



# SEATTLE CITY COUNCIL

## Legislative Summary

Res 31764

Record No.: Res 31764

Type: Resolution (Res)

Status: Adopted

Version: 2

Ord. no:

In Control: City Clerk

File Created: 08/03/2017

Final Action: 08/18/2017

**Title:** A RESOLUTION related to the redevelopment of KeyArena into a first-class, state-of-the-art, multi-purpose entertainment and sport center (the "Arena") at Seattle Center; supporting The City of Seattle negotiating with Oak View Group, LLC (OVG) regarding the possible redevelopment and operation of the Arena at Seattle Center; and requesting the Mayor to negotiate a memorandum of understanding with OVG for the City Council's consideration and action.

<b>Notes:</b>	<b>Filed with City Clerk:</b>	<u>Date</u> 8/18/2017
	<b>Mayor's Signature:</b>	8/18/2017
<b>Sponsors:</b> Juarez,Harrell	<b>Vetoed by Mayor:</b>	
	<b>Veto Overridden:</b>	
	<b>Veto Sustained:</b>	

**Attachments:** Att A - Proposed KeyArena Redevelopment Letter (added 8/14/17)

**Drafter:** Emilia.Sanchez@seattle.gov

**Filing Requirements/Dept Action:**

### History of Legislative File

Legal Notice Published:  Yes  No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	08/04/2017	sent for review	Council President's Office			
	<b>Action Text:</b> The Resolution (Res) was sent for review. to the Council President's Office						
	<b>Notes:</b>						
1	Council President's Office	08/04/2017	sent for review	Full Council			
	<b>Action Text:</b> The Resolution (Res) was sent for review. to the Full Council						
	<b>Notes:</b>						
1	Full Council	08/07/2017	referred	Full Council			
	<b>Action Text:</b> The Resolution (Res) was referred. to the Full Council						
	<b>Notes:</b>						
1	Select Committee on Civic Arenas	08/14/2017					

1 Full Council 08/14/2017 adopted as amended Pass

Action Text: The Motion carried, the Resolution (RES) was adopted as amended by the following vote, and the President signed the Resolution:

Notes: ACTION 1:

Motion was made and duly seconded to adopt Resolution 31764.

ACTION 2:

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Resolution 31764, by substituting version 2 for version 1b.

ACTION 3:

Motion was made and duly seconded to adopt Resolution 31764 as amended.

In Favor: 8 Councilmember Bagshaw, Councilmember Burgess, Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Juarez, Councilmember O'Brien

Opposed: 0

2	City Clerk	08/16/2017	submitted for Mayor's signature	Mayor
2	Mayor	08/18/2017	Signed	
2	Mayor	08/18/2017	returned	City Clerk
2	City Clerk	08/18/2017	attested by City Clerk	

Action Text: The Resolution (Res) was attested by City Clerk.

Notes:

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CITY OF SEATTLE

RESOLUTION

31764

A RESOLUTION related to the redevelopment of KeyArena into a first-class, state-of-the-art, multi-purpose entertainment and sport center (the "Arena") at Seattle Center; supporting The City of Seattle negotiating with Oak View Group, LLC (OVG) regarding the possible redevelopment and operation of the Arena at Seattle Center; and requesting the Mayor to negotiate a memorandum of understanding with OVG for the City Council's consideration and action.

WHEREAS, on January 11, 2017, the City's Office of Economic Development released a Request for Proposals (RFP) for the possible redevelopment of KeyArena; and

WHEREAS, the City's RFP included the following seven objectives related to the project:

- (1) develop a world-class sports and entertainment arena,
- (2) integrate with Uptown's Urban Design Framework,
- (3) include minimal City financial participation in capital development,
- (4) include minimal City financial participation in ongoing operations,
- (5) address transportation impacts,
- (6) treat neighbors and impacted workers equitably,
- and (7) contribute to Seattle Center's vibrancy; and

