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10/8/2012

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Sponsor: McDermott

Proposed No.: 2012-0388

1 **AMENDMENT TO PROPOSED ORDINANCE 2012-0388, VERSION 1**

2 Delete Attachment A and insert Attachment A, Interlocal Agreement Arena
3 Development, Financing, Acquisition and Operation, dated October 8, 2012

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5 Delete Attachment B and insert Attachment B, Memorandum of Understanding Seattle
6 Sports and Entertainment Facility, dated October 8, 2012

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9 **EFFECT: Replaces Attachment A (interlocal agreement) and Attachment B**
10 **(memorandum of understanding) with new attachments, dated October 8, 2012. The**
11 **new agreements make the following changes as compared to the agreements passed**
12 **by the Seattle City Council:**

- 13 1. **SODO Transportation Infrastructure Fund Priorities: Clarifies that the**
14 **SODO Transportation Infrastructure Fund will give first priority to projects**
15 **protecting Port of Seattle operations and freight mobility, including projects**
16 **that improve pedestrian safety, enhance transit service and connectivity, and**
17 **overall traffic management in the SODO area.**

18 **2. Projects to Compete for Federal and State Funds: Adds requirement that**
19 **federal and state funding requests made through existing Puget Sound**
20 **Regional Council (PSRC) processes shall compete with other projects in**
21 **accordance with existing PSRC criteria and procedures. Requests for**
22 **competitively awarded federal and state funding made outside the PSRC**
23 **process shall follow appropriate competitive processes and give consideration**
24 **to previously identified regional transportation improvement needs.**

25 **3. Decision-making Related to Put and Call Options: Establishes a specific**
26 **dispute resolution process between the City and County related to the Put**
27 **and Call options.**

- 28 • **The City and County shall agree in writing on decisions related to the**
29 **Put and Call options.**
- 30 • **If the City and County do not reach agreement at the end of the**
31 **Arena Use Agreement, then within 30 calendar days, they would seek**
32 **to resolve the dispute informally.**
- 33 • **If informal meetings and communications do not resolve the dispute,**
34 **then either party would have 10 calendar days to submit the dispute**
35 **to mediation.**
- 36 • **Once submitted to mediation, the parties would have 30 calendar days**
37 **to mediate the dispute.**
- 38 • **If the dispute remains unresolved after mediation, then either party**
39 **would have 10 calendars days to submit the dispute to binding**
40 **arbitration. The arbitrator may consider the relative financial**

41 participation of the parties and would make a final and binding
42 decision regarding the dispute within 60 calendar days after
43 submission.

44 • The total process amounts to a total of 140 days after the end of the
45 term.

46 • Deadlines may only be extended if both parties agree in writing to a
47 different set of deadlines.

48 4. Clarifying City-County Roles in Economic Impact Analysis: Returns the cost
49 cap for the Analysis from \$150,000 to \$200,000 as previously approved by the
50 County Council. Clarifies that the City shall enter into a contract with the
51 consultant with the County identified as a third-party beneficiary. Requires
52 that the Consultant not act as an advocate for or be retained by ArenaCo or
53 other entities with regard to any of the issues that are addressed in the
54 analysis until after the City has acquired the project site from ArenaCo. Note
55 that the dispute resolution process generally required for the City and
56 County in the management of the project and the Arena would not apply to
57 the economic impact analysis. The City and County must agree on all
58 decisions related to the analysis.

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60 Governance in NBA-only scenario: Changes the County's single representative on
61 the advisory board in the case of a NBA-only Scenario from an appointee of the
62 County Council to the County's Chief Administrative Officer or designee.

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64 **Note that a more technical change is also proposed in the interlocal agreement to**
65 **clarify the language regarding allocation of arena revenues.**

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