



Washington State Major League Baseball  
Stadium  
Public Facilities District

SAFECO Field  
PFD Conference Room  
110 Edgar Martinez Drive South  
Seattle, WA 98134  
**Sept 10, 2018 2:30 P.M.**

## BOARD MEETING AGENDA

- A. **Call to Order** (Virginia Anderson – Chair)
- B. **Items from the Audience / Public Comment**
- C. **Approval of the Minutes**
  - 1. May 23, 2018 Special Board Meeting Minutes
  - 2. June 11, 2018 Regular Board Meeting Minutes
  - 3. August 9, 2018 Special Board Meeting Minutes
- D. **Board Briefings and Potential Actions:**
  - 1. Seattle Mariners Maintenance, Operations, and Capital Projects Updates (Trevor Gooby)
  - 2. Review of Vouchers (Paul Mar)
    - Proposed Resolution No. 18-007 – Approval of Vouchers
  - 3. 2018 PFD Budget Update (Kevin Callan)
  - 4. Stadium District Update (Lizanne Lyons / Charley Royer)
    - Proposed Resolution No. 18-008 – A RESOLUTION of the Board of Directors of the Washington State Major League Baseball Stadium Public Facilities District authorizing the Executive Director to execute a Cost-Sharing Agreement with the Washington State Public Stadium Authority regarding consultant support for the Stadium District Plan implementation and ratifying the contract executed with Lizanne Lyons for those services.
  - 5. Other Updates (as needed)

**E. Reports:**

1. Chair's Report (Virginia Anderson)

- Lease Close-out Audit (in 2019); Auditor Selection Committee
- Other

2. Executive Director's Report (Kevin Callan)

- 2017 State Audit
- Department of Commerce Independent Financial Feasibility Review
- Other

**F. Executive Session:** The Board will meet in Executive Session to discuss with legal counsel real estate lease matters and "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," and to "consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price," RCW 42.30.110, and to consider financial, commercial, or proprietary material under RCW 42.56.270. The Executive Session is expected to last for at least one hour. Board action is anticipated following the Executive Session.

**G. Board Action**

**H. Adjournment**

**Washington State Major League Baseball Stadium Public Facilities  
District**

**Board Meeting Agenda**

**September 10, 2018**

**Agenda Item C1, C2 and C3**

**Approval of May 23, 2018 Special Board Meeting Minutes**

**Approval of June 11, 2018 Regular Board Meeting Minutes**

**Approval of the August 9, 2018 Special Board Meeting Minutes**

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT  
Wednesday May 23, 2018 2:30 P.M.  
Public Facilities District Conference Room, 110 Edgar Martinez Drive S. and  
SAFECO FIELD, Interview Room, 1250 First Avenue S., Seattle, Washington

## **SPECIAL BOARD MEETING MINUTES**

### **CALL TO ORDER**

Board Chair Virginia Anderson called the meeting to order at 2:30 p.m. pursuant to notice. Board members present: Virginia Anderson, Dale Sperling, Jesus Sanchez, Paul Mar, Charley Royer, Stacy Graven and Craig Kinzer. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel) and Jan Simons (Recording Clerk). Dan Barrett (CAA/ICON; Sports Consultant), Gerry Johnson (Pacifica Law Group; Outside Legal Counsel), Pat Dunn (Legislative), and Sandeep Kaushik (Sound View Strategies) also joined the meeting.

### **EXECUTIVE SESSION:**

Virginia Anderson announced at 2:30 p.m. that the Board would meet in Executive Session “to consider the minimum price at which real estate will be offered for sale or lease when public knowledge of such consideration would cause a likelihood of decreased price,” RCW 42.30.110(c), to consider financial, commercial, or proprietary material under RCW 42.56.270, to discuss with legal counsel real estate lease matters and potential litigation involving identified legal risks from a proposed action or current practice, where public discussion of the legal risks is likely to result in adverse legal or financial consequences to the district, RCW 42.30.110(i), and to review the performance of public employees or contractors, RCW 42.30.110(g). Virginia reported that the Executive Session was expected to last about 25 minutes and that the regular Board meeting would follow the Executive Session, including Board action.

At 2:53 p.m. Virginia Anderson concluded the Executive Session and announced that the meeting of the Board of Directors would reconvene in the Interview Room.

At 3:02 pm Chair Virginia Anderson reconvened and continued the Board meeting in the Interview Room at Safeco Field.

### **ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: NONE**

### **BOARD BRIEFINGS AND POTENTIAL ACTIONS**

### **INTRODUCTION**

Virginia Anderson welcomed everyone and began by saying that today is a great day for baseball in Seattle. She noted that the PFD board has spent a lot of time and effort working

very hard to get ourselves to where we are today, and we will run through a briefing of a lot of information that has been accumulated. As you know, we have been engaged in these lease discussions with the Seattle Mariners for more than 2 years. We have been working with the intention that Safeco Field, our ballpark in Seattle, remain an iconic ballpark for the next 100 years and that we are home to Major League Baseball for that entire time. That has been our guiding principle for everything that the Board has worked on, and today we will bring to you the history of the work that has been done and then the terms of the proposed lease that we have agreed upon with the Seattle Mariners.

Virginia also thanked all the people who have served on the PFD Board in the past. The entire public should be proud of the ballpark we have built; the fact that the bonds that financed the construction of Safeco Field were paid off 5 years in advance; and that 5 of the general-purpose taxes or fees enacted for that purpose have sunsetted. Virginia also feels that the physical condition of the ballpark and the public recognition the ballpark receives is another source of great pride. She recognized both as legacies to be carried forward. Virginia then asked Charley Royer to give some history of the involvement of the Board as they considered the terms of the new lease.

#### **OVERVIEW OF LEASE RENEWAL PROCESS**

Charley began by saying that the circumstances today couldn't be more different than what occurred 20 years ago. He feels that this lease negotiation process was a much more pleasant experience than what he had anticipated when going into the negotiations. If history is teaching us anything, it tells us that the previous lease negotiation was pretty tough. There had been controversy, people who voted for the stadium and people who voted against it. The state legislature and forces outside the City were writing a lot of our destiny back then.

Charley continued by saying this team, the Mariners and their ownership, have done an incredible job of keeping the ballpark up. It is one of the best ballparks in the country. We know that because we go and look at other around the country and compared ours very objectively with others. A number of the other ballparks throughout the County are looking worn-out and are being replaced. We also look at the relationship in terms of the organizations that are managing these ballparks, and the communications between the public owners and the team tenants. For a lot of public-owned stadiums, the relations with the team are not good.

As we began this lease process, we worked to develop a reinvigorated Board. The old Board was a little beat-up when it came out of negotiations and they needed new people to go forward. We brought in Jesus Sanchez, Stacy Graven and Virginia Anderson, all of whom have managed large public facilities. Dale Sperling has been on the Board for the past 14 years and brings a long history of property management and development. Paul Mar has the technical expertise we need for complex issues. Craig Kinzer is a real estate guy who talks to us about what to expect from the real estate environment.

Charley also stressed that it was important to know what to expect from a 20-year-old building and the cost moving forward to replace systems and maintain or upgrade systems. He explained that the PFD and the Mariners jointly funded a long-term capital study so that both the PFD and the Mariners would have a benchmark we could agree on as to what was needed. Paul Mar will talk more about that.

The #1 accomplishment of this negotiation was that the Mariners would continue to maintain and operate the stadium as a first-class facility. The #2 accomplishment (if all these studies help us to identify what to do) is a stadium that will last 100 years. And #3 is to make sure the stadium is snuggled up in the arms of a strong neighborhood that families want to visit, that people will come early and stay late, and they will experience the fan experience that is so important. So, the Board changed its mission statement and ultimately created a ballpark neighborhood improvement fund as part of the lease terms that will help the neighborhood be active and attractive. The new lease terms accomplish all of these things.

