



Washington State Major League Baseball
Stadium
Public Facilities District

T-Mobile Park
PFD Conference Room
110 Edgar Martinez Drive South
Seattle, WA 98134
October 29, 2019 2:30 P.M.

SPECIAL BOARD MEETING NOTICE AND **AGENDA**

- A. Call to Order** (Stacy Graven – Chair)
- B. Items from the Audience / Public Comment** (3 minutes each)
- C. Approval of the Minutes**
 - September 9, 2019 Regular Board Meeting Minutes
- D. Board Briefings and Potential Actions:**
 - 1. Review of the Seattle Mariners' Plan Submittals (Paul Mar / CapEx Task Force / Bryan Slater, CAA ICON):
 - 2020 Management Plan, including
 - i. Final 2020 CapEx Plan
 - ii. Final 10-year rolling CapEx Plan
 - iii. 2020 Maintenance Plan
 - 2020 Annual Operating Plan
 - Look-ahead schedule, and proposed process changes
 - DRAFT Letter of Approval (Board discussion and decision)
 - 2. Stadium District Update (Lizanne Lyons / Charley Royer / Task Force)
 - Current Work / Next Steps
 - Motion to amend cost-sharing agreement with the Public Stadium Authority (PSA) to add Sound View Strategies (Handout)

3. Executive Director Search (Stacy Graven / Task Force / Jim Reid)
 - Work Plan: Steps and Timeline (Handout)
 - Proposed Hiring Announcement (Handout) (Board discussion and decision)
 - Cover Letter (Handout)
4. Olympia Update (Pat Dunn)
5. Ballpark Neighborhood Improvement Fund (Board discussion)
 - Lease terms (Handout)
 - Brief history/background (Paul Mar)
 - Legal Parameters (Executive Session discussion to follow)
 - Potential Projects
 - Next Steps (organization / leadership / outreach)
6. Other Updates (as needed)

E. Reports:

Chair's Report (Stacy Graven)

- 2018 State Audit
- Contract Amendments (scope/budget changes)
- Other

- F. **Executive Session:** The Board may meet in Executive Session to “review contract performance of publicly bid contracts” RCW 42.30.110 (1)(d); to “evaluate the qualifications of an applicant for public employment or to review the performance of a public employee” RCW 42.30.110 (1)(g), and/or to discuss with legal counsel real estate lease matters and/or “potential litigation to which the agency . . . is, or is likely to become, a party, where public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency” RCW 42.30.110 (1)(i). The Executive Session is expected to last 45 minutes. No formal Board action is anticipated following the Executive Session.

G. Adjournment

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT
Monday, September 9, 2019 2:30 P.M.
Public Facilities District, Conference Room
110 Edgar Martinez Drive South, Seattle, Washington 98134

REGULAR BOARD MEETING MINUTES

CALL TO ORDER

Board Chair Stacy Graven called the meeting to order at 2:30 p.m. pursuant to notice. Board members present: Dale Sperling, Paul Mar, Tim Burgess, Carol Nelson, and Omar Riojas. Charley Royer was absent but excused. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel), Bryan Slater (CAA ICON / sports consultant), Lizanne Lyons (consultant), Pat Dunn (legislative) and Sandeep Kaushik (communications).

ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS:

None.

APPROVAL OF MINUTES:

Motion by Board member Mar with a second from Board member Sperling to approve the minutes of the June 10, 2019 regular Board meeting and the minutes of the June 26, 2019 and July 29, 2019 Special Board Meetings. Paul Mar noted that p. 3 of the regular meeting minutes should be corrected to indicate that he had met with the "Community Partnership Forum" (and not the CID). As amended, the minutes were approved and the motion carried 6-0.

BOARD BRIEFINGS:

1. Board Organization / Task Force Structure / Leadership

Stacy Graven kicked off the discussion regarding the formation of various Task Forces. These Task Forces would consist of sub-groups of Board members who would be responsible for considering various topics and then reporting back to the full Board. She stressed that all of the Task Forces would be purely *advisory* and that ultimate decisions would be the responsibility of the full Board.

She noted that she had consulted with Board members on their interests, and that she tried to address those interests as she filled the various Task Forces. She thanked all for being willing to participate, and she hoped that all could serve proudly in the positions assigned. She announced the following Task Forces and their membership:

Finance: Carol Nelson, Chair; Tim Burgess and Omar Riojas
CapEx / M&O: Paul Mar, Chair; Dale Sperling and Stacy Graven

Stadium District: Charley Royer, Chair; Paul Mar and Tim Burgess
Executive Director Search: Stacy Graven, Chair; Carol Nelson and Omar Riojas

Stacy concluded by noting that all Board members had expressed an interest in serving on the Ballpark Neighborhood Improvement Fund Task Force. So rather than create a separate Task Force at this time, she suggested that the Board discuss the Neighborhood Improvement Fund issues as a full Board in the near term and then decide whether to pursue a separate Task Force. She asked that the Board take this up at its next meeting.

2. Seattle Mariners' September 1, 2019 Lease Submittals and Capital Projects Update:

Fred Rivera of the Seattle Mariners opened the discussion noting that the Club had worked to submit the materials required by the new lease on September 1, but that the calendar in the lease did not align perfectly with the Club's annual planning processes or the availability of information, so some elements of the Club's submittal were incomplete. For example, the Transportation Management Plan and the calendar of non-baseball events won't be ready until the end of December. Fred noted that the Club was working with PFD staff on this, and that it would provide the missing submittals when they became available.

Trevor Gooby of the Club followed to discuss the Club's CapEx plan for 2020 and the rolling 10-year CapEx plan, both submitted to the PFD previously. Trevor noted several substantial changes to those plans since their submittal in May, including deferral of the bollard project (due to City permitting delays) and other deferrals (e.g., wayfinding signage, menu boards, and 4K broadband). He also noted that some new projects had been added to the CapEx list, including some ADA items, safety netting extensions, and other items being required by MLB for all teams. In the aggregate, the deferrals and additions net out to roughly \$21M of necessary improvements for the 2020 off-season (October 1 to the end of March).

Trevor then described in more detail the four 'upgrade' projects that the Club was planning for the off-season. He noted that permit applications had been timely submitted for all of these projects but that permits had not yet been received. The projects include changes to Lookout Landing, the Rotunda/roof-top deck, Terrace Club, and the gate-line extension for access from Royal Brougham to the 'Pen. The value of these upgrade improvements was roughly \$9.2M.

Fred Rivera of the Mariners then summarized the Club's Community Activities and Investments over the last year, as described in more detail in the Club's Operations plan and appendices. This includes the work of Mariners Care, the Club's On BASE and Home Base programs, and State of Play, all of which are described in detail in the Club's submittal. Fred also described various strategic partnership between the Club and other players, and he described the Club's anticipated reporting approach for future CapEx plan years.

3. CAA ICON Initial Thoughts on the September 1, 2019 Submittals:

Bryan Slater of CAA ICON joined to present a short overview and assessment of the Club's revised 2020 CapEx plan and 10-year rolling CapEx plan. Bryan focused on changes to the

previously submitted CapEx plans and the new submittals, including the Operations and Maintenance Plans. Bryan noted that some significant elements of these latter plans were missing, as a result of the schedule for their submittal. Following Bryan's presentation, Dale Sperling noted that the Club's plans showed a number of vacancies in some high-level positions. The Club assured him that nothing was at risk as a result of these vacancies, and that they were looking to fill these position in a tight Seattle market. The Board Chair then noted that a special Board meeting would be required at the end of October in order to review a draft letter to the Club addressing the PFD's evaluation of the submitted plans.

4. Review of Vouchers:

Kevin Callan summarized the vouchers presented to the Board. Paul Mar reported that he had reviewed the vouchers and he recommended their approval. Paul moved approval of Proposed Resolution No. 19-004, and Board member Nelson seconded. Following discussion, the resolution was approved, 6-0.

5. PFD Budget Update:

Kevin Callan updated the Board on spending versus the PFD's 2019 Operations and Capital projects budgets. Dale Sperling asked for more detail in future reports regarding capital project expenditures, and Kevin said he was already working with the Club and CAA ICON on a form for doing so. Paul Mar asked that the Neighborhood Improvement Fund (NIF) budget also be included in the regular reporting, even if there were no changes to NIF expenses.

6. Stadium District Implementation Update

Lizanne Lyons noted that she'd been brought in as the lead consultant for the Stadium District work just over a year ago and gave a brief overview of what the joint PFD/PSA Stadium District Leadership Committee and team has accomplished during that time. She's met with almost seventy public and private stakeholders in mostly one-on-one meetings to assess current thinking on a Stadium District. As a result of that, the vision from the 2012 Stadium District Concept Plan was updated so as to: allow housing and hotels throughout all of the Stadium District, rather than only north of approximately Charles Street; explore a Maker's District between Atlantic and Holgate streets; discontinue viewing the over-the-tracks area east of CenturyLink as a near term area of opportunity; and, through a community process, consider what combination of housing, park, retail, hotels and office might work best on the WOSCA property west of 1st Avenue S., in light of cruise ships soon having a berth on Terminal 46.

Last May, the Stadium District team prepared a detailed Comprehensive Plan amendment proposal, which was submitted to the Seattle City Council. Letters of support for that proposal to be docketed were obtained from: the Alliance for Pioneer Square; the Pioneer Square Resident's Council; the Seattle Chinatown/International District Public Development Authority; the Housing Development Consortium; Friends of the Waterfront; the Seattle Sports Commission; the Seattle Mariners, First & Goal, Inc.; and, the Seattle Sounders F.C.

