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“WHEREAS, the City recognizes that efforts are underway to establish an arts and cultural district in the Uptown Urban Center that, together with the potential redevelopment of the Kreielsheimer block on Mercer Street, could help realize the vision of the Theatre District;”

Background.

In 2008, the Opera and the City entered a 30-year Mercer Arena Ground Lease (Lease). Under the Lease, the Opera is to replace or renovate the existing Mercer Arena. The Opera intends to use the space to consolidate their offices, and provide technical support and rehearsal space.

Given that the City currently has a Lease with the Opera, with obligations under the Lease by both parties, the \$5 million City funding (\$200,000 in the 2016 Proposed Budget and an anticipated \$4.8 million in the 2017-2018 budget) must be used to enhance the redevelopment of the Mercer Arena in a manner that exceeds the Opera’s redevelopment obligations under the existing Lease.

The Resolution also reiterates other conditions in the existing lease that should be met before the \$4.8 million is appropriated including review and comment by the Seattle Design Commission, review by the City Council committee responsible for oversight of the Seattle Center, and review by the City Budget Director of the financing plan.