### **REVIEW OF LONG-TERM CAPITAL NEEDS**

Next, Paul Mar addressed the long-term capital needs assessment. Paul said that early on into the negotiations they had determined that a key to having a successful negotiation for the lease renewal was to understand what lies ahead in terms of capital expenditures. So, the Mariners and the PFD jointly agreed to work on this together and they contracted with B&D Venues who started this study in late 2015 and completed it in 2016. The results were updated in 2018 and jointly approved and accepted by both the Mariners and the PFD.

B&D Venues used information from the ballpark from 1998-2015 to establish a baseline and then determined that the estimated costs to maintain Safeco Field in a first-class manner over the next 20 years would be \$300 million. At the PFD's request in 2018, B&D Venues extended their study an additional 5 years and determined that the estimated cost over 25 years would be \$385 million. These numbers include an annual 3% escalation and 15% contingency. The consultants also provided concepts in terms of potential upgrade improvements within the ballpark that would enhance the fan experience. They did not provide costs for the upgrades, but the Mariners estimated the upgrades could cost an additional \$160 million.

### **PFD MISSION STATEMENT AND SUMMARY OF PFD GOALS & OBJECTIVES**

Next, Virginia Anderson explained the PFD's mission statement and its goals and objectives for the lease renewal. Virginia said that the original mission statement of the PFD was focused on building the ballpark, but that is not the mission of the PFD as we go forward. We have a great building thanks to our predecessors and the mission now is to maintain and enhance this iconic ballpark and to enhance fan enjoyment and to contribute to an economically successful, safe, desirable and walkable stadium neighborhood.

It was also important to the Board that the building continue to be a publicly owned facility of the PFD. We wanted to continue the relationship whereby the Mariners operate and maintain

Safeco Field at their expense, and that they plan all that work pursuant to an annual operation and maintenance plan. We also wanted a way in which the public participates in the success of the team. Virginia said the PFD's goal remains to have a ballpark with a 100-year successful life. It may seem idealistic and not achievable in this age of throw-away buildings, but both the Mariners and PFD believe this is obtainable and both are committed to doing that.

Virginia also stated that they look forward to a couple of changes in the new lease. The PFD had hoped for a 30-year lease, but they have negotiated a 25-year lease with two options to extend three years. It was also important that the Board expand the public benefits beyond the walls of the stadium through a neighborhood improvement fund and strengthen the non-relocation agreement and add incentives to make sure the team stays in this city.

#### **HIGHLIGHTS OF LEASE RENEWAL TERM SHEET**

Dan Barret from CAA/ICON was introduced to review some of the highlights of the term sheet. Dan explained that he was brought in to help the Board understand the current environment of Major League Baseball stadiums and stadium developments, operations and renewals.

Dan noted that early on the Board put together a team to lead the negotiations, which included Dan, Kevin Callan, the Executive Director of the PFD, Tom Backer, legal counsel for the PFD, Husch Blackwell, a national law firm with extensive sports industry experience, and Pacific Law Group, which provided the local knowledge and history with the existing lease.

Dan then reviewed some of the key terms of the new lease beginning with the length and potential extensions. Dan noted that the rent has increased to \$1.5 million a year plus a CPI escalator. The terms also include a revenue-sharing provision, the proceeds from which will be used for capital expenditures at the ballpark.

Dan described changes to the Applicable Standard, which compares the operation, maintenance, capital improvements, and upgrades to Safeco Field against other ballparks. In the current agreement, a first-class standard is established, but it benchmarks Safeco Field against ballparks constructed between 1990-1999. Several of these ballparks have already been replaced or will be replaced and a couple are not in good condition and require major renovations. So, the Board thought it important to modify the Applicable Standard in the new lease. Under the new lease, the Applicable Standard will measure Safeco Field against the top 1/3 of Major League Ballparks with some provisions that take into consideration age and normal wear and tear.

The Board also wanted a more formalized process for approving operations and maintenance plans as well as ongoing plans for capital maintenance, repair, and upgrades. In addition to the 1-year operation and maintenance report, which the Mariners submit to the PFD for review, there will be a 10-year rolling capital expenditure plan subject to the Applicable Standard. The PFD will now consider and approve all of these plans.

Dan also explained that the Mariners will continue to perform and be responsible for the costs of all operation and maintenance including capital maintenance, repairs, improvements and upgrades regardless of funds available. Also, the PFD will have a security interest in the Capital Expenditure Fund, meaning if the Mariners do not perform, the PFD will have the right to perform those obligations with those funds.

The Board wanted to make sure there was a funding source in addition to rent, admission tax and parking tax to fund on-going capital obligations, so the Mariners will contribute \$3.25 million per year to a capital expenditure fund for the first 5 years of the lease. That contribution amount will be adjusted going forward, depending on the projected revenues and expenses of the capital expenditure fund.

Dan noted that \$2 million will be set aside at the beginning of the new lease for the PFD Neighborhood Improvement Fund, and annual contributions will be made to the fund from rent at the Board's discretion. The Neighborhood Improvement Fund is intended to work consistent with the PFD's mission statement. The intent is to try to improve the fan experience, not only inside the ballpark but outside as well. The ballpark Neighborhood Improvement Fund projects will be at the sole discretion of the PFD, but they will seek input from the Mariners as well as others.

Dan then explained that the Board wanted a stronger, stand-alone, non-relocation agreement that provides more protection. The new agreement will include specific performance, injunctive relief, and liquidated damages. Dan also noted that there were new provisions encouraging continued local ownership, if the team is ever sold.

Dan thanked the Board for the opportunity to participate in developing the new lease terms, and he thanked the Mariners for their professionalism throughout the negotiating process.

#### **PROPOSED RESOLUTION NO 18-004 AUTHORIZING EXECUTION OF TERM SHEET**

Virginia Anderson then asked if someone would introduce the Board resolution authorizing execution of the term sheet for the long-term lease. She noted that the terms belie all the work that went into this process, and that these terms are not the final lease. Mr. Sanchez offered the resolution and Mr. Mar seconded. Virginia then asked for Board discussion.

Board member Craig Kinzer began by stating that he was probably the only dissenting opinion and he finds himself in a very uncomfortable place. Craig acknowledged his colleagues as brilliant, civic-minded people. Paul, who is a civic leader, Charley, a former Mayor of Seattle, Virginia, who ran the Seattle Center, Stacy, who runs Meydenbauer Center, Jesus, who ran the Kingdome and Dale, who is CEO of One Build. However, Craig does not feel the lease terms provide a full benefit to the public and he does not think they are in the best interest of the PFD.

Craig agrees with the first priority, which is to keep the ballpark a first-class facility, and he said the Mariners had done a great job at that. There is a second goal and that is for the Mariners to

win a World Series. And there is a third goal, which is public benefit and improving the fan experience, and this is where Craig feels the PFD dropped the ball. Craig was not happy with process and he would not have managed it like it was. But he acknowledges that it is not really about the process but where did we end up. He feels the PFD ended up with terms that he cannot support.

First the Capex fund, a fund set aside for the Mariners to meet their obligations. Craig points out that when they talk about money going into the Capex fund, that is money that is not coming to the public. We have always had a great relationship with the Mariners and the Capex fund has always worked, but we are going from a post-build environment to a long-term maintenance environment.

Craig continued by saying what gives him heart-burn is a profit-sharing formula in the original lease that was jerry-rigged so that there would be no profit paid to the PFD for 20 years. There was a credit given so that when we looked at the profits and see what we normally would have received it was wiped out by this credit, which were for loses from before the ballpark was built. Those credits are now used up, but there would have been \$1-3 million of purely discretionary money that the PFD could use for neighborhood improvements. Now we go with the revenue sharing formula and those funds no longer go the PFD as discretionary money, they will go into the Capex fund, which helps the Mariners meet their obligation. Craig added that the real reason he thought the Board went with the revenue sharing was because we were asked to remove audit rights. We had audit rights like any public entity would have for 20 years and now we are giving them up. It seems prudent to Craig as a public entity to have audit rights, but the Board has given those up as well as any discretionary funds that could have been used to create a wonderful neighborhood that Charley so-well articulated.