Lizanne discussed the Mayor's desire for our Stadium District proposal to be folded into a stakeholder process that the Mayor is convening to update the City's policies for all of the industrial lands, rather than it being reviewed in this year's Comprehensive Plan cycle. She also described the recent City Council process whereby our proposal was initially recommended for docketing this year by the City's Planning Commission and by the City Council's Planning, Land Use and Zoning Committee, but was then removed from the list of proposals to be docketed as a result of the Mayor's request and strong opposition from the Port of Seattle and from the International Longshore and Warehouse Union (ILWU). Lizanne noted that, in the end, the City Council did add new language to its Comprehensive Plan resolution asking the Mayor to expedite her stakeholder process and include broad neighborhood representation so that our proposal and others can be reviewed in a timely way before opportunities might be lost.

Lizanne provided copies of a handout that summarizes suggestions made by the PFD and the PSA for the Mayor's industrial lands process--listing the policy questions that will hopefully be answered, process outcomes, a suggested timeframe, and workgroup composition. The goal being for the Mayor's process to conclude next April or May and to get our Stadium District proposal docketed in next year's cycle.

Lizanne concluded with a discussion of work performed as compared with budget, noting that the Stadium District Leadership Committee is recommending adding Sandeep Kaushik of Sound View Strategies to the consultant team to assist with government relations and other issues. She said that this would be worked out with Kevin Callan and the PSA to include it the existing cost-sharing agreement between the two entities.

7. Executive Director Search:

Board Chair Graven provided a brief report on the E.D. search process, noting that the Board had settled on the essential qualifications for the position. She noted that Jim Reid was helping with the recruiting process, and she expected the Task Force to make additional progress before the Board meeting at the end of October.

8. Ballpark Neighborhood Improvement Fund (deferred to next meeting):

9. Legislative Update:

Pat Dunn provided a brief update, noting that the 2020 legislative session would be a short (60-day) session in an election year, and he described some of the changes in legislative leadership. Pat asked Fred Rivera to comment on the sports betting bills introduced this past year and likely to be re-advanced next year. Fred noted that the Club was following those bills closely, along with MLB.

10. Other Updates: None

REPORTS:

Chair Graven noted that a Special Board meeting would be required before the end of October in order to timely review and comment on the Club's September 1, submittals. She said that she would be in contact with Board members regarding the exact date, but she expected it to be during the week of October 28, 2019. She also noted that she and her Task Force were making progress on the search for a new Executive Director, and she hoped to have more to report at the next Board meeting.

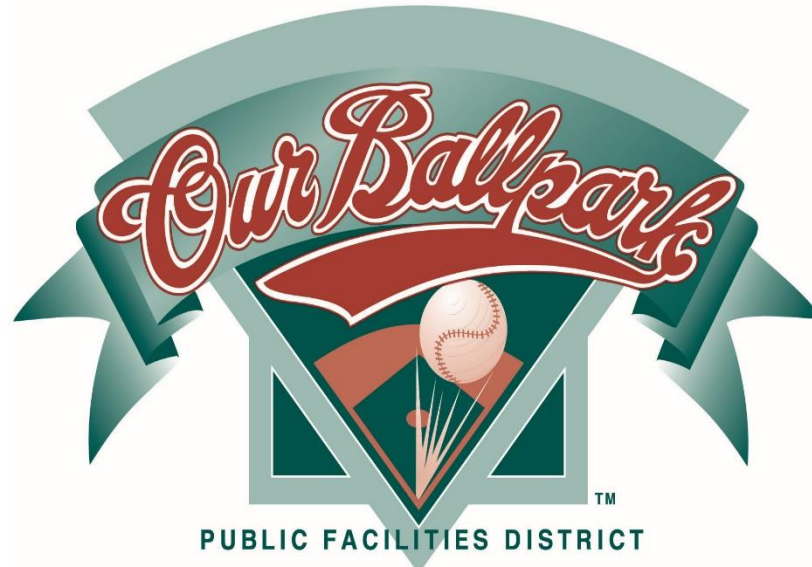
Executive Director Kevin Callan noted that he had not yet heard from the State Auditor's office regarding an audit of the 2018 finances, but he expected to receive a call shortly.

ADJOURNMENT:

There being no further business before the Board and no need for an Executive Session, Chair Graven declared the meeting adjourned at 4:14 p.m.

Kevin Callan
Recording Clerk

Stacy Graven, Chair
Board of Directors, Public Facilities District



**WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM
PUBLIC FACILITIES DISTRICT**

CAPITAL PLAN REVIEW

SPECIAL BOARD MEETING

OCTOBER 29, 2019

CAAICON
STRATEGIC ADVISORY

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Objectives of the Work Effort

1. Provide the PFD with a comprehensive understanding of necessary and upgrade capital expenditures made or planned at T-Mobile Park from 2017 to 2029

Note: The LTCNA plan contemplated projects starting in year 2017 (25 year plan) – although the lease term effectively started in 2019, projects identified in the LTCNA must still be completed

2. Evaluate the adequacy of the capital expenditures made between 2017 and 2019, and the 2020 and 10-year plans in relation to the LTCNA
3. Identify areas that require follow-up with the Mariners prior to finalizing the 2020 and 10-year plans

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Summary of Tasks Completed

1. Met with the Mariners to understand the reason(s) and corresponding extent of changes to the provisional plan submitted in May
2. Summarized the impact of plan revisions on the 2020 and 10-year capital plans
3. Reviewed and commented on proposed upgrade improvements
4. Outlined a potential schedule for the review and analysis of capital plans in future years
5. Developed standardized template for reimbursement requests made by the Mariners

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Key Lease Terms – Capital Expenditures

- Key lease terms related to capital expenditures are summarized below:
 - Mariners are solely and exclusively responsible for the performance of, and expenses associated with, all capital maintenance, including necessary and upgrade improvements (must comply with the Applicable Standard) – regardless of reserve funds available
 - Mariners are required to submit provisional annual and 10-year capital expenditure work plans by May 1 of each lease year that are subject to provisional PFD approval (within 60 days), provided the submittal is in conformance with the Applicable Standard. Final plans must be submitted by September 1 of each lease year and are subject to final review and approval by the PFD within 60 days of submittal.
 - PFD to review and approve plans, ensuring the Ballpark is maintained and enhanced to meet the Applicable Standard

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Key Funding Sources – Capital Expenditures

- Capital expenditure funding sources:
 - Mariners contribute \$3.25 million per year, which is adjusted annually according to the CPI
 - PFD contributes the following sources:
 - \$250,000 from base rent
 - 100% of admissions and parking tax collected by Mariners
 - Revenue sharing on tickets (1.5% / 2.0%)
- County Tax Revenues Fund (beginning 2021) – eligible capital expenditures may be reimbursed (includes retroactive reimbursement provision)
 - Eligible projects include infrastructure such as building systems, including plumbing, electrical, HVAC, structural elements, and the retractable roof (upgrades with revenue generating potential are not eligible)

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Provisional and Final Plan Comparison

- The Mariners have made a number of material changes to the proposed necessary improvements originally contained in their provisional plan:
 - Additions of projects in the amount of \$50,000 and over:
 - Wayfinding signage and graphics (current signage and graphics package is dated)
 - Video coaching system and cameras (included in LTCNA)
 - Backstop netting system and humidior (mandated by MLB)
 - ADA compliance projects
 - A/V equipment in conference rooms
 - Edgar Martinez statue
 - Deferrals of projects in the amount of \$50,000 and over:
 - Bollard project is deferred until 2020 due to permitting delays
 - Replacement of food and beverage menu boards to align with new point of sale system
 - Data cabling because the current system is still functioning
 - Broadcast cabling is deferred to align with 4K television
- Proposed upgrade investment levels have not changed for the 2020 (\$9.2 million) and 10-year plans (\$106.2 million)
 - Reallocation of funds between 2020 projects have been made as project scopes were refined
- The Mariners proactively summarized changes to the provisional plan for the PFD and CAA ICON

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Provisional Plan Comparison – 10-Year Rolling Plan

- The plan changes net impact by year and category is summarized below – the revisions result in an additional \$1.7 million in proposed spending over the 10-year plan

| Calendar Year Lease Year | Provisional to Final Submittal Changes - Net Impact by Category | | | | | | | | | | |
|------------------------------|---|--------------------|----------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|------------------|------------------------------|
| | 2020 2 | 2021 3 | 2022 4 | 2023 5 | 2024 6 | 2025 7 | 2026 8 | 2027 9 | 2028 10 | 2029 11 | Surplus / (Deficit) Total |
| Architectural | (\$5,346,635) | \$6,968,434 | (\$280,648) | \$0 | \$0 | \$27,463 | \$0 | \$116,543 | \$0 | \$0 | \$1,485,156 |
| Interior | \$29,020 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$29,020 |
| Exterior | \$236,900 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$236,900 |
| Painting | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Building Envelope | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Signage and Graphics | \$155,960 | \$136,238 | (\$280,648) | \$0 | \$0 | \$27,463 | \$0 | \$0 | \$0 | \$0 | \$39,012 |
| Structural | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Team Facilities | \$59,225 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$59,225 |
| Operational Equipment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| FF&E | \$94,760 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$116,543 | \$0 | \$0 | \$211,303 |
| Code and Regulatory | (\$5,922,500) | \$6,832,196 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$909,696 |
| Retractable Roof | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Garage | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Spectator Requirements | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Food Service | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Seating Bowl | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Premium Spaces | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Building Systems | \$75,808 | \$104,923 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$180,731 |
| Mechanical | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Electrical | (\$101,867) | \$104,923 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,056 |
| Plumbing | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Playing Field | \$177,675 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$177,675 |
| Vertical Transportation | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Technology | \$325,738 | (\$793,023) | \$471,239 | \$0 | \$0 | \$686,580 | (\$707,177) | \$0 | \$0 | \$0 | (\$16,644) |
| Facility sound reinforcement | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Video displays/production | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Security | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| POS Systems | (\$444,188) | \$0 | \$471,239 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$27,051 |
| Baseball Operations | \$769,925 | (\$793,023) | \$0 | \$0 | \$0 | \$686,580 | (\$707,177) | \$0 | \$0 | \$0 | (\$43,695) |
| Technology Infrastructure | (\$432,343) | \$445,313 | (\$188,495) | \$194,150 | (\$199,975) | \$205,974 | (\$212,153) | \$218,518 | (\$225,073) | \$231,826 | \$37,741 |
| Surplus / (Deficit) | (\$5,377,432) | \$6,725,647 | \$2,095 | \$194,150 | (\$199,975) | \$920,017 | (\$919,331) | \$335,061 | (\$225,073) | \$231,826 | \$1,686,984 |

