall be binding upon the City or TeamCo unless in writing signed by the City and TeamCo, and approved in writing by ArenaCo.

7.3 **Choice of Law; Venue and Jurisdiction.**

This Agreement shall be governed by and interpreted in accordance with the internal laws of the State of Washington, without giving effect to conflict of laws provisions. In the event of any legal proceedings regarding this Agreement, the parties agree that the exclusive venue for such proceedings is the state courts of Washington located in King County, and the City and TeamCo hereby submit to the exclusive jurisdiction of those courts for purposes of any such proceedings; provided that, if the venue for a proceeding is required by a court of competent jurisdiction to be in federal court, the exclusive venue for such proceeding shall be the Western District of the State of Washington. To the extent service of process by mail is permitted by Applicable Law, the City and TeamCo irrevocably consent to the service of process in any proceeding in such courts by the mailing of such process by registered or certified mail at its address for notice provided herein.

7.4 Severability; Interpretation.

Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under Applicable Law. If, however, any provision of this Agreement, or portion thereof, is prohibited by Applicable Law or found invalid under Applicable Law, such provision or portion thereof only shall be ineffective without in any manner invalidating or affecting the remaining provisions of this Agreement or the valid portion of such provision, which provisions are deemed severable.

7.5 No Implied Waivers.

No waiver by the City or TeamCo of any term, obligation, condition or provision of this Agreement shall be deemed to have been made, whether due to any course of conduct, continuance or repetition of non-compliance, or otherwise, unless such waiver is expressed in writing and signed and delivered by the party granting the waiver, nor shall any forbearance by a party to seek a remedy for any breach by the other party be a waiver by such party of any rights or remedies with respect to such or any subsequent breach. No express waiver shall affect any term, obligation, condition or provision other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

7.6 Successors and Assigns.

Each party binds itself and its successors and authorized assigns to the other and to the successors and authorized assigns of the other party with respect to all covenants of this Agreement.

7.7 Interpretations.

The captions and headings in this Agreement are only for convenience and do not define,

limit or describe the scope or intent of any of the provisions of this Agreement. The use herein of the word "including," when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not nonlimiting language (such words as "without limitation," or "but not limited to," or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter. The parties agree that they have been represented by counsel during the negotiation, drafting, preparation and execution of this Agreement and, therefore, waive the application of any law or rule of construction providing that ambiguities in a contract or other document will be construed against the party drafting such contract or document.

7.8 Notices.

Any notice or other communication under this Agreement must be in writing and will be considered properly given and effective upon receipt if delivered personally, by certified or registered mail (postage prepaid and return receipt requested) or by overnight courier to the parties at the following addresses:

f to TeamCo:
Seattle Hockey Partners LLC
Attn: President
With copies to:
Katten Muchin Rosenman LLP 525 W. Monroe Street Chicago, IL 60661-3693
Attn: Adam R. Klein

Either party may from time to time designate a different address or persons for notices by giving notice to that effect to the other party in accordance with the terms and conditions of this <u>Section 7.8</u>.

7.9 **Counterparts**.

This Agreement may be executed in two counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same fully executed agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

7.10 **Disclosure of Records**.

The City agrees to keep all documentation, communications and information regarding the drafting, research and negotiation of, or provided pursuant to, this Agreement confidential to the extent permitted by Applicable Law. The City shall promptly notify TeamCo of any request under Applicable Law to review any such documentation, communications or information, and TeamCo shall cooperate with the City in connection with such request; provided, however, that nothing herein shall prevent TeamCo, at its cost, from (i) seeking a protective order or (ii) taking steps to resist or narrow the scope of such request. If TeamCo fails to produce any such documentation, communications or information so requested, and it is determined by a court of competent jurisdiction that such information was required to be disclosed, TeamCo shall defend, hold harmless and indemnify the City against any liabilities suffered or incurred by the City as a result of such failure.

7.11 **Time**.

Times set forth in this Agreement for the performance of obligations shall be strictly construed, time being of the essence.

7.12 Attorney's Fees.

The prevailing party in any proceeding to enforce this Agreement shall have the right to collect from the other party all costs and fees incurred in connection with enforcing this Agreement, including attorney's, consultant's and expert's fees, and court costs.

7.13 No Third-Party Beneficiaries.

This Agreement is solely for the benefit of the City and TeamCo and is not intended to benefit any third parties; provided, however, ArenaCo is an express third-party beneficiary of this Agreement and, without limiting the City's rights and TeamCo's obligations under this Agreement, ArenaCo shall be entitled to enforce this Agreement to the same extent as the City as if ArenaCo were a party hereto.

[Remainder of page intentionally blank — Signature page follows]

IN WITNESS WHEREOF, the parties have executed this Team Non-Relocation Agreement as of the Effective Date.

CITY OF SEATTLE

By:	 	
Name:		
Its:		

SEATTLE HOCKEY PARTNERS LLC

By:		
Name:		
Its:		

ACKNOWLEDGED AND AGREED (including, without limitation, with respect to obligations applicable to ArenaCo hereunder):

SEATTLE ARENA COMPANY, LLC

By:____ Name: Its: [Schedule 6.1(c)]

[Exhibit A]

<u>Exhibit R</u>

Collaborative Turnover Schedule

Exhibit **R**

Collaborative Turnover Schedule

Table 1: Premises Turnover Schedule Key DatesCity will vacate the premises by the following dates and times subject to the Turnover Conditions identified below.

September 30, 2018 (11:59 PM)	October 9, 2018 (11:59 PM)	October 14, 2018 (11:59 PM)	Between October 15, 2018 and February 1, 2019	November 1, 2018	January 1, 2019
NASA	Skate Park	KeyArena	1st Ave N Garage	Park Place (north half of Bressi Garage)	International Fountain Pavilion (south 40' only)
Blue Spruce	Remaining West Court		*OVG to provide 2- weeks notice of intent to occupy		
Restroom Pavilion	SC Pavilion				
West Court 1st Floor (except Ticketmaster)					

TURNOVER CONDITIONS

Except where City responsibility is noted, Tenant shall:

October 1, 2018 12:01 AM

NASA:

- Not block any parking spaces north of NASA building
- Maintain minimum twenty (20) foot width for emergency vehicle access on gate 4B access road

Blue Spruce:

- Maintain minimum five (5) foot wide access to kitchen back door.
- Install tree protection box around the street trees, typical

Restroom Pavilion:

- Not block stair located west of Restroom Pavilion
- Box around the trees on both sides of vacated 2nd Ave N., typical
- Maintain access to Seattle Center Pavilion and Skate Park

West Court 1st Floor (except Ticketmaster):

• Provide access to basement, second floor, and Ticketmaster

1st Ave N. Garage:

• Not block access to First Ave N Garage.

October 8, 2018

12:01 AM

Skate Park:

- Herzog Glass to remove glass art on October 8th and October 9th
- Coordinate with City to fence Skate Park as glass is being removed
- Salvage bronze medallions

October 10, 2018 12:01 AM

Skate Park/Seattle Center Pavilion:

- Maintain truck access to Arena's freight elevator and Upper SE doors
- Install tree protection box around the street trees, typical

Remaining West Court:

• Maintain minimum width for fire engine through Gate 4B to West Plaza

October 15, 2018 12:01 AM

Arena:

- Provide necessary construction/detour signs
- Find alternate KEXP dumpster location (with assistance from City)
- Maintain west and east entryway access to KEXP

- Temporarily remove or protect Neon Atoms, if removed, reinstall after end of construction.
- Salvage Thiry Motif panel from Upper Northwest Courtyard
- Protect Thiry fountain/planter and Lower Courtyard Atlas Cedar
- City shall protect or temporarily remove DuPen Fountain bronzes
- Complete rerouting of utilities with exception of power and low voltage that needs to remain intact within arena (L12B) for 1st Ave N Garage public parking and Park Place.
- Provide temporary power as needed for Arena, Bressi Garage, and 1st Ave N Garage
- Box around trees on both side of vacated 2nd Ave N.
- Provide full width of roadway on vacated 2nd Ave N. between the north side of vacated Harrison St. to the south edge of the International Fountain Pavilion.
- Maintain minimum twenty (20) foot width of roadway on vacated 2nd Ave N. between Harrison St. and Thomas St. for emergency vehicles
- Remove existing concrete barrier wall on vacated 2nd Ave N. (see Figure 3)
- Relocate or replace guard shack prior to fencing (see Figure 3)
- Implement all details of Harrison Street haul route plan, per Exhibit E to the Development Agreement
- Relocate or provide access to existing gas meter and show power outlet
- Obtain street use permit for any construction fencing in the right of way
- City will secure building systems, require two (2) weeks advance notice from Tenant for system decommissioning

Gate 2/3 (2nd/Thomas):

No earlier than October 15, the automatic bollards at Gate 2/3 (corner of 2nd Ave N and Thomas St) may be disabled by Tenant. Once disabled, the fence line will be the center of 2nd Ave N. Tenant will provide lockable bollards on the west side of 2nd Ave N and City will provide lockable bollards on the east side of 2nd Ave N. Fence line will be moved per Exhibit E and Exhibit G.

October 15, 2018 – February 1, 2019

1st Ave N Garage

- Tenant to provide two (2) week advance notice of intended occupancy of 1st Ave N Garage.
- City may remove any furniture, fixtures, and personal property in the garage or associated parking areas, and all furniture, fixtures, and personal property in the garage or associated parking areas that shall not have been removed by

the City by the intended occupancy date (the "Existing Property") and that remains in the garage or associated parking areas on the Turnover Date shall be treated as abandoned in place in accordance with Section 10.10.10.

• Following the 1st Ave N Garage turnover (or Park Place turnover, whichever comes later), Tenant may remove and demolish low voltage connectivity, unless required for Pottery Northwest.

November 1, 2018 12:01 AM

Park Place (North half of Bressi Garage):

- Provide access to the garage on alleyway
- Do not block any parking spaces on surface parking lot

January 1, 2019 12:01 AM

International Fountain Pavilion:

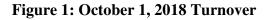
- Art/Not Terminal to vacate the South 40' of IFP
- OVG will build a demising wall between the remaining Art/Not Terminal space and the south forty (40) feet, together with all related cutting and patching, to ensure minimal disruption to Art/Not Terminal's ongoing operation.
- Utility work associated with this portion of work must be completed by Tenant prior to demolition and construction of the wall.

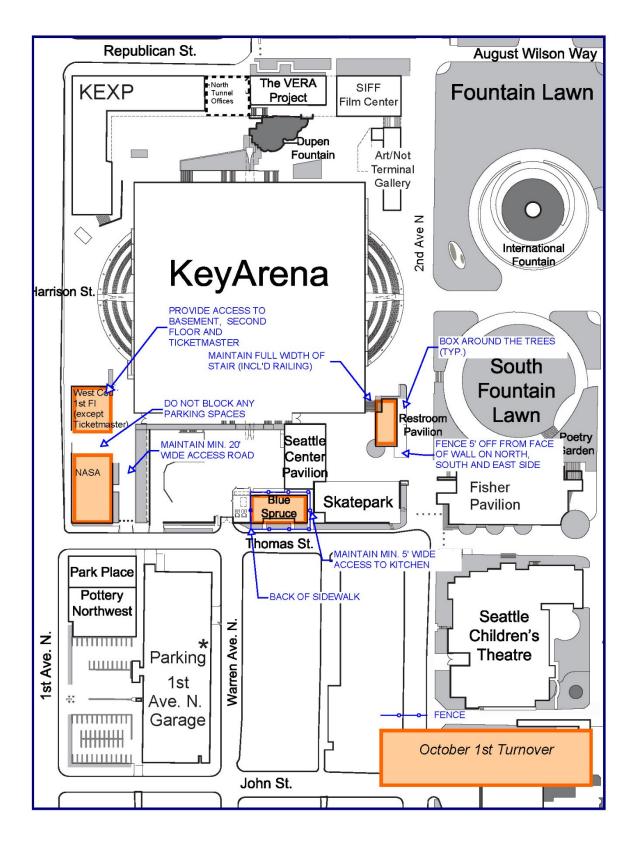
Remove/abandon/salvage:

Seattle Center will remove KeyArena equipment prior to October 15, 2018. Seattle Center and OVG will coordinate a system shut down and salvage schedule. The initial plan for systems shutdown is October 15 – October 31.

Seattle Center will also identify items that it intends to remove but is unable to prior to October 15 due to logistical issues or delayed systems decommissioning. OVG will provide 2-weeks notice prior to commencement of construction to enable final systems decommissioning. Identified items will be considered "salvaged" and Seattle Center will coordinate with OVG to determine an appropriate schedule for systems decommissioning and removal and turnover to Seattle Center of these items. Items identified for salvage are described in Exhibit I of the Lease Agreement.

All other items will be considered abandoned in place.







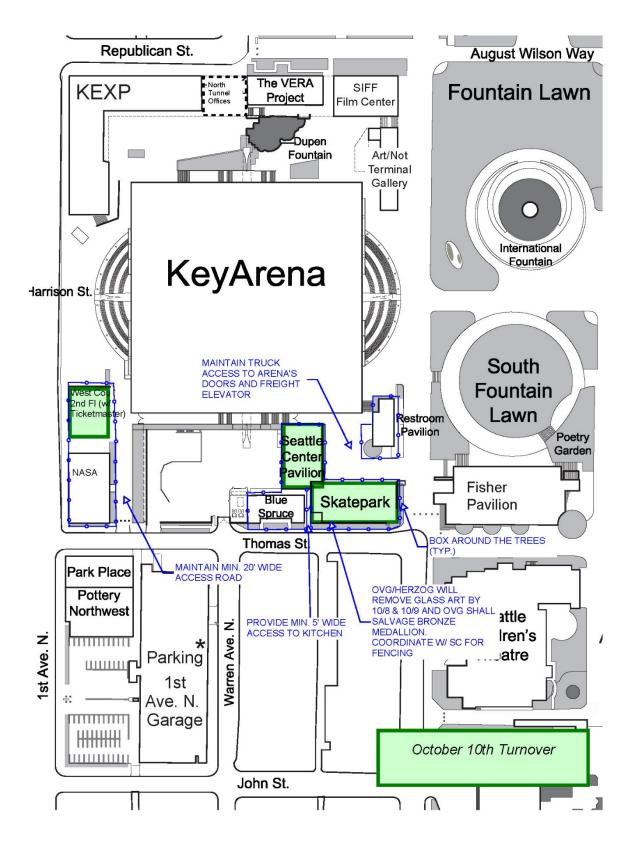
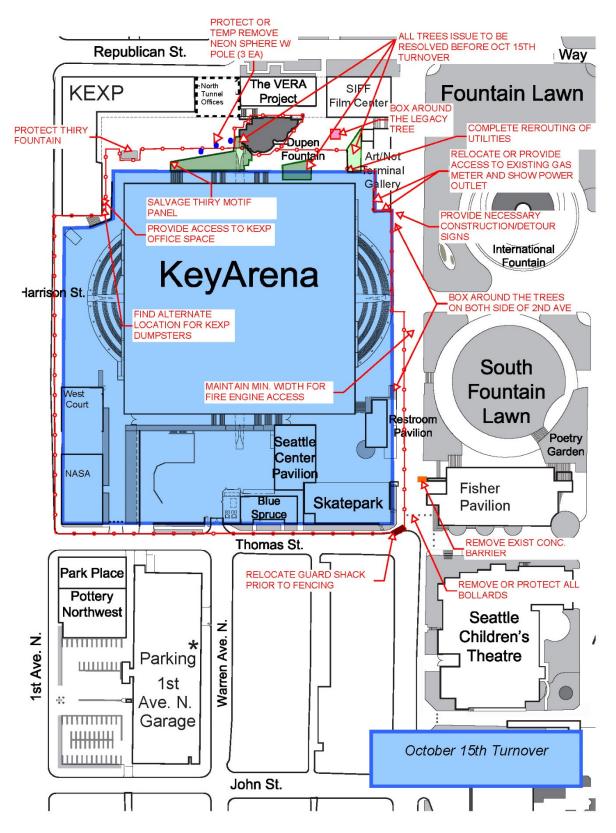


Figure 3: October 15, 2018 Turnover



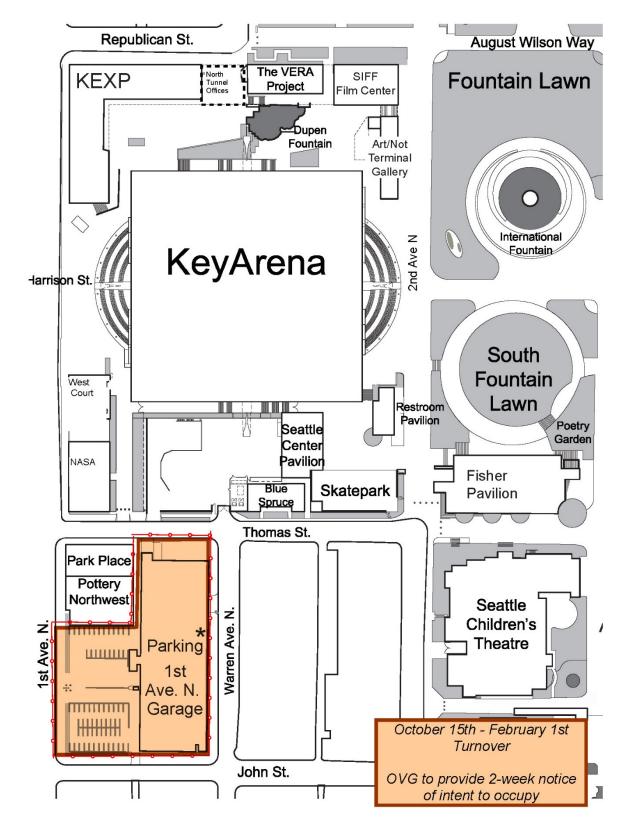


Figure 4: October 15, 2018 – February 1, 2019 Turnover

Figure 5: November 1, 2018 Turnover

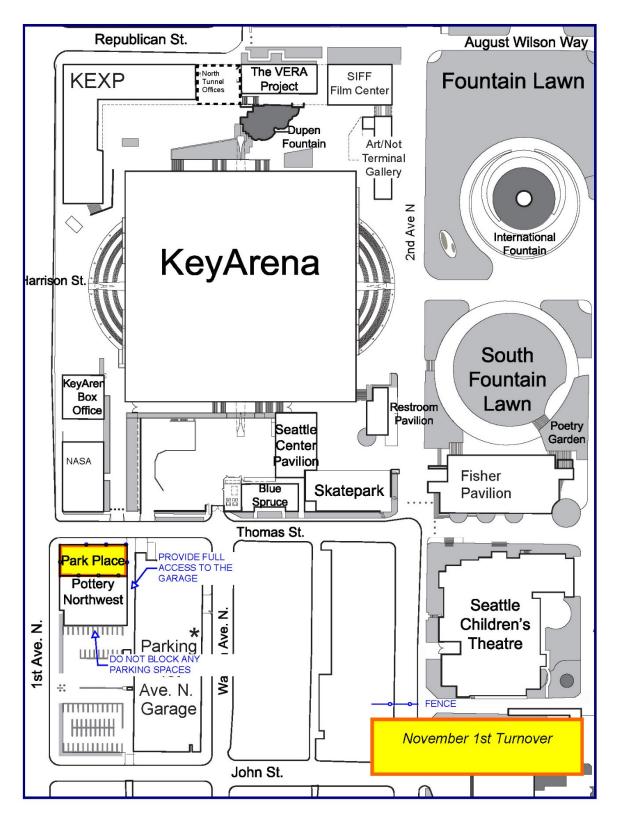
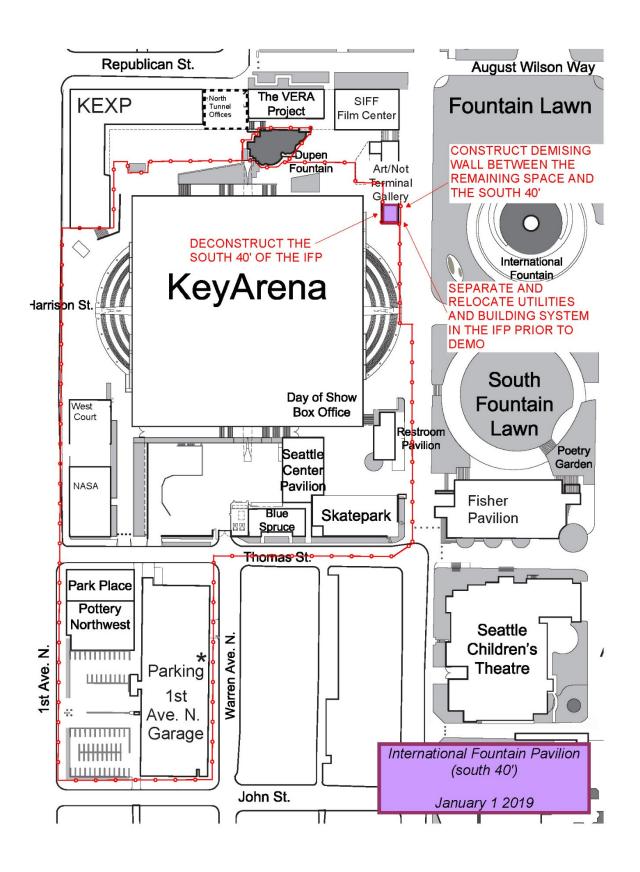


Figure 6: International Fountain Pavilion



Handout 1c - Amendment 1 (Yellow paper)

Council Bill 119345, Attachment 3, Substitute version 2 for version 1, to include omitted Exhibits

SEATTLE CENTER INTEGRATION AGREEMENT (ARENA AT SEATTLE CENTER)

by and between

THE CITY OF SEATTLE, a Washington municipal corporation,

and

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

Dated: [•], 2018

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Limitor	04100140 111011

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- Approved Sponsorship Categories Exhibit E

SEATTLE CENTER INTEGRATION AGREEMENT (ARENA AT SEATTLE CENTER)

This SEATTLE CENTER INTEGRATION AGREEMENT (ARENA AT SEATTLE CENTER) (this "<u>Agreement</u>"), dated this [\bullet] day of [\bullet], 2018 ("<u>Effective Date</u>"), is entered into by and between THE CITY OF SEATTLE, a Washington municipal corporation ("<u>City</u>"), acting by and through its Seattle Center Department, and SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company ("<u>ArenaCo</u>"). The City and ArenaCo are referred to in this Agreement individually as a "<u>Party</u>" and jointly as the "<u>Parties</u>".

RECITALS

WHEREAS, on January 11, 2017, the City released a Request for Proposal (as amended, the "<u>RFP</u>") for the redevelopment of KeyArena at Seattle Center as a world-class, multi-purpose sports and entertainment facility. The City developed the RFP with input from ten City departments and in consultation with constituencies throughout Seattle. The City's objectives for the redevelopment of the Arena (as such term is defined herein) include each of the following (collectively, the "<u>Arena Objectives</u>"):

A. To provide a world-class civic arena to attract and present music, entertainment, and sports events, potentially including National Basketball Association ("<u>NBA</u>") and National Hockey League ("<u>NHL</u>") events, to Seattle and the region;

B. To provide for Arena design and operations in a manner that integrates with and enhances connections to Uptown and adjoining neighborhoods and aligns with the Urban Design Framework;

C. To provide for design, permitting, development, demolition, and construction of the Arena with minimal City financial participation;

D. To provide for the continuous, successful, and sustainable operation of the Arena as a world-class civic venue with minimal City financial participation;

E. To provide for mitigation of transportation impacts due to Arena construction and operations;

F. To provide Arena construction and operations in a manner that is equitable for workers and consistent with the City's Race and Social Justice Initiative; and

G. To provide for Arena design and operational integration with the Seattle Center Campus, contributing positively to the vibrancy of the Seattle Center Campus; and

WHEREAS, on February 23, 2017, the City formed an advisory body known as the Arena Community Advisory Panel (the "<u>Advisory Panel</u>") to provide counsel to the City to consider proposals responding to the RFP, comprised of ten (10) Advisory Panel members chosen based on their various expertise, including, but not limited to, music, sports, transportation, neighborhood interests, and design; and

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WHEREAS, on April 12, 2017, Oak View Group, LLC, a Delaware limited liability company ("<u>OVG</u>"), submitted to the City a proposal in response to the RFP entitled "Proposal for the Transformation of the Arena at Seattle Center" (as subsequently amended, the "<u>OVG</u><u>Response</u>"); and

WHEREAS, between April 12, 2017 and June 2, 2017, each of (1) the Advisory Panel, (2) a City executive review team comprised of the Director of the Office of Economic Development, the Director of Seattle Center, and the Director of the City Budget Office (collectively, the "<u>Executive Review Team</u>"), and (3) a team of City staff members in the areas of design/constructability, finance, operations, social equity, and transportation (collectively, the "<u>City Staff Review Team</u>") carefully evaluated the various proposals in response to the RFP to determine, amongst other things, how the proposals met the Arena Objectives; and

WHEREAS, on June 2, 2017, the Advisory Panel submitted its Final Summary Report and Observations to the Mayor of the City and the Executive Review Team regarding the RFP proposals; and

WHEREAS, on June 7, 2017, based upon the input of the Advisory Panel, the Executive Review Team, and the City Staff Review Team, the City selected the OVG Response as the preferred proposal for the renovation of the Arena; and

WHEREAS, between June 7, 2017 and December 4, 2017, OVG and the City negotiated the terms of that certain Memorandum of Understanding (Arena at Seattle Center) (the "<u>MOU</u>"), regarding, amongst other terms, the Parties' commitment to negotiate this Agreement in good faith consistent with the terms, conditions, and limitations set forth in the MOU; and

WHEREAS, on August 14, 2017, the Seattle City Council (the "<u>City Council</u>") adopted Resolution 31764, which set forth the City Council's expectations for the negotiation of, and approval process for, the MOU; and

WHEREAS, on December 4, 2017, the City Council adopted Ordinance 125480 approving the MOU; and

WHEREAS, on December 6, 2017, the Mayor, on behalf of the City, and OVG executed and delivered the MOU; and

WHEREAS, following the City Council's approval of the MOU, OVG and its equity partners and investors formed ArenaCo as the entity that will redevelop, lease, and operate the Arena; and

WHEREAS, on [•], 2018, the City and ArenaCo received the notice of adequacy of the final Environmental Impact Statement for the Arena redevelopment; and

WHEREAS, on [•] 2018, the City Council adopted Ordinance [•] authorizing the Mayor, on behalf of the City, to enter into this Agreement; and

WHEREAS, between December 4, 2017 and the Effective Date of this Agreement, (a) all conditions precedent to City and ArenaCo entering into this Agreement (as set forth in Sections

21 and 22 of the MOU) were fully and irrevocably satisfied, and (b) all reimbursements of Development Costs by OVG to the City were paid in full (as set forth in Section 4 of the MOU); and

WHEREAS, concurrently with the execution of this Agreement, the City and ArenaCo have executed that certain Development Agreement (Arena at Seattle Center) (as may be amended from time to time in accordance with its terms, the "Development Agreement"), that certain Lease Agreement (Arena at Seattle Center) (as may be amended from time to time in accordance with its terms, the "Lease Agreement"), and those certain ancillary agreements provided for under the Development Agreement and Lease Agreement; and

WHEREAS, the Parties now wish to coordinate certain procedures and infrastructure at the Arena and the Seattle Center Campus (as defined herein) in order to better integrate and coordinate the operations of the Arena by ArenaCo with Seattle Center's operations of the Seattle Center Campus;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as to the following:

AGREEMENT

ARTICLE I DEFINITIONS

As used in this Agreement, the following terms will be defined as follows:

"<u>Activation Area</u>" means that portion of the Seattle Center Campus approved by the Seattle Center Director for the purpose of on-site activation of Seattle Center Sponsorship Benefits granted to a Seattle Center Sponsor pursuant to a Seattle Center Sponsorship Agreement, which Activation Area is subject to change in connection with City's Adjustment Rights (as defined in <u>Section 6.4(a)(vi)</u> below)).

"<u>ADA</u>" means the Americans with Disabilities Act, as amended, including any replacement or superseding legislation.

"<u>Affiliate</u>" means, with respect to a specified entity, any other individual or entity that directly or indirectly, through one or more intermediaries Controls, is Controlled by, or is under common Control with the specified entity. For purposes of this definition, the terms "<u>Controls</u>," "<u>Controlled by</u>," or "<u>under common Control</u>" mean the direct or indirect power to direct or cause the direction of the management and policies of an individual or entity.

"<u>Alaska Airlines Agreement</u>" is defined in <u>Section 6.4(e)(iv)</u>.

"<u>Approved Sponsorship Categories</u>" means the sponsorship categories mutually agreed upon by the Director and ArenaCo from time to time during the Term, the initial list of which is attached as <u>Exhibit E</u>. Approved Sponsorship Categories, including those listed on <u>Exhibit E</u> do not include categories prohibited by Laws, or that relate or refer to guns, pornography or "adult" entertainment, tobacco, marijuana (or marijuana products) or illegal drugs or paraphernalia. "<u>Arena</u>" means the arena located on the Premises leased by ArenaCo under the Lease Agreement, as expanded, altered, and improved from time to time according to the terms of the Development Agreement or the Lease Agreement, including the underground parking garage, loading dock, and, unless the context clearly indicates otherwise, the adjacent plazas.