Craig also said the hotel/motel tax, which he thinks is a great idea, but he feels it is not enough and would like to see the whole amount go to the PFD. And Craig feels the downtown is going south and the PFD is in a unique position to partner with the Mariners to really make sure it's done right and with the public in mind and in a way that would deal with the arts, transportation, parks and safety. He said that the failure to do so was a big missed opportunity.

Virginia Anderson reminded the board and audience that this negotiation was not an easy process, and that these issues have been talked out at length during board meetings in which everyone contributed their expertise. She also reminded everyone that the purpose for which the PFD was set up is not to be a developer, but to maintain and enhance the ballpark, and our legal framework reflects that. She also noted that the profit-sharing provision in the current lease was changed to a percentage of ticket-sales, so we can actually measure it. Also, Virginia said that we, the PFD, are the owners of this building and the creation of this building has been a partnership with the PFD and the team since its inception and that's how it is structured going forward. Virginia thanked Craig for his comments and she assured everyone that these issues have been seriously debated and there are philosophical differences among Board members.

Next Dale Sperling began by saying that he is a fan of baseball, of the Mariners, management and ownership and Safeco Field. Dale attended the Pilots opening day in 1969, in 1977 opening day at the King Dome and opening day at Safeco Field in 1999. Dale has been on the Board for 14 years, has been Chair and is currently Vice-Chair, and has never regarded the Board's relationship with the Mariners as a typical landlord tenant relationship but as a partnership. The Mariners put the product on the field and we the PFD and the public make sure the ballpark is and stays one of the premier venues in baseball. This partnership is represented by a public investment of over \$300 million and a fan base that supports the team with nearly 2.5 million visitors every year for 40+ years. Dale feels the public has met its obligation to the partnership and continues to do so through fan support to the tune of \$80-100 million per year of admission revenue.

Since the beginning of this lease negotiation process, Dale has had 3 paramount objectives in mind. Number 1 is to ensure Safeco Field is well maintained, upgraded and remains one of the premier ballparks in baseball. Number 2 is to ensure there would be no need for future public tax support. Number 3 is to ensure this process does not in any way impede the Mariners from putting a quality winning product on the field.

During Dale's tenure on the Board, he along with other Board members have participated in three trips to research and compare the Mariners stewardship of Safeco Field with their peer group facilities. In every case, Safeco Field came out on top. A tip of the cap to the Mariners organization for doing this for 20 years.

Dale continued by saying that negotiations are not a science but an art and one almost never gets everything they want. There is always give and take and rarely does one issue overwhelm all the details. Dale is satisfied with nearly every detail of the terms of the lease, including the shift from profit-sharing to revenue-sharing that Craig mentioned, but he is deeply disappointed in the Mariner's demand for additional public support from the County for their obligations to maintain and upgrade the venue that the public has provided to them for nominal rent. It's ironic that the maintenance and upgrade that will be necessary over the next 25 years will only support and enhance the value of this magnificent franchise, yet they still want more public support. In Dale's mind, there is zero support for additional public subsidy for this private enterprise. Dale also said that there has been and continues to be differences of opinion on our Board who have worked hard to come to a satisfactory resolution of this matter.

Some have said that this issue of public support is not our decision to make. Perhaps not. Nevertheless, Dale said he can and will express his opinion. Dale also does not deny the ownership (nor envy) the profits they have achieved from their investment but to ask for additional public support at a time when there are so many other worthy needs evidences a tin ear to the needs of the community. Dale also said he wants the Mariners to win. He does not want to keep them from a championship season by diverging money from payroll to support ballpark maintenance and operations, however this is a team mired in mediocrity for 40 years.

Dale concluded by saying that given the obvious community needs we all see every day, he cannot in good conscience support additional public funding for the Mariners nor does he feel that the lease terms negotiated require that the Mariners receive public funds in order to maintain the high standards we all have for Safeco Field and for the Mariners to field a competitive team. Dale concluded by saying he remains a devoted fan and as they say at Safeco Field "Go Mariners"!

After these comments, Virginia Anderson said that the resolution before us is for approval of a term sheet, the terms of which have been presented and will be attached to the resolution. The terms do not make any decisions about the hotel/motel tax monies controlled by King County. What we are asked to vote on today are the terms that would take us forward into the negotiation of a long-term lease. The terms have been debated a long time and we now have a resolution before us.

Virginia then called for the vote. The resolution was approved with 5 yes and 2 no votes.

Virginia then said the next steps for the negotiation team is to continue to work on the definitive legal documents that will result in a new long-term lease.

#### **ADJOURNMENT**

Board Chair Virginia Anderson, there being no further business before the Board, declared the meeting adjourned at 4:00 p.m.

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Jan Simons  
Recording Clerk

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Virginia Anderson, Board Chair  
Board of Directors, Public Facilities District

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT

Monday June 11, 2018 2:30 P.M.

Public Facilities District, Conference Room 110 Edgar Martinez Drive S., Seattle, Washington

**BOARD MEETING MINUTES**

**CALL TO ORDER**

Vice-Chair Dale Sperling called the meeting to order at 2:30 p.m. pursuant to notice. Board members present: Craig Kinzer, Jesus Sanchez, Charley Royer and Paul Mar. Virginia Anderson and Stacy Graven were absent and excused. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel) and Jan Simons (Recording Clerk).

**ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: NONE**

**APPROVAL OF MINUTES**

Motion by Mr. Sanchez and second by Mr. Mar to approve the minutes of the special meeting of April 30, 2018 only. Both Mr. Sperling and Mr. Kinzer have corrections to the May 23, 2018 special meeting and will submit those corrections before the next regular board meeting. Motion carried (5-0).

**SEATTLE MARINERS MAINTENANCE, OPERATIONS AND CAPITAL PROJECTS UPDATES**

Trevor Gooby of the Seattle Mariners informed the Board that the Mariners were invited to the Bloomberg Sustainable Business Summit. The Mariners were grouped with Microsoft, REI, Lyft and others and discussed the different sustainability efforts all have been working on. Trevor then showed a video that highlighted the Mariners' efforts over the past years, which included LED lighting, urban gardens, light rail activation and partnering with Sound Transit.

The Mariners have also started a master plan at Safeco Field to determine what Safeco Field needs to look like, combining the Populous Report and meeting the Applicable Standard. Also discussed was the ballpark vision, special capital project planning, and what the RFP will look like as we reach out to architects to help us develop the master plan.

During the last off-season, the Mariners had focus groups and asked the fans what issues arose during their visits to Safeco Field. One of the biggest issues was that it was difficult to get to Safeco Field and once here, it was difficult (slow) to get into the ballpark. The Mariners developed some ideas to address these issues, which included no re-entry into the ballpark, allowing sealed water bottles, adding additional metal detectors and using CLEAR, which is a faster way to get into the ballpark. The Mariners also added people outside of the ballpark to direct fans to the fastest entry lines.

Events during the last quarter included Whiskey Rocks, City Year event, Bacon & Beer, and United Way of King County. This year's concerts will include Pearl Jam August 8 and 10, Zac Brown August 31, and Foo Fighters September 1. Pearl Jam will be raising money to help alleviate homelessness in the Seattle area and the band has committed 1 million dollars in advance.

Craig Kinzer asked how Safeco Field compares to CenturyLink Field for concerts. Trevor replied that CenturyLink has a little bit of an advantage because they have the Exhibition Center, their field is synthetic turf while Safeco Field is natural turf, and CenturyLink has fewer game days. But Trevor feels the sound is better at Safeco Field, which is why Pearl Jam chose Safeco Field for two concerts.