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

2017 to 2019 Analysis – LTCNA and Actual Investment Comparison

- The LTCNA called for approximately \$44.3 million in necessary improvements from 2017 to 2019 (years 1 through 3 of the plan), including 15% contingency
- Approximately \$17.7 million will be invested by the end of 2019
 - Final figures will be provided in April 2020
- \$17.7 million comprised of:
 - \$10.1 million in investments outlined in LTCNA
 - \$7.6 million in other investments
- The cumulative difference for investments outlined in LTCNA is \$34.2 million, including contingency
- Given the limited amount of time between the lease signing and the start of 2019 season, numerous projects in the plan were deferred
 - 26 of 34 projects over \$50,000 have been scheduled in the rolling plan – remaining eight projects require monitoring (3) or are ongoing (5)

| Sub-Category | LTCNA Amount (2017 to 2019) | LTCNA Amount Invested (2017 to 2019) | Variance | Other Amount Invested (2017 to 2019) |
|-----------------------------|--------------------------------|--|-----------------------|--|
| Video Displays / Production | \$9,848,202 | \$0 | (\$9,848,202) | \$85,000 |
| Tech Infrastructure | \$8,713,361 | \$0 | (\$8,713,361) | \$502,000 |
| Sound Reinforcement | \$3,327,354 | \$250,000 | (\$3,077,354) | \$28,000 |
| Food Service | \$2,983,820 | \$1,059,780 | (\$1,924,040) | \$99,600 |
| Painting | \$1,639,568 | \$400,000 | (\$1,239,568) | \$0 |
| Baseball Operations | \$1,125,509 | \$0 | (\$1,125,509) | \$85,350 |
| Electrical | \$1,105,779 | \$0 | (\$1,105,779) | \$280,000 |
| Mechanical | \$680,808 | \$0 | (\$680,808) | \$92,000 |
| Signage and Graphics | \$1,167,176 | \$750,000 | (\$417,176) | \$240,000 |
| Security | \$530,450 | \$125,000 | (\$405,450) | \$653,000 |
| POS Systems | \$286,008 | \$0 | (\$286,008) | \$20,000 |
| FF&E | \$310,273 | \$100,000 | (\$210,273) | \$140,190 |
| Team Facilities | \$193,686 | \$0 | (\$193,686) | \$192,035 |
| Plumbing | \$96,334 | \$0 | (\$96,334) | \$51,000 |
| Garage | \$92,588 | \$0 | (\$92,588) | \$0 |
| Architectural Exterior | \$183,593 | \$93,000 | (\$90,593) | \$173,000 |
| Code and Regulatory | \$81,979 | \$0 | (\$81,979) | \$2,884,680 |
| Structural | \$63,654 | \$0 | (\$63,654) | \$0 |
| Premium Spaces | \$450,204 | \$408,100 | (\$42,104) | \$10,500 |
| Vertical Transportation | \$16,397 | \$0 | (\$16,397) | \$111,500 |
| Miscellaneous | \$0 | \$0 | \$0 | \$0 |
| Operational Equipment | \$54,661 | \$63,300 | \$8,639 | \$93,300 |
| Building Envelope | \$49,834 | \$108,000 | \$58,166 | \$238,400 |
| Architectural Interior | \$313,503 | \$476,000 | \$162,497 | \$996,800 |
| Retractable Roof | \$5,129,967 | \$5,324,000 | \$194,033 | \$114,000 |
| Seating Bowl | \$57,385 | \$305,000 | \$247,615 | \$0 |
| Playing Field | \$0 | \$652,000 | \$652,000 | \$484,500 |
| Total | \$44,277,407 | \$10,114,180 | (\$34,163,227) | \$7,574,855 |

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

2020 Plan – LTCNA and Proposed Investment Comparison

- LTCNA called for approximately \$21.4 million in necessary improvements in 2020, including 15% contingency
- 2020 plan calls for \$20.6 million in total investment, comprised of:
 - \$17.9 million in investments outlined in LTCNA
 - \$2.7 million in other investments
- 19 projects \$50,000 and over have been deferred and 11 have been scheduled – remaining projects require monitoring (7) or are ongoing and require verification (1)
 - The Mariners have indicated that investments to suites, Terrace Club, and Diamond Club (all premium spaces) are planned to be completed in tandem with potential upgrade improvements – schedule of upgrade improvements has not been provided

| Sub-Category | LTCNA 2020 Amount | LTCNA Amount Invested | Variance | Other Amount Invested |
|-----------------------------|---------------------|-----------------------|----------------------|-----------------------|
| Video Displays / Production | \$4,926,915 | \$0 | (\$4,926,915) | \$0 |
| Playing Field | \$3,245,967 | \$0 | (\$3,245,967) | \$154,500 |
| Premium Spaces | \$2,782,258 | \$30,900 | (\$2,751,358) | \$0 |
| Food Service | \$2,007,477 | \$375,950 | (\$1,631,527) | \$0 |
| Signage and Graphics | \$869,456 | \$135,617 | (\$733,839) | \$0 |
| Technology Infrastructure | \$486,895 | \$154,500 | (\$332,395) | \$0 |
| Building Envelope | \$457,913 | \$148,011 | (\$309,902) | \$0 |
| Mechanical | \$343,145 | \$47,071 | (\$296,074) | \$0 |
| Architectural Interior | \$211,568 | \$30,385 | (\$181,183) | \$0 |
| Operational Equipment | \$168,095 | \$28,840 | (\$139,255) | \$0 |
| Garage | \$98,538 | \$41,200 | (\$57,338) | \$0 |
| Architectural Exterior | \$92,742 | \$36,308 | (\$56,435) | \$206,000 |
| Structural | \$237,651 | \$186,430 | (\$51,221) | \$0 |
| Painting | \$579,637 | \$561,350 | (\$18,287) | \$0 |
| Team Facilities | \$17,389 | \$5,150 | (\$12,239) | \$51,500 |
| Plumbing | \$75,932 | \$65,457 | (\$10,476) | \$0 |
| Code and Regulatory | \$28,982 | \$28,840 | (\$142) | \$1,607,627 |
| Vertical Transportation | \$5,796 | \$5,923 | \$127 | \$0 |
| Seating Bowl | \$20,287 | \$21,218 | \$931 | \$0 |
| FF&E | \$57,964 | \$140,080 | \$82,116 | \$0 |
| Security | \$0 | \$463,500 | \$463,500 | \$0 |
| Retractable Roof | \$1,738,911 | \$2,255,700 | \$516,789 | \$0 |
| Baseball Operations | \$0 | \$669,500 | \$669,500 | \$0 |
| Electrical | \$177,369 | \$1,264,474 | \$1,087,105 | \$304,546 |
| POS Systems | \$0 | \$1,648,000 | \$1,648,000 | \$0 |
| Sound Reinforcement | \$0 | \$7,210,000 | \$7,210,000 | \$0 |
| Contingency | \$2,794,633 | \$2,333,160 | | \$348,626 |
| Total | \$21,425,520 | \$17,887,563 | (\$3,537,957) | \$2,672,799 |

Note: The following 2020 LTCNA projects were completed ahead of schedule: New playing field (\$600,000), expansion joint replacement (\$108,000), and wall pad replacement (\$52,000).

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

10-Year Plan – Summary

- The 10-year plan includes \$179.1 million in necessary improvements, inclusive of 15% contingency and 3% inflation