WHEREAS, the City has created a thorough approach for evaluating proposals submitted in response to the RFP as outlined herein: (1) Community Advisory Panel comprised of community leaders to review proposals and offer advice and observations on strengths and areas of concern; (2) City Staff Review Teams to provide detailed analysis of the proposals as they relate to the RFP and the City's objectives; (3) Executive Review Team to evaluate the City Staff Review Team recommendations, as well as feedback from the Community Advisory Panel; and (4) Mayor's review of the recommendations of the City Staff Review Team; and

1 WHEREAS, after careful consideration, the Mayor has selected the proposal submitted by Oak  
2 View Group, LLC as the preferred proposal for the possible redevelopment of KeyArena;  
3 and

4 WHEREAS, Council will retain an independent financial consultant to ensure that the MOU is  
5 consistent with the City's stated objectives for this project, including that the  
6 redevelopment plan provides for continuous, sustainable operation of the arena with  
7 minimal City financial participation; that the City's financial risks are minimized and  
8 appropriately mitigated; and that the project contributes to the future value and usefulness  
9 of Seattle Center; and

10 WHEREAS, all nine Councilmembers signed a June 26, 2017 letter memorializing Council's  
11 priorities and expectations for negotiating an agreement and a timeline for Council's  
12 review (Attachment A); and

13 WHEREAS, the Council will carefully review how the proposed memorandum of understanding  
14 addresses Seattle Center integration; promotes the culture and vibrancy that is so valued  
15 at Seattle Center; provides for protections of the City's financial position; establishes a  
16 plan for high quality arena operations and maintenance; sets a framework for a strong  
17 transportation mitigation plan; and recognizes the City's Equitable Opportunity goals  
18 regarding labor relations and women and minority business enterprises; NOW,  
19 THEREFORE,

20 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**  
21 **MAYOR CONCURRING, THAT:**

22 Section 1. In order for the Council to potentially carry out review by the end of the year,  
23 the City expects Oak View Group, LLC (OVG) to work with the City expeditiously and in good

1 faith to negotiate a memorandum of understanding (MOU) that will set forth basic terms for a  
2 development agreement, a long-term lease, and other agreements relating to redeveloping and  
3 operating KeyArena. Those agreements, once negotiated, will be subject to the City Council's  
4 review and action.

5 Section 2. The City Council will carefully review the MOU to ensure that it is consistent  
6 with the project objectives, and review the work of the Council's independent consultant.

7 Section 3. The City Council will also evaluate whether any agreement(s) between the  
8 City and OVG addresses Council priorities, including but not limited to the seven objectives  
9 listed in the Request for Proposals (RFP):

10 a) Provide a world-class civic arena (the "Arena") to attract and present music,  
11 entertainment, and sports events, potentially including NBA and NHL events, to Seattle and the  
12 region.

13 b) Provide for Project design and Arena operations in a manner that integrates with  
14 and enhances connections to Uptown and adjoining neighborhoods and aligns with the Urban  
15 Design Framework (UDF).

16 c) Provide for design, permitting, development, demolition (if applicable), and  
17 construction of the Arena (the "Project") with minimal City financial participation.

18 d) Provide for the continuous, successful, sustainable operation of the Arena as a  
19 world-class civic venue with minimal City financial participation.

20 e) Provide for mitigation of transportation impacts due to Project construction and  
21 Arena operations.

22 f) Provide Project construction and Arena operations in a manner that is equitable  
23 for workers and consistent with the City's Race and Social Justice Initiative.

1           g)     Provide for Project design and Arena operational integration with Seattle Center,  
2 contributing positively to the vibrancy of Seattle Center.

3           Section 4. During negotiations of the MOU, the Executive will report regularly to the  
4 Co-Chairs of the Select Committee on Civic Arenas and the City Councilmember representing  
5 District 7 on the progress of the negotiations. The MOU will be subject to review and approval  
6 by the City Council with a goal of taking final action on the MOU before the end of 2017. To  
7 achieve this goal, the City Council requests that the Mayor transmit a Council Bill and the  
8 proposed MOU by September 12, 2017.