Next, Ryan van Maarth reviewed the capital projects for the past quarter. The biggest off-season project was the roof electrical control system upgrade, which operates the retractable roof. This included replacing the computer drives and all the electrical components. It was a large undertaking, but it was completed in one off-season. Other off-season projects included structural steel painting at the left field gate, repairing the vandalized Ken Griffey statue, expanding the distributed antenna system, which provides service for all of the wireless carriers who have equipment in the building, new carpet and paint at the suite and club level corridors, new flooring in the home and visitors' club house, extensive field renovation, and the backstop netting was extended to both sides of the dugout. Ryan also added that they are continuing with their ADA accessibility improvements throughout the ballpark.

## **REVIEW OF VOUCHERS**

After review and discussion, Craig Kinzer moved Proposed Resolution No. 18-005, approving the vouchers, and Jesus Sanchez seconded. Resolution passed, 5-0.

## **2018 PFD BUDGET UPDATE**

Kevin Callan reminded the Board that every quarter he gives an update on budget vs. actual expenditures. There will always be timing differences in expenditures, but this generally balances out by the end of the year. This quarter is no different.

## **STADIUM DISTRICT UPDATE**

Charley reminded the board that the Stadium District Plan began 6-7 years ago, but Charley feels that we need to get out ahead of the curve if we want the ballpark to have an impact outside of its walls. We have a vision that the ballpark will be here for a long time, at least 50 years, and one of the elements supporting the ballpark is to have a great neighborhood surrounding it.

Currently development is happening, but it is unorganized and not developing into a pattern supportive of the ballpark. We have met with the neighborhoods and they like the Stadium

District Plan, which is a concept plan. The plan can change over time as circumstances change, but now is the time to get it into the City of Seattle's Comprehensive Plan so we can change the zoning and others can start implementing the plan.

Charley told the Board that Virginia Anderson asked him to bring a staffing plan, time table, and some idea of a budget to this meeting. Charley said we need additional staff to do this because it is a pretty intensive piece of work that needs to get us to the point where the City Council can finally approve an amendment to the Comprehensive Plan. Charley then introduced Lizanne Lyons as a candidate to staff this project and he highlighted her qualifications and education. He also said that this project would be done in phases, leading up to and then following on the Comprehensive Plan amendment.

Charley added the PSA would like to continue the partnership we started with the development of the Plan. The PFD would hold the contract with the consultant, but the PSA would pay half of the costs.

Dale suggested that the biggest impediment to implementing the plan would be the MIC (Manufacturing and Industrial Council). Charley suggested that the most influential critic may be the Port of Seattle. Craig Kinzer suggested that Lizanne will need to find out who is a stick-in-the-mud and how she can make this a win-win. Dale Sperling asked how the Mariners feel about the plan. Fred Rivera said that there would need to be smart development, and he noted that there are several different studies going on and they all need to be folded in together.

Jesus Sanchez then asked who reports to whom? Charley said that Lizanne would report to the PSA and PFD task forces at first and then later to both full Boards. Jesus suggested that Lizanne report to the full Board. Paul Mar suggested that for major milestones Lizanne report to the full board but not for scope of work issues.

Dale Sperling then summarized by saying the initial budget looks reasonable, and he noted that Lizanne would work with the Executive Director providing periodic updates to the full Board. Dale asked that the Executive Director and legal counsel prepare a contract for this work, and he also suggested that we take this up again at the September Board meeting for a formal resolution approving a cost-sharing agreement with the PSA, which is expected to approve an agreement at its next regular Board meeting. Dale then asked for motion to move forward to contract for this work. Paul Mar moved and Charley Royer seconded. Motion passed 5-0.

### **CENTRAL WATERFRONT UPDATE**

Charley said that the Waterfront LID is attracting the attention of the Waterfront committee. He still believes the LID is widely supported by the larger community of property owners, but some of the waterfront condo owners are opposed. Under state law, they have plenty of opportunity to articulate their opposition. But without the LID, there will not be the waterfront park we envisioned.

## **ARENA UPDATE**

Tom Backer said the PFD and the Mariners had not heard from Chris Hansen lately, but he still has his street vacation petition pending with the City. Dale Sperling asked when the renovations begin at Key Arena will Chris Hansen pull the plug on his project? Tom replied that Chris Hansen has stated to the press he is not going to stop until there is an NBA team in Seattle.

## **OTHER UPDATES**

Kevin Callan informed the Board he had met with Marx/Okubo to determine the scope of work for the annual maintenance and operation review. Kevin also noted that the report is expected in December. Kevin also said that the update to our website has proved to be very valuable because he can steer people there for answers to their questions.

And Kevin has reached out to John Christianson who has headed up the Applicable Standard Review every 3 years. It has been 3 years since the last report, but Kevin feels we should postpone until next year when we know our next move with the new lease.

Dale Sperling asked what had happened with the review of the Mariner's audited financial statements. Kevin replied that Virginia Anderson had asked Gerry Johnson to provide a legal opinion on that matter and they are waiting for that.

## **EXECUTIVE SESSION:**

Dale Sperling announced at 3:30 p.m. that the Board would meet in Executive Session for about 15 minutes "to consider the minimum price at which real estate will be offered for sale or lease when public knowledge of such consideration would cause a likelihood of decreased price," RCW 42.30.110(c), to consider financial, commercial, or proprietary material under RCW 42.56.270, to discuss with legal counsel real estate lease matters and potential litigation involving identified legal risks from a proposed action or current practice, where public discussion of the legal risks is likely to result in adverse legal or financial consequences to the district, RCW 42.30.110(i), and to review the performance of public employees or contractors, RCW 42.30.110(g). Dale reported that the Board may take action following the Executive Session.

## **ADJOURNMENT**

Vice-Chair Dale Sperling reconvened the regular board meeting at 3:45 p.m. There being no need for action or further business before the Board, Dale declared the meeting adjourned at 3:45 p.m.

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Jan Simons  
Recording Clerk

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Dale Sperling, Vice-Chair  
Board of Directors, Public Facilities District

WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC FACILITIES DISTRICT  
Thursday, August 9, 2018 2:00 P.M.  
Pacifica Law Group Offices, 20<sup>th</sup> Floor, Rainier Conference Room  
1191 Second Avenue, Seattle, Washington 98104

## SPECIAL BOARD MEETING MINUTES

### **CALL TO ORDER**

Chair Virginia Anderson called the meeting to order at 2:05 p.m. pursuant to notice. Board members present: Charley Royer, Jesus Sanchez, Stacy Graven and Craig Kinzer (joined at 2:25 p.m.). Dale Sperling joined the meeting by phone but did not participate in any of the votes. Paul Mar was absent and excused. Staff present: Kevin Callan (Executive Director), Tom Backer (Legal Counsel), Pat Dunn (Legislative), Gerry Johnson (Outside Legal Counsel), and Sandeep Kaushik (Sound View Strategies). Guests included reporters from KING-5 (Chris Daniels), the Weekly (Josh Kelety), Keith Swenson (Governor's office), Fred Rivera, Trevor Gooby, and Rebecca Hale from the Seattle Mariners.

### **ITEMS FROM THE AUDIENCE/PUBLIC COMMENTS: NONE**

### **BOARD BRIEFINGS AND POTENTIAL ACTION:**

Because Board member Kinzer was delayed in arriving, Chair Anderson modified the order of the agenda. She asked Kevin Callan to brief the Board on the WA Department of Commerce's Independent Financial Feasibility Review of the proposed new lease terms, and the proposed interlocal agreement.

Kevin reported that since 2012 an independent financial feasibility review has been required of PFD's for certain actions, including leases. The Department of Commerce worked with the PFD to establish a contract for this work, using a template provided by the department. The work will be conducted by a third-party consultant of the Department, is expected to cost about \$30,000, and is to be completed before the end of November of this year. The interlocal agreement with Commerce has been executed and Proposed Resolution No. 18-006 ratifies that execution. Jesus Sanchez introduced the Resolution and Stacy Graven seconded. Following discussion, the Resolution passed, 4-0 (Dale Sperling not voting; Craig Kinzer not yet present).