| Mariners 10-Year Necessary Improvement Capital Expenditure Plan | | | | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|----------------------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | Total |
| Architectural | \$3,641,058 | \$8,344,349 | \$1,314,735 | \$6,296,790 | \$7,366,494 | \$8,471,803 | \$7,831,071 | \$7,860,524 | \$2,641,311 | \$3,721,651 | \$57,489,786 |
| Interior | \$34,943 | \$270,319 | \$135,173 | \$210,934 | \$1,475,681 | \$1,495,921 | \$833,904 | \$941,958 | \$1,244,806 | \$1,343,970 | \$7,987,607 |
| Exterior | \$278,654 | \$21,351 | \$21,991 | \$90,927 | \$23,330 | \$24,030 | \$99,358 | \$25,494 | \$26,259 | \$108,572 | \$719,965 |
| Painting | \$645,553 | \$664,919 | \$684,867 | \$4,976,719 | \$5,202,011 | \$5,279,801 | \$5,438,195 | \$5,601,341 | \$817,767 | \$842,300 | \$30,153,470 |
| Building Envelope | \$170,213 | \$21,595 | \$35,814 | \$408,363 | \$37,995 | \$433,232 | \$40,309 | \$426,401 | \$8,553 | \$452,369 | \$2,034,843 |
| Signage and Graphics | \$155,960 | \$136,238 | \$140,325 | \$0 | \$0 | \$27,463 | \$0 | \$0 | \$0 | \$0 | \$459,985 |
| Structural | \$214,395 | \$152,504 | \$0 | \$257,573 | \$190,643 | \$368,007 | \$458,251 | \$208,320 | \$214,570 | \$307,555 | \$2,371,818 |
| Team Facilities | \$65,148 | \$142,744 | \$111,841 | \$29,123 | \$6,666 | \$440,098 | \$754,558 | \$317,579 | \$161,303 | \$227,962 | \$2,257,020 |
| Operational Equipment | \$33,166 | \$0 | \$35,186 | \$214,429 | \$318,183 | \$287,906 | \$87,690 | \$49,531 | \$42,014 | \$131,368 | \$1,199,472 |
| Furnitures, Fixtures, & Equipment | \$161,092 | \$68,322 | \$114,354 | \$72,483 | \$74,657 | \$76,897 | \$79,204 | \$249,110 | \$84,027 | \$264,281 | \$1,244,428 |
| Code and Regulatory | \$1,881,937 | \$6,866,357 | \$35,186 | \$36,241 | \$37,329 | \$38,448 | \$39,602 | \$40,790 | \$42,014 | \$43,274 | \$9,061,178 |
| Retractable Roof | \$2,594,055 | \$2,616,975 | \$2,695,484 | \$2,776,349 | \$193,309 | \$3,700,667 | \$205,081 | \$211,234 | \$217,571 | \$13,515,431 | \$28,726,156 |
| Garage | \$47,380 | \$34,161 | \$35,186 | \$124,256 | \$37,329 | \$38,448 | \$56,574 | \$122,370 | \$42,014 | \$61,820 | \$599,538 |
| Spectators Amenities | \$492,278 | \$507,047 | \$1,100,311 | \$3,359,576 | \$8,513,060 | \$2,115,491 | \$5,396,613 | \$1,523,215 | \$623,603 | \$642,311 | \$24,273,504 |
| Food Service | \$432,343 | \$445,313 | \$458,672 | \$472,432 | \$486,605 | \$501,203 | \$516,240 | \$531,727 | \$547,679 | \$564,109 | \$4,956,322 |
| Seating Bowl | \$24,401 | \$25,133 | \$25,887 | \$26,663 | \$5,693,415 | \$1,573,092 | \$4,837,943 | \$947,785 | \$30,910 | \$31,837 | \$13,217,066 |
| Premium Spaces | \$35,535 | \$36,601 | \$615,752 | \$2,860,481 | \$2,333,039 | \$41,195 | \$42,431 | \$43,704 | \$45,015 | \$46,365 | \$6,100,116 |
| Building Systems | \$2,118,265 | \$1,383,032 | \$312,400 | \$3,109,511 | \$631,387 | \$697,016 | \$669,839 | \$739,464 | \$710,632 | \$2,621,175 | \$12,992,719 |
| Mechanical | \$54,132 | \$749,956 | \$57,428 | \$394,384 | \$360,888 | \$418,402 | \$382,866 | \$443,883 | \$406,182 | \$695,013 | \$3,963,133 |
| Electrical | \$1,804,373 | \$267,920 | \$167,887 | \$172,923 | \$178,111 | \$183,454 | \$188,958 | \$194,627 | \$200,465 | \$383,903 | \$3,742,620 |
| Plumbing | \$75,275 | \$77,533 | \$79,859 | \$82,255 | \$84,723 | \$87,264 | \$89,882 | \$92,579 | \$95,356 | \$644,707 | \$1,409,433 |
| Playing Field | \$177,675 | \$280,608 | \$0 | \$2,452,506 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,910,789 |
| Vertical Transportation | \$6,811 | \$7,015 | \$7,226 | \$7,442 | \$7,666 | \$7,896 | \$8,133 | \$8,377 | \$8,628 | \$897,551 | \$966,744 |
| Technology | \$11,489,650 | \$4,727,636 | \$9,456,186 | \$8,607,329 | \$7,532,383 | \$686,580 | \$707,177 | \$0 | \$2,400,783 | \$0 | \$45,607,724 |
| Facility Sound Reinforcement | \$8,291,500 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$8,291,500 |
| Video Displays/Production | \$0 | \$1,830,053 | \$8,796,452 | \$8,413,178 | \$7,332,409 | \$0 | \$0 | \$0 | \$0 | \$0 | \$26,372,092 |
| Security | \$533,025 | \$1,647,047 | \$188,495 | \$194,150 | \$199,975 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,762,693 |
| POS Systems | \$1,895,200 | \$457,513 | \$471,239 | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,400,783 | \$0 | \$5,224,734 |
| Baseball Operations | \$769,925 | \$793,023 | \$0 | \$0 | \$0 | \$686,580 | \$707,177 | \$0 | \$0 | \$0 | \$2,956,705 |
| Technology Infrastructure | \$177,675 | \$1,970,357 | \$4,712,385 | \$194,150 | \$0 | \$1,922,424 | \$0 | \$218,518 | \$0 | \$231,826 | \$9,427,335 |
| Value with Contingency and Inflation | \$20,560,361 | \$19,583,555 | \$19,626,687 | \$24,467,961 | \$24,273,961 | \$17,632,429 | \$14,866,356 | \$10,675,325 | \$6,635,913 | \$20,794,213 | \$179,116,763 |

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

10-Year Plan – Overall Investment

- The table examines actual / proposed necessary investment in relation to the LTCNA from 2019 to 2029 (lease years 1 – 11)
 - Includes all investments (some are not in the LTCNA)
- In the 10-year plan (between 2020 and 2029), the necessary improvement investment deficit is approximately \$4.0 million
 - Actual/Proposed: \$179.1 million
 - LTCNA: \$183.1 million
- When 2019 is included (year 3 of LTCNA and year 1 of the lease), the deficit increases to \$26.8 million
 - Actual/Proposed: \$186.0 million
 - LTCNA: \$212.7 million
- When 2017 and 2018 are included (years 1 and 2 of LTCNA), the deficit increases to \$30.6 million over a 13-year period
 - Actual/Proposed: \$196.8 million
 - LTCNA: \$227.4 million
- CAA ICON has identified project deferrals and, as indicated on the previous two pages, is monitoring future submittals to ensure projects in the LTCNA are being implemented

| Necessary Improvement Capital Expenditure Comparison to LTCNA (2019 to 2029) | | | |
|--|------------------------------|-------------------------|------------------------------|
| | 11-Year Actual / Proposed | 11-Year LTCNA Amount | Surplus / (Deficit) Total |
| Architectural | \$61,359,871 | \$53,033,307 | \$8,326,564 |
| Interior | \$8,872,607 | \$8,128,072 | \$744,536 |
| Exterior | \$719,965 | \$1,009,013 | (\$289,048) |
| Painting | \$30,553,470 | \$31,567,020 | (\$1,013,551) |
| Building Envelope | \$2,142,843 | \$2,262,477 | (\$119,633) |
| Signage and Graphics | \$1,359,985 | \$2,448,186 | (\$1,088,201) |
| Structural | \$2,371,818 | \$2,583,348 | (\$211,531) |
| Team Facilities | \$2,324,055 | \$2,168,142 | \$155,914 |
| Operational Equipment | \$1,211,472 | \$1,184,320 | \$27,151 |
| Furniture, Fixtures, and Equipment | \$1,384,978 | \$1,268,289 | \$116,688 |
| Code and Regulatory | \$10,418,678 | \$414,439 | \$10,004,239 |
| Retractable Roof | \$30,415,156 | \$22,621,563 | \$7,793,593 |
| Garage | \$599,538 | \$701,776 | (\$102,238) |
| Spectator Requirements | \$24,957,284 | \$42,749,067 | (\$17,791,783) |
| Food Service | \$5,324,602 | \$16,752,260 | (\$11,427,658) |
| Seating Bowl | \$13,522,066 | \$11,980,781 | \$1,541,285 |
| Premium Spaces | \$6,110,616 | \$14,016,026 | (\$7,905,410) |
| Building Systems | \$13,083,719 | \$18,201,055 | (\$5,117,335) |
| Mechanical | \$3,963,133 | \$5,904,450 | (\$1,941,317) |
| Electrical | \$3,812,620 | \$2,622,829 | \$1,189,791 |
| Plumbing | \$1,430,433 | \$1,718,599 | (\$288,166) |
| Playing Field | \$2,910,789 | \$3,732,863 | (\$822,073) |
| Vertical Transportation | \$966,744 | \$4,222,313 | (\$3,255,569) |
| Technology | \$45,953,074 | \$55,766,185 | (\$9,813,111) |
| Facility Sound Reinforcement | \$8,291,500 | \$1,941,503 | \$6,349,997 |
| Video Displays / Production | \$26,372,092 | \$41,182,491 | (\$14,810,399) |
| Security | \$3,002,693 | \$3,349,774 | (\$347,081) |
| POS Systems | \$5,244,734 | \$4,307,968 | \$936,766 |
| Baseball Operations | \$3,042,055 | \$4,984,449 | (\$1,942,394) |
| Technology Infrastructure | \$9,606,335 | \$19,665,988 | (\$10,059,653) |
| Actual/Proposed Investment | \$185,974,978 | | |
| LTCNA Investment | | \$212,738,941 | |
| Surplus / (Deficit) | | | (\$26,763,963) |