"<u>ArenaCo</u>" is defined in the preamble to this Agreement.

"<u>Bundled Ticket(s)</u>" means a season ticket, premium event ticket, or other ticket to an event at the Arena which includes pre-paid parking in the First Avenue North garage or a City Garage.

"<u>City</u>" is defined in the preamble to this Agreement.

"<u>City of Seattle Special Events Committee</u>" means the committee established by the City of Seattle under SMC Chapter 15.52, as amended from time to time during the Term, and comprising representatives of government agencies charged with the duties established by ordinance with respect to special event permits.

"City Garages" is defined in Section 3.1.

"<u>Community Event</u>" is defined in <u>Section 4.8(a)</u>.

"Continuing Sponsorship Agreements" is defined in Section 6.5(a).

"<u>CPT</u>" is defined in <u>Section 3.4(b)</u>.

"Curbside MOA" is defined in Section 4.23.

"Default Rate" is defined in Section 14.1(b).

"Development Agreement" is defined in the Recitals to this Agreement.

"<u>Digital Platforms</u>" shall mean websites, social media platforms (e.g., Twitter, Instagram, Facebook, Snapchat, Pinterest, and Tumblr), pages or microsites on platforms such as YouTube and Flickr, and other similar digital communication platforms as such exist from time to time.

"Effective Date" is defined in the preamble to this Agreement.

"<u>EMP</u>" is defined in <u>Section 6.4(e)(i)</u>.

"<u>Event Day(s)</u>" means any day when an event is held at the Arena.

"Foundation" is defined in Section 6.4(e)(iv).

"<u>Future Marketing Benefits</u>" means Seattle Center Sponsorship Benefits which may come into existence or evolve over time during the Term, including such rights that become available through new technologies or by agreement between ArenaCo and the Seattle Center Director. Future Marketing Benefits may be in addition to or substitution of then-existing Seattle Center Sponsorship Benefits. "Garages" means, collectively, the First Avenue North garage and the City Garages.

"Initial Sign Plan" is defined in Section 4.24(b).

"<u>Laws</u>" means all federal, state and local laws, statutes, ordinances, administratively enacted rules and regulations, permits and approvals, and all other legal requirements, including, but not limited to, the administratively enacted Seattle Center Campus Rules, as each of the foregoing is modified, amended, superseded, or replaced from time to time during the Term.

"Lease Agreement" is defined in the Recitals to this Agreement.

"<u>Licensed User(s)</u>" means tenants, licensees, resident organizations, and other permitted users of the Seattle Center Campus whose rights to use the Seattle Center Campus are by contract with the City, whether through Seattle Center or otherwise, as distinguished from use enjoyed by the general public, regardless of the duration of the licensed/contracted use, and including, without limitation, any Person who has the right to use the Seattle Center Campus for temporary events, programs, and activities.

"Make Goods Provision" is defined in Section 6.4(b)(xiii).

"<u>Marks</u>" means trade names, trademarks, word marks, service marks, product or service names, messages, symbols, logos, or other indicia or identifications.

"<u>MOU</u>" is defined in the Recitals to this Agreement.

"<u>MPR</u>" is defined in <u>Section 3.4(b)</u>.

"Navigate" is defined in Section 6.2(a)(i).

"<u>NBA</u>" is defined in the Recitals to this Agreement.

"<u>NCAA</u>" means the National Collegiate Athletic Association.

"<u>NHL</u>" is defined in the Recitals to this Agreement.

"<u>NIMS</u>" is defined in <u>Section 8.3</u>.

"<u>Non-Event Day(s</u>]" means any day(s) when the Arena is not hosting an event.

"Operating Term Commencement Date" is defined in the Lease Agreement.

"<u>Party(ies)</u>" is defined in the preamble to this Agreement.

"<u>PCI</u>" means Payment Card Industry.

"<u>Person</u>" means any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, or any other business entity or association or any governmental authority.

"Premises" is defined in the Lease Agreement.

"<u>Protected Speech</u>" means any event, activity, or verbal or written communication (whether permitted or unpermitted, licensed or unlicensed) that is intended to convey a noncommercial political, religious, philosophical, ideological, or other similar message to the public, including distributing literature, seeking petition signatures, picketing, demonstrating, carrying signs, artistic performances, or other activities recognized by courts as entitled to protection under the Federal or Washington State constitutions.

"Readiness Plan" is defined in Section 8.3.

"Reserved Rights Area" is defined in the Lease Agreement.

"<u>Reserved Rights</u>" means the City's reserved rights, as Landlord, in the Premises, as further defined in the Lease Agreement.

"SC Designation" is defined in Section 6.2(c).

"SDOT" means the Seattle Department of Transportation.

"Seattle Center" means the Seattle Center Department or any successor department.

"Seattle Center Campus" means the City of Seattle civic center under the jurisdiction of the Seattle Center Director, as reduced, expanded, or altered by the City Council from time to time. As of the Effective Date, the Seattle Center Campus includes (i) all City-owned property and facilities within the boundaries established under SMC 17.12.010 (as amended, modified or replaced), (ii) the Seattle Monorail System, and (iii) the Garages, and such other parking garages placed under the jurisdiction of the Seattle Center Director, all as may be amended or altered by the City Council from time to time. As used in this Agreement, "Seattle Center Campus" does not include property which is within the boundaries established under SMC 17.12.010 (as amended, modified or replaced), but which is not owned by the City.

"<u>Seattle Center Director</u>" or "<u>Director</u>" means the director of Seattle Center, or the head of any successor department established by the City, and also includes any designee(s) of the Seattle Center Director with respect to any applicable matter(s) delegated by the Seattle Center Director to such designee(s).

"Seattle Center Marks" means the Marks of Seattle Center, as such exist from time to time.

"<u>Seattle Center Master Plan</u>" means the "Seattle Center Century 21 Master Plan" adopted August 2008, as modified, amended, superseded, or replaced from time to time during the Term.

"<u>Seattle Center Policies</u>" means (a) the Seattle Center Corporate Sponsorship Guidelines, Century 21 Signage Guidelines, and Seattle Center Statement of Purpose and Value; (b) interpretations of any of the foregoing by the Seattle Center Director; and (c) decisions of the Seattle Center Director, as each of the foregoing is modified, amended, superseded, or replaced from time to time during the Term. "Seattle Center Sponsor" means a third party who has been granted Seattle Center Sponsorship Benefits by ArenaCo as contemplated by <u>Article VI</u> of this Agreement.

"<u>Seattle Center Sponsorship Agreement</u>" means a sponsorship agreement between ArenaCo, as an authorized representative of the City solely for such sponsorship agreements, and a Seattle Center Sponsor in compliance with <u>Article VI</u> of this Agreement granting Seattle Center Sponsorship Benefits.

"<u>Seattle Center Sponsorship Benefits</u>" means Sponsorship Benefits granted by ArenaCo to a Seattle Center Sponsor and approved by Seattle Center Director in accordance with <u>Article VI</u> of this Agreement, which Sponsorship Benefits shall be as set forth in a Seattle Center Sponsorship Agreement that is approved by the Seattle Center Director.

"<u>Signage</u>" means banners, signs, video boards, and other visual media and boards (including any electronic, LED, ribbon, matrix, tri-vision, and similar rotating or moving signage) which promote, market, or advertise products, services, ideas, activities, Persons, or anything else. Signage includes interior and exterior Signage and may be temporary, permanent, or mixed.

"SKCC" is defined in Section 4.8(c)(ii).

"SMC" means the Seattle Municipal Code, as amended from time to time.

"SPD" means the Seattle Police Department.

"Sponsorship Benefits" means sponsorship, marketing, and promotional rights, benefits and opportunities, including, without limitation, Signage.

"Standard T&Cs" is defined in Section 6.1(f)(ii).

"<u>T-Mobile Agreement</u>" is defined in <u>Section 6.4(e)(v)</u>.

"Team" means any NHL, WNBA, or NBA team playing its home games at the Arena.

"Term" is defined in Section 2.2.

"WNBA" means the Women's National Basketball Association.

ARTICLE II PURPOSE, TERM, AND GOALS AND PRIORITIES

Section 2.1 Purpose

This Agreement sets forth certain understandings between the Parties with respect to coordinating certain procedures and infrastructure across the Arena, the Premises, and the Seattle Center Campus in order to allow the Parties to work in good faith to better coordinate and integrate the operations of the Arena and the Seattle Center Campus.

Section 2.2 Term

Except for provisions which expressly provide for a different date, this Agreement shall be effective on the Effective Date so long as it is signed by an authorized representative of each Party. The term of this Agreement (the "<u>Term</u>") shall be coterminous with the term of the Lease Agreement and shall automatically expire upon the expiration or earlier termination of the Lease Agreement.

Section 2.3 Goals and Priorities

The Parties acknowledge that this Agreement, and the commitments made herein for the purposes described in Section 2.1 above shall be guided by the goals and priorities in this Section 2.3.

(a) <u>People First</u>

(i) Patrons: The public's experience from arrival at Seattle Center Campus to leaving the Arena should be seamless.

(ii) Employees: As set forth in the Development Agreement, a plan has been established for retaining qualified workers and ensuring long-term labor harmony. Seattle Center staff and ArenaCo staff will be mutually respectful and supportive of one another.

(iii) Tenants: As set forth in the Development Agreement, Tenant relocation plans have been established to minimize the disruption to and burden on resident organizations

(iv) Community: Programming at the Arena will activate not only the Seattle Center Campus, but also the surrounding neighborhoods and the residents, artists, and small business owners who reside there.

(b) <u>Place-Making, Not Just a Project</u>

(i) The Arena will be branded as a showcase component of the Seattle Center Campus.

(ii) The Arena will enhance the entire Seattle Center Campus, with the diverse offerings of the Seattle Center Campus becoming part of the patron's Arena experience.

(iii) The Arena and its operations will be aligned with the Seattle Center Purpose Statement and the Seattle Center Core Values, which are:

<u>Seattle Center Purpose Statement</u>. Seattle Center creates exceptional events, experiences, and environments that delight and inspire the human spirit to build stronger communities.

<u>Seattle Center Core Values</u>. The Seattle Center core organizational values guiding the management and operation of Seattle Center Campus and Seattle Center events and activities are:

- Deliver uplifting and professional service to Seattle Center's guests, clients, partners, and to each other when carrying out activities under this Agreement.
- Manage Seattle Center's business with accountability, integrity, and commitment to race and social justice.
- Foster a collaborative, trusting, and respectful workplace community.
- Provide opportunities for employee development.
- Model innovation, efficiency, and sustainability.
- Focus on operational excellence and fiscal strength.
- Steward a safe and welcoming place for all.
- Commit to shaping Seattle Center's future and telling its story.
 - (c) <u>Partnership for Success</u>

(i) The partnership between ArenaCo and Seattle Center will be mutually beneficial.

(ii) Seattle Center will share in the success of the Arena, and never move backwards from its current baseline revenue as set forth in the Lease Agreement.

(iii) There will be an established process for the Parties to easily and efficiently coordinate efforts and resolve issues.

ARTICLE III PARKING GARAGE OPERATIONS

Section 3.1 Operating Terms

ArenaCo shall lease and operate the First Avenue North garage pursuant to the terms and conditions of the Lease Agreement. Seattle Center shall operate the Mercer Street garage and the Fifth Avenue North garage (collectively, the "<u>City Garages</u>") as City-owned facilities, pursuant to City policies, ordinances, and related terms of the Lease Agreement. The Parties shall use good faith, commercially reasonable efforts to manage, maintain, and operate the Garages in a manner reasonably calculated to optimize mutual operational efficiency and revenue generation, and to provide parking capacity for patrons of the Arena, patrons of resident organizations, and for the general public and people attending other Seattle Center Campus events and activities. The Parties acknowledge that the collaborative operation and management of parking inventory is a mutual interest and, where practicable, desire to develop and operate with coordinated parking technologies and systems as well as transit-related elements designed to provide seamless support to patrons.

Section 3.2 Coordination of Parking Operations

Annual Meeting. On a mutually agreeable date before the scheduled (a) Operating Term Commencement Date, and thereafter, no later than March 31 of each calendar year of the Term, representatives of ArenaCo and Seattle Center shall meet to mutually establish the specific allocation of reserved parking capacity for ArenaCo in City Garages, and to discuss each Party's parking rates and ArenaCo's plans for Bundled Tickets. The Parties shall meet and confer on a regular basis to review parking procedures, customer service standards, and management of all related operations goals and issues. The allocation of parking spaces to ArenaCo must be equitable, taking into consideration the parking needs of other Seattle Center Campus events, resident organizations, and the diverse audiences served. Unless otherwise mutually agreed in writing by the Parties, ArenaCo shall be allocated a total of four hundred (400) parking spaces between the City Garages on each Event Day. Such amount is a maximum total of parking spaces at any given time on an Event Day, and such parking shall be for two (2) hours before event start through two (2) hours after the event ends. In the event either of the City Garages is closed permanently, the Parties will agree in good faith on a revised lesser number of guaranteed spaces, including allocation of parking spaces for the Teams, until such time as there is a City replacement garage, whereupon a new guarantee number shall be agreed upon by the Parties in good faith.

(b) <u>Reserved Parking</u>. Prior to the commencement of each Team season, the Parties will agree to the number of parking spaces at each of the City Garages to be reserved exclusively for pre-paid ArenaCo event parking for the applicable Team's events for such season, provided that if the Parties are unable to agree on the number of parking spaces, the Director shall reserve for ArenaCo for such Team events the four hundred (400) spaces in <u>Section 3.2(a)</u> above per Team event allocated between the City Garages. Specific reserved parking areas or zones will be identified for this use. The number of parking spaces will be based on overall parking demand for each City Garage and calculated to enable equitable distribution for pre-paid parking needs of ArenaCo and other Seattle Center Campus resident organizations. Further, the Parties will establish a process for monitoring utilization of ArenaCo reserved parking capacity to inform the Parties' discussions regarding lowering or raising the annual number of parking spaces. The Director retains the right to return unsold reserved parking capacity to City's inventory for sale. Prior to the commencement of each Team season, and as needed thereafter, the Parties will collaborate regarding reasonable timing for release of unsold reserved parking.

(c) <u>Bundling with Arena Tickets</u>. ArenaCo shall be permitted to create packaged inventory that includes Bundled Tickets in areas mutually agreed upon by the Parties in a City Garage for up to the number of spaces identified in <u>Section 3.2(a)</u>. Subject to estimated capacity, additional parking inventory in City Garages for ArenaCo's use for Bundled Tickets may be made available by Seattle Center to ArenaCo on an event-specific basis.

(d) <u>Parking Rates</u>. ArenaCo shall have the right to set and modify parking rates for the First Avenue North garage, including pricing for pre-paid and Bundled Tickets. Seattle Center shall have the right to set and modify parking rates for the City Garages. The Parties shall use good faith, commercially reasonable efforts to create a method for coordinating parking rates charged at the First Avenue North garage and charges at the City Garages for Event Days and Non-Event Days. Consideration will be given to market rates, customer demand, and City Ordinances governing parking rates for City Garages. ArenaCo acknowledges that the rates for the City Garages (but not the First Avenue North garage) are established within a structure that must be Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) V2

approved by City Ordinance. Seattle Center will propose the maximum Seattle Center parking rates and parking policies for the City Garages during the biennial City budget process. Such proposal shall be subject to Director review and legislative approval by the City Council. Seattle Center shall determine the daily and event parking rates and other parking policies for the City Garages within the City Council-approved rate structure and policy framework legislated by City Ordinance.

(e) <u>Customer Relations</u>. The Parties shall collaborate on a regular basis to set customer service goals and expectations for Garage parking operations, intended to be aligned with any guest experience program(s) established by ArenaCo and related Seattle Center Policies. Elements of customer service collaboration may include, but not be limited to, agreement upon appropriate staffing levels, training, uniforms, safety procedures, and related specific customer service duties for the Garages. The Parties must reasonably agree to a cost allocation for related expenses prior to implementation of any element and must reasonably collaborate with affected unions regarding changes in working conditions as needed.

Section 3.3 Parking Technology and Data

(a) <u>Parking Technology</u>. To provide customer convenience and enhance revenue opportunities, the Parties agree that collaborative operation and management of Garage parking inventory is a mutual interest. The Parties, where practicable, desire to use technology to develop parking programs, market parking inventory, and manage Garage capacity in a coordinated fashion. The Parties will, with respect to the Garages:

(i) Investigate and consider a shared, or compatible set of, automated parking capacity and revenue control system(s).

(ii) Jointly research and evaluate available software and hardware systems and potential future technologies.

(iii) Jointly determine in advance the criteria to be considered in evaluating available systems. Possible evaluation criteria may include, without limitation; ease of operation; purchase price; extended cost of ownership; maintenance and service factors; support staffing required; compliance with accounting practices; compliance with each Party's policy considerations (including privacy and PCI policies); compliance with Laws (including the ADA); and data security.

(iv) If the Parties elect (despite having no obligation to make such election) that a shared or compatible system(s) is to be implemented, the Parties may elect to have one Party undertake the purchase and installation on behalf of both Parties with the other Party providing reimbursement for its relative share of the system (such calculation to be mutually agreed upon by the Parties).

(v) The Parties will document in writing in advance the agreed terms and conditions of any joint purchase (including, without limitation, the cost allocation set forth in clause (iv) above).

(b) <u>Parking Data Sharing</u>. The Parties have a mutual interest in sharing Arenarelated (including Event Day) parking data for the Garages to the maximum extent practicable to help provide improved parking services. The Parties intend that any data sharing will include industry standard elements such as, but not limited to, revenue by sale type (i.e., individual, passes, bundled), rates charged, occupancy duration, vehicle occupancy (if available), time of day parked, and other information consistent with then-current standards. Any data sharing between the Parties shall be subject to and consistent with the then-current Laws and privacy policies in place for each organization and shall be for identified periods and in a mutually agreed upon format.

Section 3.4 Ticket and Revenue Reporting

(a) <u>Parking Ticket Sales and Reporting</u>. The Parties agree to work collaboratively and in good faith to establish consistent parking ticketing and payment procedures for the sale of Garage parking inventory. Ticketing procedures should be designed to provide clear information to the customer, efficient processing of sales transactions, data security, and a strong audit trail. Both Parties will work cooperatively to prevent scalping or unauthorized sale of Garage parking inventory.

(b) <u>Parking Revenue Calculation</u>. ArenaCo shall pay Seattle Center for reserved parking in the City Garages calculated as provided in this <u>Section 3.4(b)</u>.

For purposes of calculating such payment to Seattle Center, the value of City Garage reserved spaces sold by or through ArenaCo shall be calculated as follows:

(i) For parking spaces in which a parking pass is sold with a stated amount that exceeds the City's applicable rate for the day and time used, then the value shall be determined by multiplying the number of spaces sold by the rate at which ArenaCo sold the parking for the hours for which a parking space is reserved.

(ii) For parking spaces sold as part of Bundled Tickets without a separately specified parking charge, the value shall be determined by multiplying the number of spaces sold as part of Bundled Tickets by the then-current City parking rate in effect for the hours for which a parking space is reserved.

(iii) For parking spaces in which a parking pass is sold with a stated amount that is less than the City's applicable rate for the day and time used, then the value shall be determined by multiplying the number of spaces sold by the then-current City parking rate in effect for the hours for which a parking space is reserved.

The cumulative amount of such parking fees for each calendar month will be referred to as the "Monthly Parking Remittance" (the "<u>MPR</u>"). The MPR shall be inclusive of the applicable sales tax and the City's Commercial Parking Tax ("<u>CPT</u>") (currently 22.6% combined). Seattle Center's parking rates include applicable sales tax and the CPT, and ArenaCo's payment of the City's parking rates shall be inclusive of taxes, as amended from time to time during the Term. Seattle Center shall remit the sales tax and CPT to the appropriate taxing authority. Credit card fees or other "per transaction" fees shall be handled as an expense and shall not deducted from the MPR.

(c) <u>Monthly Parking Sales Report</u>. To facilitate payment for parking sales sold by ArenaCo in the City Garages, ArenaCo shall provide Seattle Center with a monthly parking sales report in a form reasonably acceptable to Seattle Center. The monthly report must list sales by ArenaCo of any parking products (whether bundled or not) for the prior calendar month and include sales information by event date, garage location, amount of sale, and a unique transaction identifier number. The monthly parking sales report will be due by the fifteenth (15th) day of the following month.

(d) <u>Parking Sales Adjustments</u>. The monthly parking sales report must include separate areas to identify adjustments by ArenaCo that should be made to the current or prior monthly parking sales reports for cancelled or rescheduled events or refunds and include adjustment information by event date, garage location, amount of adjustment, and a unique transaction identifier number. Refund adjustments made by City for a sale made by ArenaCo will be provided to ArenaCo by City, with appropriate documentation regarding event date, garage location, the amount of adjustment, and a unique transaction identifier number. The Parties will jointly determine the standards and procedures to be used for determining and implementing adjustments.

(e) <u>Monthly Invoice</u>. Seattle Center will invoice ArenaCo for the MPR, including adjustments, if any, due for previous calendar months. The invoice amount will be subject to the standard payment requirements outlined under Article III, Section 1 of the Lease Agreement. In addition to Seattle Center's remedies for unpaid amounts under Article XIX of the Lease Agreement, if any invoice for City Garage reserved parking remains unpaid for more than one hundred twenty (120) days and the amount is not otherwise being disputed in good faith by ArenaCo, City, in the Director's sole discretion, may suspend ArenaCo's reserved parking privileges at the City Garages.

(f) <u>Initial Year Rent Adjustment</u>. For purposes of calculating Rent Adjustments (as defined in the Lease Agreement) for the City Garages, parking presold and collected by ArenaCo prior to the Operating Term Commencement Date will be included in the MPR for the months applicable to actual use of such parking and included in Parking Receipts (as defined in the Lease Agreement) when paid by ArenaCo to City after the Operating Term Commencement Date.

ARTICLE IV OPERATIONS COORDINATION

Section 4.1 Schedule Coordination

(a) <u>General Event Booking Coordination</u>.

(i) ArenaCo and Seattle Center representatives will hold coordination calls, no less frequently than monthly, with the goal of each Party staying current on the status of various events and anticipating how and where those events might impact operations on and around the Seattle Center Campus and the Premises.

(ii) If ArenaCo and Seattle Center have a compatible booking system, designated personnel from ArenaCo and Seattle Center will have mutual view-only

privileges to the other Party's event bookings, subject to the limitations or requirements of any software licenses and any City technology policies regarding third-party access.

(iii) At all times during the Term when ArenaCo and Seattle Center have separate booking systems, each Party will make best efforts to provide the other Party with viewing privileges to those booking systems. If technical issues or technology policies prevent mutual viewing, more frequent coordination calls should take place to ensure each Party has a current understanding of the booking schedule of the other Party.

(iv) In either case, each Party's access to the other Party's booking system shall be solely limited to viewing rights for informational purposes. Each Party shall retain ownership, custody, and control of its booking system. Each Party will respect the confidentiality of the other Party's event bookings, and only a limited group of staff representing each Party would be permitted to view any confidential information.

Section 4.2 Critical Event Dates

(a) To facilitate reserved parking and event coordination, ArenaCo will share with Seattle Center the home game date offer submitted to the league(s) of any Arena resident sports Team(s). ArenaCo shall share the final Team(s) schedule for the upcoming regular season with Seattle Center within twenty-four (24) hours of the time ArenaCo receives each Team's confirmed home game schedule.

(b) Seattle Center will notify ArenaCo promptly when the dates of annual major festivals and campus-wide events at the Seattle Center Campus (collectively, "<u>Major Events</u>") are confirmed (each, a "<u>Critical Festival Date</u>"). These dates are generally confirmed at least two (2) years in advance. Major Events currently include (but are subject to change from time to time throughout the Term):

- (i) Northwest Folklife Festival, Memorial Day Weekend;
- (ii) PrideFest, final Sunday in June;

(iii) Bite of Seattle, generally the third weekend in July, but subject to change every few years, depending on how many weekends are in the month;

(iv) Seafair Torchlight, generally the final Saturday in July, but subject to change every few years, depending on how many weekends are in the month;

- (v) Bumbershoot Festival, Labor Day Weekend; and
- (vi) New Year's Eve Celebration, December 31.

(c) ArenaCo will promptly notify Seattle Center when an Arena event is confirmed that will take place during a Critical Festival Date.

(d) The Parties agree that thoughtful consideration will be given to the cumulative effects of multiple events on the Seattle Center Campus grounds and City streets prior

to booking of major events, so that known major event impacts may be communicated to the Parties' respective clients and invitees. The City reserves all rights to schedule events and programming at the Seattle Center Campus, but excluding at the Arena and other portions of the Premises other than the Reserved Rights Area, and the booking of major events at the Arena shall not in any way restrict the City's right, or the right of any resident organization, to accordingly schedule events and programs on the Seattle Center Campus and Reserved Rights Area. ArenaCo reserves all rights to schedule events and programming at the Arena consistent with the terms of the Lease Agreement, and the booking of major events on the Seattle Center Campus shall not in any way restrict the booking of the Arena.

Section 4.3 Protecting Events

When carrying out their respective event bookings, neither Party shall be required to protect events from other competing categories of events, regarding either proximity to venue or proximity of timing, with the following exception: if the Arena is not used during the Bumbershoot Festival, then ArenaCo shall not book a competing music, comedy, or other popular entertainment act at the Arena on the Bumbershoot Festival dates without the Director's prior written approval (such approval not to be unreasonably withheld, conditioned, or delayed), but ArenaCo may book a sports event or event which is not music, comedy, or popular entertainment without such prior approval. If the Arena is not used during the Bumbershoot Festival and ArenaCo requests the ability to book a competing event which is not approved by the Director, then the dates of the Bumbershoot Festival will count toward the fourteen (14) Community Event dates for that year as described in <u>Section 4.8</u> below.

Section 4.4 Operations Coordination

(a) No less frequently than monthly, designated representatives from Seattle Center and ArenaCo shall meet to anticipate and coordinate operations concerns between the Seattle Center Campus and the Premises.

(b) Meeting participants may be added depending on the topics on the agenda; however, the meeting will consistently include the primary operations liaisons for both the Arena and Seattle Center, e.g., the Seattle Center Campus Manager and the Arena Operations Manager.

(c) As part of the meeting, participants will review the upcoming event calendar for the Seattle Center Campus and the Arena. The Parties agree to develop a system to identify those Event Days that require various pre-set operational responses for community outreach, staffing/security, transportation management, and other customer service issues.

(d) ArenaCo will be included among the Seattle Center Campus resident organizations and will have the right to participate in a consortium with Seattle Center, the Seattle Opera, the Pacific Northwest Ballet, KEXP, the resident theaters and museums, and other resident organizations in any mutually agreed upon coordination of calendars, operations, communications, and other efforts.

Section 4.5 Event Booking System Technology

(a) The Parties have a mutual interest in shared event booking information utilizing a shared or compatible event booking system to assist in anticipating event schedule conflicts, manage traffic congestion, and improve planning efforts with respect to the Arena and the Seattle Center Campus. The Parties will:

(i) Investigate and consider a shared, or compatible, automated event booking system.

(ii) Jointly research and evaluate available software systems.

(iii) Agree in advance on the criteria to be considered in evaluating available systems. Possible evaluation criteria may include, without limitation: ease of operation, cost of purchase, maintenance and service, support staffing required, compliance with Laws and each Party's policies (including privacy), ability to maintain proprietary information, and data security.

(iv) Provide view-only rights to the other Party's hold calendar as described in Section 4.1(a)(ii) above.

(v) Specific viewing protocols, including confidentiality protections, will be discussed at least annually and documented.

(vi) Propose changes to the viewing protocol at any time, but any changes to viewing protocols will not be made without advance agreement.

(b) If the Parties elect (despite having no obligation to make such election) to implement a shared or compatible system, the Parties may agree that one Party will undertake the purchase and installation on behalf of both Parties, with the other Party providing reimbursement for its share of the system. The terms and conditions of any joint purchase will be documented in writing in advance.

Section 4.6 Customer Service

At its sole cost and expense, each Party will establish a method (including, but not limited to, displaying contact telephone numbers or email addresses) pursuant to which individuals may report operational issues relating to the Arena or the Seattle Center Campus. Each Party will promptly respond in a commercially reasonable manner to all reports. To the extent ArenaCo receives a report regarding the Seattle Center Campus, or Seattle Center receives a report regarding the Arena, the receiving Party will promptly refer the individual to the other Party's reporting service or will send the relevant report to the other Party, and the Parties will cooperate in good faith to document and investigate, and to put in place measures appropriate under the circumstances, to address the concern.

