



SEATTLE CITY COUNCIL
CENTRAL STAFF

Benaroya Lease and Concession Agreement – 5th Amendment (CB 120484)

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Overview

- Benaroya Hall owned by the City; leased to Benaroya Hall Music Center (BHMC) through 2037
- 5th amendment would abate deferred payments and redirect future payments to capital improvements
- Council cannot unilaterally amend the terms of the Lease

Fifth Amendment

- BHMC Fiscal Outlook
 - \$3.4 million operational deficit 2022- 2027
 - \$20.5 million capital needs through 2022 - 2037
- Financial Relief
 - Abate up to approximately \$2 million in BHMC Concession Payments
 - Provide up to \$15 million for capital investments
- Public Benefit Rent

Financial Relief

- Abate 2020, 2021 Base Concession Payments (\$1.5M total)
- Allow BHMC to forgo 2020 and 2021 deposits to Capital Renewal Fund (\$350K total)
- Recognize April 2020 abated 2014 Alterations Concession Payment (\$108K)

New Terms: 2022 - 2037

- Cancel Base Concession Payments previously used to pay debt service on now-retired bonds (\$760K/year)
- Require new Concession Payments to BHMC's Capital Renewal Fund (\$760K/year)
- Require repayment of previously deferred 2014 Alterations Concession Payments (\$241K total)
- Require public benefit rent (\$1.2M/year)

Technical Amendments

- Amendment 1: Change date in title (to 2023)
- Amendment 2: Clarify that all amendments are retroactively effective on the dates specified in the legislation
- Amendment 3: Change due date for repayment of deferred 2014 Alterations Concession Payments

Potential Policy Issues

- Concession deferrals and redirection
- Public benefit rent equity considerations