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

10-Year Plan – Upgrade Improvements

- The Mariners have proposed \$106.2 million in upgrade improvements from 2020 to 2029 (no upgrades were made in 2019), including \$9.2 million in 2020
 - CAA ICON has annualized the remaining \$97 million over nine years for illustrative purposes, \$10.8 million per year
- A schedule of upgrade improvements has not been provided, only a total investment level
- Mariners utilized a figure of \$180 million in planned upgrades over the 25-year lease term during negotiations
 - CAA ICON annualized this investment at \$7.2 million per year for comparative purposes
- 10-year plan results in a \$27 million surplus in upgrade improvements over the first 11 lease years as originally contemplated

| Upgrade Improvement Capital Expenditure Comparison (2019 to 2029) | | | | | | | | | | | | |
|---|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Calendar Year Lease Year | 2019 1 | 2020 2 | 2021 3 | 2022 4 | 2023 5 | 2024 6 | 2025 7 | 2026 8 | 2027 9 | 2028 10 | 2029 11 | Total |
| 10-Year Plan | | | | | | | | | | | | |
| Number of Improvements | 0 | 5 | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD |
| Present Day Value (2019 Dollars) | \$0 | \$9,240,920 | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | TBD | \$88,997,170 |
| Value with Inflation @ 3% Annually - (1) | NA | \$9,240,920 | NA | NA | NA | NA | NA | NA | NA | NA | NA | \$93,578,620 |
| Value with Contingency @ 15% - (2) | NA | \$9,240,920 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$106,229,280 |
| Total Amount | \$0 | \$9,240,920 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$10,776,484 | \$106,229,280 |
| Mariners \$180 Million Commitment | | | | | | | | | | | | |
| Number of Improvements | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | \$0 |
| Present Day Value (2019 Dollars) | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$79,200,000 |
| Value with Inflation @ 3% Annually | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | \$0 |
| Value with Contingency @ 15% | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | \$0 |
| Total Amount | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$7,200,000 | \$79,200,000 |
| Surplus / Deficit | | | | | | | | | | | | \$27,029,280 |

(1) - Upgrade improvement projects are "design-to budgets" inclusive of inflation and contingency; future projects include 3% inflation and 15% contingency.

(2) - \$106.2 million less \$9.2 million has been annualized (\$10.8 million) by CAA ICON over nine years from 2020 to 2029 for illustrative purposes.

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Upgrade Improvement Review

- CAA ICON has provided a limited review of the Mariners proposed 2020 upgrades at the request of the PFD
 - Review is limited to commentary on general alignment with industry trends

- Beginning in 2020, CAA ICON will develop a “state of the industry” overview each spring that will provide the PFD with:
 - An understanding of trends in MLB stadium renovations and new facilities
 - Recent or offseason investments made at reference ballparks used in the Applicable Standard
 - Potentially significant new requirements or investments that may be required in the near future (e.g. technology changes, league mandates, etc.)

- All observations are based solely on our professional expertise
 - We have not conducted any due diligence nor have an opinion on the market or financial feasibility of proposed upgrade improvements

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Upgrade Improvements – Rooftop Boardwalk and Lookout Landing

- Images for the Rooftop Boardwalk (\$3.5 million) and Lookout Landing (\$1.7 million) are provided below, courtesy of Populous
- The two projects generally align with the following industry trends:
 - Introduction of an amenity for upper deck/outfield patrons to deliver a new fan experience
 - Addition of social gathering spaces with food and beverage opportunities
 - Represents a creative re-use of spaces that presently generate limited revenue
 - New opportunities for group sales, sponsorship entitlement, and food and beverage revenues
- Projects with a similar focus have been implemented in a number of MLB stadiums, including Cincinnati, **Colorado**, Detroit, **Miami**, **Milwaukee**, and **St. Louis** (Applicable Standard reference ballparks are in bold)



I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Upgrade Improvements – Rooftop Boardwalk and Lookout Landing (Comparable Projects)



St. Louis – Budweiser Terrace (2018)



Miami – AutoNation Alley (2019)



Colorado – The Rooftop (2014)

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Upgrade Improvements – Terrace Club Seating Modifications

- Images for the Terrace Club modifications (\$2.3 million) are provided below, courtesy of Populous
- The modifications generally align with the following industry trends:
 - Reduction in 200-level club seating inventory (consistent with industry trends)
 - Introduction of 4- to 8-seat premium seating products that appeal to high-wealth individuals and small businesses
 - Represents a preferable alternative to many companies wishing to manage fewer tickets than are typically associated with a luxury suite over 81 games
- Projects with a similar focus have been implemented in a number of MLB stadia, including Arizona, **Atlanta**, Cincinnati, Detroit, Kansas City, **New York (NL)**, Oakland, **San Diego**, and San Francisco (reference ballparks are in bold)



Tables



Loges

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Upgrade Improvements – Terrace Club Seating Modifications (Comparable Projects)



Atlanta – 4Toppers Tables (Original - 2017)



New York – Citi Pavilion (2018)



San Diego – Compass Premier Club Loge Box (2019)

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Operations Plan Review

- The Ballpark Operations Plan (required by the lease) submitted by the Mariners in September 1 of each lease year contains an annual budget and a series of planned policies, reports, and activities for the upcoming year
 - The Operations Plan is subject to the PFD's review and comment and is not subject to its approval
- The Operations Plan is not yet complete and the PFD has deferred comment until its completion, which is expected at the conclusion of the calendar year

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Process Improvement – Request Log

- In collaboration with the PFD and Mariners, CAA ICON developed a reimbursement request log to improve the efficiency and transparency of capital expenditure reimbursement requests made by the Mariners
- The log will track expenditures made-to-date and provide an ongoing understanding of how reimbursement requests correlate to projects and the LTCNA

| Reimbursement Request Log | | | | | | | | |
|---------------------------|----------------------------|---|------------|--|---|---|---|--|
| Period (Year): _____ | | | | | | | | |
| Date: _____ | | | | | | | | |
| Submission #: _____ | | | | | | | | |
| Number | Project Name | LTCNA Reference - (1) (e.g. Technology 1.0) | LTCNA Year | County Tax Revenue Fund Eligibility (Yes/No) | A. LTCNA or Working Budget Amount (if different) | B. Amount Reimbursed Prior to this Period (if any) | C. Reimbursement Amount Requested this Period | D. Budgeted Amount Remaining for this Period (A- B-C) |
| 1 | Example Technology Project | Technology 1.0 | 2020 | Yes | \$5,000,000.00 | \$250,000.00 | \$350,000.00 | \$4,400,000.00 |
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(1) - For all projects \$50,000 and over not included in the Long-Term Capital Needs Assessment, a one-paragraph written description is required. Indicate "New" if not in the LTCNA.

I. 2020 AND 10-YEAR CAPITAL PLAN REVIEW

Proposed Annual Plan Review Process and Schedule

| | | January | February | March | April | May | June | July | August | September | October | November | December |
|-------------|--|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
| Task | Description | | | | | | | | | | | | |
| 1 | Capital Improvement Records are Finalized - (1) | | | | | | | | | | | | |
| 2 | State of the Industry Update | | | | | | | | | | | | |
| 3 | Provisional Plan Submittal by Mariners | | | | | | | | | | | | |
| 4 | Evaluation and Potential Approval of Provisional Plan | | | | | | | | | | | | |
| 5 | Final Plan Submittal by Mariners | | | | | | | | | | | | |
| 6 | Evaluation and Potential Approval of Final Plan | | | | | | | | | | | | |
| 7 | Final Ballpark Operations Plan | | | | | | | | | | | | |
| 8 | Ongoing Review and Approval of Mariners Reimbursement Requests | | | | | | | | | | | | |

(1) - Accounting for capital expenditures will be finalized in March of the following year for ongoing accounting purposes.

LIMITING CONDITIONS AND ASSUMPTIONS

This analysis is subject to our contractual terms, as well as the following limiting conditions and assumptions:

- The analysis has been prepared for internal decision making purposes of the Client only and shall not be used for any other purposes without the prior written permission of CAA ICON.
- The analysis includes findings and recommendations; however, all decisions in connection with the implementation of such findings and recommendations shall be Client's responsibility.
- Ownership and management of the stadium are assumed to be in competent and responsible hands. Ownership and management can materially impact the findings of this analysis.
- Any estimates of historical or future prices, revenues, rents, expenses, occupancy, net operating income, mortgage debt service, capital outlays, cash flows, inflation, capitalization rates, yield rates or interest rates are intended solely for analytical purposes and are not to be construed as predictions of the analysts. They represent only the judgment of the authors based on information provided by operators and owners active in the market place, and their accuracy is in no way guaranteed.
- Our work has been based in part on review and analysis of information provided by unrelated sources which are believed accurate, but cannot be assured to be accurate. No audit or other verification has been completed.
- Current and anticipated market conditions are influenced by a large number of external factors. We have not knowingly withheld any pertinent facts, but we do not guarantee that we have knowledge of all factors which might influence the operating potential of the facility. Due to rapid changes in the external factors, the actual results may vary significantly from estimates presented in this report.
- The analysts reserve the right to make such adjustments to the analyses, opinions, and conclusions set forth in this report as may be required by consideration of additional data or more reliable data which may become available.
- The analysis is intended to be read and used as a whole and not in parts. Separation of any section or page from the main body of the report is expressly forbidden and invalidates the analysis.
- Possession of the analysis does not carry with it the right of publication. It shall be used for its intended purpose only and by the parties to whom it is addressed. Other parties should not rely on the findings of this report for any purpose and should perform their own due diligence.
- Our performance of the tasks completed does not constitute an opinion of value or appraisal, or a projection of financial performance or audit of the facility in accordance with generally accepted audit standards. Estimates of value (ranges) have been prepared to illustrate current and possible future market conditions.
- The analysis shall not be used in any matters pertaining to any financing, or real estate or other securities offering, registration, or exemption with any state or with the federal Securities and Exchange Commission.
- No liability is assumed for matters which are legal or environmental in nature.