Section 4.7 Protected Speech Events and Activities

(a) Seattle Center shall give ArenaCo prompt notice if Seattle Center provides a permit or license for a Protected Speech event on the Seattle Center Campus. As a result of the possessory rights granted to ArenaCo pursuant to the Lease Agreement, Seattle Center shall not have the right to provide a permit or license for a Protected Speech event on the Premises except with respect to vacated Second Avenue North and those portions of the Premises located in the Northwest Rooms Courtyards to which the City, as landlord, has Reserved Rights which are consistent with such license. Nothing in this Agreement designates the Premises as a public forum of any kind and nothing in the Agreement is intended to create any public right to conduct Protected Speech events or activities on the Premises.

(b) Seattle Center and ArenaCo shall work together to make best efforts to minimize the impact of Protected Speech events on the Premises.

(c) Damage or excessive cleanup sustained by the Premises that is directly attributable to a Protected Speech event licensed or permitted by the City on the Seattle Center Campus shall be billed by the City to the licensee or permittee, and the City shall be responsible to enforce the collection of these funds from the licensee or permittee. If an invoice for damage to or excessive cleanup of the Premises remains unpaid by the licensee conducting the Protected Speech event, then Seattle Center shall take steps to collect such amounts consistent with the license agreement and Seattle Center policies for collections; however, the City shall not be responsible for costs associated with damage or clean-up required as the result of unpermitted events or the actions of third parties who are not within the control of Seattle Center.

(d) Security or other operational adjustments that ArenaCo chooses to make in anticipation of or response to a Protected Speech event are the sole responsibility of ArenaCo and may not be billed back to the City.

(e) Seattle Center shall make best efforts to represent any major operational conflicts between Protected Speech events and Arena events to the City of Seattle Special Events Committee.

Section 4.8 Community Events

(a) Pursuant to Article VIII, Section 4 of the Lease Agreement, from and after the Operating Term Commencement Date, ArenaCo shall make available to City or City's designees ("<u>Community Event Designees</u>") use of the Arena (including the loading dock and associated parking spaces) to host community events, but not the exclusive use spaces for the Seattle Storm, or, if applicable, resident NHL or NBA tenants, at no charge to City or such Community Event Designees for the use of such spaces for purposes of such hosted events, for up to fourteen (14) days per calendar year (<u>each a "Community Event</u>"). The applicable provisions of Sections 4.8 through 4.10 of this Agreement and Article VIII, Section 4 of the Lease Agreement shall govern all Community Events.

(b) In accordance with Section 6.1 of this Agreement, Community Events shall not be prevented from having corporate, for-profit sponsors, including sponsors with benefits that may temporarily co-exist with Arena Sponsors during the applicable Community Event(s). In the Director's discretion, the City may permit an authorized Community Event Designee to work directly with ArenaCo and to execute an event lease agreement directly with ArenaCo for one or more of the City Community Event dates. Any lease agreement for Community Events shall (i) be on reasonable terms, considering the nature of the event, and materially consistent with Seattle Center's existing form of event license agreement (ii) shall not impose unreasonable barriers to the City's ability to schedule Community Events, and (iii) shall comply with the terms and conditions for Community Events under the Lease Agreement and this Agreement.

(c) Scheduling of Community Events

(i) If the dates for the Bumbershoot Festival are modified, the Community Event dates reserved for Bumbershoot shall be modified to alternate dates that are acceptable to ArenaCo. City will provide ArenaCo no less than twelve (12) months advance notice of any such proposed date modification.

(ii) The Seattle/King County Clinic ("<u>SKCC</u>") shall be scheduled on mutually agreeable dates. Seattle Center shall provide written notice to ArenaCo of the desired dates for each year's SKCC as early as thirty-six (36) months and no later than twelve (12) months prior to the proposed SKCC dates.

(iii) ArenaCo acknowledges that the scheduling of SKCC is dependent on the availability of certain critical equipment, and will make best efforts to accommodate the dates requested by Seattle Center. The Parties acknowledge that, subject to the timing set forth in <u>clause (ii)</u> above, SKCC dates will not be confirmed until equipment availability is verified.

(iv) If fewer than six (6) days are used for the Bumbershoot Festival or fewer than eight (8) days are used for SKCC, or if either event (or any portion thereof) is cancelled, the remaining use dates may be scheduled for other Community Events, per the "Additional Dates" procedure set forth in <u>Section 4.9</u> below.

Section 4.9 Additional Community Event Dates

(a) Should City desire to schedule Community Events other than Bumbershoot and SKCC from the 14-day allocation set forth in the Lease Agreement, City and ArenaCo will determine mutually agreeable dates for such use, taking into account priority calendar holds by resident NHL, NBA or WNBA teams, using the procedure outlined below:

(i) City may request to schedule a Community Event date on a day that ArenaCo has not previously scheduled or reserved for an event, with a written request from the Seattle Center Director.

(ii) The request will be delivered no less than thirty (30) days in advance of the requested date, and may be delivered as early as thirty-six (36) months in advance.

Section 4.10 Premises Use for Community Events

(a) Subject to <u>Section 4.10(b)</u>, during Community Events, the City or its designee shall have full use of the Premises, including all guest and event areas; plazas; lobbies, restrooms and concourses; premium seating; backstage production areas; meeting rooms; dressing rooms (for dressing/undressing, hair and makeup, and similar activities only); concession areas (for food service use only); loading docks; and associated parking spaces.

(b) During Community Events, the City or its designee shall not have use of certain Arena areas designated for the exclusive use of ArenaCo tenants, licensees and staff, including resident team locker rooms; visiting team and officials' locker rooms; team lounges, training and medical facilities; exclusively leased suites; designated storage spaces; broadcast production studios; press box; concessions administrative offices; and ArenaCo administrative space.

(c) ArenaCo will provide a designated event service representative/event coordination contact for Community Events.

(d) Concessions Areas

(i) Catering and concession exclusivity will be waived during SKCC only, it being understood that all other Community Events shall utilize Arena concessionaires if and to the extent required by the agreements then in place between ArenaCo and such concessionaires.

(ii) ArenaCo will work with SKCC to create a temporary kitchen area on the Premises that will be separate from the Arena's concessions kitchen, but that will provide a facility equivalent to that of tour catering conditions.

(iii) SKCC will not be permitted to use concessions stands for clinic operations but will be permitted to use concession stands for food service use only, and no access will be provided to concessionaire storage or equipment.

(e) As between Seattle Center and ArenaCo, Seattle Center or its designees shall have the exclusive media rights to Community Events, including, but not limited to, the right to record, live stream, publish, display, distribute, and reproduce recordings, accounts, photos, and other content (collectively, "<u>Captured Content</u>") in any form, medium or manner, whether now or hereafter existing (including, without limitation, all performances, programming and activities associated with the Community Events). ArenaCo, on behalf of itself, and anyone obtaining any rights through ArenaCo, including, without limitation subtenants of ArenaCo, hereby waives any and all media rights to Community Events. Seattle Center or its designees shall be allowed media access as needed for Community Events. Notwithstanding anything to the contrary contained herein, Seattle Center or its designees shall not live stream, publish, display, distribute, or reproduce any Captured Content that reasonably would be anticipated to (i) disparage ArenaCo or any Team, or (ii) otherwise purport to associate ArenaCo or any Team with any overt political message (the identification of the location of events or activities at the Premises itself shall not be an association for purpose of the foregoing <u>clause (ii)</u>).

(f) Specifically pertaining to the SKCC, Seattle Center and the SKCC work with both Seattle and King County Public Health, as well as other professional state and local agencies, to develop and maintain safety protocols related to significant communicable conditions, sanitation, biohazardous waste disposal, blood-borne pathogen exposure, equipment, direct patient care, health emergencies, volunteer licensure, and malpractice coverage, among others. Seattle Center and SKCC commit to continuing to work with these agencies to ensure professional standards and safety are being achieved in clinic operations, both in the Arena and on the Seattle

Center Campus, and that appropriate written waivers and disclaimers of liability are being obtained from members of the public accessing SKCC services that run in favor of ArenaCo, the form of which waiver and disclaimer will be provided to ArenaCo.

(g) Community Event Expenses

(i) City or its designee will reimburse ArenaCo for direct out-of-pocket costs (without markup) actually incurred in connection with hosting the Community Events. Overhead and the cost of salaried staff (as opposed to hourly staff who were hired specifically for the Community Event) is not billable to the City, but direct event costs are. ArenaCo will provide estimated charges to Seattle Center in connection with the scheduling of a Community Event.

(ii) These direct billable costs may include, but are not limited to, direct costs for setups/breakdowns of facilities, systems, equipment, and furniture; and labor such as ushers, security, stage and other technical operators, and janitorial.

(iii) SPD, paramedics, and other municipal services related to the Community Event will be billable to Seattle Center.

(iv) Interior equipment owned or leased by ArenaCo and housed in the building may be used free of charge except for set/strike costs, it being expressly understood that the foregoing provision shall not apply to equipment owned or leased by any Team. All ArenaCo equipment used for Community Events must remain in the interior of the Arena and may not be used in outdoor plaza areas or otherwise moved off-premises.

(h) The City or its designee shall be permitted to utilize its own ticketing service for the Bumbershoot Festival and retain all revenues therefrom.

Section 4.11 Space Usage/Pre- and Post- Arena Events

(a) Festival and Event Use of the Exterior Arena Premises

(i) Upon request, ArenaCo will have the opportunity to review (but not approve) how Seattle Center events are using Seattle Center Campus areas directly adjacent to the Premises (collectively, "Seattle Center Campus Adjacent Activities"). Seattle Center shall consider in good faith the reasonable comments of ArenaCo with respect to such Seattle Center Campus Adjacent Activities and any material adverse impacts on the Premises that are reasonably anticipated based on the proposed plan for same. Nothing in this Agreement shall be deemed to operate as an advance waiver or release in the event that such Seattle Center Campus Adjacent Activities result in damages to or claims against the Premises.

(ii) Per the Lease Agreement, in addition to Community Events, ArenaCo shall provide 360-degree pedestrian access around the circumference of the Arena, and to the maximum extent feasible, for the exterior pedestrian walkways, landscaping and hardscaping, plazas and other exterior amenities in or on the Premises to remain available for public use and enjoyment, festivals, and other uses consistent with the Lease Agreement, Seattle Center's Purpose Statement, and the Seattle Center Master Plan. Therefore:

- a. Seattle Center may request use of the Arena plaza areas for use by resident organizations/large community events, provided these events are free and open to the public, and provided that the proposed use does not conflict with existing Arena event business (including Arena sponsorships).
- b. Direct costs and liability insurance issues related to this type of use would be addressed in writing in advance and would be billable to or required of the festival or event.
- c. Festival and event use of any portion of the exterior areas of the ArenaCo Premises is subject to approval and licensing by ArenaCo, such use to not be unreasonably withheld.
- d. In order to guarantee use of the exterior Arena Premises (other than the Reserved Rights Area) well in advance, festivals or event clients may lease or license such plaza areas directly from ArenaCo through standard booking procedures and at rates determined by ArenaCo.
- (b) ArenaCo Use of the Seattle Center Campus

(i) Upon request, Seattle Center will have the opportunity to review (but not approve) how ArenaCo's events are using those areas of the Premises directly adjacent to the Seattle Center Campus (collectively, "<u>ArenaCo Adjacent Activities</u>"). ArenaCo shall consider in good faith the reasonable comments of Seattle Center with respect to such ArenaCo Adjacent Activities and any material adverse impacts on the Seattle Center Campus that are reasonably anticipated based on the proposed plan for same. Nothing in this Agreement shall be deemed to operate as an advance waiver or release in the event that such ArenaCo Adjacent Activities result in damages to or claims against the Seattle Center Campus.

(ii) Upon request from ArenaCo, Seattle Center will work with ArenaCo to coordinate event activations on the Seattle Center Campus that relate to certain Arena events, taking into consideration Seattle Center's overall public programming and operations.

(iii) Seattle Center will work with ArenaCo to prioritize scheduling a limited number of event activations on the Seattle Center Campus for the Arena grand re-opening, Team season openers, and Team playoff games, and use good faith efforts to make at least one major facility (such as Fisher Rooftop or Fountain Lawn) available for each such event activation.

(iv) Commercial Seattle Center rental rates, terms, and conditions of use will apply to these event activations.

(v) Non-commercial event activity related to Arena events to address operational concerns (for example, line management in accordance with <u>Section 4.14</u> below or media placement) on the Seattle Center Campus may be approved by Seattle Center on a space-available basis, provided there is no material adverse impact to the Seattle Center Campus operations or events. If there are costs related to such activities, Seattle Center terms and conditions of use will apply to these activities.

Section 4.12 Third Party Use/Referrals

(a) If a Team or ArenaCo event client wishes to make use of any Seattle Center Campus facilities, indoor or outdoor, as part of an Arena event, ArenaCo will:

(i) refer such party to Seattle Center for direct sales/contracting; or

(ii) rent the applicable space directly from Seattle Center at Seattle Center regular commercial rates, terms, and conditions of use.

(b) If a Seattle Center resident organization or Seattle Center-authorized Seattle Center Campus event client wishes to make use of outdoor portions of the Premises other than the Reserved Rights Area:

(i) Seattle Center will refer such party to ArenaCo for direct sales/contracting; and

(ii) if ArenaCo agrees to enter into an agreement with such party for use of the Premises, then the Seattle Center Event Service Representative assigned to the Seattle Center Campus portion of the client event will coordinate logistics/operations related to the client's use of the Premises directly with the appropriate ArenaCo representative.

Section 4.13 Maintenance and Operation

ArenaCo shall operate the Arena's exterior open space pursuant to the terms and conditions of the Lease Agreement. Seattle Center shall operate the Seattle Center Campus as City-owned facilities, pursuant to City policies and ordinances. The Parties shall use good faith, commercially reasonable efforts to manage, maintain, and operate their open spaces in a manner that addresses standards and frequency of cleaning, vandalism repair, graffiti removal, and trash and litter removal to ensure a clean and safe environment.

Section 4.14 Line Management

ArenaCo shall employ reasonable and appropriate numbers of staff members to monitor and direct queuing for Arena events or ticketing on the Premises and shall use good faith commercially reasonable efforts to minimize any queueing outside of the Premises. In the event queuing for the Arena is expected on the Seattle Center Campus, the Parties will work collaboratively in advance to plan for and manage Arena queues in a fashion that is minimally disruptive to Seattle Center clients, guests, and operations.

Section 4.15 Policies Regarding Weapons, Drugs, Alcohol, and Loitering

Seattle Center policies, including, but not limited to, those regarding firearms, weapon possession, drug and alcohol use, loitering, and similar issues are set forth under the Seattle Center Campus Rules as promulgated under the authority of SMC 17.04.040 and subject to all Laws. ArenaCo policies and the policies of its subtenants with respect to the Premises may be more restrictive or differ from those of Seattle Center, but only to the extent not in conflict with the Lease Agreement, provisions of Seattle Center Campus Rules applicable to Seattle Center Campus grounds, or other applicable Laws. Seattle Center and ArenaCo agree to work together in good faith to identify and implement reasonable measures to mitigate conflicting policy issues.

Section 4.16 Policies Regarding Noise Impacts

Upon completion of construction and during the operation of the Arena, the Parties shall support and adhere to the City of Seattle's Noise Code and strive to minimize noise impacts to neighbors. The Parties shall regularly meet and confer to discuss any noise issues relating to the Premises and identify and implement appropriate policies and procedures to mitigate such noise issues.

Section 4.17 Policies Regarding Ticket Scalping and Sales of Bootleg Merchandise

Seattle Center and ArenaCo will work collaboratively on issues arising from the scalping of tickets or sale of bootleg merchandise on the Seattle Center Campus.

Section 4.18 Canine Detection Team

The Parties acknowledge and agree that ArenaCo may, at its sole election, employ an explosive detection canine team operation plan for the Arena, which shall integrate canine operations into the patron, vehicle, and overall Arena search process. Canine resources will remain onsite for the duration of any event held at the Arena to respond to any suspicious packages or related incidents during the event and to participate in sanitizing the boundaries of the Premises for egress.

Section 4.19 Walk-Through Metal Detectors

All persons entering the Arena (including Seattle Center and other City employees and any other union workers) must be screened through Walk-Through Metal Detectors (WTMDs) on a seven (7) day a week, twenty-four (24) hour basis. If an alarm is triggered, full secondary screening procedures will be consistently applied to all such persons prior to entering the Arena.

Section 4.20 Preferred Routes of Travel

The Parties will mutually develop a small portfolio of standard recommended routes for pedestrian and vehicular ingress and egress to and from events held at the Arena, with alternative routes identified to address variations due to attendance, other neighborhood or Seattle Center Campus events, and construction or facility changes. The standard routes may be modified by mutual agreement of the Parties as needed, but shall be subject to any requirements of SDOT and the City of Seattle Special Events Committee. The Parties will use commercially reasonable efforts to direct Arena patrons to use the recommended routes, including the use of staff and wayfinding Signage.

Section 4.21 Operations and Traffic Control on Arena Event Days

The Parties have a mutual interest in making arrival to and exit from events a positive experience for patrons.

(a) ArenaCo will negotiate in good faith an agreement with SPD regarding traffic control at designated intersections on Event Days. Seattle Center and ArenaCo will cooperate in good faith in the negotiation and implementation of such traffic agreement.

(b) Other organizations or facilities on the Seattle Center Campus also hire SPD to perform traffic control when attendance is expected to reach specified levels. The Parties shall use good faith, commercially reasonable efforts to explore opportunities for collaboration and coordination in those situations. To enable that coordination, the Parties will:

(i) Cooperatively identify attendance levels or event types that would warrant SPD traffic control for an individual facility.

(ii) Cooperatively identify cumulative event attendance levels warranting SPD traffic control.

(iii) Jointly determine if there are cost sharing opportunities for the Parties.

(iv) Regardless of whether costs are shared, the Parties will coordinate so that SPD's traffic direction provided for non-Arena events is complementary to that being provided by SPD to patrons of Arena events taking place at similar times as events at other areas of the Seattle Center Campus.

The above efforts will be coordinated cooperatively with other Seattle Center tenants where appropriate and possible.

Section 4.22 Monorail Operations

ArenaCo shall appoint a representative to coordinate in good faith with the Seattle Center monorail operator regarding the schedule of events at the Arena and any anticipated need for additional monorail trips on Event Days.

Section 4.23 Curb, Street Closures

For any street right-of-way curbspace reservation or use adjacent to the Seattle Center Campus that is addressed in that certain Memorandum of Agreement for Event Curbside Management dated June 20, 2011 (the "<u>Curbside MOA</u>") as may be amended from time to time,

a copy of which is attached to this Agreement as <u>Exhibit A</u>, ArenaCo shall obtain applicable permits by making a written request to Seattle Center that it exercise its rights under the Curbside MOA. For any street right-of-way use not addressed by the Curbside MOA, ArenaCo shall reasonably coordinate with Seattle Center and the City of Seattle Special Events Committee, as applicable, before applying to SDOT for a Street Use Permit, which coordination shall consist of Seattle Center, the City of Seattle Special Events Committee (where applicable), and ArenaCo working reasonably and cooperatively with SDOT to prioritize and allocate street and curbspace rights to accommodate as much and as efficiently as possible the respective street and curbspace needs of ArenaCo and other Seattle Center activities and tenants. ArenaCo shall at all times comply with the terms of the Curbside MOA, including but not limited to, the payment of all applicable fees.

Section 4.24 Seattle Center Campus Signage

(a) Any Signage placed on the Seattle Center Campus (excluding the Premises but including the Reserved Rights Area) will be branded as Seattle Center signs. Placement, design, and content of Signage placed on the Seattle Center Campus is subject the Seattle Center Policies and approval of the Seattle Center Director.

(b) The initial sign plan for the Premises is attached hereto as <u>Exhibit B</u> (the "Initial Sign Plan"). No change from the Initial Sign Plan shall be made without the approval of the Seattle Center Director. Signage on the Premises shall comply with and not deviate from the Initial Sign Plan as it may be modified with the approval of the Seattle Center Director.

(c) If the Parties elect (despite having no obligation to make such election) to design, develop, or acquire a Signage package or implement a content management or operating program for the Seattle Center Campus, then the Parties may agree that one Party will undertake the purchase, installation and/or operation of the Signage on behalf of the Parties with each Party paying for it proportionate share of the Signage. The terms of any joint purchase or service arrangement and reimbursement or payment shall be documented in writing in advance.

ARTICLE V TECHNOLOGY INTEGRATION AND COORDINATION

Section 5.1 Ticketing Technology

(a) The Parties recognize that automated ticketing and registration systems are foundational elements to meeting the business needs of each organization. Automated ticketing systems (including both the primary ticketing and secondary ticketing platforms) help to provide equitable access to events, manage ticket sales or event access efficiently, and provide an effective method to collect revenue, fees, and customer data. Implementation of a coordinated ticketing system, when possible, will increase customer service, and provide enhanced marketing strategies and revenue opportunities.

(b) Each Party has the right to implement its own ticketing software and systems but recognizes the value to each of a shared system. To evaluate the value of a shared ticketing system:

(i) ArenaCo will investigate and consider opportunities for the Parties to use a shared, or compatible, automated ticketing system. ArenaCo will solicit ideas and information from Seattle Center about preferred criteria / functions for a ticketing system.

(ii) ArenaCo will provide Seattle Center the opportunity to participate in, and jointly use, any ticketing systems deployed for the new Arena. Possible lines of business include, but are not limited to, event registrations and ticket sales for Seattle Center facilities, ticket sales for McCaw Hall events, bundled parking services, or thirdparty campus events and festivals.

(c) Prior to implementing any shared ticketing system, the Parties will negotiate the terms and conditions under which Seattle Center will have use of the automated ticketing system. The terms and conditions will be mutually agreed upon in writing in advance, based on the following principals:

(i) Seattle Center would be responsible for its share of ticketing system expense. The fee charged to Seattle Center would be reasonable and based on the actual expenses incurred by ArenaCo.

(ii) Revenue to be generated from the automated ticketing system from ticket sales to Seattle Center events would be addressed and allocated.

(iii) Ticketing systems would need to comply with standard accounting practices, applicable Laws and each Party's applicable policies regarding privacy, PCI, and data security.

(iv) Ticketing systems would comply with ADA guidelines.

(v) The Parties would reserve the right to maintain the confidentiality of personably identifiable data resulting from ticket sales to their own customers. Each Party could request aggregated ticketing data from the other Party for the purposes of understanding consumer trends and behavior.

Section 5.2 Campus Wireless Networks

To provide customer convenience, maintain operational efficiency, and create revenue generating opportunities, the Parties agree that collaborative operations and management of wireless systems is desired. Wireless systems may include, but are not limited to, Wireless-Fidelity systems (Wi-Fi), cellular communications systems, Distributed Antenna Systems (DAS), point to point microwave, event and emergency service radios, beacons, ticket scanners, Internet of Things (IoT) devices, and wireless microphones.

(a) ArenaCo has the sole right and responsibility to operate and maintain wireless systems on its Premises subject to the terms of the Lease Agreement. ArenaCo shall use commercially reasonable efforts to ensure the Arena wireless systems do not cause interference with Seattle Center Campus systems.

(b) If the Parties elect (despite having no obligation to make such election) to create, implement and operate shared wireless systems, then the terms and conditions of any shared systems would be mutually agreed upon in writing in advance and subject to the following:

(i) Revenue generated by shared wireless systems would be equitably allocated according to the wireless antenna or receiver location and usage.

(ii) The Parties would meet periodically to review and discuss wireless systems, frequency allocations, and planned wireless deployments.

(iii) Each Party will have control of wireless communication originating from and servicing its respective property and facilities.

(iv) Each Party will use commercially reasonable efforts to ensure that its wireless communications will not impact or interfere with the other Party's operations without permission and will establish a process for addressing interference issues.

(v) All wireless communications will comply with all applicable Laws and privacy policies.

(vi) The Parties will jointly research and evaluate available wireless or technology systems and will agree in advance on the criteria to be considered in evaluating available systems.

(c) If the Parties elect (despite having no obligation to make such election) to implement a shared system, that Parties may agree that one Party will undertake the purchase and installation on behalf of Parties with each Party paying for its relative share of the system. The terms of such joint purchase and reimbursement shall be documented in writing in advance.

Section 5.3 Digital Platforms

While the Parties will own and operate separate Digital Platforms there is a mutual interest in developing cross-promotional and branding strategies across all Digital Platforms.

(a) Each Party has the sole and exclusive rights to own, operate, and control the form, content, presentation, and exercise of all Digital Platforms related to its businesses and properties.

(b) Each Party will maintain a hyperlink (text or logo) in the global header or footer on its respective websites directing users to the other Party's website.

(c) Each Party shall have the right to approve, in its sole discretion, any content relating to that Party which will appear on a Digital Platform owned or controlled by the other Party. The Parties may agree to pre-approved uses for specific applications agreed-upon between the Parties.

(d) City will assign to ArenaCo, and ArenaCo will assume from City, the KeyArena website (located at www.keyarena.com), including primary and secondary URLs, and

social media accounts and other digital media platforms listed on <u>Exhibit C</u>, including handles and administrative controls (collectively, "<u>Platforms</u>"). Such assignment and change of administrative control will take place no sooner than two (2) weeks following the final turnover of the Premises as provided under the Lease Agreement and the Development Agreement. All assignments and Platforms are "AS IS/WHERE IS," without any representations or warranties from the City. From and after the date of such assignments, ArenaCo shall be solely responsible for the assigned Platforms, including, without limitation, all uses and displays of content and information thereon or associated therewith. Additionally, ArenaCo acknowledges that such content and information may be subject to third-party rights.

Section 5.4 Customer Facing Mobile Technologies

To provide customer convenience and enhance revenue opportunities, the Parties agree that providing visitors to the Arena and Seattle Center Campus with effective mobile applications is a priority. The Parties have a mutual interest in developing systems which provide easy and seamless directional assistance, real time event information, and sponsorship activation opportunities.

Each Party will endeavor to include the following content in its respective mobile applications:

(a) Coordinated wayfinding information, which may include multi-modal information such as directions for pedestrians, transit riders, automobile drivers, and parking information; and

(b) The option of real time event and direction updates.

Each Party reserves the right to preapprove any content or functionality about its respective facilities in any mobile applications of the other Party.

Section 5.5 Ongoing Coordination

The Parties have a mutual interest in sharing information regarding planned technology improvements and projects. Shared technology information will help identify opportunities for cooperation, enhanced efficiencies, revenue maximization, cost savings, schedule coordination, and potential systems overlaps.

Each Party will prepare and maintain a summary of technology related plans or projects for that Party's respective facilities, and the Parties will meet no less than annually to review and discuss the technology plans. Each Party reserves the right to amend and update its plans at its discretion and will make a good faith effort to share such changes with the other as early as practicable.

ARTICLE VI COMMERCIAL RIGHTS, SPONSORSHIP AND MARKETING COORDINATION

Section 6.1 Seattle Center Sponsorship Benefits; Sales Representative

Appointment of ArenaCo as Sales Representative; Reservations; (a) Limitations. Subject to the terms of this Agreement, including the transition provisions of Section 6.5 below, City appoints ArenaCo to serve as, and ArenaCo agrees to act as, the exclusive sales representative for Seattle Center Sponsorship Benefits with respect to periods from and after Operating Term Commencement Date. ArenaCo may delegate such duties only with the prior written approval of the Director; provided, however, such delegation shall not release ArenaCo from its obligations under this Article VI, and the acts and omissions of its delegate shall be deemed to be those of ArenaCo. City acknowledges that OVG has been delegated such duties (which delegation has been approved by the Director in accordance with the preceding sentence) and has been engaged as ArenaCo's sponsorship sales agent for this purpose. ArenaCo's authority to sell Seattle Center Sponsorship Benefits shall be solely as set forth in this Article VI, and solely for sales in the Approved Sponsorship Categories. In such capacity, subject to the terms of this Agreement, ArenaCo shall be responsible for the solicitation, marketing, and sale of Seattle Center Sponsorship Benefits, and the negotiation, execution, administration, and servicing of Seattle Center Sponsorship Agreements entered into by ArenaCo (collectively, the "Sponsorship Services"). The Parties acknowledge and agree that ArenaCo has the right to sell Seattle Center Sponsorship Benefits to the following ArenaCo sponsors: (i) one (1) Arena naming rights sponsor, (ii) eight (8) Arena founding partners, (iii) eight (8) Arena presenting partners, and (iv) eight (8) Arena partners (collectively, "ArenaCo Sponsors"), with exact details concerning the proposed Seattle Center Sponsorship Benefits to be granted to such ArenaCo Sponsors to be discussed with the City from time to time as requested by the Seattle Center Director. In addition, ArenaCo's appointment includes providing Sponsorship Services for the sale of Seattle Center Sponsorship Benefits independent of any above-referenced targeted ArenaCo Sponsors. ArenaCo is only granted the rights under this Article VI to sell Sponsorship Benefits that are Seattle Center Sponsorship Benefits in the Approved Sponsorship Categories, which must be with respect to sponsorship of the Seattle Center Campus in general (e.g., "a sponsor of Seattle Center"; "the official [product/service] of Seattle Center"), and not sponsorship of any specific portion, place, facility, segment or feature of the Seattle Center Campus, or any event or activity occurring at the Seattle Center Campus (including, without limitation, the Arena or any Team). The Arena or any Team may be referenced in a secondary capacity to the Seattle Center Campus, subject to the approval of the Director in the Director's sole discretion. ArenaCo may also provide additional Sponsorship Services as mutually agreed upon in writing from time to time by ArenaCo and the Seattle Center Director. ArenaCo's rights pertaining to Sponsorship Services are strictly limited to the rights expressly granted under this Agreement.