### **CHAIR'S REPORT:**

Chair Anderson then moved to her Chair's report. She noted that we were moving ahead with the contract with Lizanne Lyons for the Stadium District plan implementation, adjusting the scope of work and proceeding with a draft cost-sharing agreement with the Public Stadium

Authority (PSA). She noted that Lizanne would report to Kevin Callan on administrative/contract matters and at least quarterly to the full Board on substantive matters.

For the September meeting, Chair Anderson noted that she would like to discuss the audit process for next year, when we review the Mariners 2018 performance and do an end-of-lease-term review. She will have some suggestions next time on a process for doing that, including setting up a small task force of Board members to interview and select an auditor.

## **SEATTLE MARINERS PROPOSED 2019 CAPITAL PROJECTS**

Trevor Gooby of the Seattle Mariners briefed the Board on the capital projects the team is planning for 2019. The proposed major capital projects included Roof Axle Repair (phase 4), Perimeter/Security Bollards, and Charter Seat ADA compliance. Two projects previously identified by the Club—Audio Speaker Upgrade and 4K Broadcast cable upgrade—were deferred until 2020.

The roof axle project is a continuation of work that started several years and is the 4<sup>th</sup> of 8 phases. This phase will include 16 wheel axles on roof panel 3 south, and it is estimated to cost \$1.5M. When this phase is finished, ½ of all the roof axles will have been replaced.

The perimeter security / bollards project is estimated to cost \$4.5 - \$6M. The project arises from a 2018 MLB mandate that all teams must apply for Safety Act Certification from the Department of Homeland Security. One requirement of that certification is to “harden” the exterior perimeter. Trevor said that the large planters that currently surround some entrances to the ballpark don’t meet the standard. The Club is working with Thornton Tomasetti on the design for these bollards to make sure that they meet the standard.

Board questions focused on the need for this work; alternatives to the standard bollard (such as at the new federal courthouse), and aesthetics. Trevor said that the Club was looking for a design that was classic/timeless and said that Gensler architects were assisting. Virginia noted that she had extensive experience at Seattle Center with this issue. Fred Rivera said that the Mariners would be glad to have the PFD’s help in conversations about design with the City. The work is planned for January – March of 2019.

The third item is modifications to the Charter Seat and Diamond Club areas and work to ensure ADA compliance, estimated at \$1M. This is in addition to the ADA compliance work that the Club had agreed to previously. It includes replacement of 1,100 fixed seats in the Charter seat area and ADA access through the Umpire tunnel.

Dale Sperling noted that, other than the roof axle repair, none of these items were part of the B&D Venues capital needs report. Trevor explained that the ADA work was required because of the major modifications to the charter seating area, and the bollard work was a 2018 requirement from MLB. Virginia concluded the discussion by noting that no Board action was required on these items today.

## **UPDATE ON KING COUNTY CONSIDERATION OF THE LODGING TAX PROPOSAL:**

Gerry Johnson and Sandeep Kaushik then updated the Board on the status of the King County Council's consideration of the lodging tax request from the Seattle Mariners. They reported that the tax request had been introduced by the County Executive to the Council at the end of May, following the PFD's approval of new lease terms. On July 27<sup>th</sup>, the County Executive further transmitted to the Council two draft agreements that would govern any funds allocated by the Council. Gerry explained that the first agreement provides for the transfer of funds from the County to the PFD, subject to certain limitations on the County's obligations to make the transfer and conditions on the use of funds. Craig Kinzer and Dale Sperling questioned whether those limitations were meaningful in light of the general fungibility of project dollars.

Gerry explained that the second agreement is an amendment to existing financial agreements with King County that would allow the County to issue bonds to finance capital improvements at the ballpark, if the PFD requested. Gerry clarified that such bond financing would require both a PFD request and County approval, and that neither party was obligated to such an approach.

## **EXECUTIVE SESSION:**

Virginia Anderson announced at 3:02 p.m. that the Board would meet in Executive Session "to consider the minimum price at which real estate will be offered for sale or lease when public knowledge of such consideration would cause a likelihood of decreased price," RCW 42.30.110(c), to consider financial, commercial, or proprietary material under RCW 42.56.270, to discuss with legal counsel real estate lease matters and potential litigation involving identified legal risks from a proposed action or current practice, where public discussion of the legal risks is likely to result in adverse legal or financial consequences to the district, RCW 42.30.110(i), and to review the performance of public employees or contractors, RCW 42.30.110(g). Virginia reported that the Executive Session was expected to last at least one hour, and no further action was anticipated following the Executive Session.

## **ADJOURNMENT**

Chair Anderson reconvened the board meeting at 4:00 p.m. There being no need for action or further business before the Board, Virginia declared the meeting adjourned at 4:01 p.m.

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Kevin Callan  
Recording Clerk

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Virginia Anderson, Chair  
Board of Directors, Public Facilities District

**Washington State Major League Baseball Stadium Public Facilities  
District**

**Staff Report**

**Agenda Item Number: D2**

**Date: September 10, 2018**

**TITLE:**

**Proposed Resolution 18-007:** A resolution approving PFD vouchers for the period June 2018 through August 2018. Approval of vouchers occurs at quarterly Board meetings following review and submission by staff and approval by the Auditing Officer and a designated Board member.

BOARD EXPENSE APPROVAL

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.

Director of Finance & Administration

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_. The motion carried by a vote of \_\_\_\_\_.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on \_\_\_\_\_.

\_\_\_\_\_  
Virginia Anderson  
Chair, PFD Board of Directors

The following is a summary of voucher 20180607141818 and 20180618061108 all paid in the month of June 2018.

Classification		Amount
Legal & Administrative		108,051
Earthquake Insurance Annual Premium		
Parking Garage		
PFD Capital Expenditures		
Excess Revenue Fund		
Total for the period		108,051

# Payment Summary - Special Districts

Report ID: AP\_RPRT\_181D  
 Report Date: 7/2/2018  
 Page: 1 of 1

## 06/01/2018 to 06/30/2018

**DISTRICT**                      **WSMLBS**  
**FUND**                            **280010020**                      **WSMLBS-PFD OPERATING FUND**

**Issues**

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
A SPARKLE HOME CLEANING SERVICE	Warrant	9664635	260.00	06/13/2018	06/21/2018	I-0721	260.00
CLARK NUBER	Warrant	9664636	5,116.00	06/13/2018	06/25/2018	379622	5,116.00
JAN SIMONS	Warrant	9664637	3,428.75	06/13/2018	06/19/2018	INV 053118	3,428.75
KEVIN CALLAN	Warrant	9664638	6,000.00	06/13/2018	06/25/2018	PFD 05-18	6,000.00
PACIFICA LAW GROUP	Warrant	9664639	10,950.00	06/13/2018	06/20/2018	43336	10,950.00
PATRICK DUNN & ASSOCIATES LTD	Warrant	9664640	4,200.00	06/13/2018	06/26/2018	PFD 05-18	4,200.00
SOUND VIEW STRATEGIES LLC	Warrant	9664641	12,350.00	06/13/2018	06/21/2018	1598	12,350.00
THOMAS ELI BACKER	Warrant	9664642	43,462.50	06/13/2018	06/21/2018	20733	43,462.50
ALLSTREAM	Warrant	9666566	170.82	06/20/2018		15390105	170.82
BRAILSFORD & DUNLAVEY	Warrant	9666567	21,650.00	06/20/2018		107310318F	21,650.00
CRYSTAL SPRINGS	Warrant	9666568	3.59	06/20/2018		5314663060118	3.59
PACIFIC OFFICE AUTOMATION	Warrant	9666569	459.36	06/20/2018		59559304	459.36

**Total Issues for Fund 280010020**

**Total for Fund 280010020**

**Total for District WSMLBS**

**108,051.02**

**108,051.02**

**108,051.02**

**BOARD EXPENSE APPROVAL**

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.

Director of Finance & Administration

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_. The motion carried by a vote of \_\_\_\_\_.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on \_\_\_\_\_.