Washington State Major League Baseball Stadium Public Facilities District

Dear Friends,

The Board of Directors of the Washington State Major League Baseball Stadium Public Facilities District is engaged in one of the most important decisions facing any organization—hiring a new leader. For the first time in twenty years, we are in the process of hiring a new Executive Director.

All of us agree the Executive Director who is needed to take the District into the future must have three essential qualifications, which are defined in the attached **Executive Director Hiring Announcement**. They reflect the evolution of the Public Facilities District (PFD) and where the Board wants to take it in the future:

- An organization that effectively represents the public interest in ensuring that T-Mobile Park remains one of the top tier baseball parks in North America.
- An organization that is respected, trusted, and valued by the community, by the political, social, and business leaders throughout the region, and by the Seattle Mariners.
- An organization that joins with a variety of partners, including residents and businesses in the three neighborhoods that surround the ballpark (SODO, Pioneer Square, and Chinatown/International District), to improve the social, economic, and cultural quality of life.

As you see, we have high aspirations for the future. Having recently signed a new lease agreement with the Seattle Mariners that will keep the team in Seattle for at least the next twenty-five years, the District's work is more vital than ever. But we need your help.

If you believe you are qualified to lead the Public Facilities District into this dynamic, exciting, and challenging future, we urge you to apply. If you know of people who are qualified, please share this hiring announcement with them, or give us their names and contact information so that we can contact them.

Thank you! We look forward to working with you to identify high quality candidates for the position. And we are enthusiastic about partnering with you to advance our shared vision of T-Mobile Park as a national role model and catalyst for strengthening the high quality of life in the Pacific Northwest.

Sincerely,

Stacy Graven
Chair, Public Facilities District Board of Directors

DRAFT

FOR DISCUSSION PURPOSES ONLY

10.24.19 Edition, #6

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT

EXECUTIVE DIRECTOR HIRING PROCESS WORK PLAN: STEPS AND TIMELINE

| <u>Steps</u> | <u>Completion Date</u> |
|--|------------------------|
| 1. Board Establishes a Task Force to Help Manage Hiring Process <ul style="list-style-type: none">At a special meeting on July 29th, the Board established a Task Force of three Board members to oversee the process by which the Board will hire the next Executive Director of the PFD. | 07.29.19 |
| 2. Board Agrees on the Executive Director's 3 Essential Qualifications <ul style="list-style-type: none">At its regularly scheduled meeting on September 9th, the Board agreed on three essential qualifications of the next Executive Director. | 09.09.19 |
| 3. Task Force Develops Hiring Process and Announcement <ul style="list-style-type: none">The Executive Search Task Force agrees on recommendations to the Board on: a) the hiring process; b) the hiring announcement; 3) whether the Executive Director position should be full time or something less; b) a salary or salary range for the Executive Director. | 10.25.19 |
| 4. Board Considers Task Force Recommendations <ul style="list-style-type: none">The Board reviews and discusses the recommendations from the Task Force and reaches agreement on them. | 10.29.19 |
| 5. PFD Publishes Hiring Announcement | 11.01.19 |

6. Task Force Agrees on Evaluation Criteria 11.06.19

- The Task Force agrees on criteria to rate and rank applications.

7. Initial Deadline for Submittal of Applications 11.22.19

- Applications are accepted until the Task Force concludes that there is a sufficient number of qualified candidates, but establishes an initial deadline for accepting applications .

NOTE: During steps 8 and 9, the privacy of applicants needs to be maintained, subject to requirements of the State Public Records Act. When the Board selects finalists (step 10), their names will be disclosed.

8. Task Force Screens the Applications 12.02.19

- Task Force members begin to review and rate the applications based on the criteria they previously agreed to.
- Task Force members submit their ratings to Jim Reid, who summarizes the ratings and ranking of applicants in a report.
- Task Force reaches agreement on which applicants to interview.

9. Task Force Interviews Semi-Finalists; Agrees on Finalists 12.06.19

- The Task Force interviews the semi-finalists using questions and a rating system they agreed upon.
- Following the last interview, they review their ratings, discuss the applicants, and agree on the finalists to be interviewed.
- The Task Force requests references from the finalists.

10. Board Interviews the Finalists; if Possible, Offers the Position 12.09.19

- Prior to the Board meeting, Jim Reid conducts reference checks.
- The Board interviews the finalists, taking into account the findings, comments, and suggestions of the Task Force .
- As part of the conversation, Jim Reid presents the findings from the reference checks.
- After the interviews, the Board debriefs the interviews.
- If possible, the Board agrees on who should be offered the position.

NOTE: If the Board does not reach agreement on the person to offer the position to at its regularly scheduled meeting on December 9th, then steps 11 and 12 would be taken.

11. Board Chair Meets with the Finalists 12.20.19

- If the Board cannot reach agreement at its regularly scheduled meeting

on December 9th, then the Board chair would meet or talk with each finalist to answer questions and discuss additional issues.

- | | |
|--|-----------------------------------|
| 12. Board Agrees on the New Executive Director | Late December |
| <ul style="list-style-type: none">▪ The Board meets in a special session to again to discuss the finalists.▪ The Board reaches consensus on the individual they would like to hire. | |
| 13. Board Chair Offers the Job to the Preferred Candidate; Board Members or Jim Reid Contact the Other Finalists | Late December |
| <ul style="list-style-type: none">▪ The Board Chair informs representatives of the Governor, King County Executive, and King County Council of the decision. | |
| 14. Board Publicly Announces the New Executive Director | Late December or Early January |
| 15. The New Executive Director Begins Working at the PFD | 01.15.20 |



Washington State Major League Baseball Stadium Public Facilities District

EXECUTIVE DIRECTOR HIRING ANNOUNCEMENT

The Board of Directors of the Washington State Major League Baseball Stadium Public Facilities District (PFD) is hiring a new Executive Director. Board members are seeking an Executive Director who can work with them to achieve the Board's two primary interests, both of which reflect the PFD's expanded role and responsibilities under the new lease with the Seattle Mariners: 1) transform the culture of the agency; and 2) modernize its operations and resources. The Executive Director serves as the face of the PFD to the Seattle Mariners and the community and implements the strategic direction of the PFD consistent with the Board's vision.

The Board would like the Executive Director to begin working no later than the middle of January 2020. The application process will be open until a qualified candidate is hired, but the initial deadline is 22 November 2019 when members of the Executive Director Task Force will begin to review the applications. Early submission of applications is encouraged.

The current Executive Director works part-time and is an independent consultant with no benefits. The Board is interested in applicants stating a preference for full- or part-time employment based on the three essential qualifications, the primary responsibilities identified below, and the applicants' experience. The Executive Director Task Force and the Board expect to discuss this issue with the semi-finalists and finalists for the position to ensure that the needs and interests of the PFD and the person who is offered the job are achieved. No matter the terms of employment, the PFD Board and Executive Director should have a sustained commitment to one another.

ABOUT THE PUBLIC FACILITIES DISTRICT (PFD)

The Washington State Major League Baseball Stadium Public Facilities District is a municipal corporation—an independent public authority created to build and oversee the Major League Ballpark in Seattle: T-Mobile Park. The PFD was created in October 1995 by joint action of the State of Washington and King County. State legislation enabled King County to create the PFD and authorized

revenue to finance the ballpark's construction. The County voted to create the PFD and implement authorized taxes.

On 1 January 2019, a new lease, funding agreement, and non-relocation agreement became effective. As a result, the Seattle Mariners will remain in Seattle for at least the next twenty-five years. Although the Seattle Mariners continue to operate and maintain the ballpark, the new lease expands the role and responsibilities of the PFD. For example, the lease gives the PFD the responsibility to oversee and manage five funds, to review and comment on the ballpark operations plan, and to review and approve a ballpark management plan (including a capital expenditure plan) so that the ballpark remains a first-class facility in the top tier of all Major League Baseball stadiums. The lease will also lead to a concerted effort by the PFD to ensure that the stadium benefits the surrounding neighborhoods.

MISSION AND CRUCIAL PARTNERSHIPS

The mission of the Washington State Major League Baseball Stadium Public Facilities District (PFD) is to maintain and enhance our iconic baseball park in order to promote the success of Major League Baseball in the State of Washington, enhance fan enjoyment, and contribute to an economically successful, safe, desirable, innovative, and walkable stadium neighborhood.

To advance the organization's mission, the Board is interested in strategically building, strengthening, and/or maintaining cooperative relationships with the Seattle Mariners, King County, the State of Washington, the City of Seattle, the Port of Seattle, representatives of our three adjacent neighborhoods—Pioneer Square, Chinatown/International District, and SODO (South of Downtown)—and the public-at-large.

REPORTING RELATIONSHIPS

A seven-member Board of Director governs the PFD. Four members are appointed by the King County Executive and confirmed by the Metropolitan King County Council. Three members are appointed by the Governor. Of those, one is nominated by the Speaker of the House of Representatives and one is nominated by the Senate Majority Leader. Board members are volunteers and serve four-year terms.

The Executive Director reports to the Board and plays a key role in helping the Board achieve its interests, vision, goals, and priorities.

PFD SEEKS EXECUTIVE DIRECTOR WITH THREE ESSENTIAL QUALIFICATIONS

In light of the PFD's increased role and responsibilities, the Board of Directors reached consensus that the Executive Director must demonstrate experience in the following three areas and possess these essential qualifications:

1. Ability to Support the Board in Transforming the Agency's Culture

Because of the expansion of the PFD's role and responsibilities, the Board of Directors is working to transform the culture of the agency. Board members want the PFD to be a learning organization and

the Board to be a high-functioning team. To meet the demands of the lease and the challenges of the future, the Board and staff must be forward thinking, united by strategic goals and objectives, and supported by improved structures, policies, and procedures. To ensure that the PFD takes advantage of and utilizes the diverse expertise, talents, and skills of the Board, the members must be equitably engaged in developing policy and making decisions. Decisions and actions must be transparent to and supported by Board members, staff, partners, key constituencies, and the public.