Notwithstanding the foregoing or anything to the contrary contained in this Article VI, in the event that no Rent Adjustment has been produced with respect to Net Sponsorship Revenue (as defined in the Lease Agreement), as contemplated by Article III, Section 6(c) of the Lease Agreement, for any three (3) consecutive calendar years during the term of the Lease Agreement commencing with (and including) the eleventh (11th) calendar year during the term of the Lease Agreement, then ArenaCo shall pay to City a revenue makeup payment equal to fifty percent (50%) of an amount equal to \$781,454 (which is that portion of the Baseline Historic Average (as defined in the Lease Agreement)) attributable to net revenues from sales of Seattle Center sponsorship benefits, as adjusted to December 31, 2017) as increased by the Escalator (as defined in the Lease Agreement) through December 31 of the third year of such three (3) year period. Such calculations shall be made yearly on a rolling three (3)-year basis, and any annual payment to be made by ArenaCo to City shall be paid on or before June 30 of the succeeding year. In determining Net

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Sponsorship Revenue for purposes of measuring whether a Rent Adjustment has been produced, the Net Sponsorship Revenue which would have been produced in the applicable years for bona fide ArenaCo-proposed Seattle Center Sponsorship Agreements (as evidenced by term sheets or other evidence of such proposed sponsorship) that were proposed by ArenaCo and were on commercially reasonable terms, but rejected by the Director, shall be counted.

Notwithstanding the foregoing or anything to the contrary contained in this Agreement, ArenaCo shall have no rights with respect to the excluded matters under clauses (i) through (viii) below (the "Excluded Matters"), and City reserves all rights with respect to the Excluded Matters to itself and its designees (which may include Licensed Users). City's (and its designees) reserved rights include, without limitation, rights to grant sponsorship, promotional, and other rights and benefits with respect to such Excluded Matters, and permit activations thereof. ArenaCo acknowledges and agrees that sponsors, promotional partners, licensees and other third Parties associated with any of the Excluded Matters may have rights granted to them by City or its designees in sponsorship categories that are in conflict with the Approved Sponsorship Categories of Seattle Center Sponsors who have been granted Seattle Center Sponsorship Rights by ArenaCo pursuant to a Seattle Center Sponsorship Agreement. Neither the grant nor exercise of such rights and benefits shall be a breach or violation of this Agreement, and such rights and benefits shall coexist to the extent of any conflict. Notwithstanding the foregoing, in exercising such reserved rights as to Excluded Matters, neither the City nor any of its designees shall grant express rights to any sponsor, promotional partner, licensee, or other third party associated with any of the Excluded Matters (x) to be an official sponsor of the Seattle Center Campus (as a whole), or (y) to be an official product or service of Seattle Center or the Seattle Center Campus (as a whole).

- (i) Licensed Users, and their respective facilities, properties, assets, events, programs and activities;
- McCaw Hall, and its facilities, properties, assets, events, programs, and activities (provided, however, that the City will work cooperatively in support of ArenaCo's reasonable efforts to secure the right to sell McCaw Hall sponsorship benefits in a manner that is beneficial for all parties);
- (iii) Seattle Monorail System, and its facilities, properties, assets, events programs and activities (provided, however, that the City will work cooperatively in support of ArenaCo's reasonable efforts to secure the right to sell Seattle Monorail System sponsorship benefits in a manner that is beneficial for all parties);
- (iv) Naming rights with respect to the Seattle Center Campus, or any portion, place, facility, building, segment or feature of the Seattle Center Campus other than the Arena. Naming Rights includes presenting, title and similar types of sponsorship identification rights. Notwithstanding the City's reservation of rights above, unless otherwise mutually agreed upon in writing by the Parties, (A) City shall not grant such rights to a third party in an Approved Sponsorship Category for which a Seattle Center Sponsorship

Agreement then exists with category exclusivity, and (B) City will not sell any such naming rights prior to October 1, 2020.

- (v) Temporary programs, events, and activities at Seattle Center, whether conducted by Seattle Center, any other department of the City (or any designee of Seattle Center) or conducted by a Licensed User, and whether recurring or non-recurring;
- (vi) Philanthropic and charitable activities and associations for the benefit of the Seattle Center Campus or Seattle Center which are not primarily commercial in nature, including, without limitation, solicitation and recognition of gifts, grants, fundraising, and associations of any kind with respect to Seattle Center, the Seattle Center Campus, or any portion, place, facility, building, segment or feature of Seattle Center, or any of Seattle Center's programs, events, or activities, provided, however, that any permanent corporate donor Signage associated with the grant of such rights by City where such corporate donor's primary business is in the same Approved Sponsorship Category of an ArenaCo Sponsor (such potential conflict being measured at the time of the City's grant of such rights) shall not use any corporate logos of such corporate donor and shall be in typeface only;
- (vii) Any portion of Seattle Center Campus which is not in existence or under the control of the Seattle Center Director on the Effective Date; and
- (viii) Barter/trade arrangements between print and media companies and the City for the purpose of advertising such media partners' (and not third parties') products and services.

ArenaCo also acknowledges and agrees that the Seattle Center Campus, including associated buildings and facilities, is a civic center used by the general public and persons and organizations exercising their First Amendment and similar rights. The City shall not be in breach or violation of this Agreement for any conflict with Seattle Center Sponsorship Rights granted to a Seattle Center Sponsor which may arise as a result of any member of the general public exercising any legally permitted right.

(b) <u>Standards</u>. ArenaCo shall perform the Sponsorship Services (i) in compliance with all Laws, the Marketing Plan (as defined in <u>Section 6.3(c)</u> below), and this Agreement, (ii) in a manner consistent with the Seattle Center Policies, (iii) in a professional manner consistent with industry standards for other third-party service providers performing similar services for world-class entertainment areas, (iv) for the mutual benefit of City and ArenaCo, with an objective of maximizing revenues for both Parties from the sales of Seattle Center Sponsorship Benefits, and (v) in a manner supportive of and in alignment with the Seattle Center Purpose Statement and Seattle Center Core Values.

(c) <u>Obligations to Seattle Center Sponsors</u>. ArenaCo shall have no authority to make, and shall not make, any promises or commitments to third parties, including Seattle Center Sponsors, on behalf of City (including Seattle Center) unless expressly approved in writing by the Seattle Center Director; it being acknowledged and agreed that as between ArenaCo and a Seattle Center Sponsor, all commitments made to a Seattle Center Sponsor by ArenaCo are the sole obligations of ArenaCo and are intended to be evidenced by a related Seattle Center Sponsors(e.g., a space rental agreement) shall be evidenced by a separate agreement entered into by City and a Seattle Center Sponsor, unless otherwise agreed upon by ArenaCo and City.

(d) <u>Costs and Expenses</u>. All costs and expenses of ArenaCo in providing the Sponsorship Services, including, without limitation, in providing Seattle Center Sponsorship Benefits, shall be borne solely by and paid for by ArenaCo. Any costs or expenses to be borne by City, if any, shall be as agreed upon by ArenaCo and City and set forth in the applicable Activation and Fulfillment Plan (as defined in <u>Section 6.4(d)</u> below) for a Seattle Center Sponsorship Agreement, or as evidenced by a separate agreement entered into by City and a Seattle Center Sponsor.

(e) <u>Tours</u>. Seattle Center will, at ArenaCo's reasonable request, facilitate walking tours of Seattle Center (subject to the contractual rights of Licensed Users, if applicable) to allow ArenaCo to showcase the inventory for potential Seattle Center Sponsorship Benefits.

(f) <u>Seattle Center Changes</u>. The real property boundaries of Seattle Center are subject to change from time to time during the Term, which changes shall be within the City's sole control and management. In connection with such changes:

- (i) Where the real property boundaries of Seattle Center are expanded and/or additional areas and properties within the existing real property boundaries of Seattle Center are acquired and/or reacquired, and City shall solely own, control, and operate such additional areas and properties (including, without limitation, all promotional and other activities on such additional areas and properties), the Seattle Center Director and ArenaCo shall discuss in good faith the Future Marketing Benefits that may be available on such additional areas and properties for existing or potential Seattle Center Sponsors.
- (ii) Where the real property boundaries of Seattle Center are decreased, and/or any portion of the then existing Seattle Center is changed (including, without limitation, due to construction, demolition, conveyancing, leasing, or otherwise), and Sponsorship Benefits under this <u>Article VI</u> will be decreased or eliminated for such areas or properties, ArenaCo's rights with respect to such areas and properties will be correspondingly reduced. Additionally, the remedy to address the impact of such events on a Seattle Center Sponsor's Seattle Center Sponsorship Benefits shall be included in standard terms and conditions ("<u>Standard T&Cs</u>") to be mutually

agreed upon by City and ArenaCo in its Seattle Center Sponsorship Agreement as to the provision of substitute benefits of comparable value and/or a reduction in sponsorship fees, if applicable.

Section 6.2 Seattle Center Sponsorship Benefits; Valuation

(a) <u>Current Seattle Center Sponsorship Benefits</u>.

City and ArenaCo, at ArenaCo's cost, have agreed to engage (i) Navigate Marketing, Inc. ("Navigate"), a sports and entertainment valuation firm, to (a) conduct an asset-by-asset valuation of currently available, and potentially available, Seattle Center Sponsorship Benefits, including potential Signage; the identification of all of such current and potentially available Seattle Center Sponsorship Benefits to be valued by Navigate shall be as mutually agreed upon by the Seattle Center Director and ArenaCo. (b) provide an itemized valuation for such current and potentially available Seattle Center Sponsorship Benefits, and (c) produce a Seattle Center Sponsorship Benefits rate card (as may be updated from time to time in accordance with the terms of this Agreement, the "Rate Card") setting forth pricing for each associated right that could be sold to a Seattle Center Sponsor. The Seattle Center Director and ArenaCo shall each have the right to approve the final valuation and Rate Card, and in the event of any dispute, Seattle Center Director and ArenaCo shall work in good faith together with Navigate to arrive at a final mutually-agreeable valuation and Rate Card. The Rate Card shall be updated from time to time as requested by a Party during the Term to reflect accurate pricing of Seattle Center Sponsorship Benefits (as such exist from time to time, including as a result of the addition of Future Marketing Benefits and deletion of rights from time to time), which updates shall be as mutually agreed upon by ArenaCo and the Seattle Center Director, and as valued by ArenaCo and Seattle Center Director and/or a mutually agreeable sports and entertainment valuation firm retained by ArenaCo at ArenaCo's expense. At a Party's request, the Parties shall meet and confer in good faith to discuss the Rate Cards and their underlying assumptions, and other details as reasonably requested by the other Party.

(ii) Future Marketing Benefits. Potential Future Marketing Benefits will be discussed in good faith by ArenaCo and Seattle Center Director in connection with regular marketing coordination meetings contemplated by Section 6.3(b) below, and the process for preparing the Marketing Plan. Examples of Future Marketing Benefits may include electronically generated Signage and Sponsorship Benefits, new commercially sponsored communications boards, hand held or mobile devices, and electronic information units or displays. Potential Future Marketing Benefits to be added to the Rate Card, and their respective values, will be mutually agreed upon by ArenaCo and the Seattle Center Director as contemplated by Section 6.2(a)(i) above. The Parties acknowledge and agree that certain Future Marketing Benefits may be ad hoc incremental Seattle Center Sponsorship Benefits added to a particular Seattle Center Sponsor's Seattle Center Sponsorship Agreement (e.g., digital marketing rights inclusions for a specific Seattle Center Sponsor for additional Seattle Center Sponsorship during certain events); in such event, the Parties will discuss in good faith the addition of such rights and their respective valuation, and such rights and valuation as mutually agreed upon shall be included in the applicable Seattle Center Sponsorship Agreement.

(b) <u>Licensed Users</u>. ArenaCo acknowledges that Licensed Users, as such exist from time to time during the Term, subject to their agreements with City, control their respective facilities, properties, assets, events, programs, and activities at Seattle Center, including, without limitation, such Licensed User's rights to grant and fulfill its own Sponsorship Benefits. Seattle Center will work cooperatively in support of ArenaCo's reasonable efforts to pursue and arrange separate sponsorship arrangements between Licensed Users and a Seattle Center Sponsor, in a manner that is beneficial for all parties. Such sponsorship agreements shall be separately entered into by a Licensed User, ArenaCo and a Sponsor, and shall not be part of a Seattle Center Sponsorship Agreement.

(c) <u>Use of "at Seattle Center" Designation</u>: In addition to ArenaCo's required uses set forth below, ArenaCo shall have the right to use the designation of "[NAME OF ARENA] at Seattle Center," ("<u>SC Designation</u>") and/or such other designations(s) as the Parties may mutually agree upon, which may include a wordmark and/or logo as mutually agreed upon by the Parties, and which may vary from use to use, in connection with ArenaCo's advertising, marketing, promotional, or informational materials. Notwithstanding the foregoing, ArenaCo shall make use of the SC Designation as follows:

(i) Include the SC Designation on the Arena and surrounding area Signage listed below, which is based on the Initial Sign Plan under the Development Agreement:

> "Site Identification Wall Mounted" signs on the exterior of the Arena— Type M (4 signs as per Initial Sign Plan)

"Site Identity"—Type E (minimum 1 sign as per Initial Sign Plan)

Seattle Center branding and map in the "Pedestrian Direction Sign" – Type H (6 signs as per Initial Sign Plan)

The Parties acknowledge that the sign plan for the Arena and surrounding areas will change from time to time during the Lease Agreement, and the above Signage and locations are minimums for use of the SC Designation. Accordingly, future changes to the type, number, or location of the above Signage require comparable use of the SC Designation, subject to the Director's approval. If the type, number or location of Arena or surrounding area Signage increases from time to time during the term of the Lease Agreement, then the Parties shall meet and confer in good faith and mutually agree upon an appropriate increase in the use of the SC Designation, subject to the Director's approval of any changes in the sign plan.

(ii) Include the SC Designation on Signage within the Reserved Rights

Area;

(iii) Include the SC Designation on Signage outside the Premises but within the Seattle Center Campus if the Signage includes the Arena name;

(iv) Provide reasonable and meaningful inclusion of the SC Designation in advertising, marketing, promotional, and informational materials produced and distributed by or at the direction of ArenaCo, whether digital, print, or otherwise;

(v) Provide reasonable and meaningful inclusion of the SC Designation in ArenaCo Digital Platforms;

(vi) Make reasonable efforts to require Arena licensees to include the SC Designation in their promotional materials and other appropriate uses; and

(vii) Include the SC Designation on publicly ticketed Arena event tickets.

Prior to the commencement of each calendar year during the Term, ArenaCo shall provide a reasonably detailed plan to the Seattle Center Director of the plan for SC Designation inclusion in the above. Within thirty (30) days of the end of a calendar year, ArenaCo shall provide the Seattle Center Department a written summary in reasonable detail of such uses, including representative examples of such uses.

Section 6.3 Marketing Plan, Meetings, and Coordination.

(a) <u>Generally</u>. ArenaCo and the Seattle Center Director shall cooperate and work together on the vision and strategy for sales of Seattle Center Sponsorship Benefits, and ArenaCo will invite the Seattle Center Director to participate in Seattle Center Sponsorship Benefits sales, approval, and execution processes. The Parties acknowledge and agree that regular meetings will assist with the Seattle Center Sponsorship Benefits identification, offer, sales, fulfillment, coordination, and related processes.

(b) <u>Marketing Meetings</u>. ArenaCo and City agree to have their designated representatives meet regularly (including at such times as may be reasonably requested by the other party) to review and discuss in good faith sponsorship matters including, without limitation, opportunities, fulfillment, current and prospective inventory, targets and prospects, and any modifications or adjustments to the Marketing Plan. The Parties will work together in good faith to balance the objectives of maximizing revenues for both Parties from the sales of Seattle Center Sponsorship Benefits and aligning such Seattle Center Sponsorships with the Seattle Center Purpose Statement and Seattle Center Core Values.

(c) <u>Marketing Plan</u>. ArenaCo will prepare and submit to the Seattle Center Director a strategic marketing plan (the "<u>Marketing Plan</u>"), to be updated annually on or before August 15 of each year of the Term, with the first Marketing Plan delivered sixty (60) days after the execution date of this Agreement. The Marketing Plan shall outline Seattle Center Sponsors' sales plans and targets, proposed Seattle Center Sponsorship Benefits inventory uses, proposed modifications and additions to such inventory, financial projections of sales using the Rate Card, fulfillment plans (including anticipated activation services to be requested of City), and such other information as agreed upon by the Seattle Center Director and ArenaCo in establishing the form of the Marketing Plan from time to time. It is the intent of the Parties to revisit the Marketing Plan regularly during a given year to discuss such plan in good faith, identify any areas of concern, and document any clarifications or modifications that might be necessary or desirable.

Section 6.4 Seattle Center Sponsorship Agreements

(a) <u>General Requirements; Limitations</u>.

(i) All grants of Seattle Center Sponsorship Benefits shall be evidenced by a Seattle Center Sponsorship Agreement between the Seattle Center Sponsor and ArenaCo, which shall be solely with respect to such granted Seattle Center Sponsorship Benefits, and not be combined with any other Sponsorship Benefits or other rights, unless mutually agreed upon by the Seattle Center Director and ArenaCo. All Seattle Center Sponsorship Agreements shall be executed by ArenaCo and the Seattle Center Sponsor.

(ii) All Seattle Center Sponsorship Agreements are subject to the prior written approval of the Seattle Center Director as set forth in Section 6.4(f) below, such approval not to be unreasonably withheld, conditioned, or delayed. To facilitate the review and approval process, term sheets for and drafts of Seattle Center Sponsorship Agreements should be shared by ArenaCo with the Seattle Center Director.

(iii) City shall have no obligations or liabilities under any Seattle Center Sponsorship Agreement, and City's only obligations with respect to the Seattle Center Sponsorship Benefits granted in a Seattle Center Sponsorship Agreement shall be to ArenaCo as set forth in this <u>Article VI</u>, except to the extent any City activation obligations to a Seattle Center Sponsor are set forth in a separate agreement between City and the Seattle Center Sponsor (e.g., a space rental agreement). Without limiting the generality of the foregoing, neither ArenaCo nor any Seattle Center Sponsorship Agreement may commit City or Seattle Center to the purchase or use of any product or service of a Seattle Center Sponsor; it being the intent of the Parties that Seattle Center Sponsorship Agreements are purely promotional in nature. Neither City nor Seattle Center shall have any obligation to purchase or use of any product or service of a Seattle center Sponsor unless separately agreed to in writing by the City or Seattle Center, which shall contain the terms and conditions of such purchase or use.

(iv) Rights granted to a Seattle Center Sponsor for space use at Seattle Center (e.g., space rentals at the Armory and Fisher Pavilion, mobile marketing/temporary marketing locations, and display locations) for marketing events and activations, are subject to availability, and additional fees and expenses, and may require, as directed by Seattle Center, the execution of separate agreements (e.g., a license or use agreement) or obtaining a permit, provided that all fees, expenses and separate agreements will be at the same rate and on the same terms and conditions as with any other similarly situated third party. Upon the request of ArenaCo, City will provide ArenaCo with a then-current schedule of available rental space (which is subject to change) and associated fees and paperwork. City will work in good faith with ArenaCo as reasonably requested by ArenaCo in identifying space use location areas at Seattle Center in connection with addressing any City regulations of proposed uses of such spaces.

(v) ArenaCo shall use commercially reasonable efforts to enforce Seattle Center Sponsors' compliance with their respective Seattle Center Sponsorship Agreements.

(vi) The Seattle Center Director may, upon advance written notice and consultation with ArenaCo (to the extent such advance notice and consultation is reasonably practicable under the then current circumstances), (A) adjust the Activation Area of a Seattle Center Sponsor (including Signage placement), whether on a temporary or permanent basis, to accommodate any changes to Seattle Center (including, without limitation, due to construction, demolition, leasing, events, conveyancing or otherwise), or (B) otherwise relocate Seattle Center Sponsorship Benefits at Seattle Center, including Signage (collectively, the "<u>City Adjustment Rights</u>"). In such circumstances, the Seattle Center Director and ArenaCo shall work together in good faith to identify substitute benefits for any undeliverable Seattle Center Sponsorship Benefits, and if substitute benefits are unavailable or unacceptable to such Seattle Center Sponsor, then Seattle Center Sponsor may have a right to a reduction in sponsorship fees, all as set forth in its Seattle Center Sponsorship Agreement.

(b) <u>Contents</u>. All Seattle Center Sponsorship Agreements shall provide typical terms and conditions for a promotional sponsorship agreement, including, without limitation, the following, which will be set forth in the Standard T&Cs to be mutually agreed upon by City and ArenaCo:

(i) The specific Seattle Center Sponsorship Benefits granted to the Seattle Center Sponsor, including, without limitation, specific details on activations in the Activation Area, including Signage details (type, size, materials, parameters, etc.), or if not within the Activation Area but in a controlled area of medium of the Seattle Center (e.g., the Seattle Center Campus website, apps or social media channels), the express locations within such area/medium. The Activation Area (including Seattle Center Sponsorship rights within such area) is subject to the City Adjustment Rights.

(ii) Descriptions of the approved Seattle Sponsor service/product and brand(s), promotional category, and category exclusivity (if any) granted to the Seattle Center Sponsor.

(iii) Descriptions of official designations (if any) granted to the Seattle Center Sponsor (e.g., "Official [partner/product/service] of Seattle Center").

(iv) Fulfillment cost responsibilities.

(v) An agreement that the Seattle Center Sponsorship Agreement and activations of Seattle Center Sponsorship Benefits are subject to Laws, Seattle Center Policies, the Seattle Center Master Plan, and the Seattle Center standard sponsor practice requirements and codes of conduct as established by the Director from time to time (which address, among other matters, logo and messaging requirements, Seattle Center sponsorship recognition, and brand and design guidelines), provided that City shall provide all policies, plans and requirements to ArenaCo and Seattle Center Sponsor.

(vi) A license to the Seattle Center Sponsor to use the Seattle Center Director-approved Seattle Center Marks during the Term of the Seattle Center Sponsorship Agreement, which license shall contain the standard terms and conditions of such license as provided by Seattle Center, including preapproval of proposed uses of the Seattle Center Marks. Such terms and conditions will also include Seattle Center's terms and conditions regarding protection of City intellectual property.

(vii) A requirement for preapproval of (i) the form, content, presentation and exercise of Seattle Center Sponsorship Benefits utilizing materials to be broadcast, published, distributed, displayed, or otherwise made public, and (ii) the activation of Seattle Center Sponsorship Benefits at Seattle Center (including, without limitation, what, when, where, and how), which approvals shall be coordinated by ArenaCo with the Seattle Center Director, and which approvals shall not be unreasonably withheld, conditioned, or delayed.

The consideration payable by the Seattle Center Sponsor to (viii) ArenaCo and the payment schedule. Such consideration shall be at least as provided on the Rate Card for the Seattle Center Sponsorship Benefits, and/or as otherwise agreed upon by ArenaCo and the Seattle Center Director. Any value in kind or barter consideration in a Seattle Center Sponsorship Agreement shall be mutually agreed upon by the Seattle Center Director and ArenaCo and shall be solely for the benefit of the receiving party. ArenaCo and City shall consult in good faith as to the appropriate inclusion of any value in kind or barter for purposes of the Rent Adjustment Threshold for Seattle Center Sponsorship Rights (as such terms are defined in the Lease Agreement) and whether or not (and the extent to which) the value in kind or barter shall be subject to Sponsorship Operating Expenses in determining Net Sponsorship Revenue (as such terms are defined in the Lease Agreement). All consideration payable by or on behalf of a Seattle Center Sponsor or its Affiliates for the Seattle Center Sponsorship Benefits shall be as fully set forth in its Seattle Center Sponsorship Agreement, and all such consideration shall be payable and paid to ArenaCo (or if mutually agreed upon by ArenaCo and Seattle Center Director, also to City).

(ix) A term not to exceed the length of the Lease Agreement, which term shall be coterminous with the Lease Agreement if earlier terminated, and be subject to early termination for default.

(x) A statement that the Seattle Center Sponsor is solely responsible for the conduct and content of its promotions and advertising, and all related materials and activities (including, without limitation, all sponsorship activities occurring at Seattle Center).

(xi) A prohibition on merchandising (including premiums) using the Seattle Center Marks unless otherwise permitted in the Seattle Center Sponsorship Agreement.

(xii) Indemnification and insurance provisions to be mutually agreed upon by City and ArenaCo.

(xiii) Provisions for substitution of benefits and other remedies, including in the event of unavailable Seattle Center Sponsorship Benefits ("<u>Make Goods Provision</u>"), including, without limitation, due to events of force majeure, and to address Seattle Center Adjustment Rights.

(xiv) Third party beneficiary rights in favor of City (including Seattle Center). Without limiting the foregoing, such third-party beneficiary rights shall permit City to exercise all rights and remedies of ArenaCo as to a Seattle Center Sponsor in the event of a Seattle Center Sponsor's breach of its Seattle Center Sponsorship Agreement, but only in the event of ArenaCo's failure to enforce a Seattle Center Sponsor's compliance with its Seattle Center Sponsorship Agreement, subject to any notice and cure provisions in favor of a Seattle Center Sponsor therein.

(xv) A license in favor of the City and its designees to use the Seattle Center Sponsor's marks and logos to the extent necessary in order to deliver any Seattle Center Sponsorship Benefits, and City informational purposes in connection with operation of the Seattle Center Campus.

(xvi) A requirement that Seattle Center Sponsorship Benefits may only be exercised only by the Seattle Center Sponsor, and, unless otherwise approved by City and ArenaCo, may not be passed through or assigned by a Seattle Center Sponsor to or exercised by Seattle Center Sponsor affiliates or other third parties with whom the Seattle Center Sponsor has a relationship.

(xvii) An agreement that a Seattle Center Sponsor's Signage is subject to temporary cover or removal, at City's cost, or obscuring, provided that the Make Goods Provision will apply, except for short term temporary situations.

(xviii) Rights and remedies regarding a Seattle Center Sponsor's breach of its Seattle Center Sponsorship Agreement, exact language to be mutually agreed upon by City and ArenaCo.

(c) <u>Pouring Rights</u>.

(i) <u>Generally</u>. In connection with, but not separate from, ArenaCo's sale of Seattle Center Sponsorship Benefits for non-alcoholic beverages, ArenaCo shall have the exclusive right to offer and sell Pouring Rights (as defined below) for Subject Beverages (as defined below) for the Pouring Rights Areas (as defined below). Pouring Rights shall be included in the applicable Seattle Center Sponsor's Seattle Center Sponsorship Agreement (which shall be subject to the terms and conditions of this <u>Article VI</u>, including approval by the Director), with Seattle Center Sponsorship Benefits and Pouring Rights specifically segregated in the applicable Seattle Center Sponsorship Agreement. For clarity, Pouring Rights as to a Subject Beverage are not applicable unless and until included in an applicable Seattle Center Sponsorship Agreement. For purposes of this Agreement:

a. "<u>Pouring Rights</u>" means the rights of a Seattle Center Sponsor to sell or distribute a Subject Beverage at the Pouring Rights Areas, which include product purchase, display and serving obligations, and vending machine rights (solely for Subject Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) V2

Beverages that are included in an applicable Seattle Center Sponsorship Agreement) at the Armory premises. The Director's approval rights with respect to vending machine rights include, without limitation, approval of location, number, pricing and front-facing product.

b. "<u>Pouring Rights Areas</u>" means (I) the Armory premises and (II) Seattle Center semi-permanent seasonal concessions stands operated by Seattle Center or its concessionaire(s). For clarity, unless Seattle Center, ArenaCo and, as applicable, the applicable designee or Licensed User, mutually agree in writing to the contrary, seasonal concessions stands do not include (and Pouring Rights do not apply to) temporary concessions operations or distribution of Subject Beverages at temporary programs, events, and activities whether conducted by the City (or any designee of City) or conducted by a Licensed User, so long as any Subject Beverage is not promoted in any manner as an official beverage of the Seattle Center Campus.