\_\_\_\_\_  
Virginia Anderson  
Chair, PFD Board of Directors

The following is a summary of voucher 20180628092024, 20180705064447, 20180718073614 and 20180718074304 all paid in the month of July 2018.

Classification	Amount
Legal & Administrative	105,423
Earthquake Insurance Annual Premium	
Parking Garage	
PFD Capital Expenditures	
Excess Revenue Fund	886,852
<b>Total for the period</b>	<b>992,275</b>

# Payment Summary - Special Districts

Report ID: AP\_RPRT\_181D  
 Report Date: 8/1/2018  
 Page: 1 of 2

## 07/01/2018 to 07/31/2018

**DISTRICT**                      **WSMLBS**  
**FUND**                            **280010020**

### WSMLBS-PFD OPERATING FUND

**Issues**

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
HUSCH BLACKWELL	Warrant	9670272	2,655.00	07/02/2018	07/11/2018	2596483	2,655.00
JAN SIMONS	Warrant	9670273	2,990.00	07/02/2018	07/09/2018	PFD063018	2,990.00
JAN SIMONS	Warrant	9670274	194.73	07/02/2018	07/09/2018	OFFICE & MTG 6/30/18	194.73
KEVIN CALLAN	Warrant	9670275	6,000.00	07/02/2018	07/13/2018	PFD06-18	6,000.00
PATRICK DUNN & ASSOCIATES LTD	Warrant	9670276	4,200.00	07/02/2018	07/19/2018	PFD 06-18	4,200.00
SOUND VIEW STRATEGIES LLC	Warrant	9670277	5,850.00	07/02/2018	07/10/2018	1572	5,850.00
SOUND VIEW STRATEGIES LLC	Warrant	9670278	6,000.00	07/02/2018	07/10/2018	1526	6,000.00
A SPARKLE HOME CLEANING SERVICE	Warrant	9671326	325.00	07/09/2018	07/19/2018	I-0722	325.00
ICON VENUE GROUP LLC	Warrant	9671327	17,675.07	07/09/2018	07/18/2018	288-08-05-18	17,675.07
TEAL GROUP TECHNOLOGIES LLC	Warrant	9671328	260.00	07/09/2018	07/23/2018	87227	260.00
THOMAS ELI BACKER	Warrant	9671329	12,450.00	07/09/2018	07/19/2018	20738	12,450.00
ALLSTREAM	Warrant	9674742	170.82	07/20/2018		15447474	170.82
HUSCH BLACKWELL	Warrant	9674743	28,867.50	07/20/2018		2605479	28,867.50
PACIFIC OFFICE AUTOMATION	Warrant	9674744	463.73	07/20/2018		59824660	463.73
PACIFICA LAW GROUP	Warrant	9674745	15,418.50	07/20/2018		44314	15,418.50
SOUND VIEW STRATEGIES LLC	Warrant	9674746	1,350.00	07/20/2018		1634	1,350.00
TEAL GROUP TECHNOLOGIES LLC	Warrant	9674747	260.00	07/20/2018		87169	260.00
TEAL GROUP TECHNOLOGIES LLC	Warrant	9674748	292.50	07/20/2018		86904	292.50
<b>Total Issues for Fund 280010020</b>			<b>105,422.85</b>				
<b>Total for Fund 280010020</b>			<b>105,422.85</b>				

# Payment Summary - Special Districts

Report ID: AP\_RPRT\_181D  
 Report Date: 8/1/2018  
 Page: 2 of 2

## 07/01/2018 to 07/31/2018

### FUND 280011010 WSMLBS PFD EXCESS REV FD

**Issues**

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
SEATTLE MARINERS	Warrant	9674749	40,114.74	07/20/2018		INV00012462	40,114.74
SEATTLE MARINERS	Warrant	9674750	596,457.52	07/20/2018		INV00012405	596,457.52
SEATTLE MARINERS	Warrant	9674751	250,279.99	07/20/2018		INV00012456	250,279.99
<b>Total Issues for Fund 280011010</b>			<b>886,852.25</b>				
<b>Total for Fund 280011010</b>			<b>886,852.25</b>				
<b>Total for District WSMLBS</b>			<b>992,275.10</b>				

**BOARD EXPENSE APPROVAL**

Auditing Officer Certification: I, the undersigned, do hereby certify under perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is just, and due, against the Washington State Major League Baseball Stadium Public Facilities District, and I am authorized to authenticate and certify to said claim.

Director of Finance & Administration

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Vouchers audited and certified by the auditing officer as required by RCW 42.24.080 and those expense reimbursement claims certified as required under 42.24.090 and payroll expenditures, have been review and approved by the PFD Auditing Officer, a summary of which is included below. The motion to approve the vouchers subject to audit was moved by \_\_\_\_\_ and seconded by \_\_\_\_\_. The motion carried by a vote of \_\_\_\_\_.

Finance Committee Approval: The Finance Committee of the PFD approved/ratified by motion the following classifications of expenditures on \_\_\_\_\_.

\_\_\_\_\_  
Virginia Anderson  
Chair, PFD Board of Directors

The following is a summary of voucher 20180801170332, 20180813064740 and 20180820065809 all paid in the month of August 2018.

Classification	Amount
Legal & Administrative	69,038
Earthquake Insurance Annual Premium	
Parking Garage	
PFD Capital Expenditures	
Excess Revenue Fund	0
Total for the period	69,038

# Payment Summary - Special Districts

Report ID: AP\_RPRT\_181D  
 Report Date: 9/4/2018  
 Page: 1 of 1

08/01/2018 to 08/31/2018

DISTRICT FUND WSMILBS 280010020 WSMILBS-PFD OPERATING FUND

Payee	Payment Type	Number	Amount	Issue Date	Cleared Date	Invoice Number	Invoice Amount
✓ A SPARKLE HOME CLEANING SERVICE	Warrant	9679972	260.00	08/16/2018	08/28/2018	I-0723	260.00
✓ CRYSTAL SPRINGS	Warrant	9679973	3.29	08/16/2018	08/28/2018	5314663080118	3.29
✓ CRYSTAL SPRINGS	Warrant	9679974	2.99	08/16/2018	08/28/2018	5314663070118	2.99
✓ ICON VENUE GROUP LLC	Warrant	9679975	2,053.97	08/16/2018	08/28/2018	288-09-06-18	2,053.97
✓ MARX TOKUBO ASSOCIATES INC	Warrant	9679976	980.00	08/16/2018	08/24/2018	I-28109-K1L6	980.00
✓ PACIFICA LAW GROUP	Warrant	9679977	30,116.50	08/16/2018	08/23/2018	44903	30,116.50
✓ PACIFICA LAW GROUP	Warrant	9679978	1,254.00	08/16/2018	08/23/2018	44315	1,254.00
✓ TEAL GROUP TECHNOLOGIES LLC	Warrant	9679979	291.25	08/16/2018	08/27/2018	87313	291.25
✓ ALLSTREAM	Warrant	9681445	170.82	08/23/2018	08/30/2018	15499599	170.82
✓ LIZANNE LYONS CONSULTING	Warrant	9681446	2,120.00	08/23/2018		INVOICE # 2	2,120.00
✓ LIZANNE LYONS CONSULTING	Warrant	9681447	3,600.00	08/23/2018		INVOICE # 1	3,600.00
✓ PACIFIC OFFICE AUTOMATION	Warrant	9681448	485.61	08/23/2018		60285564	485.61
JAN SIMONS	Warrant	15228011	2,762.50	08/07/2018	08/14/2018	PFD073118	2,762.50
KEVIN CALLAN	Warrant	15228012	6,000.00	08/07/2018	08/17/2018	PFD07-18	6,000.00
PATRICK DUNN & ASSOCIATES LTD	Warrant	15228013	4,200.00	08/07/2018	08/20/2018	PFD07-18	4,200.00
THOMAS ELI BACKER	Warrant	15228014	14,737.50	08/07/2018	08/17/2018	20742	14,737.50

Total Issues for Fund 280010020

69,038.43

Total for Fund 280010020

69,038.43

Total for District WSMILBS

69,038.43

1 **September 10, 2018**

**Proposed No.: 18-007**

2  
3 **RESOLUTION NO. 468**

4  
5 A RESOLUTION to approve payment vouchers.

