



Legislation Details (With Text)

File #: CB 118726 **Version:** 1 **Name:** CB 118726
Type: Ordinance (Ord) **Status:** Passed
In control: City Clerk

On agenda: 7/25/2016
Final Action: 7/29/2016 **Ord. No.** Ord 125088

Title: AN ORDINANCE relating to the Mercer Arena; authorizing the Director of the Seattle Center Department to execute a third amendment to the Mercer Arena Ground Lease between the City of Seattle and Seattle Opera; and lifting a budget proviso.

Sponsors: Debora Juarez

Indexes:

Attachments: 1. Att A – Third Amendment to the Mercer Arena Ground Lease, 2. Summary and Fiscal Note, 3. Summary Att 1 - Project Enhancements, 4. Summary Att 2 – Blackline 3rd Amendment to the Mercer Arena Ground Lease, 5. Seattle Opera Presentation, 6. Mercer Arena Lease, 7. Seattle Center Presentation, 8. Signed Ordinance 125088, 9. Affidavit of Publication

Date	Ver.	Action By	Action	Result
7/29/2016	1	City Clerk	attested by City Clerk	
7/29/2016	1	Mayor	returned	
7/29/2016	1	Mayor	Signed	
7/26/2016	1	City Clerk	submitted for Mayor's signature	
7/25/2016	1	City Council	passed	Pass
7/21/2016	1	Parks, Seattle Center, Libraries, and Waterfront Committee	pass	Fail
7/11/2016	1	City Council	referred	
6/20/2016	1	Council President's Office	sent for review	
6/14/2016	1	City Clerk	sent for review	
6/14/2016	1	Mayor	Mayor's leg transmitted to Council	

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Mercer Arena; authorizing the Director of the Seattle Center Department to execute a third amendment to the Mercer Arena Ground Lease between the City of Seattle and Seattle Opera; and lifting a budget proviso.

WHEREAS, on April 9, 2008, pursuant to Ordinance 122630, the City of Seattle and Seattle Opera entered into a ground lease (“Ground Lease”), later amended on October 6, 2010, and December 15, 2014, wherein

Seattle Opera leased the Mercer Arena to construct and operate its administrative offices and rehearsal and technical support facilities, and for other incidental purposes related to its principal business as an opera company; and

WHEREAS, the Ground Lease was consistent with the prior expression of support for the project contained in Resolution 31040, adopted by the Seattle City Council on February 19, 2008; and

WHEREAS, Resolution 31628, approved by the Seattle City Council, on November 23, 2015, expressed support for an expanded Seattle Opera project that would replace the Mercer Arena, provide additional public amenities, and supplement the public benefits that Seattle Opera is required to provide over the term of the term of the Ground Lease; and

WHEREAS, Seattle Opera has agreed to construct those amenities as part of its project and to supplement the public benefits that it is required to provide over the term of the Ground Lease; and

WHEREAS, pursuant to Resolution 31628, Ordinance 124927 appropriated \$200,000 in the Finance General Reserves budget control level (BCL) for the Seattle Opera Mercer Arena project subject to the proviso that no funding could be spent until authorized by future ordinance; and

WHEREAS, the Seattle City Council anticipated that such authority would not be granted until the Executive provided Council with information on how the funding will be used for enhancements to the Seattle Opera Mercer Arena project that exceed the Opera's obligations for redevelopment under the terms of the current Ground Lease; and

WHEREAS, the Third Amendment to the Mercer Arena Ground Lease describes the enhancements to the Seattle Opera Mercer Arena project and addresses the conditions precedent contained in Resolution 31628; and

WHEREAS, Resolution 31628 requested that the Executive propose including \$4,800,000 in the City's Capital Improvement Program for review by the Seattle City Council in the 2017-2018 biennial budget process so that, if appropriated by the Seattle City Council, the funding would be available to Seattle Opera in

2017; and

WHEREAS, if appropriated by the Seattle City Council, payment of the remaining \$4,800,000 is to be contingent upon Seattle Opera’s compliance with the conditions contained in Section 12 of the Mercer Arena Ground Lease; and

WHEREAS, the Third Amendment to the Mercer Arena Ground Lease authorizes payment of \$4,800,000 to Seattle Opera, subject to appropriation of the funds by the Seattle City Council in the 2017-2018 Budget, fulfillment of the lease conditions, and provision of Seattle Opera Mercer Arena project enhancements and other public benefits;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Seattle Center Director and recommended by the Mayor, the Seattle Center Director or the Director’s designee is authorized to execute, for and on behalf of the City of Seattle, an amendment to the April 9, 2008, Ground Lease between the City and Seattle Opera, substantially in the form of the agreement attached hereto as Attachment A and identified as “THIRD AMENDMENT TO THE MERCER ARENA GROUND LEASE BETWEEN THE CITY OF SEATTLE AND SEATTLE OPERA.”

Section 2. The restrictions imposed by the following budget proviso are removed because the conditions in the proviso have been satisfied and they are no longer restrictions for any purpose, including those in Section 1 of Ordinance 124927:

Item	Department	2016 Green Sheet	Proviso	Budget Control Level
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2.1	Finance General	55-2-A-1	“None of the money appropriated in the Finance General Reserves BCL for the Seattle Opera may be spent until authorized by future ordinance. Council anticipates that such authority will not be granted until the Executive provides Council with information on how the funding will be used for enhancements beyond what is required in the City’s current lease with the Seattle Opera, and a contract for public benefits.”	Reserves (00100-2QD00)
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Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the _____ day of _____, 2016, and signed by me in open session in authentication of its passage this _____ day of _____, 2016.

President _____ of the City Council

Approved by me this _____ day of _____, 2016.

Edward B. Murray, Mayor

Filed by me this _____ day of _____, 2016.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment A - Third Amendment to the Mercer Arena Ground Lease between the City of Seattle and Seattle Opera