"Subject Beverages" means the following non-alcoholic c. carbonated soft drinks containing flavorings, sweeteners and other drinks and beverages: ingredients (such as soda, pop and colas); fruit (and fruit flavored) packaged juices; energy drinks and beverages; isotonic, hypertonic and sports drinks and beverages; bottled waters (spring, mineral, purified, favored, enhanced, or otherwise); in each case (unless provided otherwise above), regardless of form, and including fountain, bottled, and pre-mix and post-mix syrups and bases used to prepare fountain drinks). Subject Beverages do not include (and Pouring Rights are not applicable to) any other drinks or beverages of any kind, nature or form, including, without limitation, alcoholic drinks and beverages; dairy drinks and beverages; unbranded, fresh squeezed or unpackaged fruit (and fruit flavored) juices; slushies, smoothies and frozen drinks and beverages; non-bottled waters; tea drinks and beverages; coffee drinks and beverages; drinks and beverages (regardless of form) that are culturally-specific, such as Mexican or Asian themed or sourced beverages (e.g., Ramune and Jarritos); "local" Seattle and Washington beverages (e.g., "Dry Soda"); and "San Pellegrino" branded drinks and beverages. The Parties shall meet and confer annually to discuss any mutually agreeable updates to this definition.

(ii) <u>Limitations and Requirements</u>. Notwithstanding anything to the contrary contained herein:

a. Pouring Rights do not apply to (I) existing tenants of the Pouring Rights areas whose lease, license or other tenancy agreement(s) with City (as such agreements exist from time to time, including any extensions, renewals or replacements thereof) exclude the tenant's participation in a Pouring Rights or similar program, or (II) beverage-focused tenants of the Pouring Rights areas, as such exist from time to time (for example, without limitation, Starbucks, Jamba Juice, Orange Julius, etc.).

b. Pouring Rights requirements shall not unreasonably interfere with a tenant's operations, and procurement costs shall not be greater than other commercially reasonable alternatives (including commercially reasonable self-sourcing).

c. City and ArenaCo will in good faith work collaboratively to identify parameters of Pouring Rights that are to the mutual benefit of both parties, and tenants of the Pouring Rights Areas, including, without limitation, maintaining consistency of appearance.

Fulfillment by Seattle Center; Reimbursement. Seattle Center Sponsorship (d)Benefits to be fulfilled by Seattle Center on behalf of ArenaCo for a Seattle Center Sponsor will be discussed and agreed upon by ArenaCo and the Seattle Center Director and set forth in an "Activation and Fulfillment Plan" which shall be subject to the approval of the Seattle Center Director in connection with the Seattle Center Director's approval of the related Seattle Center Sponsorship Agreement. An Activation and Fulfillment Plan shall be submitted by ArenaCo to the Seattle Center Director together with the Seattle Center Sponsorship Agreement requested for approval. Certain Seattle Center Sponsorship Benefits may only be fulfilled by Seattle Center due to (a) union and other contractual arrangements for the City (including Seattle Center), (b) Seattle Center's control of the Seattle Center premises, and/or (c) Seattle Center's control of the activation source (e.g., Seattle Center website, social media, reader board, etc.). Direct costs and expenses of fulfillment by Seattle Center at rates stated in the Equipment Services and Personnel Rates, as such exist from time to time, charged by the City to all Licensed Users for such equipment and personnel shall be reimbursed by ArenaCo to Seattle Center within thirty (30) days of receipt of an invoice from Seattle Center for such amounts.

(e) <u>Accommodation of Existing Exclusivities</u>. At all times during the Term, ArenaCo's rights to provide Sponsorship Services, and all Seattle Center Sponsorship Benefits granted by ArenaCo to a Seattle Center Sponsor, are subject and subordinate to exclusivity rights granted by the City to third-parties as provided in the following:

(i) Ground Lease Agreement between City and Experience Music Project ("<u>EMP</u>") dated June 1, 1997, as amended by a First Amendment dated May 27, 2010 between City and EMP, and by a Second Amendment dated September 14, 2015 between City and EMP; including Sections 33.1 (No Competing Uses); 33.2 (Exclusive Sales Rights); and 33.5 (EMP Control Over Event Programming).

(ii) Northwest Rooms Lease Agreement between City and The Friends of KEXP dated November 16, 2011; including Sections 2.7 (New Stage), 2.8 (nonexclusive License to Use Tunnel and Subsurface Areas of Building) and 8.5 (Exclusivity).

(iii) Glass and Gardens Exhibition Lease Agreement between City and Center Art LLC dated June 13, 2011; including Section 9.7 (Exclusive Sales Rights) and Section 11.5 (Exclusive Rights).

(iv) Sponsorship Agreement between Seattle Center Foundation ("<u>Foundation</u>") and Alaska Airlines, Inc. dated effective as of January 1, 2017 (the "<u>Alaska Airlines Agreement</u>"); including Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional and other rights and benefits granted under such agreement. Expires December 31, 2019.

(v) Sponsorship Agreement between Foundation and T-Mobile USA, Inc. dated March 1, 2017 (the "<u>T-Mobile Agreement</u>"); including Section 2 (Exclusivity), Sections 3-4 (Right of First Refusal and Right of First Negotiations), and all sponsorship, promotional and other rights and benefits granted under such agreement. Expires March 1, 2022.

(f) <u>Seattle Center Director Approvals</u>.

Seattle Center Sponsorship Agreements; Promotional Categories. (i) Notwithstanding anything to the contrary contained in this Agreement, all Seattle Center Sponsorship Agreements, and related Activation and Fulfillment Plans, and any proposed modifications or amendments thereto, are subject to the prior written approval of the Seattle Center Director, which shall not be unreasonably withheld, conditioned, or delayed. The Seattle Center Director's approval of a Seattle Center Sponsorship Agreement, and related Activation and Fulfillment Plan, indicates the Seattle Center Director's approval of the availability of the Seattle Center Sponsorship Benefits therein, subject to the terms, limitations and conditions of this Article VI. The Seattle Center Director's approval of a Seattle Center Sponsorship Agreement does not include approval rights with respect to the identity of a Seattle Center Sponsor for any Approved Sponsorship Category, but rather as to the Seattle Center Sponsorship Benefits granted, and the terms and conditions of such rights, including valuation. Notwithstanding the foregoing, an Approved Sponsorship Category shall not relate to, and a Seattle Center Sponsor (or its Affiliates) shall not be in any business relating to, guns, pornography or "adult" entertainment, tobacco, marijuana (or marijuana products), or illegal drugs or paraphernalia. In facilitating approval by the Seattle Center Director, ArenaCo shall provide such detail regarding the proposed Seattle Center Sponsor, Seattle Center Sponsorship Agreement, Seattle Center Sponsorship Benefits, and proposed activations as reasonably requested by the Seattle Center Director.

(ii) <u>Substitution of Benefits</u>. No substitution of Seattle Center Sponsorship Benefits shall be made by ArenaCo for any reason, unless approved by the Seattle Center Director, which approval will not be unreasonably withheld, conditioned, or delayed.

(iii) <u>Activations</u>. All activations (including content) of Seattle Center Sponsorship Benefits by a Seattle Center Sponsor involving (a) use of the Seattle Center Marks, wherever used (subject to the limitations of this Agreement), (b) facilities or property at Seattle Center, including in the Activation Area, or (c) using City or Seattle Center informational or communication resources and platforms (including, without limitation, print, electronic, or otherwise, and including Seattle Center websites, social media channels, mobile applications, readerboards, and electronic displays) are subject to the prior written approval of the Seattle Center Director, which shall not be unreasonably withheld, conditioned, or delayed. Approvals of proposed activations by a Seattle Center Sponsor shall be coordinated by ArenaCo with the Seattle Center Director.

(g) <u>Signage</u>. All Signage that is part of Seattle Center Sponsorship Benefits shall comply with all Laws, Seattle Center Policies and the Seattle Center Master Plan, and is subject to approval by the Seattle Center Director.

(h) <u>Parallel Sponsorships</u>. The Parties acknowledge that Seattle Center Sponsorship Benefits will in many cases be sold in parallel with ArenaCo's sale of Arena Sponsorships for the same Approved Sponsorship Categories. As a result, each Party has an interest in ensuring the equitable and appropriate allocation of the value of Seattle Center Sponsorships in comparison to Arena sponsorships. In connection with sales of such Seattle Center Sponsorships and the Seattle Center Director's approval of related Seattle Center Sponsorship Agreements, ArenaCo will meet with the Seattle Center Director and discuss the details of such parallel sponsorships as requested by the Seattle Center Director to permit the Seattle Center Director to better understand the Seattle Center Sponsorship Benefits and valuations with respect to the overall package.

Section 6.5 Transition Provisions

(a) Notwithstanding anything to the contrary contained in this Agreement (including, without limitation, Section 6.1(a) and 6.4(c) above), until the Operating Term Commencement Date, Seattle Center shall continue to operate and manage Seattle Center Campus sponsorship agreements that include Sponsorship Benefits in the ordinary course as historically operated; provided, however, that any Seattle Center Campus sponsorship agreements entered into after the Effective Date that include Sponsorship Benefits extending beyond the Operating Term Commencement Date shall include the option for City to either (i) assign the agreement (or portion thereof containing Seattle Center Campus Sponsorship Benefits) to ArenaCo with ArenaCo assuming the associated rights and obligations, or (ii) terminate the agreement (or portion thereof containing Seattle Center Campus Sponsorship Benefits) effective as of the Operating Term Commencement Date, with City being responsible for such termination obligations. Notwithstanding the foregoing, ArenaCo acknowledges and agrees that the Alaska Airlines Agreement and the T-Mobile Agreement (the "Continuing Sponsorship Agreements"), copies of which have been provided to ArenaCo, do not include the foregoing options, and that City, in consultation with ArenaCo, will continue to perform under the Continuing Sponsorship Agreements until the expiration or termination of City's obligations thereunder, which performance will not constitute a breach or other violation of this Agreement. In connection with such Continuing Sponsorship Agreements, (A) ArenaCo acknowledges and agrees that City shall be permitted to continue to deliver the rights and benefits to be provided to such sponsors under such Continuing Sponsorship Agreements to enable the City's performance of the Continuing Sponsorship Agreements, and, in connection therewith, City reserves the Sponsorship Benefits set forth in such Continuing Sponsorship Agreements (which shall not be available for sale by ArenaCo under this Article VI until such Sponsorship Benefits are no longer required to be provided by City under such Continuing Sponsorship Agreements), (B) ArenaCo, at City's cost, shall provide such assistance with the performance of such Continuing Sponsorship Agreements as reasonably requested by City, (C) Net Sponsorship Revenue for periods after the Operating Term Commencement Date shall be included in the Rent Adjustment calculation for purposes of Article III of the Lease Agreement, provided that in computing such Net Sponsorship Revenue, amounts payable by the City to the Foundation shall also be deducted in addition to Sponsorship Operating Expenses (as defined in the Lease Agreement).

(b) Before the Operating Term Commencement Date, ArenaCo and Seattle Center will mutually agree on which of the options under Section 6.5(a) will be selected for each sponsorship agreements entered into after the Effective Date pursuant to Section 6.5(a) above. In the absence of such agreement, the termination option set forth in Section 6.5(a)(ii) above shall be deemed to be the selected option for the applicable agreement (or provisions thereof).

(c) For sponsorship agreements Seattle Center enters into after the Effective Date, Seattle Center will consult with ArenaCo as to ArenaCo's desired option under Section 6.5(a)(i) or (ii) above; however, notwithstanding Section 6.5(a)-(b) City shall be entitled to enter

into such agreements without the approval of ArenaCo so long as the sponsorship agreement is consistent with the requirements of Section 6.5(a)(ii) above.

(d) Notwithstanding Sections 6.1(a) and 6.4(c) above, ArenaCo shall have no right to sell Seattle Center Campus Sponsorship Benefits or Pouring Rights applicable to periods prior to the Operating Term Commencement Date, except upon such terms and conditions as are mutually agreeable to the Seattle Center Director and ArenaCo; it being acknowledged and agreed by ArenaCo that Seattle Center has the exclusive rights to sell such Sponsorship Benefits and Pouring Rights with respect to such periods.

(e) For purposes of calculating Rent Adjustments, ArenaCo's Net Sponsorship Revenue collected prior to the Operating Term Commencement Date in connection with ArenaCo's sale of Seattle Center Sponsorship Benefits pursuant to this Article VI will be included as part of Net Sponsorship Revenue for the calendar year in which the Operating Term Commencement Date occurs.

ARTICLE VII MARKETING AND CO-PROMOTION COORDINATION

Section 7.1 Cross Marketing

City and ArenaCo will discuss in good faith (including at the monthly marketing meetings under <u>Article VI</u>) potential opportunities to leverage promotional opportunities at and for each of Seattle Center and the Arena, including, without limitation, potential opportunities to promote events and activities at the Seattle Center Campus and at the Arena in and around each Party's locations, and on each Party's Digital Platforms and other informational and promotional materials.

The City and ArenaCo will discuss and coordinate in good faith ongoing public relations and communication collaboration efforts to highlight new public benefits and services provided as part of Seattle Center Sponsorships.

The Parties agree that they will cooperate in good faith to re-post and redistribute the other Party's social and digital media content on their respective Digital Platforms, as may be reasonably requested by the other Party from time to time.

Section 7.2 Regular Coordination

ArenaCo will participate in regular Seattle Center Campus-wide marketing and coordination meetings intended to be attended by invited Licensed Users as arranged by the City. ArenaCo will work in good faith and make reasonable efforts to work and cooperate with the City and Licensed Users regarding Seattle Center promotional activity.

Section 7.3 Use of Customer Information

The Parties agree that they have a mutual interest in sharing customer information gathered from each organization's Digital Platforms to the extent permitted by law and to the extent practicable to help understand customer behavior and actions, demographics, and geographic location. Sharing customer information will help to improve business operations, promotions and marketing.

To the extent permitted by Laws and each Party's applicable privacy policies, the Parties may agree to data sharing that will:

(i) Include industry standard elements such as, but not limited to, customer demographics (i.e. age, sex, etc.), geography, actions/behaviors, and type of device used.

(ii) Be aggregated so that personally identifiable information is not shared or is scrubbed or obscured.

(iii) Parties shall maintain exclusive ownership of customer information generated by their respective customer interactions regardless of the digital platform used to obtain the information.

Section 7.4 E-Mail Lists

The Parties agree that they will each own, operate, procure, and maintain separate email distribution lists and platforms, but acknowledge a mutual interest in developing cross-promotional and branding strategies for email marketing.

To the extent permitted by Laws, third-party agreements, and each Party's privacy policies, the Parties agree that:

(i) Each Party shall have the right to approve, in its sole discretion, any email content appearing on the opposite Party's email platform which pertains to, touches, or concerns its respective individual organization.

(ii) Each Party shall regularly meet and confer to discuss its respective current email marketing efforts and shall work in good faith to avoid Arena or Seattle Center patrons from receiving duplicative marketing emails from both Parties.

(iii) Each Party will recognize the other Party in all emails via a hyperlink (text or logo) in the email header or footer directing users to the other Party's website.

Section 7.5 Wireless Data Sharing

The Parties agree that they have a mutual interest in sharing wireless data as practicable to help understand customer behavior and for each Party to provide improved customer services.

To the extent permitted by Laws, third-party agreements, and each Party's applicable privacy policies, the Parties may agree to share (for such Parties' internal use only) industry standard data elements such as, but not limited to, hourly and daily numbers of unique devices seen by access points, hourly and daily system data usage, and other analytics reasonably to be determined.

Section 7.6 Supplemental Services

If the Parties elect (despite having no obligation to make such election) that the City engage ArenaCo to provide supplemental marketing and co-promotion services, sales services, technical and and/or operational services to support Seattle Center Campus activities upon terms and conditions agreeable to the Parties, the terms of such engagement and payment terms shall be documented in writing in advance.

ARTICLE VIII SECURITY AND EMERGENCY MANAGEMENT

Section 8.1 Operating Terms

ArenaCo shall establish security and emergency management operations for the Arena, in compliance with security standards promulgated by the NHL, NBA, WNBA, and/or as otherwise developed by ArenaCo. Seattle Center will establish security and emergency management operations for the Seattle Center Campus as informed by City ordinances and policies, campus rules, and/or operations standards developed by Seattle Center. Each Party retains independent responsibility and right to employ reasonable and appropriate staffing, including in-house and private security service. Further, each Party shall independently contract with SPD and the Seattle Fire Department for specific event-related services.

Section 8.2 Coordination of Security Operations

Security staff of each Party will coordinate regularly to exchange information regarding current security protocols or policies, any known security issues or risks and proposed solutions. Such coordination shall include sharing updated information on issued trespass warnings and exclusions, and other details regarding persons prohibited from the Arena and/or Seattle Center Campus. The Parties will discuss and develop specific notification methods, systems, and protocols for managing security issues that engage both the Arena and broader Seattle Center Campus facilities to the extent permitted by law and subject to each Party's security policies.

The Parties will jointly develop operating procedures for managing security perimeters, and for coordinating access to the Northwest Rooms Courtyard and other Seattle Center Campus common areas. Any such plan shall be attached to this Agreement as an exhibit hereto.

Section 8.3 Coordination of Emergency Management Operations

Seattle Center follows the National Incident Management System ("<u>NIMS</u>") and its related Incident Command System (ICS) protocols for campus emergency management. As a department of the City of Seattle, Seattle Center acts in compliance with NIMS and the City of Seattle Disaster Readiness and Response Plan (the "<u>Readiness Plan</u>"). The Readiness Plan identifies the Seattle Center Campus as a City resource for sheltering and staging during large scale emergencies and other emergency response activities. ArenaCo will work directly with the City of Seattle Office of Emergency Management to determine any additional provisions needed regarding the utilization of the Arena in large-scale emergencies. Once determined, ArenaCo will coordinate with Seattle Center to establish protocols for such utilization. Seattle Center will maintain all rights and responsibilities as assigned by the City of Seattle Office of Emergency Management, and fulfill its duties as promulgated by the Readiness Plan and City policy. Seattle Center will engage ArenaCo in periodic campus-wide emergency planning, training or drills as designed and executed for Seattle Center resident organizations. Further, the Parties will collaborate to develop protocols for Arena evacuation locations outside of the Arena lease lines.

ARTICLE IX PUBLIC BENEFITS

Section 9.1 Connectivity/Wayfinding; Integrated Parking Management

(a) ArenaCo's wayfinding Signage will enhance connectivity and wayfinding between and among the adjacent communities and the Seattle Center Campus. ArenaCo's wayfinding Signage will serve not just the Arena, but will also provide information that enables residents and visitors to get to and from the Seattle Center Campus and locations within the Seattle Center Campus. Additionally, design of ArenaCo's wayfinding Signage will incorporate the arts and will be subject to Seattle Center design standards and Director approval. Placement and design of wayfinding Signage on the Seattle Center Campus is subject to Laws, Seattle Center Policies and approval of the Seattle Center Director.

(b) In addition to coordinating the operation of the Garages as provided under <u>Section 3</u>, the Parties will develop an integrated parking management plan which addresses issues such as coordinated drop-off locations, public information about parking availability, and Signage.

Section 9.2 Community Coordination Committee

ArenaCo's Community Liaison will staff community meetings as required under the Development Agreement and the Lease Agreement. The purpose of the meetings will be to enable frequent communications between ArenaCo, neighboring community organizations, neighbors, and Seattle Center resident organizations regarding operation of the Arena. The Ombudsperson and ArenaCo's Community Liaison will facilitate the meetings of the Community Coordination Committee.

Section 9.3 Arena Environs Kept Clean and Safe

Subject to Seattle Center labor agreements and the Lease Agreement requirements applicable to the Premises, ArenaCo commits to preserve the environs around the Arena in a reasonably clean and safe condition, collecting trash, refuse, and otherwise restoring the Arena surroundings, including the Northwest Courtyard, breezeway and surrounding areas, to a clean and usable condition immediately following the completion of ArenaCo events and activities. The ArenaCo Community Liaison will coordinate and communicate regularly with Seattle Center, resident organizations and adjacent communities regarding the condition of the public areas around the Arena following Arena activities and events.

ARTICLE X COORDINATION MEETINGS

(a) The Seattle Center Director, acting as the City official representing the City as owner of the Seattle Center Campus and lessor of the Premises, shall designate from time to time in writing an individual who shall serve as the Seattle Center Representative (the "<u>Seattle Center Representative</u>"), and ArenaCo, as lessee and operator of the Arena, shall designate from time to time an individual who shall serve as the Arena Representative (the "<u>Arena Representative</u>"), which shall initially be Steve Mattson. The Seattle Center Representative and the Arena Representative shall serve as the main points of contact between the Parties for purposes of ongoing coordination of operations at the Arena and the Seattle Center Campus.

(b) Not less frequently than one time per month (or more frequently as the Parties may reasonably agree) the Parties shall hold a coordination meeting at the Seattle Center Campus to discuss the ongoing coordination of operations at the Arena and the Seattle Center Campus, which topics may include, but shall not be limited to, (i) parking, (ii) security, (iii) event scheduling and coordination, (iv) evacuation procedures, (v) safety protocols, (vi) noise complaints, (vii) marketing efforts, (viii) traffic procedures, (ix) technology integration, and (x) sponsorships. The coordination meeting shall be attended by the Seattle Center Representative, the Arena Representative, and the appropriate members of ArenaCo and Seattle Center's staff. Upon the mutual agreement of the Parties, the coordination meetings may utilize regularly scheduled subcommittees to address specific topics and may also be attended by representatives of Seattle Center's resident organizations and/or members of the public, as appropriate.

ARTICLE XI REPRESENTATIONS AND WARRANTIES

Section 11.1 Seattle Center's Representations and Warranties

(a) The City is a municipal corporation duly formed, validly existing, and in good standing under the laws of the state of Washington; has the power, right, authority, and legal capacity to execute and deliver this Agreement and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business proposed to be conducted by it under the terms of this Agreement.

(b) Neither the entry into nor the performance of this Agreement will (i) violate, conflict with, result in a breach under, or constitute a default under, any agreement, indenture, contract, agreement, permit, judgment, decree, or order to which Seattle Center is a party or by which Seattle Center is bound, or (ii) require the consent of any third party other than as has already been obtained.

(c) To Seattle Center's knowledge, after reasonable investigation, and except as otherwise disclosed to ArenaCo in writing, there are no judgments, orders, or decrees of any kind against Seattle Center unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending or threatened in writing which has, or is likely to have, a material adverse effect on the ability of Seattle Center to perform its obligations under this Agreement.

Section 11.2 ArenaCo's Representations and Warranties

(a) ArenaCo is a limited liability company duly organized, validly existing, and in good standing under the laws of the state of Delaware and has the power, right, authority, and legal capacity to execute and deliver this Agreement and the other documents, instruments, certificates, and agreements required to be executed and delivered by it hereunder and to enter into and perform the transactions contemplated hereby, and to carry on the business now conducted or proposed to be conducted by it. ArenaCo has taken all action required to execute, deliver, and perform this Agreement and the transaction, and has caused this Agreement to be executed by its duly authorized officers.

(b) Neither the entry into nor the performance of this Agreement by ArenaCo will (i) violate, conflict with, result in a breach under, or constitute a default under, any corporate charter, certificate of incorporation, by-law, partnership agreement, limited liability company agreement, indenture, contract, agreement, permit, judgment, decree, or order to which ArenaCo is a party or by which ArenaCo is bound, or (ii) require the consent of any third party other than as has already been obtained.

(c) There are no judgments, orders or decrees of any kind against ArenaCo unpaid or unsatisfied of record or any legal action, suit, or other legal or administrative proceeding pending, threatened, or reasonably anticipated which could be filed before any court or administrative agency which has, or is likely to have, a material adverse effect on the ability of ArenaCo to perform its obligations under this Agreement.

ARTICLE XII DISPUTE RESOLUTION

The Parties shall make their best efforts to resolve disputes as expeditiously as possible through negotiations at the lowest possible decision-making level. If an issue cannot be resolved by negotiations between ArenaCo staff and Seattle Center, the matter shall be referred to the Seattle Center Director and the General Manager of ArenaCo. If those officials are unable to resolve the dispute within a period of fifteen (15) days after the matter has been formally referred to them for resolution, neither Party shall be precluded from exercising any remedy expressly provided for under this Agreement. However, each Party agrees to participate in good faith in mediation prior to initiating a lawsuit. If a Party intends to initiate mediation, that Party shall first provide written notice to the other Party and the Seattle Center Director and the General Manager of the Arena will endeavor to agree upon a mediator within seven (7) days. If they cannot agree upon a mediator within such seven (7) day period, either Party may apply to the American Arbitration Association for the appointment of a mediator according to the process that is established by such entity for such action. ArenaCo and Seattle Center shall share equally in the cost charged for the mediation of any dispute. Notwithstanding the existence of any dispute between them, the Parties shall continue to carry out, without unreasonable delay, all their respective responsibilities under this Agreement which are not affected by the dispute, subject to any unilateral remedy expressly provided for under this Agreement.

ARTICLE XIII INDEMNITY

Section 13.1 ArenaCo's Indemnification of City

ArenaCo shall defend (using legal counsel reasonably acceptable to the City), indemnify, and hold harmless the City and its elected officials, employees, advisory bodies, directors, contractors, agents, and representatives from all claims, suits, losses, damages, fines, penalties, liabilities, and expenses (including actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property (including claims of infringement or misuse of any intellectual property) or otherwise arising out of or in connection with (i) any negligent or wrongful act or omission of ArenaCo or any of its officers, employees, subtenants, licensees, invitees, contractors, agents or representatives, (ii) ArenaCo's Sponsorship Services or exercise of Pouring Rights, or (iii) ArenaCo's breach of this Agreement. ArenaCo agrees that the foregoing indemnity specifically covers actions brought by its own employees, and accordingly ArenaCo waives any immunity under RCW Title 51, but only as to the City and to the extent necessary to fulfill ArenaCo's obligations under this Section 13.1. The foregoing indemnity shall not extend to any claims to the extent arising from the negligence or willful misconduct of the City.

Section 13.2 City's Indemnification of ArenaCo

The City shall defend (using legal counsel reasonably acceptable to ArenaCo), indemnify, and hold harmless ArenaCo and its officers, employees, subtenants, licensees, invitees, contractors, agents or representatives from all third-party claims, suits, losses, damages, fines, penalties, liabilities, and expenses (including actual and reasonable personnel and overhead costs and attorneys' fees and other costs incurred in connection with claims, regardless of whether such claims involve litigation) resulting from any actual or alleged injury (including death) of any person or from any actual or alleged loss of or damage to, any property, or otherwise arising out of or in connection with (i) any negligent or wrongful act or omission of the City or any of its elected officials, employees, subtenants, licensees, invitees, contractors, agents or representatives, (ii) Community Events, or (iii) City's breach of this Agreement. The City agrees that the foregoing indemnity specifically covers actions brought by its own employees, and accordingly the City waives any immunity under RCW Title 51, but only as to ArenaCo and to the extent necessary to fulfill the City's obligations under this Section 13.2. Notwithstanding the foregoing, the City's obligations shall not extend to any liability arising in from the City's exercise of its police or regulatory power and shall not in any way be deemed a waiver of any immunity from liability the City may have under RCW 4.24.210 or any successor provision or other applicable Law. The foregoing indemnity shall not extend to any claims to the extent arising from the negligence or willful misconduct of ArenaCo.

Section 13.3 Survival

Each Party's obligations under this <u>Article XIII</u> shall survive the termination or expiration of this Agreement.

ARTICLE XIV DEFAULT AND REMEDIES

Section 14.1 ArenaCo Default; City Remedies

(a) <u>ArenaCo Event of Default Defined</u>. Any of the following shall be an "<u>Event</u> <u>of Default</u>" by ArenaCo under this Agreement:

(i) ArenaCo's failure to pay the City any amount due under this Agreement within the time required by this Agreement; or

(ii) ArenaCo's failure to comply with any other term or provision of this Agreement if such failure shall continue, after a written notice from City specifically identifying the nature of the failure, for a period of thirty (30) days, or such longer period as may be specified by another applicable Section of this Agreement, provided that if the nature of the failure is non-monetary and is such that it cannot reasonably be cured within thirty (30) days, it shall not be an "Event of Default" if ArenaCo begins the cure within thirty (30) days after the City's written notice and thereafter diligently completes the cure within a reasonable time period, but in any event no longer than ninety (90) days after the date of City's written notice.

(b) <u>City Remedies</u>. Upon the occurrence of an Event of Default by ArenaCo, in addition to any remedies specifically provided for under other provisions of this Agreement, the City may exercise any one or more of the following remedies in its sole discretion:

(i) Seek specific performance or other injunctive relief;

Recover monetary damages (but expressly excluding punitive

damages);

(ii)

(iii) For ArenaCo's failure to timely pay any amount due and owing to City under this Agreement, and without the expiration of any cure period, collect (A) a late fee equal to five percent (5%) of the outstanding amount, and (B) interest that accrues at the Default Rate (as defined below) for the period between the date such payment is due and the date such payment is received by City. For purposes of this Agreement, "Default Rate" shall mean an interest rate equal to the prime rate in effect on the date that the applicable underlying payment was made or required to be made (as reported in *The Wall Street Journal* stops reporting the prime rate, then such other similar periodical agreed to by ArenaCo and City in their reasonable discretion) plus four percent (4%);

(iv) Undertake payment and performance of ArenaCo's obligations under this Agreement and recover all costs reasonably incurred in connection with performance of ArenaCo's obligations upon invoice, and to recover interest at the Default Rate on the foregoing amounts accruing from the date when expended by the City; or (v) Pursue any other remedy available at law or in equity (<u>provided</u>, <u>however</u>, that the City shall not have the right to terminate this Agreement unless it has concurrently terminated the Lease Agreement in accordance with its terms).