6  
7 WHEREAS, pursuant to the provisions of Chapter 36.100 RCW, as amended, the  
8 Washington State Major League Baseball Stadium Public Facilities District, hereinafter  
9 referred to as the "District," has been created and possesses all the powers of a public  
10 facilities district; and

11 WHEREAS, Resolution No. 262 appointed the District Director of Finance, Kevin  
12 Callan, as Auditing Officer; and

13 WHEREAS, Resolution No. 467 designated the Board Chair or the Chair's designee  
14 to review and approve payment vouchers, subject to final review and approval by the Board;  
15 and

16 WHEREAS, the Auditing Officer and designated Board member have reviewed and  
17 approved ballpark vouchers # 20180607141818, 20180618061108, 20180628092024,  
18 20180705064447, 20180718073614, 20180718074304, 20180801170332, 20180813064740 and  
19 20180820065809 as summarized as follows:

20 June 2018

<u>Classification</u>	<u>Amount</u>
21 1. Legal & Administrative	\$108,051
22 2. Earthquake Insurance Annual	\$ 0
23 3. Parking Garage	\$ 0
24 4. Excess Revenue Fund	\$
25 5. PFD Capital Expenditures	<u>\$ 0</u>
26 TOTAL FOR THE PERIOD	\$108,051

27  
28  
29  
30  
31  
32 July 2018

<u>Classification</u>	<u>Amount</u>
33 6. Legal & Administrative	\$105,423
34 7. Earthquake Insurance Annual	\$ 0
35 8. Direct Project Costs	\$ 0

36

37	9. Parking Garage	\$ 0
38	10. PFD Capital Expenditures	\$ 0
39	11. Excess Revenue Fund	<u>\$886,852</u>
40	TOTAL FOR THE PERIOD	\$992,275

43	<u>August 2018</u>	
44	<u>Classification</u>	<u>Amount</u>
45	12. Legal & Administrative	\$ 69,038
46	13. Earthquake Insurance Annual	\$ 0
47	14. Parking Garage	\$ 0
48	15. PFD Capital Expenditures	\$ 0
49	16. Excess Revenue Fund	<u>\$ 0</u>
50	TOTAL FOR THE PERIOD	\$ 69,038

53 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF  
 54 THE WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM PUBLIC  
 55 FACILITIES DISTRICT:

56  
 57 Vouchers 20180607141818, 20180618061108, 20180628092024, 20180705064447,  
 58 20180718073614, 20180718074304, 20180801170332, 20180813064740 and 20180820065809  
 59 approved by the Finance and Administration Committee (monthly summaries attached) are  
 60 hereby approved.

61  
 62 PASSED by a vote of \_\_\_\_ to \_\_\_\_ this \_\_\_\_ 10 \_\_\_\_ day of September, 2018.

63 BOARD OF DIRECTORS  
 64 WASHINGTON STATE MAJOR LEAGUE BASEBALL STADIUM  
 65 PUBLIC FACILITIES DISTRICT  
 66

67 \_\_\_\_\_  
 68 Virginia Anderson, Board Chair

69 ATTEST:

70 \_\_\_\_\_  
 Clerk

**Washington State Major League Baseball Stadium Public Facilities  
District**

**Board Meeting Agenda**

**September 10, 2018**

**Agenda Item D 3**

**2018 PFD Budget Update – Kevin Callan**

## PFD Operations Budget Vs Actual

**AUGUST 2018**

### Year to Date Totals

	Budget	Actual	Variance (Under)/Over Budget
<b>BEGINNING CASH BALANCE:</b>	6,200,000	6,165,927	(34,073)
<b>Rent Due From Mariners:</b>	1,050,000	1,062,186	12,186
<b>Interest Income:</b>	50,978	120,195	69,217
<b>Total Income</b>	7,300,978	7,348,308	47,330
<b>1. Outside Consultants:</b>			
Accounting / Auditing Fees	9,000	11,415	2,415
Legal	390,000	451,527	61,527
Consulting Services	230,000	213,306	(16,694)
<b>Subtotal Outside Consultants:</b>	629,000	676,248	47,248
<b>2. PFD Staff :</b>			
<b>Total PFD Staff</b>	70,000	69,835	(165)
<b>3. General and Administrative:</b>			
Office Expense	12,000	9,929	(2,071)
Meeting Expense	12,000	4,884	(7,116)
Travel	800	-	(800)
Insurance	139,000	127,500	(11,500)
Other Miscellaneous	800	168	(632)
<b>Subtotal General and Administrative:</b>	164,600	142,481	(22,119)
<b>Subtotal Expenses (Categories 1-3)</b>	863,600	888,565	24,965
	-	-	-
<b>TOTALS OPERATING EXPENSES</b>	863,600	888,565	24,965
<b>ENDING CASH BALANCE:</b>	6,437,378	6,459,743	22,365



**Washington State Major League Baseball Stadium Public Facilities  
District**

**Staff Report**

**Agenda Item Number: D4**

**Date: September 10, 2018**

**TITLE:**

**Proposed Resolution 18-008:** A resolution authorizing the Executive Director to execute a Cost Sharing Agreement with the Washington State Public Stadium Authority regarding consultant support for the Stadium District Plan implementation and ratifying the contract with Lizanne Lyons for those services.

## **STADIUM DISTRICT PLAN IMPLEMENTATION COST-SHARING AGREEMENT**

THIS COST-SHARING AGREEMENT (“Agreement”) 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. The City of Seattle continues to plan for significant changes to the area south of downtown in the vicinity of the professional football/soccer stadium owned by the PSA and the professional baseball stadium owned by the PFD (the “Stadium District”).

B. Changes in and around the Stadium District include replacement of the Alaskan Way Viaduct with an underground tunnel (opening in the fall of 2018), design and construction of a new central waterfront (including a \$200+ million local improvement district), on-going changes to the operation and facilities of the Port of Seattle, and land use changes resulting from the City’s continued economic growth and constraints on available land.

C. The PSA and the PFD have worked together for more than 10 years on the City of Seattle’s Livable South Downtown Plan and land use rezoning proposal.

D. From 2010 to 2012, the PSA and PFD jointly developed a Stadium District Concept Plan that set out their vision for an enhanced Stadium District, which was passed on to the City of Seattle for implementation.

E. The City has considered the Stadium District plan but has failed to act to implement Comprehensive Plan amendments and development regulations that would meaningfully advance the Stadium District plan.

F. The Parties continue to have a shared interest in the long-term development of the Stadium District and in the implementation of the Stadium District plan, and they agree that renewed joint effort is needed to move the plan forward.

G. Accordingly, the PFD has retained a consultant to assist in advancing implementation of the Stadium District plan, consistent with the general scope of work (attached; the “Work”).

H. The Parties agree that the cost of the Work should be shared equally between them.

## **AGREEMENT**

**1. Cost Sharing.** The Parties agree to share equally the cost of the Work between them.

**1.1** Payments made pursuant to this Agreement may be used only to fund the Work. The Work's purpose, contents, and tasks are described in the attached Scope of Work, which is incorporated by reference into this Agreement.

**1.2** All other costs of the Stadium District planning effort, including staff time and other costs not reflected in the Scope of Work will be borne separately by each Party.

**2. Relationship with Consultant.** The PFD will contract for and administer the Consultant relationship described in the Scope of Work on behalf of the Parties.

**2.1** The PFD agrees to consult with the PSA on any amendments to or changes from the Scope of Work in contracting with the Consultant, including changes to the scope, schedule or budget. Material changes in project scope or schedule and any increases in project budget require the PSA's prior approval as a precondition for cost sharing.

**2.2** Notwithstanding the PFD's contractual role with the Consultant, the Parties will collaborate on all decisions, directions, reports, and other matters regarding the Work, including hiring of and direction to the Consultant. The Parties agree to work in good faith to reach consensus on all matters.

