

Select Committee on Civic Arenas FAQ - March 27, 2017

GENERAL INFORMATION

- 1. Why create a Select Committee on Civic Arenas when Council has standing committees that already govern these issues?** The Council formed the Select Committee on Civic Arenas because the scope of issues related to civic arenas overlap several standing committees. Also, a Select Committee can better accommodate the schedules of all nine Councilmembers.
- 2. Why does this Select Committee have two co-chairs?** Council President Bruce Harrell and Councilmember Debora Juarez will co-chair the Select Committee. Because the range of policy issues is significant, the co-chairs can focus on their respective areas of expertise and experience, as well as share in the work load given the time restrictions. Council President Harrell will chair those meetings relating to the street vacation petition for SODO arena; and Councilmember Juarez will chair those meetings dealing with the potential redevelopment at KeyArena.
- 3. What is the relationship between the KeyArena Redevelopment and SODO Arena efforts?** The Request for Proposals (RFP) makes clear that “Any party presenting a proposal for the redevelopment of KeyArena should be aware of the Memorandum of Understanding Seattle Sports and Entertainment Facility (“MOU”) between the City of Seattle, King County and WSA Properties III (“ArenaCo”), including the provisions related to the use of KeyArena. The MOU remains in effect until December 3, 2017. The City remains fully committed to the terms of the MOU, and is supportive of ArenaCo’s efforts to return NBA basketball and attract NHL hockey to Seattle. However, the City must also consider the future of KeyArena, which is a City property that is part of an important City-owned campus, and make contingency plans for its future.”

- 4. Can there be two new civic arenas, or is the City limited to choosing only one arena?** There could conceivably be two arenas. A major consideration would include whether each proposed arena is profitable enough to justify making initial capital investments and covering all ongoing operating and maintenance costs.

KEYARENA

- 5. Who owns KeyArena?** The City of Seattle.
- 6. Why do we still call it KeyArena when KeyBank is no longer paying for naming rights?** The name remains because it would cost the City to change the name, e.g., remove signage, change branding, etc. KeyBank paid \$750,000 a year for naming rights under a 15-year naming rights agreement that began in 1995. KeyBank did not renew the agreement upon expiration in 2010. Seattle Center has not negotiated a new naming rights agreement.
- 7. Does KeyArena have landmark status?** Neither KeyArena nor any of the buildings located within the KeyArena Redevelopment Site have been granted landmark status. However, Seattle Center expects to submit nominations for landmark status by April 2017 for KeyArena and eligible buildings (50 years or older).
- 8. Who determines whether a building receives landmark status?** The Landmark Preservation Board, based on criteria outlined in Seattle Municipal Code [25.12.350](#).
- 9. Can any building with landmark status be remodeled or redeveloped?** Yes, buildings with landmark status can be remodeled or redeveloped to the extent that such activities are allowed under a "Controls & Incentives Agreement."
- 10. Who determines which restrictions to include in a Controls & Incentives Agreement?** The Controls & Incentives Agreement governs whether and how a building with landmark status can be remodeled or redeveloped. The Landmarks Preservation Board and the property owner/developer negotiate a Controls & Incentives Agreement after the building is granted landmark status and after the owner/developer plans for the building are known. The Board then makes a recommendation to the City Council, which then approves or rejects Controls & Incentives Agreement.

SODO ARENA

- 11. What is the status of the SODO arena development agreement?** The City, King County, and WSA Properties III (aka “ArenaCo” and “the Hansen Group”) are parties to a five-year agreement. The 2012 agreement remains in effect through December 3, 2017. The Council has received two letters from Mr. Hansen indicating ArenaCo’s interest in changing the terms of the agreement (i.e., release the City from financing obligations in exchange for relief from certain tax obligations). However, the parties have not mutually agreed to end, amend or replace the existing agreement. Thus, the City fully intends to carry out all obligations under the 2012 agreement.
- 12. Who would own the SODO Arena?** WSA Properties III currently owns the development site for the future SODO arena. The 2012 agreement between the City, County, and WSA Properties III provides that the City would own both the land and the improvements once the facility is constructed. The City would then lease the land and improvements back to WSA Properties III for its exclusive use. If WSA builds an arena outside of the terms of the agreement, then they would own that arena.
- 13. Didn't the City Council already act on a proposed SODO street vacation petition?** Yes, in 2016 via rejection of Clerk File [312905](#). However, WSA Properties LLC submitted a new street vacation petition for the same project in January 2017, as permitted under state law.
- 14. When will the City Council act on the new SODO street vacation petition?** Like all street vacation petitions, the Council cannot begin its review until after the Seattle Department of Transportation and the City’s Design Commission’s recommendations are received. It is not yet known when these recommendations will reach Council.