Section 14.2 City Default; ArenaCo Remedies

(a) <u>City Event of Default Defined</u>. It shall be an "Event of Default" by the City under this Agreement if the City fails to comply with any term or provision of this Agreement if such failure shall continue, after a written notice from ArenaCo specifically identifying the nature of the failure, for a period of thirty (30) days, or such longer period as may be specified by another section of this Agreement, provided that if the nature of the failure is non-monetary and is such that it cannot reasonably be cured within thirty (30) days, it shall not be an "Event of Default" if the City begins the cure within thirty (30) days after ArenaCo's written notice and thereafter diligently completes the cure within a reasonable time period, but in any event no longer than ninety (90) days after the date of ArenaCo's written notice.

(b) <u>ArenaCo's Remedies</u>. Upon the occurrence of an Event of Default by the City, ArenaCo may pursue any remedies available at law or in equity, including the same remedies provided to City for an Event of Default by ArenaCo under <u>Section 14.1(b)</u> above.

ARTICLE XV OTHER PROVISIONS

Section 15.1 Incorporation of Lease Agreement Provisions

Each provision of the Lease Agreement (as may be subsequently amended from time to time) referenced in this Agreement is incorporated and made part of this Agreement by reference.

Section 15.2 No Modification of Lease Agreement; Precedence

This Agreement is not intended to amend or modify any term or provision of the Development Agreement or the Lease Agreement. The Parties mutually intend that the Lease Agreement shall govern the use and occupancy of the Premises. To the extent that there is any conflict between this Agreement and the terms of the Lease Agreement, the following order of precedence shall apply to the extent necessary to resolve any conflict:

(a) The Lease Agreement shall govern the mutual rights and obligations of each Party with respect to the Premises, including the Reserved Rights Area.

(b) This Agreement shall govern the mutual rights and obligations of each Party with respect to the sale of Seattle Center Sponsorships.

Section 15.3 Governing Law

This Agreement is governed by the laws of the State of Washington. Venue for any action under this Agreement will be in King County, Washington.

Section 15.4 Severability

Should any part, term, portion, or provision of this Agreement, or the application thereof to any person or circumstances, be held to be illegal or in conflict with any governmental restrictions, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions, or the application thereof to other persons or circumstances, shall be deemed severable and the same shall remain enforceable and valid to the fullest extent permitted by law.

Section 15.5 Entire Agreement; Relationship to Development Agreement and Lease Agreement

This written Agreement, the Development Agreement, and the Lease Agreement, together with all of the exhibits attached thereto, contain all of the representations and the entire agreement with respect to the subject matter hereof. Each of the Parties hereby expressly acknowledges that it has not relied on any statement, correspondence, memorandum, agreement, proposal, oral presentation, warranty, or representation not contained in this Agreement, the Development Agreement, and/or the Lease Agreement. Except as otherwise specified in this Agreement, any prior statements, correspondence, memoranda, agreements, proposals, oral presentations, warranties, or representations by any person are superseded in total by this Agreement.

Section 15.6 Amendments

No alteration or modification of the terms or conditions of this Agreement shall be valid and binding unless made in writing and signed by an authorized representative of each Party.

Section 15.7 Nondiscrimination

Without limiting either Party's general obligation for compliance with all applicable Laws, for the duration of this Agreement, each Party shall comply with all equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to SMC Chapters 14.04, 14.10, and 20.42, as they may be amended from time to time, and rules, regulations, orders and directives of the associated administrative agencies and their officers.

Section 15.8 Notices

All notices provided for herein may be delivered in person, sent by Federal Express or other overnight courier service, or mailed in the United States mail postage prepaid and, if mailed, shall be considered delivered three (3) business days after deposit in such mail. The addresses to be used in connection with such correspondence and notices are the following, or such other address as a Party shall from time to time direct:

Seattle Center:	Seattle Center		
	Seattle Center Armory		
	Attn: Seattle Center Director		
	305 Harrison Street		
	Seattle, WA 98109		

Copies to:	City of Seattle, City Attorney's Office Attn: Civil Chief 701 Fifth Avenue, Suite 2050 Seattle, WA 98104-7097
Copies to:	City of Seattle, Mayor's Office City Hall Attn: Chief of Staff 600 Fourth Avenue, 7th Floor PO Box 94749 Seattle, WA 98124-4947
ArenaCo:	Seattle Arena Company, LLC Attn: Timothy J. Leiweke 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Francesca Bodie 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Seattle Arena Company, LLC Attn: Christina Song, Esq. 1100 Glendon Avenue, Suite 2100 Los Angeles, CA 90024
Copies to:	Gibson, Dunn & Crutcher LLP Attn: Douglas M. Champion, Esq. 333 South Grand Avenue, 49th Floor Los Angeles, CA 90071-3197
Copies to:	Perkins Coie LLP Attn: Kristine Wilson, Esq. 1201 Third Avenue, Suite 4900 Seattle, WA 98101-3099
Copies to:	Katten Muchin Rosenman LLP Attn: Adam Klein, Esq. 525 West Monroe Street Chicago, IL 60661-3693

Section 15.9 Estoppel Certificates

Within thirty (30) days after request by either Party (which request may be from time to time as often as reasonably required by a Party but not more than once every calendar year), the non-requesting Party shall execute and deliver to the requesting Party, without charge, an estoppel certificate (the "Estoppel Certificate") related to the facts pertaining to this Agreement in the form

of <u>Exhibit D</u> attached hereto and incorporated herein by reference, or in such other form as the requesting Party may reasonably request and as approved by the non-requesting Party. Any such Estoppel Certificate may be conclusively relied upon by any lender, investor, or subtenant.

Section 15.10 No Third-Party Beneficiaries

The terms of this Agreement are not intended to create any rights in any persons or entities other than the Parties and their approved assigns and successors. No third party shall be or deemed to be a third-party beneficiary of this Agreement, such agreement being only between ArenaCo and the City.

Section 15.11 No Legal Partnership

All references in this Agreement to a partnership between the City or Seattle Center and ArenaCo are intended to refer to the collaborative relationship between the Parties. The relationship of City and ArenaCo shall be solely that of Landlord and Tenant under the Lease Agreement and independent contractors with respect to activities under this Agreement. Nothing in this Agreement is intended to or shall be construed to create or imply any relationship of legal joint venture, partnership, employment, agency, or any relationship other than that of independent contractors. Neither Party may make binding commitments on the part of the other, except as otherwise expressly provided under this Agreement or specifically agreed to in writing by the Parties.

Section 15.12 Counterparts

This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument. Counterpart signature copies of this Agreement may be delivered by facsimile or email/.pdf and shall be deemed effective upon delivery, provided that originally executed copies shall be delivered by such party via overnight courier the following business day.

Section 15.13 Time is of the Essence

Time is of the essence of this Agreement and all covenants and deadlines hereunder.

Section 15.14 Assignment

This Agreement may not in any event be assigned or transferred except to a permitted transferee of the interest of ArenaCo under the Lease Agreement pursuant to Article XII, Section 1 of the Lease Agreement.

[SIGNATURES FOLLOW ON NEXT PAGE]

Executed as of the date first written above.

<u>City</u>:

THE CITY OF SEATTLE, a Washington municipal corporation

By: Jenny A. Durkan Its: Mayor

ArenaCo:

SEATTLE ARENA COMPANY, LLC, a Delaware limited liability company

By: Timothy J. Leiweke Its: Authorized Signatory

Exhibit A

Curbside MOA

Seattle Department of Transportation / Seattle Center

MEMORANDUM OF AGREEMENT for Event Curbside Management

Agreement

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This Memorandum of Agreement between Seattle Department of Transportation (SDOT) and Seattle Center describes procedures for Seattle Center to reserve right-of-way curbspace for loading, unloading and staging of events at Seattle Center. The agreement covers three types of curb reservation to be used depending on the size, duration and complexity of the event. More than one reservation type may be used along a single curb face as needed, provided use-specific signage is located to clearly delineate each type of reservation.

The reservation types are:

- <u>Type 1</u>: Used for events where loading and unloading is generally from private personal vehicles. Reservations are 30-minute and 90-minute load and unload only. No parking is allowed beyond the signed time limits.
- <u>Type 2</u>: Used when commercial truck –licensed vehicles are parked, loading, unloading and staging. Type 2 cannot be used for non-commercial vehicle parking, loading, unloading or staging.
- <u>Type 3:</u> Used for events where loading, unloading and staging require numerous specialized trucks and other equipment, some of which need to be stored at the curb for the duration of the event. There are two options for Type 3 reservations

 Special Events Permit through the Seattle Department of Parks and Recreation or Street Use Permit through SDOT.

Type 1 Reservations

The following are streets frequently used for a few days at a time for loading and unloading private personal vehicles and buses:

 North side of Thomas Street, between Warren Avenue North and 2nd Avenue North (7 spaces) .

· ...

- South side of Republican Street, between 1st Avenue North and Warren Avenue North (9 spaces)
- South side of Republican Street, between 4th Avenue North and 5th Avenue North (12 spaces)

The following are streets occasionally used for a few days at a time for loading and unloading private personal vehicles and buses:

- South side of Thomas Street, between Warren Avenue North and 2nd Avenue North (10 spaces)
- East side of 2nd Avenue North between John Street and Thomas Street (6 spaces)

Procedure for Type 1 Reservations

- Seattle Center staff or their designee fax an application to the SDOT Traffic Permits Counter (206-684-5985) identifying dates, times, and specific space numbers to be removed from pay station operation.
- Seattle Center staff or their designee fax the same SDOT application to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.
- 3. Seattle Center crews or their designee install gorilla posts with 30-minute or 90-minute "Load and Unload Only" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center staff or their designee may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

Type 2 Reservations

....

The following streets are occasionally used for commercial truck parking, loading, unloading and staging:

- East side of Warren Avenue North, between John Street and Thomas Street (15 spaces)
- Both sides of Thomas Street, between Warren Avenue North and 2nd Avenue North (south side 10 spaces, north side 7 spaces)
- Both sides of 4th Avenue North between Mercer Street and Republican Street (west side - 12, east side - 10)
- South side of Republican Street, between 4th Avenue North and 5th Avenue North (12 spaces)
- South side of Roy Street, between 3rd Avenue North and 4th Avenue North (22 spaces)
- West side of 2nd Avenue North, between Thomas Street and John Street (7 spaces)
- East side of Warren Avenue, between Mercer Street and Republican Street (9 spaces)
- South side of Republican Street, between 1st Avenue North and Warren Avenue North (9 spaces)

Procedure for Type 2 Reservations

- Seattle Center staff or their designee fax an application to the SDOT Traffic Permits Counter (206-684-5985) identifying dates, times, and specific space numbers to be removed from pay station operation, and requesting truck permits. All vehicles must be licensed trucks, must have the cab attached, and display the permit at all times. Seattle Center or their designee may request more permits than there are spaces to facilitate sequential usage by several trucks. SDOT will mail or messenger permits to Seattle Center or their designee at Seattle Center or their designee's request and expense. Seattle Center will be responsible for getting permits to trucks.
- Seattle Center staff or their designee fax the same SDOT application to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.

3. Seattle Center crews or their designee install gorilla posts with "No Parking" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center or their designee may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

17

Type 3 Reservations

The following streets are used for major festivals for vehicle loading, unloading and staging, as well as storage for refrigerated trailers and other equipment:

- Both sides of Thomas Street, between Warren Avenue North and 2nd Avenue North (north side 7 spaces, south side 10 spaces)
- Both sides of Republican Street, between 4th Avenue North and 5th Avenue
 North (north side 8 spaces, south side 12 spaces)
- Both sides of Republican Street, between 1st Avenue North and Warren Avenue North (north side 10 spaces, south side 9 spaces)
- Both sides of 2nd Avenue North, between John Street and Thomas Street (west side 7 spaces, east side – 7 spaces)
- Both sides of Warren Avenue North, between Mercer Street and Republican Street (east side 9 spaces; west side 13 spaces)
- Both sides of Warren Avenue North, between John Street and Thomas Street (east side 15 spaces, west side 8 spaces)
- East side of 2nd Avenue North, between Roy Street and Mercer Street (10 spaces). During major festivals, these spaces will be used for disabled parking only (displaced from Lot 6).
- Both sides of 4th Avenue North between Republican Street and Mercer Street (west side 12 spaces, east side 10 spaces)

Procedure for Type 3 Reservations (Options 1 and 2)

(Option 1) Festivals may acquire a Special Events Permit through the Seattle Department of Parks and Recreation Special Events Committee. Such a permit supersedes standard SDOT permits and regulations and SPD routine enforcement. 1 . 2 . 14

 Seattle Center or Festival applies for and follows all procedures for a permit through the Special Events Committee. No SDOT permits are required.

2. Seattle Center crews or Festival install gorilla posts with "No Parking" signs to reserve curbspace no less than 2 hours before an event. Seattle Center may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

(Option 2) Seattle Center or Festival may work with SDOT Street Use Division for permits that allow curbside storage of truck trailers without cabs (as of August 1, 2007). Vehicles that do not require curbspace storage are still permitted by SDOT Traffic Permits.

- Seattle Center or Festival works directly with SDOT Street Use Permits Counter to acquire all necessary Permits. SDOT Street Use Permits must be acquired at least 24 hours in advance of the truck trailers being placed in the right-of-way. In order to obtain the permit, Seattle Center or Festival must provide the location, use area and associated permit fees to SDOT Street Use.
- For vehicles that do not require curbspace storage of truck trailers without cabs, the permitting process with SDOT Traffic Permits will be the same as for Type 2 reservations.
- Seattle Center staff fax the SDOT application to SDOT if required, and to Seattle Police Department (SPD) Parking Enforcement (206-684-5101) 24 hours in advance of installing space reservation signs.
- 4. Seattle Center crews or Festival install gorilla posts with "No Parking" signs no less than 2 hours before an event to reserve curbspace for the event. Seattle Center may post custom signage on the standard signs to further specify time restrictions during the day and the particular event or loading need. All signs must be tagged to indicate the date and time they were installed.

Signage

Seattle Center will purchase and maintain a sufficient numbers of gorilla posts to effectively reserve curbspace in the locations described, along with signs as appropriate for each type of reserved curbspace. Main signage text and colors will be SDOT standard, except as mutually agreed by SDOT and Seattle Center. Seattle Center or their designee may add auxiliary signage on the main sign, as described above, at their discretion.

2 3 . *

Seattle Center or their designee must locate signs along the curbspace to accurately delineate the reserved space. Signs with appropriate directional arrows must be placed at each end and at least every other parking space along the length of curbspace being reserved.

Fees

Due to the nature of Seattle Center as a unique event destination, their need to use adjacent streets in support of their event management, and the past practice of not being charged for those activities, the SDOT Director of Traffic Management waives both the hooding fees and the lost revenue fees that would otherwise accrue for use of paid curb space.

Seattle Center, or the Festival requesting a permit, is responsible for any Street Use permit fees or Special Event permit fees, and any related charges that may result from their transactions with SDOT Street Use Division or the Seattle Department of Parks and Recreation.

Enforcement

SDOT and Seattle Center will rely on SPD Parking Enforcement to enforce the Type 1 reservation 30- and 90-minute time limits. SDOT Commercial Vehicle Enforcement will enforce all truck permits for Types 2 and 3 reservations except when a Special Events Permit is in effect. SDOT Street Use will enforce street use permits.

1.1.1

. . . .

Term of Agreement

This Agreement will become valid when signed by representatives of Seattle Center and SDOT, and will remain in effect indefinitely, unless amended or replaced by mutual agreement of the departments' representatives.

SEATTLE DEPARTMENT OF TRANSPORTATION

Charles Bookman, Director of Traffic Management

6/16/11

Date

SEATTLE CENTER

Robert Nellams Director

6/20/11

Date

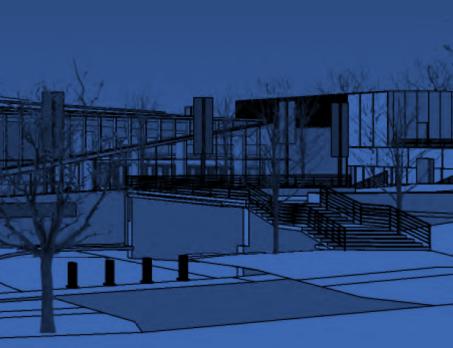
<u>Exhibit B</u>

Initial Sign Plan

SEATTLE CENTER ARENA INITIAL SIGN PLAN

SIGN PLANNING DOCUMENTS

09/10/2018

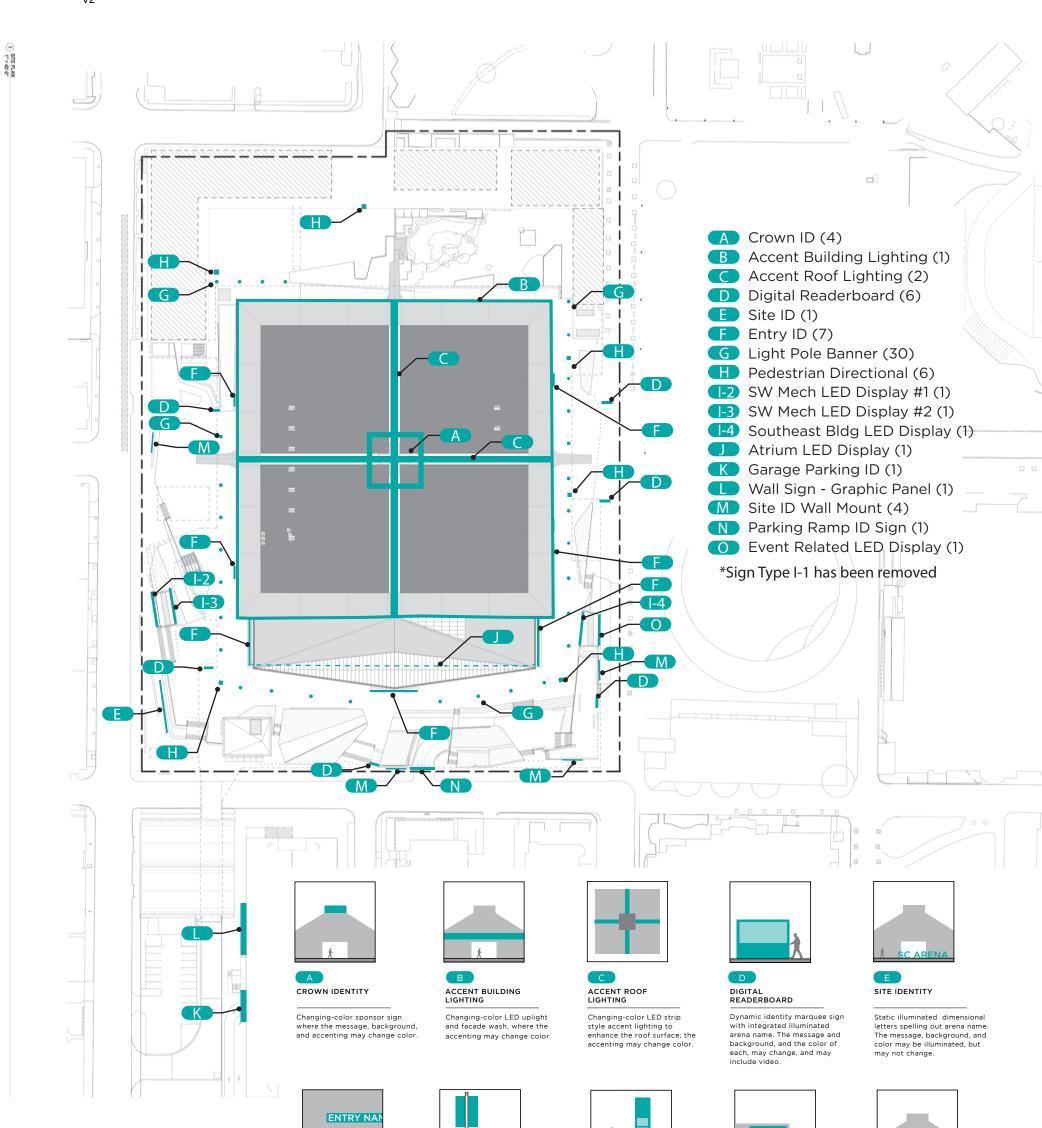


POPULOUS

Intent of the Initial Sign Plan

This Initial Sign Plan is integral to the Lease Agreement, Development Agreement, and Seattle Center Integration Agreement. It is intended to establish a logical and legible system of signs that informs and directs visitors, provides information about and supports arena events, identifies key sites of interest, and serves to enhance the aesthetic and experiential qualities of the site. The signage system will be a key contributor to promoting the brand, contributing to a sense of safety and security, and enhancing the experience of visiting the arena at Seattle Center.

Sign elements identified in this Initial Sign Plan supersede the Seattle Center Century 21 Signage Guidelines as to the areas covered by the plan. Only the sign elements identified in this Initial Sign Plan (e.g., locations, type, graphic, dimensions, and quantity) or otherwise described in the Lease Agreement, Development Agreement, or Seattle Center Integration Agreement are approved. For any sign visible from the Seattle Center Campus, additional sign elements such as brightness and refresh frequency are subject to the approval of the Seattle Center Director before installation. Additionally, this plan is subject to any applicable ordinance or regulatory requirements, and is subject to amendment for compliance with law.







Static illuminated signs over entry doors the message, background, and color may be illuminated, but may not change.



Static illuminated amenity signs

"light the way" to entry points; attachable banners for arena identity and advertising. The

message, background, and

color may be illuminated, but

LIGHT POLE BANNERS

may not change.



PEDESTRIAN DIRECTION

> Changing-image wayfinding pylon sign; illuminated, possible inclusion of map for Seattle Center. The message and background, and the color of each, may change.



SITE DYNAMIC DISPLAY

Dynamic identity sign with

integrated illuminated arena name. The message and

background, and the color of

each, may change, and may include video.



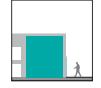
J DIGITAL ATRIUM SIGNAGE

> A currently undetermined dynamic lighting or LED technology that will preserve the transparency of the glass when the technology is not illuminated. The lighting or LED technology will visible through the south atrium facade. The message and background, and the color of each, may change, and may include video.



GARAGE PARKING

Identification sign on the First Ave. N facade of the parking structure. Internally Illuminated channel letter sign mounted directly onto building.



WALL SIGN -GRAPHIC PANEL

Wall sign on the building facade. Illuminated frame mounted sign mounted directly onto building.



SITE IDENTIFICATION WALL MOUNT SIGN

Static illuminated dimensional letters spelling out arena name. The message, background, and color may be illuminated, but may not change.



PARKING RAMP ID SIGN

Static illuminated overhead sign identifies parking access. The message, background, and color may be illuminated, but may not change.



EVENT RELATED LED DISPLAY

Non-video capable digital wall sign displaying information about upcoming events. Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) V2

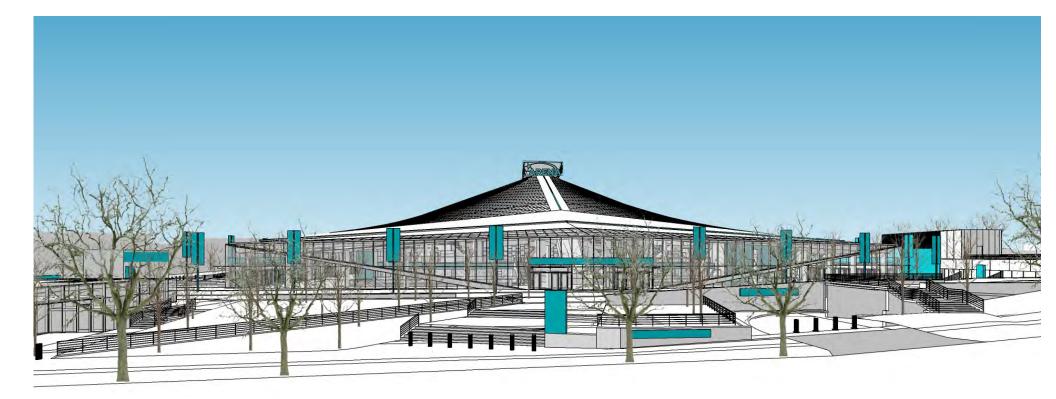
9/10/2018

Sign Type	Sign Name	Graphic	Size	Sign Sides	Quantity	Size (sqft) each side	Total (sqft)
A	Crown Identity	Changing Color (LED)	16'-0" (h) x 43'-0" (w)	1	4	688	2752
В	Accent Bldg Lighting	Changing Color (LED)	0'-6" (h) x 400'-0" (w)	1	4	200	800
С	Accent Roof Lighting	Changing Color (LED)	0'-6" (h) x 160'-0" (w)	1	4	80	320
D	Digital Readerboard	Dynamic (LED) Display	10'-0" (h) x 5'-0" (w)	2	6	100	600
E	Site Identity	Static Illuminated	10'-0" (h) x 50'-0" (w)	1	1	500	500
F	Entry Identity	Static Illuminated	3'-0" (h) x 60'-0" (w)	1	7	180	1260
G	Light Pole Banners	Static Illuminated	10'-0" (h) x 3'-0" (w)	4	30	120	3600
Н	Pedestrian Directional	Static Illuminated	11'-0" (h) x 3'-0" (w)	2	6	66	396
		Changing Image (LED) Display;					
I-2	Site LED Display	portion Dynamic (LED) Display	9'-8" (h) x 42'-0" (w)	1	1	405	405
I-3	Site LED Display	Changing Image (LED) Display	5'-10" (h) x 42'-0" (w)	1	1	245	245
						670	672
1-4	Site LED Display	Changing Image (LED) Display	14'-9" (h) x 45'-0" (w)	1	1	672	672
			0.000 (1.(0.00))			2400	2400
J	Atrium LED Display	Dynamic (LED) Display	8,000 sqft (30%)	1	1	2400	2400
К	Carago Darking ID	Static Illuminated	25! 0" (b) v 8! 0" (w)	1	1	200	200
N. N.	Garage Parking ID	Static muminated	25'-0" (h) x 8'-0" (w)	1	1	200	200
	Wall Sign - Graphic Panel	Static Illuminated	33'-7" (h) x 20'-0" (w)	1	1	672	672
L	waii sigii - Graphic Pallel	Static munimateu	55-7 (II) X 20-0 (W)	Ţ	T	072	072
М	Site ID Wall Mount	Static Illuminated	1'-10" (h) x 18'-0" (w)	1	4	34	136
I∿I	Site ib Wall Would	Static indifinitated	1-10 (II) × 10-0 (W)	Ţ	4	54	130
N	Parking Ramp ID Sign	Static Illuminated	6'-0" (h) x 20'-0" (w)	1	1	120	120
IN		Static muninated	0 0 (II) X 20 0 (W)	1	1	120	120
0	Event-Related LED Display	Changing Image (LED) Display	8'-9" (h) x 33'-7" (w)	1	1	296	296
0	Event-Related LED Display	Changing mage (LLD) Display	0-3 (II) × 33-7 (W)	1	1	230	250