**2.3** All Consultant reports, deliverables and other work product will be provided to all Parties simultaneously.

**2.4** All Parties will have equal opportunity to participate in substantive consultations with the Consultant either in person, by conference call or via electronic mail.

**3. Payment.** Upon receipt of an invoice from the Consultant, the PFD will initially review, approve, and pay the invoice and then provide that invoice to the PSA. The PSA will pay one-half of the total invoice amount to the PFD within thirty days of receipt of the invoice.

**3.1** The PSA reserves the right to request copies of additional substantiating documentation, including receipts, as deemed necessary.

**3.2** The PSA will continue to pay invoices submitted to them under this Agreement until the Work is complete or until this Agreement is terminated.

**4. Amendment and Modification.** Any Party may request changes to this Agreement. Such changes will be mutually agreed upon by the Parties and incorporated by written amendment to this Agreement. No variation or alteration of the terms of this Agreement is valid unless made in writing and signed by authorized representatives of the Parties.

**5. Designated Representatives and Notice to Other Parties.** Any notice required or permitted to be given pursuant to this Agreement and any communications among the Parties material to this Agreement must be in writing and made to the following designated representatives unless otherwise indicated by the Parties:

To the PSA: Ann Kawasaki Romero, Executive Director  
Washington State Public Stadium Authority  
800 Occidental Avenue S., #700  
Seattle, WA 98134  
AnnK@Stadium.org

To the PFD: Kevin Callan, Executive Director  
Washington State Major League Baseball Stadium Public Facilities  
District  
P.O. Box 94445  
Seattle, WA 98124-6745  
CallanK@Ballpark.org

**6. Records Retention and Audit.** During the progress of the work and for a period not less than three years from the date the work is complete or this Agreement is terminated (see Section 8, below), the PFD will maintain the records and accounts pertaining to this agreement and accounting thereof for inspection and audit by the PSA. Upon request, the PFD will make available to the PSA all records, accounts, documents, or other data pertaining to the Implementation Work, and produce any copies at the expense of the requesting Party. If any litigation, claim, or audit is commenced, the records and accounts along with supporting documentation will be retained until the litigation, claim, or audit has been resolved even though such litigation, claim, or audit continues past the three-year retention period.

**7. Dispute Resolution.** The Parties will use good faith efforts to resolve all claims, disputes, and other matters in question between the Parties arising out of or relating to this Agreement. If those efforts are not successful, then the designated representatives identified in Section 5 above will use their best efforts to resolve disputes between the Parties. The Parties agree to exhaust each of these procedural steps before seeking to resolve disputes in a court of law or any other forum.

**8. Effectiveness, Duration, Authority and Counterparts.** This Agreement is effective upon execution by the Parties and will remain in effect until the work contemplated is complete, unless the Agreement is otherwise amended or terminated. The persons signing below represent and warrant that they have the requisite authority to bind the Party on whose behalf they are signing. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which will constitute one and the same agreement.

**9. Indemnification and Hold Harmless.**

**9.1** Each of the Parties will protect, defend, indemnify, and save harmless the other Party, their officers, officials, employees, and agents, while acting within the scope of their employment as such, from any and all costs, claims, judgment, and/or awards of damages, arising out of, or in any way resulting from, each of the Parties' own negligent acts or omissions. No Party will be required to indemnify, defend, or save harmless any other Party if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence of the other Party. Where such claims, suits, or actions result from the concurrent negligence of the Parties, the indemnity provisions provided herein will be valid and enforceable only to the extent of a Party's own negligence.

**9.2** Each of the Parties agrees that its obligations under this subparagraph extend to any claim, demand and/or cause of action brought by, or on behalf of, any of its employees or agents. For this purpose, each of the Parties, by mutual negotiation, hereby waives, with respect to each of the other Parties only, any immunity that would otherwise be available against such claims under the Industrial Insurance provision of Title 51 RCW.

**9.3** The indemnification, hold harmless, and waiver obligations described in this section will survive the termination of this Agreement. In any action to enforce the provisions of the section, the prevailing Party is entitled to recover its reasonable attorney's fees and costs incurred from the other Party.

**10. Venue.** This Agreement is made in the County of King, State of Washington, and the legal rights and obligations of the Parties will be determined in accordance with the laws of the State of Washington. All legal actions in connection with this Agreement must be brought in the County of King, State of Washington.

**11. Severability.** If any provision contained in this Agreement is for any reason held to be invalid, illegal, or unenforceable in any respect, then the defective provision will not affect any other provision of this Agreement, and this Agreement will be construed as if the defective provision had never been contained in the Agreement.

**12. Waiver.** No failure by any of the Parties to insist upon the specific performance of any term, condition, covenant, or duty of this Agreement or to exercise any right or remedy consequent upon a breach thereof will constitute a waiver of any such breach or any other covenant, agreement, term or condition.

**13. Successors and Assigns.** All of the terms, provisions, and conditions of this Agreement will inure to the benefit of and be enforceable by each Party's respective successors and assigns.

**14. Entire Agreement.** This Agreement, including its Recitals, embodies the Parties' entire agreement on the issues covered by it, except as may be supplemented by subsequent written agreements that the Parties may make.

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: \_\_\_\_\_

## CONSULTANT SCOPE OF WORK

Consultant will meet with numerous stakeholders in local government; the Pioneer Square, Chinatown-International District, and South Downtown neighborhoods; private sector entities; public advocacy groups; and nonprofit organizations to assess their interest in and opinions about the development of a Stadium District. Consultant will explore the options available and make recommendations regarding the feasibility of a public/private partnership agreement on a proposal to amend the City of Seattle Comprehensive Plan in support of a Stadium District. This work will be done in a manner which preserves the ability for such a proposal to be submitted to the City of Seattle by March of 2019, the current timeline for accepting proposed amendments.

The process to evaluate potential parameters of a Comprehensive Plan amendment might include, but is not limited to, consideration of:

- Additional housing and lodging in this neighborhood.
- A major, new destination open space.
- Opportunities for new, vibrant retail experiences, to include restaurants and pubs, both for those visiting the area and for neighborhood residents.
- More outdoor public spaces and neighborhood amenities in the form of terraces, plazas, squares, parks and promenades.
- Destination parking.
- Pedestrian and bike friendly streets and sidewalks.
- Better transit connections.
- The extension of waterfront planning south to Holgate.

### **Organizational Structure to Support Consultant's Work:**

The Consultant will make quarterly reports to the entire PFD and Washington State Public Stadium Authority (PSA) Boards during this time period. She will also meet with each individual PFD Board member and with PSA Board members designated by the PSA Board Chair at the outset to ascertain their interests and values relative to a Stadium District. Consultant will report to the Executive Director of the PFD on all administrative matters relating to this agreement. Additionally, the Consultant will coordinate her work with a small working group of three PFD and three PSA Board members, to be appointed by the Chairs of the PFD and PSA Boards. Consultant will coordinate work with the PSA Board through its Executive Director.

The work to develop an agreement on a Comprehensive Plan Amendment will be done in a highly collaborative, interest-based manner. It will be a very dynamic and proactive process that seeks to create highly favorable outcomes in partnership with private, public and community stakeholders, rather than a process that sells fully thought out and entrenched positions.

In place of a large stakeholders committee being convened to discuss and attempt to reach agreement on the multitude of different issues at play in this effort, the consultant will employ the expertise and network of relationships of board members, other consultants on the PFD/PSA roster and both existing and prospective strategic partners to move forward in discussions with all interested parties.

A fluid and highly interactive process as described above will require careful coordination, well-timed interactions and a great deal of strategic planning. It will be important to not have multiple people reaching out to others concurrently, even with the best of intentions, or pursuing ideas independently. Therefore, the consultant will serve as the point of contact in this effort, overseeing the execution of strategy, working very closely and in tandem with the PFD and PSA board members to whom she reports.