Therefore, the Board seeks an Executive Director with a proven track record of effectively serving boards of directors, committees, or teams of elected or high-ranking appointed officials. Organizational development expertise, strong communications skills, including verbal, written, and listening skills, and a record of gaining the confidence, trust, and respect of multiple bosses, colleagues, and associates are needed. Additional desirable skills include strategic, business, and/or financial planning expertise to help ensure that the PFD unites behind a long-term vision, and the goals, strategies, actions, and performance measures necessary to achieve it.

The Executive Director must be a strong leader, problem-solver, and self-starter because the PFD has had, up to this time, a staff of two, the Executive Director and Administrative Assistant. The Board assumes that because of the new lease's requirements, the Executive Director and Board will engage in discussions about the level of staffing and use of consultants. The Executive Director must also be flexible and adaptable as roles, responsibilities, and relationships are implemented, tested, and refined.

2. Ability to Oversee the Implementation of the New Lease Agreements

The Public Facilities District is obligated to safeguard the public's investment in the ballpark and ensure that the Seattle Mariners operate and maintain the ballpark as a first-class facility in the top one-third of Major League Baseball stadiums. A multi-year negotiation between the PFD and Seattle Mariners culminated last year in a new 25-year lease and a separate non-relocation agreement. The lease also created the Ballpark Neighborhood Improvement Fund to improve the fans' experience and contribute to an economically successful, safe, desirable, innovative, and walkable stadium neighborhood.

Beginning in January 2019, the PFD assumed a greater role in the oversight of the stadium. This oversight includes reviewing and commenting on the Annual Operations Plan and reviewing and approving the Annual Management Plan (including the Maintenance Plan and CapEx Plan). The latter includes annual and rolling ten-year capital expenditure plans. The funding agreement between King County and the PFD provides a mechanism for the County, starting in 2021, to invest a portion of lodging tax revenues for infrastructure needs in the ballpark. In periodic reports to the King County Executive and Council, the PFD must demonstrate that the specific requirements for spending these funds are being achieved.

The Executive Director will lead the way in ensuring that the terms of the lease between the PFD and the Seattle Mariners are implemented, and that the financial accounting and reporting requirements of this public entity are met, including annual State audit reviews. Therefore, these areas of expertise are highly desirable: a) management of major public or private facilities; b) knowledge of public budgeting, accounting, and finance; c) contracts and grants administration; d) the management of consultants; e) negotiations and conflict resolution; and f) public disclosure, open meetings, and

public records requirements. In addition, every five to ten years the Executive Director will be responsible for facilitating the Applicable Standard Review, the process by which representatives of the PFD, Seattle Mariners, architects, engineers, and building assessment professionals determine that the ballpark is being maintained as a first-class facility in comparison to other top-tier ballparks in Major League Baseball. This project is an example of the need for the Executive Director to be skilled in project management, consultant management, and facilitation.

Finally, because of the Board's interest in transparency, the work of the PFD to safeguard the public's investment in the operations and maintenance of T-Mobile Park may be the activity that attracts the most media attention. Therefore, excellent communications skills and experience working with the media are desirable.

3. The Energy and Creativity to Manage Complex Relationships and Build Consensus

The new lease requires the PFD to work closely and cooperatively with a number of partners and stakeholders. First and foremost is the ball club, the Seattle Mariners. Because of changes in roles and responsibilities, the partnership will be even more complex. The ability to collaborate effectively with our partner on day-to-day activities and long-term priorities is a key factor to success in this role. The Executive Director must strike a balance between advocacy of the particular needs and desires of the PFD with a willingness to work with the Seattle Mariners in an open, respectful, and collaborative manner.

The Executive Director will also have to demonstrate these abilities when working with County, State, City, and other public officials. Expertise in the political arena and an understanding of how government and politics work will be the foundation for advancing the PFD's interests, vision, mission, and goals with governmental partners. The Board is particularly interested in strengthening the PFD's relationships with the King County Executive's Office, County Council, and Department of Executive Services (specifically the Finance and Business Operations Division). A closer relationship with King County officials will help ensure understanding of and support for the PFD's expenditure of County funds.

The Executive Director should also have experience in or familiarity with land use and transportation issues and the interests, needs, and concerns of grassroots organizations. The PFD is involved in complex land use and transportation issues, particularly in efforts to establish a Stadium District as an independent land use classification. This involvement requires that the PFD work closely and collaboratively with representatives of the City of Seattle, community groups in Pioneer Square, SODO, and Chinatown/International District, the Port of Seattle, and the Public Stadium Authority that oversees the management of CenturyLink Field and Events Center.

Administration of the Ballpark Neighborhood Improvement Fund is one of the PFD's new responsibilities. To ensure that the funds are used to the maximum benefit of the interested and affected parties, the PFD will consult with the Seattle Mariners and representatives of the neighborhoods. The Executive Director will be the "Face of the PFD" as the agency increases its involvement in the community. Experience working in the public arena, with both governmental and non-profit agencies, will be an advantage in the position, as will experience with program management and administering contracts.

EXECUTIVE DIRECTOR'S PRIMARY RESPONSIBILITIES AND DESIRED QUALIFICATIONS

Primary Responsibilities:

- Work with the Board of Directors to ensure that the terms of the lease between the PFD and the Seattle Mariners are met and enforced.
- Develop and attain Board approval of the PFD's annual operating budget and periodically report on estimated versus actual revenues and expenditures.
- Collect and deposit rent checks (50% is due every March 1st, and 50% is due every August 1st) into the PFD Operating Fund.
- Renew annual insurance policies (Property, General Liability, and Public Officials Liability).
- Obtain insurance certificates from the Mariners as required under the lease.
- Approve and document all receipts and disbursements of the PFD's funds, including payments to staff and consultants and reimbursements to Board members.
- Reconcile each monthly General Ledger cash accounts with King County Fund statements.
- For the Operations Fund, record deposits of revenues and expenditures and revenues.
- For the Capital Projects Fund, receive and record the receipt of Admission Taxes (collected by King County), Parking Taxes, Revenue Sharing payments from the Seattle Mariners, and other annual contributions to the fund from the Mariners and PFD as required under the lease.
- Reimburse the Mariners for Capital Projects approved by the Board.
- Account for the deposits and disbursements of the Neighborhood Improvement Fund.
- Maintain the District's accounting system.
- Prepare financial statements for the Annual Compilation Report by an outside CPA firm.
- File PFD financial statements with the State Auditor's office.
- Manage the annual State Audit.
- Schedule, organize, and staff the quarterly Regular Meetings and any Special Meetings of the PFD Board of Directors
- Organize and distribute to Board members prior to these meetings the agendas, resolutions, and other information to be addressed during the meetings.
- Oversee the Annual Independent Review and Report on the condition of the ballpark and the maintenance and operations practices of the Mariners. This includes: 1) work with the Mariners to develop the scope and coordinate the work of the consultant, and provide the consultant with access to the facility; 2) meet with the consultant and Mariners to review progress, findings and solutions to conditions that require correction; and 3) present the final report to Board of Directors.
- Every three to five years manage the Applicable Standard Review process, including plan and organize a group of Board Members, representatives of the Club, and Independent architects, engineers, and building assessment professionals to tour T-Mobile Ballpark and other ballparks around the country to compare the condition of these ballparks to T-Mobile Park to ensure that it is maintained in a first class manor and meets the "Applicable Standard" as defined in the lease.
- Respond in a timely manner to Public Disclosure Requests about the PFD and/or the ballpark.
- Keep the PFD Board of Directors informed of all pertinent issues affecting the PFD.
- Communicate with local and national media as required.
- Keep up-to-date on all issues and activities affecting the PFD and/or the facility, including: 1) local road and transportation projects; 2) zoning change and proposed changes; and 3) other activities in the Stadium District.
- Maintain a professional working relationship with the Seattle Mariners.

- Attend meetings with City of Seattle, State of Washington, King County, and Port of Seattle on issues affecting the area that surrounds the ballpark.

Desired Qualifications:

- Public and/or nonprofit executive experience.
- Expertise relevant to the operations and maintenance of sports, convention, and/or events facilities.
- Experience in lease and contract management and implementation.
- Ability to support an elected or appointed body in achieving a strategic direction.
- Ability to manage a budget.
- Experience in financial accounting and reporting and public disclosure requirements.
- Ability to build consensus and teamwork among diverse partners, including elected or appointed officials, employees and/or consultants, clients, governmental entities, and community groups.
- Strong communications skills, including persuasive writing and public speaking.
- A commitment to diversity, inclusion, and transparency.

COMPENSATION

The salary range for this position is in the area of \$125,000 to \$175,000, depending on full- or part-time employment and experience. A benefits package will be determined during discussions with finalists for the position.

APPLICATION PROCESS

To apply for the position, please submit a current resume *and a letter of interest that specifically addresses your experience in and commitment to the three essential qualifications* listed in this announcement. ***In addition, indicate your interest in full- or part-time employment.*** Please submit these materials to Mr. Jim Reid at jim@falconergroup.net.

To be considered in the initial round of application review, all materials must be received by 5 p.m. PST on Friday, 22 November 2019.

The privacy of applicants will be respected and preserved until the latter phases of the hiring process, subject to the requirements of the State Public Records Act. For example, the finalists' primary references will be checked with their knowledge and permission.

Questions about the application process and this announcement may be directed to Jim Reid at (206) 225.4109 or to jim@falconergroup.net.