Note: Sign I-1 has been removed

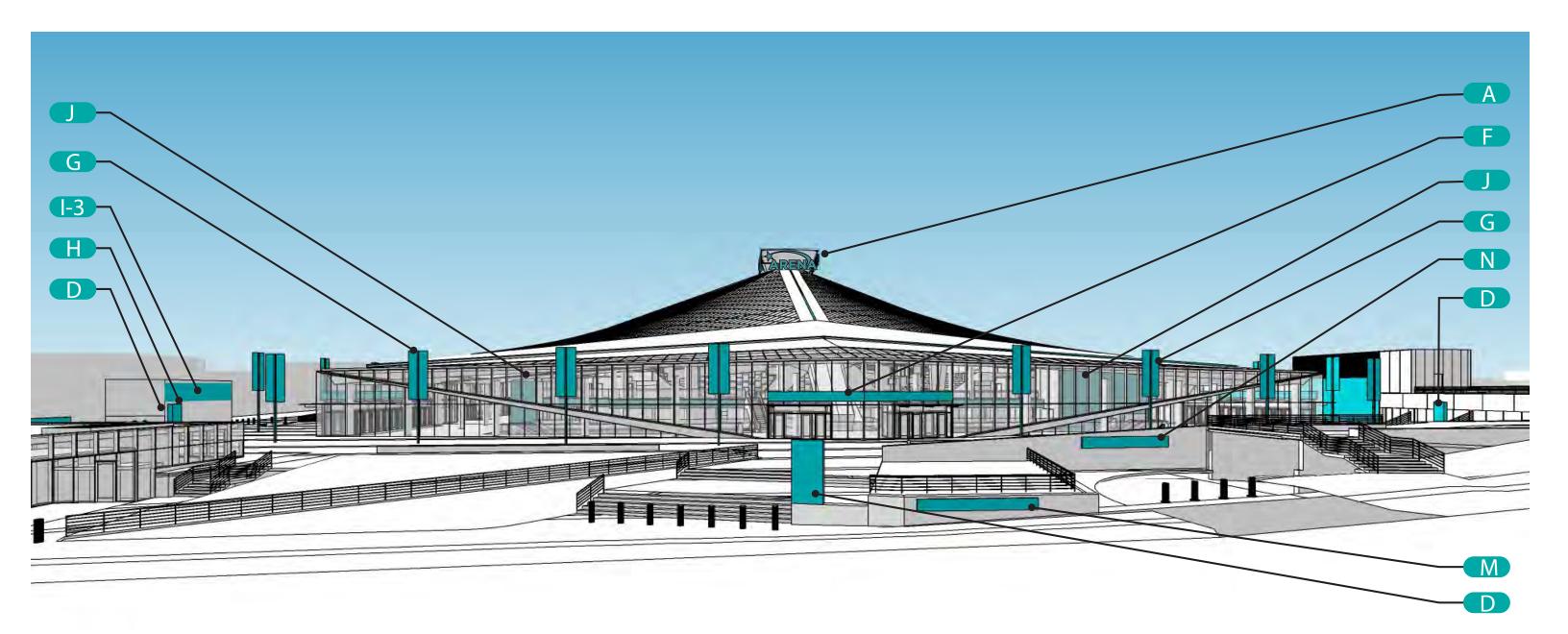
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Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTH $\dot{Vf\!EW}$ - Warren Ave & Thomas St

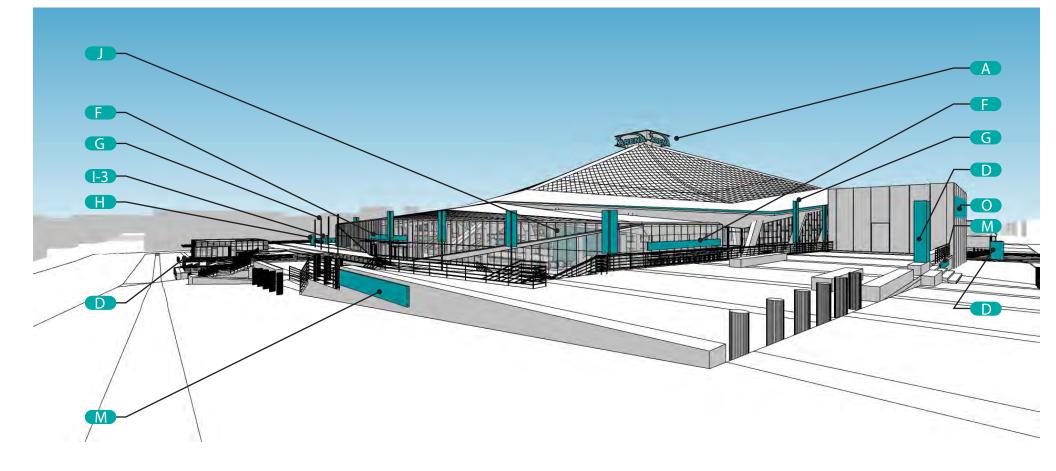


Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTH $\dot{V\!f\!E}W$ - Warren Ave & Thomas St



Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTH $\dot{V\!f\!E}W$ - Warren Ave & Thomas St

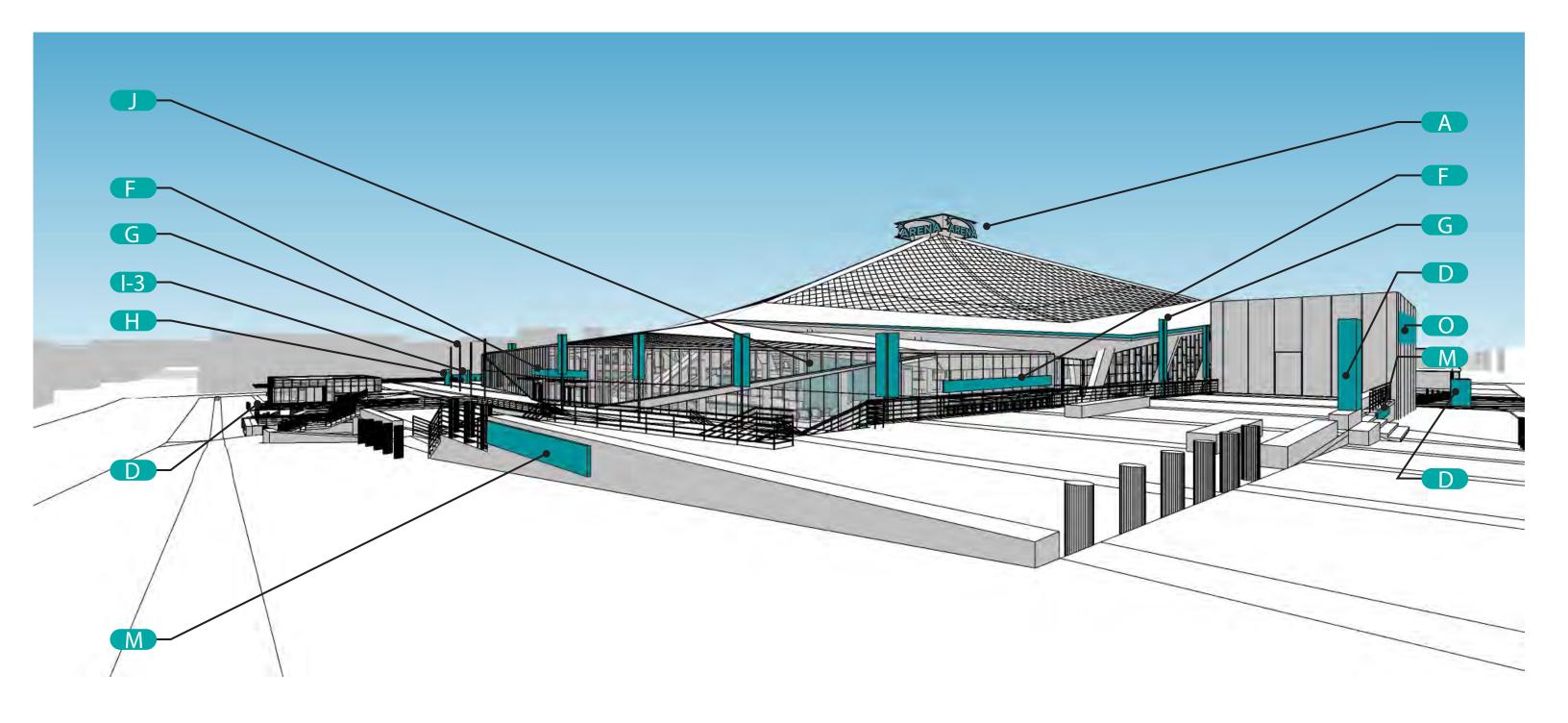




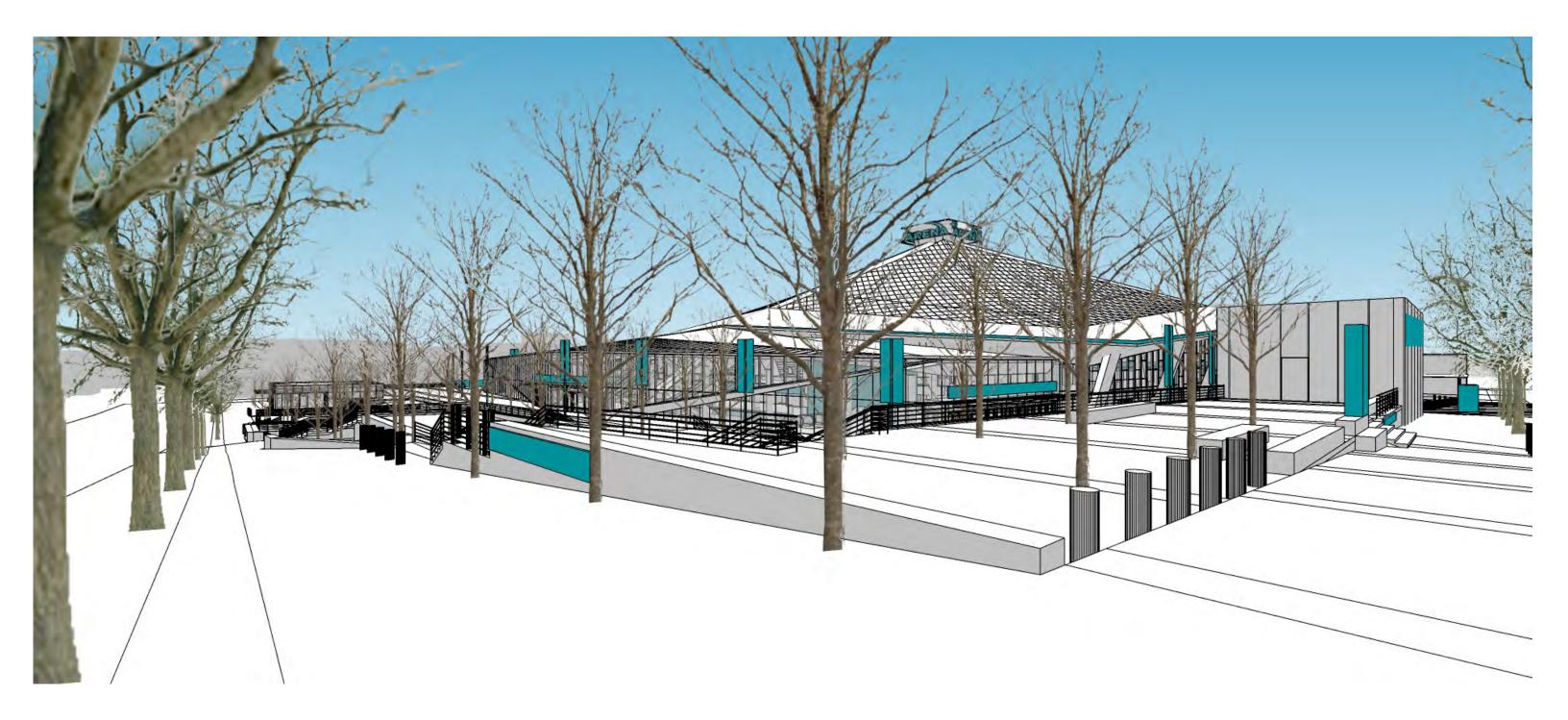




Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHEXST VIEW - 2nd Avenue North & Thomas St

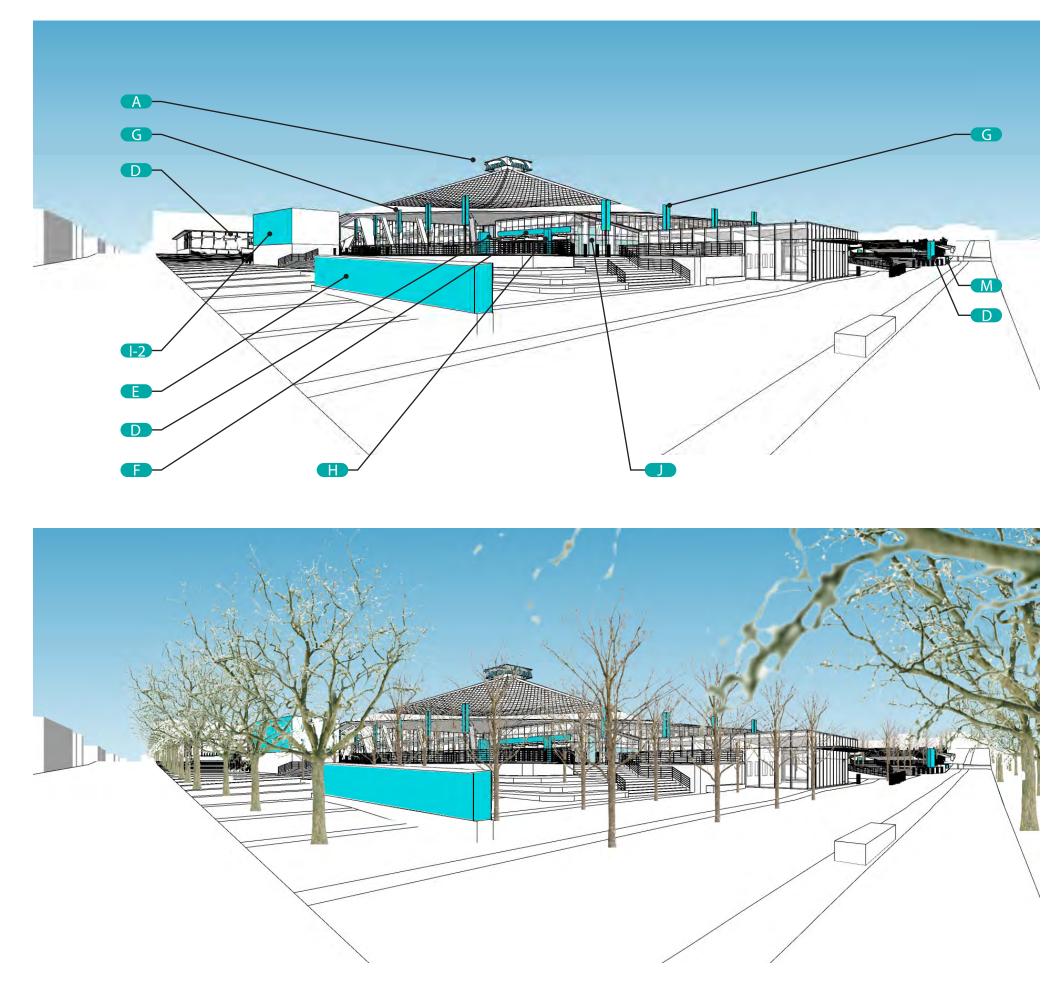


Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHEXST VIEW - 2nd Avenue North & Thomas St



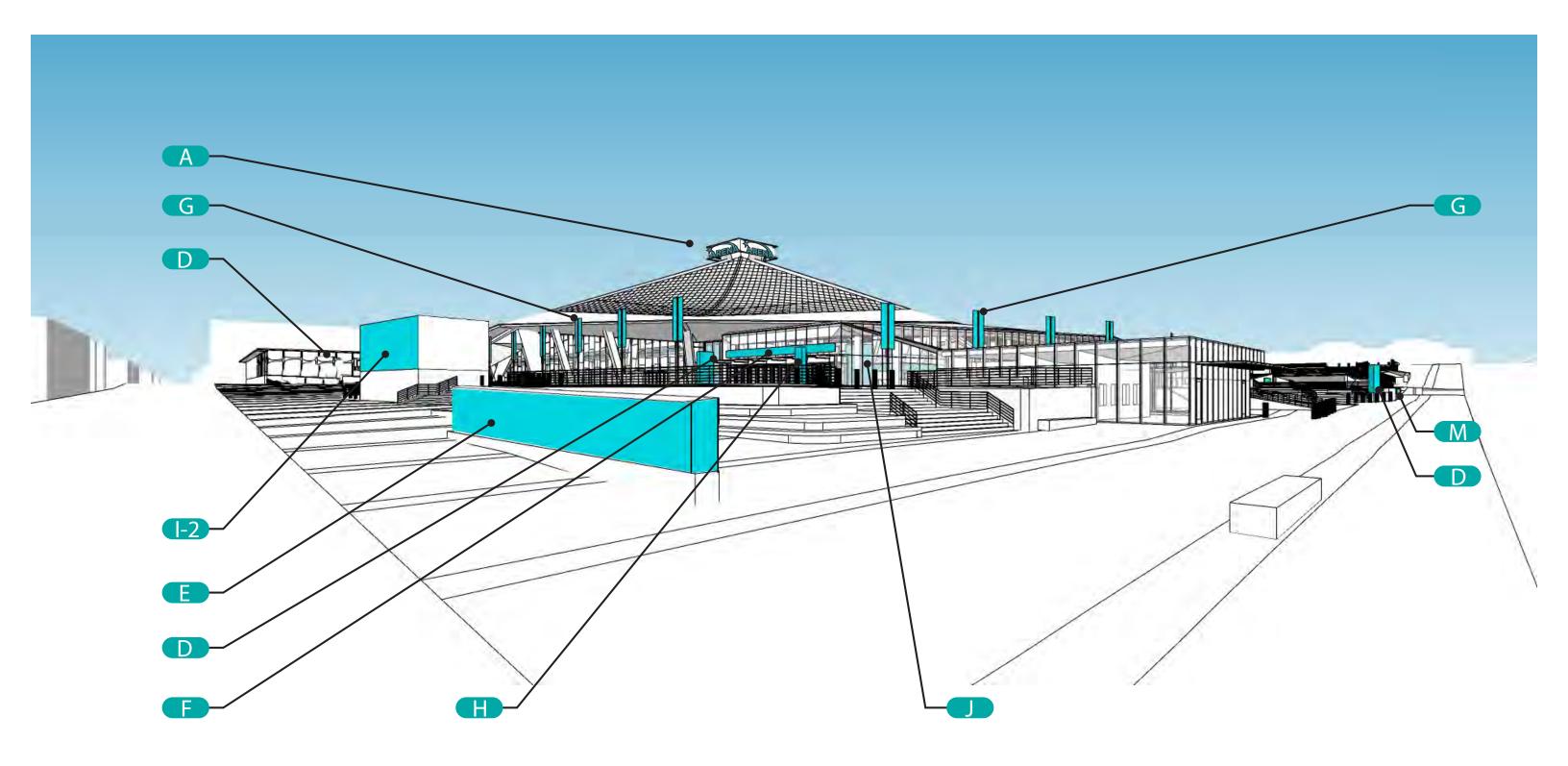
Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHEAST VIEW - 2nd Avenue North & Thomas St



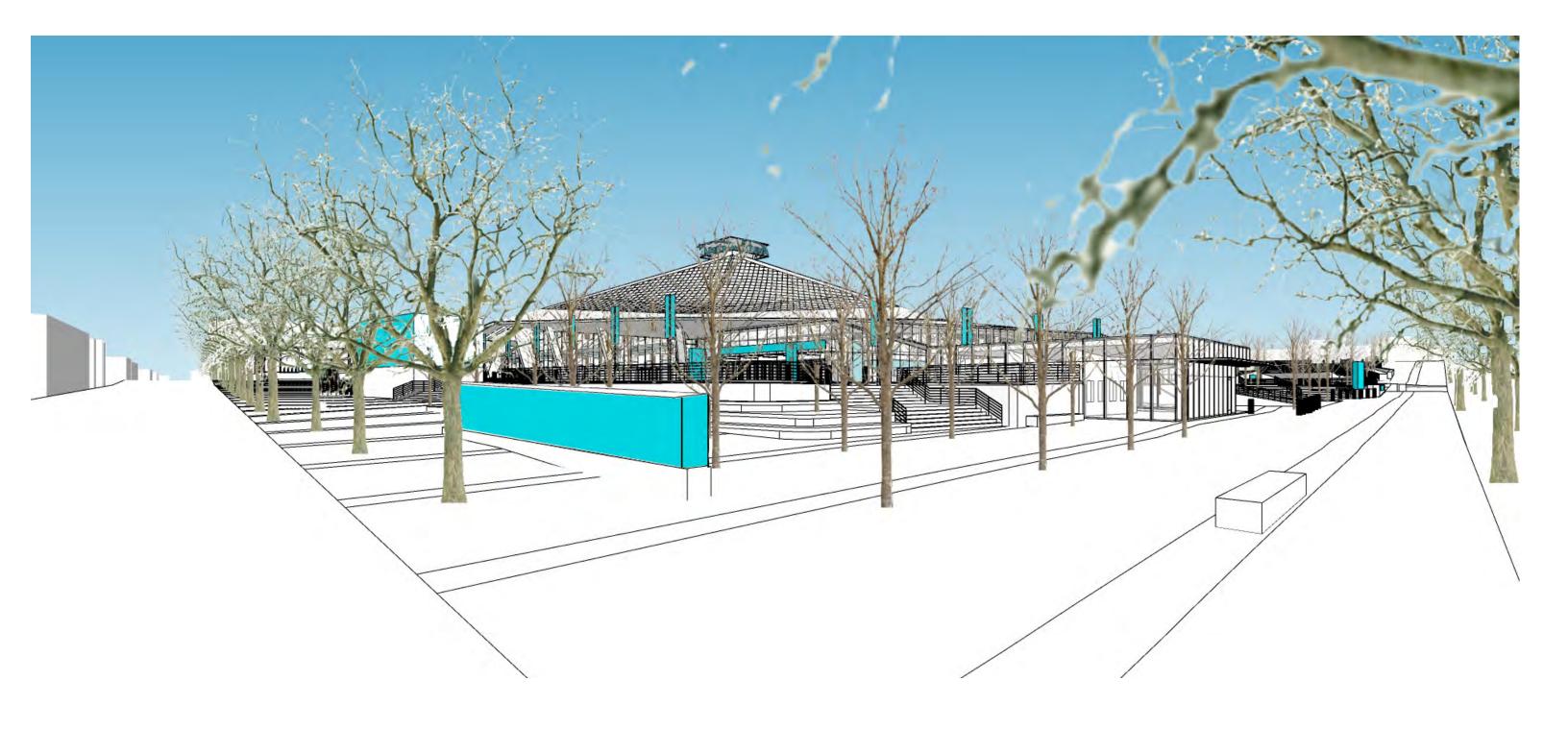




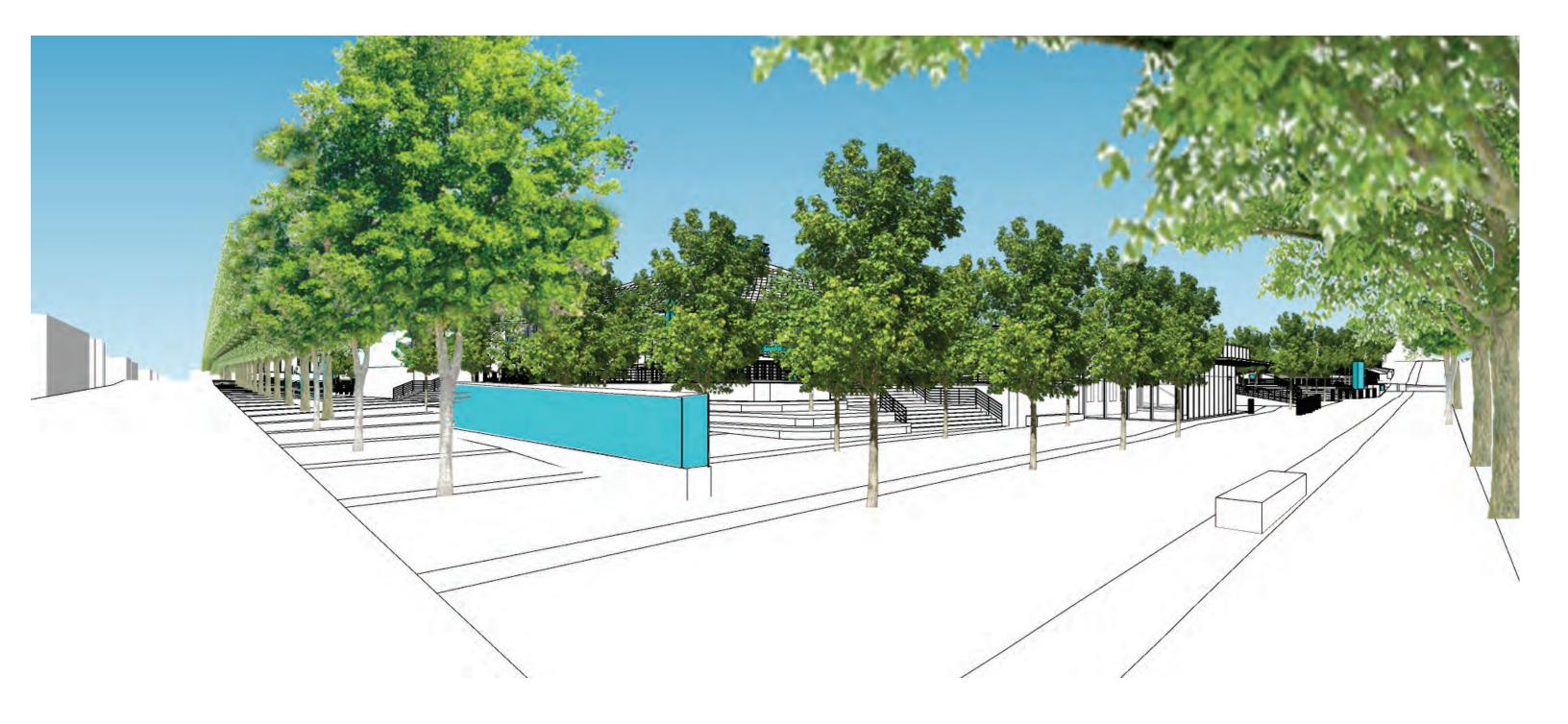
Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St



Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St



Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) SOUTHWEST VIEW - 1st Avenue North & Thomas St











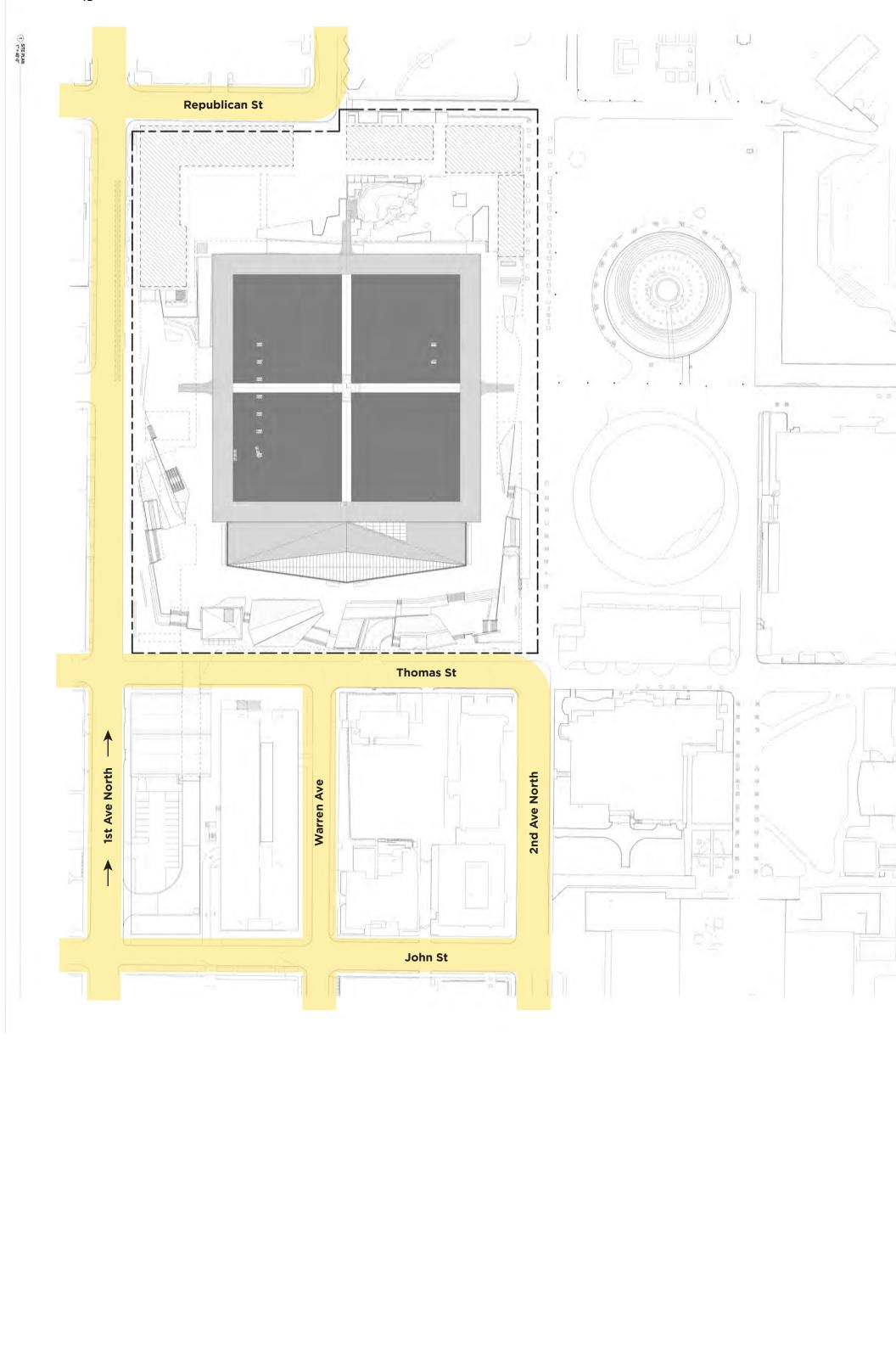
Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St

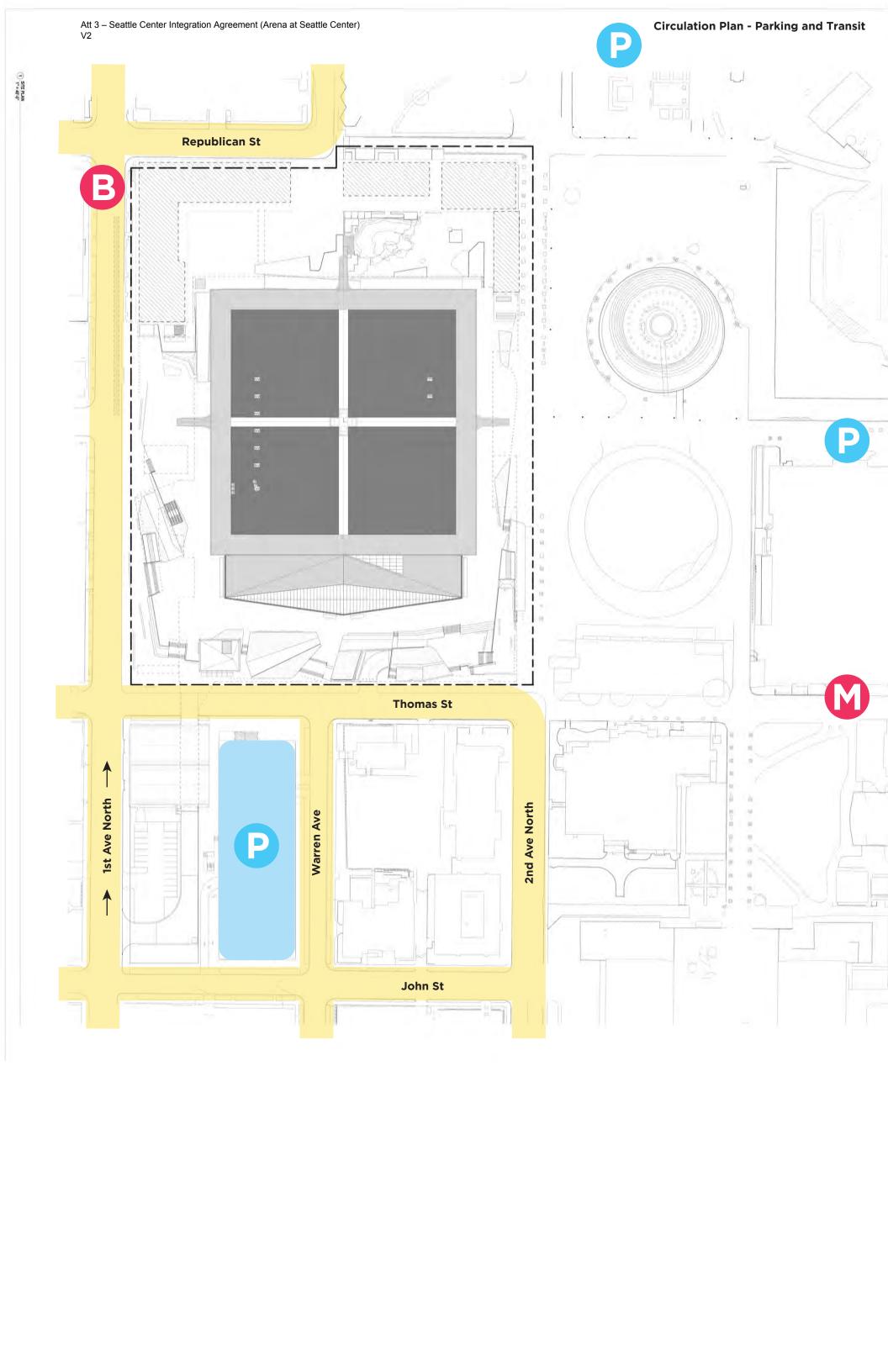


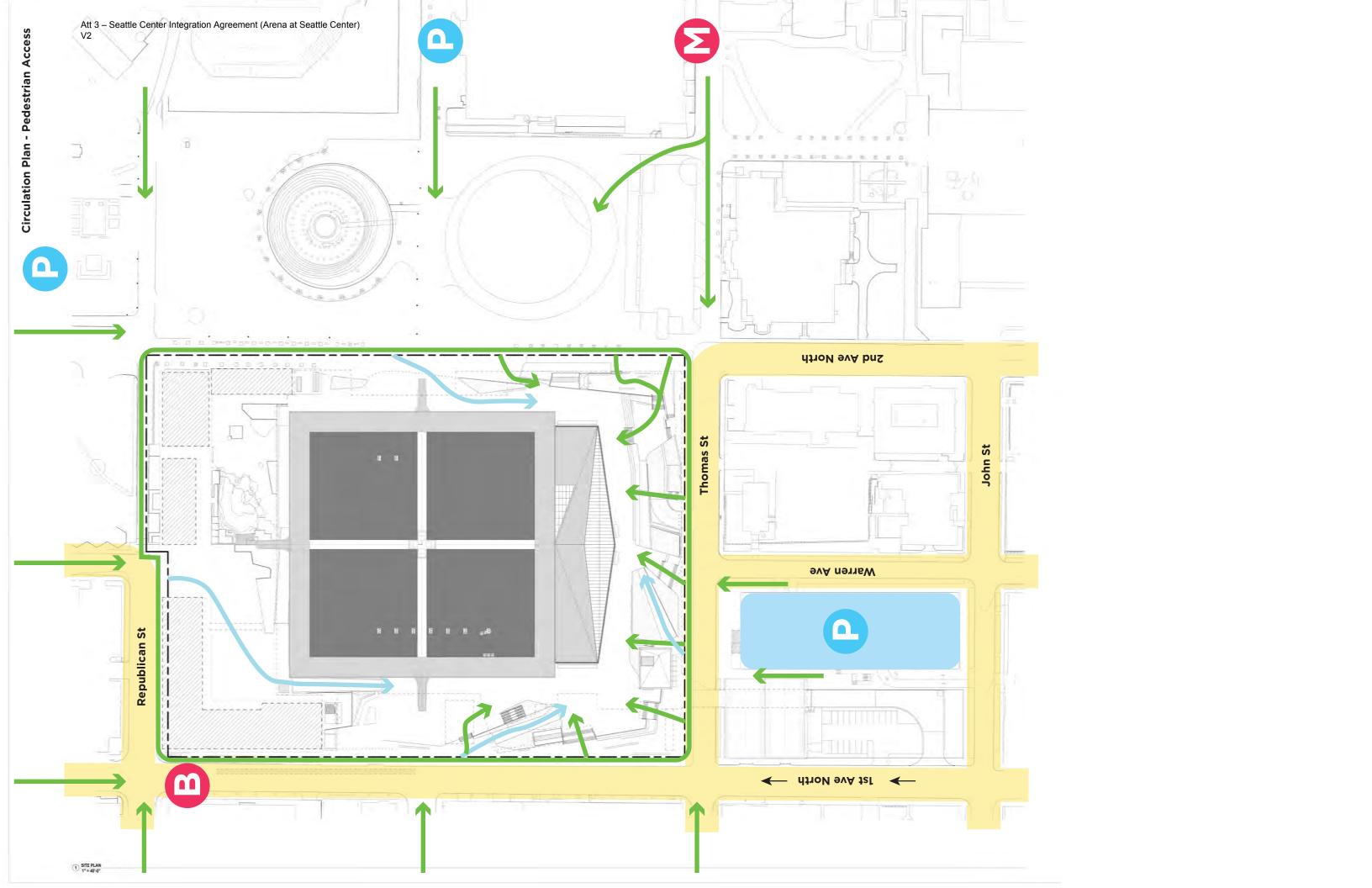
Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) WEST VIEW - 1st Avenue North & Harrison St

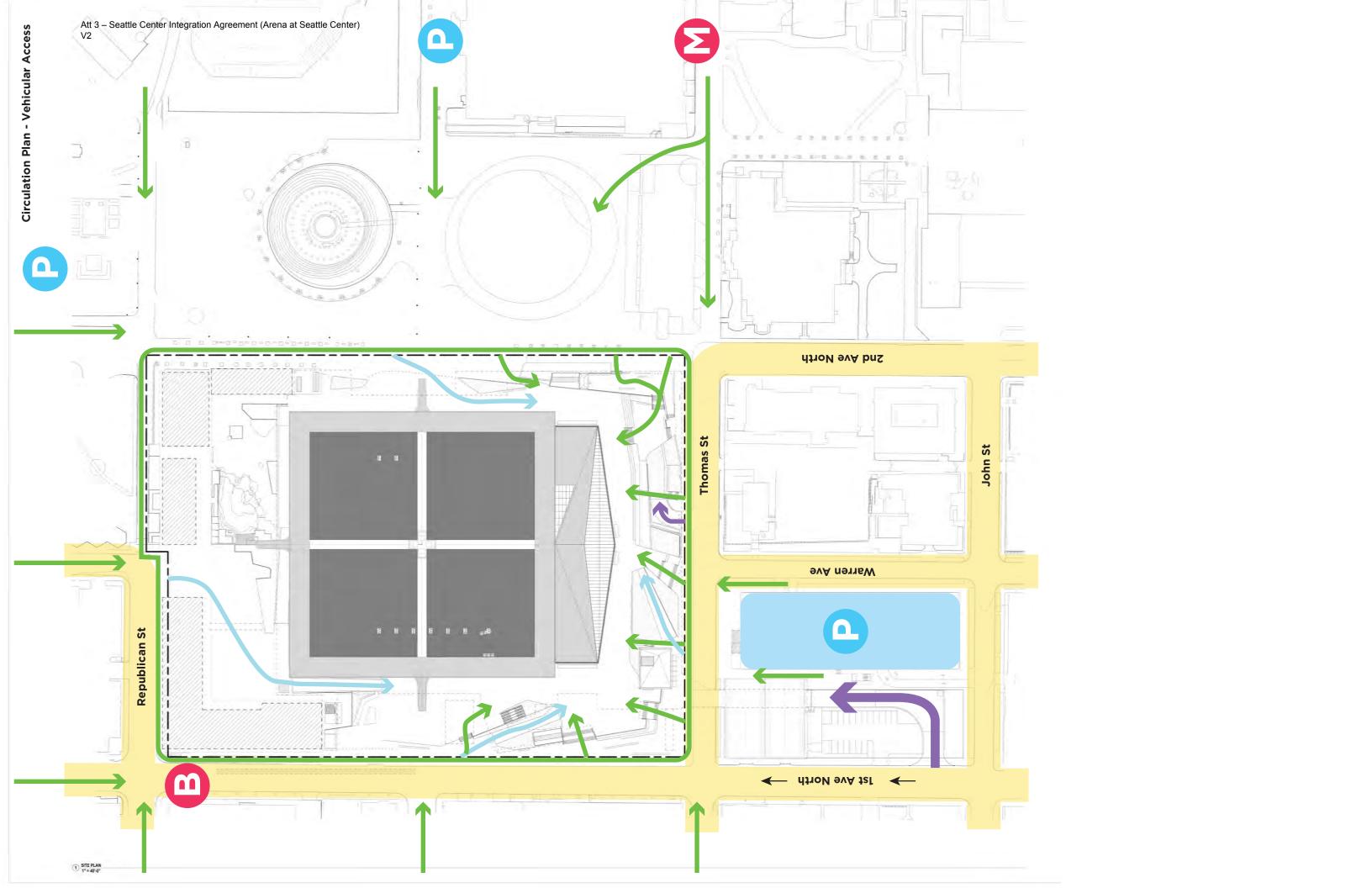


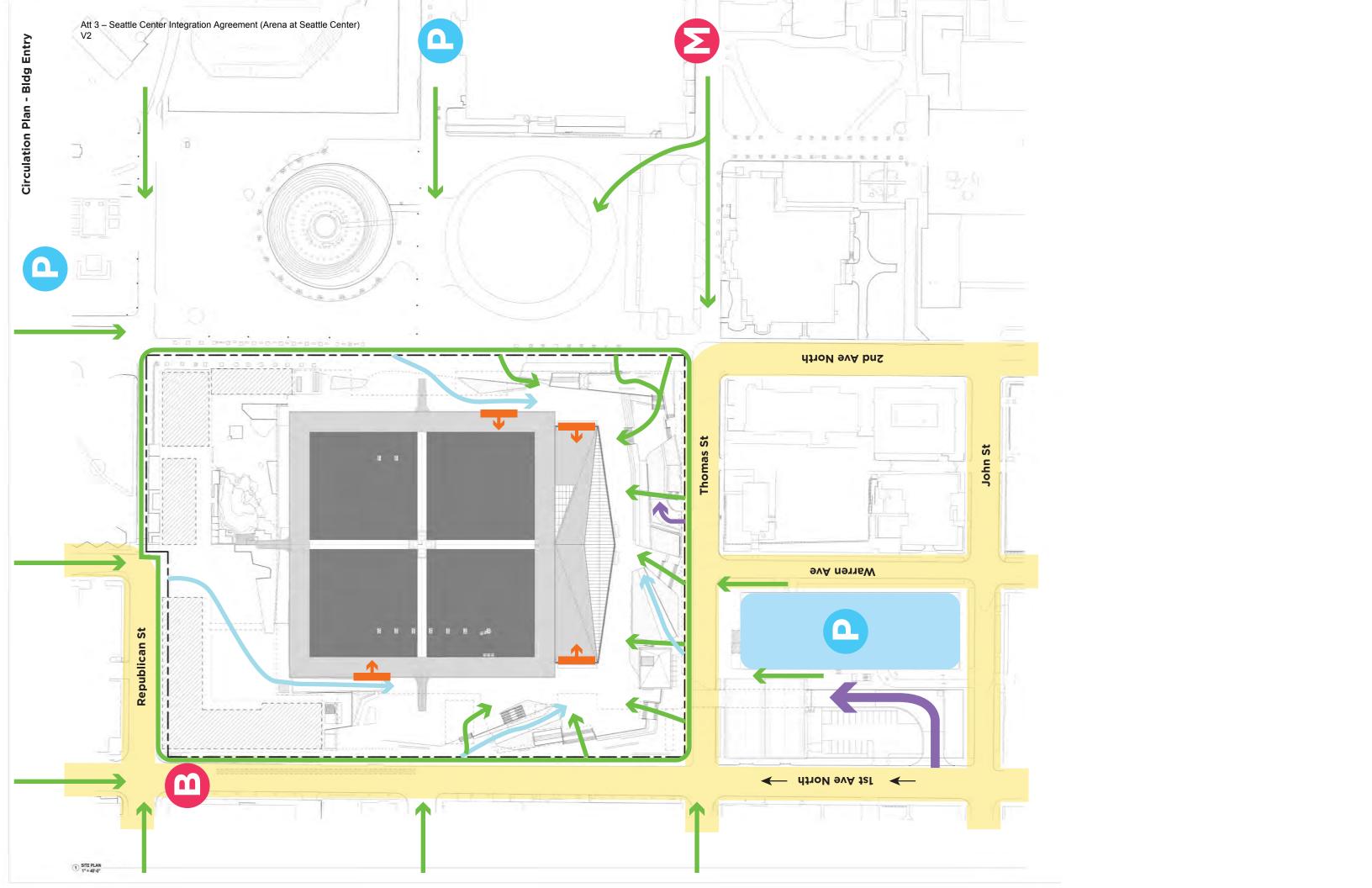
Circulation Plan - Street Network

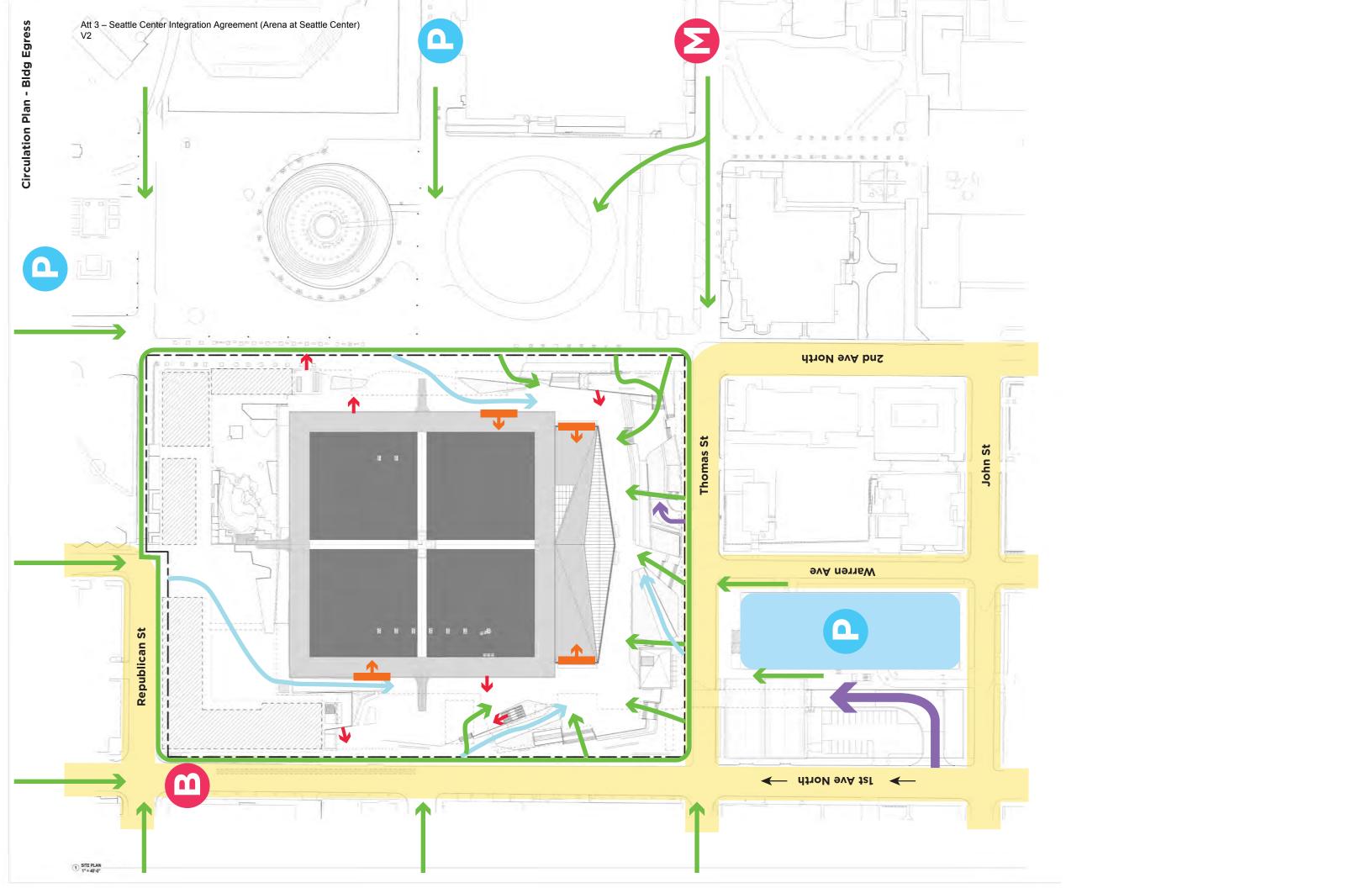


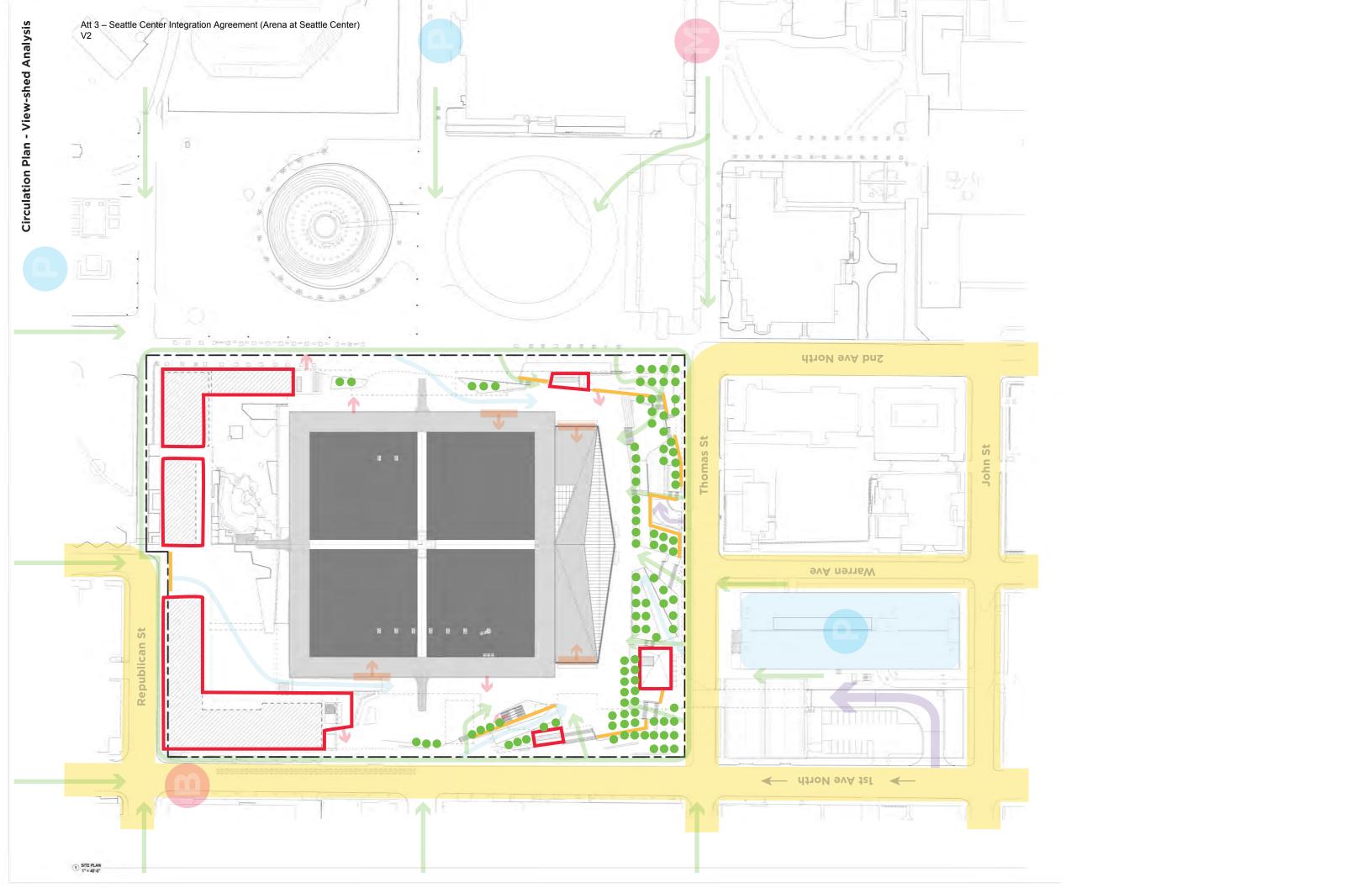












<u>Exhibit C</u>

Arena Domain Names and Social Media Accounts

- o Facebook <u>https://www.facebook.com/KeyArenaSeattle</u>
 - Handle: @KeyArenaSeattle
 - Owner: City of Seattle/Seattle Center
 - Admin: AEG Facilities
- o Instagram <u>https://www.instagram.com/keyarenaseattle/</u>
 - Handle: @KeyArenaSeattle
 - Owner: City of Seattle/Seattle Center
 - Admin: AEG Facilities
- o Twitter https://twitter.com/KeyArenaSeattle
 - Handle: @KeyArenaSeattle
 - Owner: City of Seattle/Seattle Center
 - Admin: AEG Facilities
- o Snapchat <u>https://www.snapchat.com/add/keyarenaseattle</u>
 - Handle: @KeyArenaSeattle
 - Owner: City of Seattle/Seattle Center
 - Admin: AEG Facilities
- o YouTube <u>https://www.youtube.com/user/KeyArenaSeattle</u>
 - Handle: @KeyArenaSeattle
 - Owner: City of Seattle/Seattle Center
 - Admin: AEG Facilities

<u>Exhibit D</u>

Form of Estoppel

ESTOPPEL CERTIFICATE

THIS ESTOPPEL CERTIFICATE (this "<u>Certificate</u>"), dated as of $[\bullet]$, is entered into by $[\bullet]$, a $[\bullet]$ ("[<u>City/ArenaCo]</u>"), for the benefit of $[\bullet]$, a $[\bullet]$ ("[<u>City/ArenaCo]</u>") [and $[\bullet]$, a $[\bullet]$ ("<u>Lender</u>" and together with [City/ArenaCo], collectively, the "<u>Relying Parties</u>").]

RECITALS

A. City and ArenaCo are parties to that certain Seattle Center Integration Agreement (Arena at Seattle Center) dated as of $[\bullet]$, 2018 (as so modified, amended, supplemented and/or assigned, collectively, the "<u>Agreement</u>"). Each capitalized term used in this Certificate but not otherwise defined herein shall have the meaning assigned to such term in the Agreement.

B. [Lender has made a loan in the original principal amount of $[\bullet]$ (the "Loan") to ArenaCo, which Loan is evidenced and/or secured by [].]

NOW, THEREFORE, in consideration of the foregoing, and for good and valuable consideration, the receipt and adequacy of which are hereby conclusively acknowledged, [City/ArenaCo] hereby certifies and agrees as follows:

- 1. The Agreement (i) is valid and in full force and effect, enforceable against [City/ArenaCo] and its successors and assigns in accordance with its terms, (ii) has not been waived, surrendered, canceled, terminated or abandoned (orally or in writing), (iii) except as set forth herein, constitutes the entire agreement between City and ArenaCo with respect to the subject matter contained therein, and (iv) except as set forth herein, has not been supplemented, modified, assigned or amended (orally or in writing).
- 2. All sums due and payable by [City/ArenaCo] under the Agreement have been paid through the date of this Certificate. To the actual knowledge of [City/ArenaCo] senior staff, without any further duty of investigation, no event has occurred and no condition exists that constitutes, or that would constitute with the giving of notice or the lapse of time or both, a default by [City/ArenaCo] or, to the actual knowledge of [City/ArenaCo] senior staff, without any further duty of investigation, by [City/ArenaCo] under the Agreement. [City/ArenaCo] has no existing defenses or offsets against the enforcement of the Agreement by [City/ArenaCo].
- 3. To [City's/ArenaCo's] actual knowledge, without any further duty of investigation, (i) no disputes, claims or litigation exist asserting that the Agreement is unenforceable or violates any other agreement, (ii) the Agreement is not, and has not been, the subject of any bankruptcy or foreclosure proceeding, (iii) no event, act, circumstance or condition constituting an event of force majeure exists, and (iv) there is presently no judgment, award, litigation, arbitration or proceeding pending or threatened that holds or asserts that the Agreement will be unenforceable or violates any existing agreement, or which could

otherwise materially and adversely affect the respective rights or obligations of City and ArenaCo under the terms and conditions of the Agreement.

- 4. To [City's/ArenaCo's] actual knowledge, the execution, delivery and performance by [City/ArenaCo] of this Certificate do not and will not require any further consents or approvals that have not been obtained or violate any provision of law, regulation, order, judgment, injunction or similar matters or breach any agreement presently in effect with respect to or binding on [City/ArenaCo].
- 5. [City/ArenaCo] understands and acknowledges that this Certificate will be relied upon by and shall inure to the benefit of the Relying Parties and each of their respective successors and assigns and shall be binding upon [City/ArenaCo] and its successors and assigns. This Certificate is not intended to limit any rights of any mortgagee under the Agreement.
- 6. This Certificate may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, [City/ArenaCo] has executed this Estoppel Certificate as of the date first above written.

[CITY/ARENACO]:

[INSERT SIGNATURE BLOCK]

<u>Exhibit E</u>

Approved Sponsorship Categories

Airline Athletic Apparel Auto - Aftermarket / Parts / Service Auto - Dealership Auto - Domestic Auto - Import Auto - Luxury Auto - Tires Auto Manufacturer Beverage - Alcohol & Spirits Beverage - Beer Beverage - Beer Domestic Beverage - Soft Drink Casino **Commercial Product** Consumer Electronics - Other Credit Card **Daily Fantasy** Energy - Oil & Gas Finance - Advisory / Investment / Institution Finance - Banking and Credit Union Finance - Credit Card Finance - Loan / Mortgage / Payment **Financial Service** Food Product Grocery Health Care Home Retail Hospital Insurance Insurance - Auto & Property Internet Service Provider Lottery Mass Merchant / Department Retail **Office Products Professional Service Quick Service Restaurant** Retail - Other Safety & Security Technology - Computer Software Technology - Internet / Website Technology - Other Telecom - Handset & Hardware

Att 3 – Seattle Center Integration Agreement (Arena at Seattle Center) V2

Telecom - Television / Internet Provider Telecom - Television Channel Telecom - Television Service Telecom - Wireless Carrier Telephone Service Television Channel Ticket System Utilities