HIRING SCHEDULE

The PFD's Board would like the successful candidate to begin working in early January 2020. The application process will be open until a qualified candidate is hired. However, the screening of applications will commence on 22 November 2019 when members of the Executive Director Search Task Force will begin to review them.

- | | |
|--|--------------------|
| ▪ Application Period Opens | 1 November 2019 |
| ▪ Initial Screening of Applications Begins | 22 November 2019 |
| ▪ Search Task Force Interviews Semi-Finalists | 6 December 2019 |
| ▪ Board Interviews Finalists | 9 December 2019 |
| ▪ Board Announces the New Executive Director | Late December 2019 |
| ▪ Executive Director Begins Working at the PFD | Early January 2020 |

NO DISCRIMINATION IN HIRING

All qualified applicants will receive consideration for employment without regard to creed, age, race, color, religion, sex, sexual orientation, national origin, marital status, the presence of any sensory, mental or physical handicap, honorably discharged veteran or military status or the use of a trained dog guide or service animal by a person with a disability unless such limitations would preclude the performance of the role and no less discriminatory alternatives are available.

AMENDED AND RESTATED

BALLPARK OPERATIONS AND LEASE AGREEMENT

BETWEEN THE

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM

PUBLIC FACILITIES DISTRICT

AND

THE BASEBALL CLUB OF SEATTLE, LLLP

Dated: December 10, 2018

15.4 Ballpark Neighborhood Improvement Fund. The PFD shall establish a fund to support work consistent with the PFD's statutory authority and mission statement (to the extent consistent with the PFD's statutory authority) (the "Ballpark Neighborhood Improvement Fund").

15.4.1. Funding. The PFD will fund the Ballpark Neighborhood Improvement Fund with (a) an initial contribution of \$2,000,000 from the PFD's operating funds under the Original Lease; (b) fifty percent (50%) of profit-sharing for the last lease year pursuant to Section 5.2 the Original Lease; and (c) annual contributions made by the PFD, at the PFD's sole discretion, from the PFD Operating Account, after payment of the PFD's operating expenses, any Waterfront LID Assessment and the PFD CapEx Contribution.

15.4.2. Disbursements. The Parties will form a four-member advisory committee, with each Party appointing two representatives, to discuss projects and expenditures to be funded by the Ballpark Neighborhood Improvement Fund, and shall seek input and feedback from other stakeholders, including from Neighboring Communities, as appropriate. Notwithstanding that the PFD retains sole discretion in approving projects to be funded from the Ballpark Neighborhood Improvement Fund, the Club's prior consent is required for any project that materially interferes with the Club's rights pursuant to this Agreement, including use of the Leased Premises. If the Parties do not agree as to whether a use materially interferes with the Club's rights under this Agreement, either Party may refer the dispute to the Article 22 dispute resolution process. The PFD, in its sole discretion, shall consider requests from the Club to transfer funds from the Ballpark Neighborhood Improvement Fund to the CapEx Fund to pay for CapEx Work.

15.4.3. Legal Authority. If, by a final non-appealable judgment, a State court determines the PFD lacks statutory authority to fund and manage the Ballpark Neighborhood Improvement Fund, the then-existing balance of the Ballpark Neighborhood Improvement Fund shall be transferred to the CapEx Fund.

From: Paul88mar <paul88mar@aol.com>

To: stacygraven10@gmail.com

Subject: Background on Neighborhood Improvement Fund Evolution

Stacy:

Knowing that you are going to have discussion of the Neighborhood Improvement Fund work program at an October special Board meeting, I thought I would give you some background on how this whole thing came about. The discussion started at a late 2017 special board meeting. At the conclusion of that meeting, Virginia Anderson, Jesus Sanchez, and I self-assign us to put together some thoughts/ideas. Here is my e-mail to them:

Virginia and Jesus:

We assigned ourselves to a task force to "put some meat" on the Neighborhood Improvement Fund lease item to help the negotiating team. Included in the help list are:

- is there a more appropriate marketable name for this fund?***
- using Jay Reich's paper as a guideline, what kind of uses of this money are possible? How far, geographically, from Safeco Field can we stretch for appropriate projects?***
- provide some examples of specific projects that would be "sellable" using these funds.***
- can we wrap n "community benefits" into this category?***
- can we better pin down the level of seed money and also the annual contribution to this fund?***

I know that Charley and Tom Backer are putting together summary notes from today's meeting. But I wanted to give us a head start to brainstorm ideas.

Would greatly appreciate your feedback and critique on how best we can fulfill our assignment.

Thanks

Paul

We did convene a meeting in early December of 2017 and came up with the attached ideas for projects. When the new lease was put together, there was a section dedicated to the Neighborhood Improvement Fund--it is attached.

Please feel free to share this with our Board members in preparation for the October special meeting.

Please contact me if you have questions.

Paul

Examples of neighborhood projects to improve/enhance fan experience, encourage attendance and support the successful operation of the stadium. (Fall 2017)

Increase fan access/egress safety near and adjacent to ballpark

The specific project would entail planning and implementation of identified public safety improvements that enhance the fan experience at Safeco Field. It would involve retaining a planning consultant for a comprehensive needs assessment, focused on access/egress routes between major transportation nodes (light rail station, bus stops, Washington State ferry dock) and Safeco Field to identify and prioritize needed lighting, ADA improvements, crosswalks, sidewalk enhancements, landscaping, and wayfinding signage to provide the safest and most attractive access paths to the ballpark. Scope of work could include First Avenue in front of the ballpark and Royal Brougham Way from First Avenue to the light rail station, ferry dock and major bus stops. Improvements would encourage attendance and thereby support the operation of the stadium. Some of the implementation costs could be shared by the City (SDOT, SPU, and City Light) and other costs be borne by the private sector (PFD, Mariners and other beneficiaries).

Increase fan amenities in vicinity of ballpark, specifically along Occidental Ave. north of Royal Brougham Way.

This project would be a cooperative effort between PFD, Mariners, PSA and First & Goal and community development organizations from neighborhoods adjoining the stadium. The specific project would begin with planning and require retaining an urban design/ planning consultant. Possible fan experience enhancements could include developing a “true” walking promenade with appropriate and programmable ambient lighting, artwork, landscaping and wayfinding signage/indicators as well as upgrade food vendor opportunities. A rough estimate of \$75,000 to \$100,000 should be budgeted for this planning effort. Implementation costs would be borne by project beneficiaries, including the above-named parties. Lodging Tax revenues could be an appropriate source of funding.

Contract with DSA Metropolitan Improvement District for additional street cleaning, security and pedestrian environment enhancements in neighborhoods adjacent to Safeco Field on game/major use days. Increased rent could be a source of funding.

Explore development options for the block directly south of the ballpark, bounded by Occidental Ave. and First Ave.

This project could be a cooperative effort between PFD, Mariners, First & Goal and PSA. The specific project would begin with retaining an urban design/real estate development/planning consultant to identify appropriate development opportunities for this property that would enhance the fan experience, create additional revenue to support the capital expenses needed for the ballpark and provide a financial model for how this development will be synergistic with the ballpark uses. Depending on the depth of the study, it could cost \$100,000 to \$150,000. Implementation costs would be borne by the project developer and, possibly, other project beneficiaries. Development of this site may be an appropriate request of Lodging Tax revenues.

Other possible projects(no detailed descriptions at this time):

- Work jointly with SODO leadership to develop public improvements that increase the compatibility of Safeco Field with housing development south of Edgar Martinez Way and east of First Avenue.
- Develop or create a public improvement plan for the WOSCA site.
- Co-develop, with the Mariners, additional parking garage spaces with Lodging Tax and or Parking Tax revenue support.
- Implement the Stadium District Plan(or at least the parts that impact the ballpark).

#

SECOND AMENDMENT TO STADIUM DISTRICT COST-SHARING AGREEMENT

THIS SECOND AMENDMENT TO STADIUM DISTRICT PLAN IMPLEMENTATION COST-SHARING AGREEMENT (“Second Amendment”) is entered into by and between the Washington State Public Stadium Authority (“PSA”) and the Washington State Major League Baseball Stadium Public Facilities District (“PFD”) (collectively, the “Parties”).

RECITALS

- A. A Cost-Sharing Agreement for Stadium District Plan Implementation was executed between the PSA and the PFD in September 2018 (the Agreement).
- B. The Agreement provides for the sharing of costs associated with retaining a consultant to assist in advancing implementation of the Stadium District plan, as outlined in the Agreement and its attached scope of work.
- C. In the course of the consultant’s work, the PSA and the PFD determined that additional consultant resources were necessary to assist in the drafting and presentation of the Stadium District comprehensive plan amendments.
- D. Accordingly, the Agreement was amended (the Amendment) and the following consultants were added to the Stadium District team: ZGF Architects, CollinsWoerman, Gary Johnson (land use consultant), and Van Ness Feldman (legal drafting).
- E. The Parties now wish to add another consultant to the team and share in the cost of that additional consultant, as described below, consistent with the terms of the original Agreement and the Amendment.
- F. The Parties therefore agree to further amend the original Agreement as provided for in Sections 4 and 14 of the Agreement.

SECOND AMENDMENT TO AGREEMENT

1. Consultant Scope of Work. The Parties agree that the Consultant Scope of Work (the “Work”) attached to the original agreement will be expanded to include work by the following consultant under contract to the PFD:

- Sound View Strategies

The Parties agree to share equally in the cost of this additional consultant Work.

2. Other Provisions Unchanged. The other provisions of the original Agreement and Amendment remain unchanged.

Executed as of the latest date written below:

WASHINGTON STATE PUBLIC STADIUM AUTHORITY

By: _____

Its: _____

Date: _____

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT

By: _____

Its: _____

Date: _____