

Ordinance No. 119734

Council Bill No. 112982

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

CF No. _____

Date Introduced:	OCT 25 1998	
Date 1st Referred:	OCT 25 1998	To: (committee) CULTURE, ARTS & PARKS
Date Re - Referred:		To: (committee)
Date Re - Referred:		To: (committee)
Date of Final Passage:	11-1-99	Full Council Vote: 8-0
Date Presented to Mayor:	11-2-99	Date Approved: 11/4/99
Date Returned to City Clerk:	11/5/99	Date Published: 2 pp. T.O. <input checked="" type="checkbox"/> F.T. <input type="checkbox"/>
Date Vetoes by Mayor:		Date Veto Published:
Date Passed Over Veto:		Veto Sustained:

The City of Seattle - Legislative Department
Council Bill/Ordinance sponsored by: _____

Committee Action

pass 25 amended 30 10/1
11-1-99 Full Council: Pass

This file is complete and ready for presentation to Full Council

Law Department

Law Dept. Review

OMP
Review

City Clerk
Review

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: LIGATA

Councilmember

Committee Action:

(E/D) pass as amended 3-0 10/27/99 *(E/D)*
11-1-99 Full Council: Passed As Amended 8-0

This file is complete and ready for presentation to Full Council. Committee: _____
(Initial/Date)

Law Department

Law Dept. Review

OMP
Review

(V)
City Clerk
Review

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10/28/99
V #2

ORDINANCE 119734

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Seattle Center Director and recommended by the Mayor, said Director is hereby authorized to execute, for and on behalf of The City of Seattle, an amendment to the Agreement with the Seattle Thunderbirds Hockey Club, Inc. substantially in the form of agreement attached hereto and identified as "FIRST AMENDMENT OF AGREEMENT BETWEEN THE CITY OF SEATTLE AND SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. REGARDING SEATTLE CENTER FACILITY USE" under which the term of said Agreement is extended for two additional years, under certain terms and conditions, including an increase in certain fees for the two additional years, all as specified in the attached Agreement, for purposes related to the presentation of ice hockey games.

Section 2. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

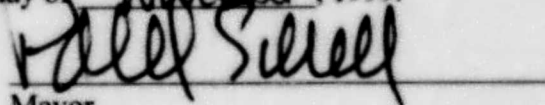
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1 Section 3. This ordinance shall take effect and be in force thirty (30) days from and
2 after its approval by the Mayor, but if not approved and returned by the Mayor within ten
3 (10) days after presentation, it shall take effect as provided by Municipal Code Section
4 1.04.020.

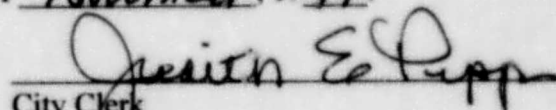
5 Passed by the City Council the 1st day of November, 1999, and signed by
6 me in open session in authentication of its passage this 1st day of November,
7 1999.

8
9 
10 President of the City Council

11 Approved by me this 4th day of November, 1999.

12 
13 Mayor

14 Filed by me this 5th day of November, 1999.

15 
16 City Clerk

17 (SEAL)

18 Attachment

19 "FIRST AMENDMENT OF AGREEMENT BETWEEN THE CITY OF SEATTLE AND
20 SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. REGARDING SEATTLE CENTER
21 FACILITY USE"
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NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE
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**FIRST AMENDMENT OF AGREEMENT BETWEEN
THE CITY OF SEATTLE
AND
SEATTLE THUNDERBIRDS HOCKEY CLUB, INC.
REGARDING SEATTLE CENTER FACILITY USE**

This first amendatory agreement is entered into by and between THE CITY OF SEATTLE (hereinafter referred to as "CITY"), a municipal corporation of the State of Washington, acting by and through its Seattle Center Department and the Director thereof (hereinafter referred to as "Department" and "Director", respectively), and SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. (hereinafter referred to as "LICENSEE"), a for-profit corporation organized and existing under the laws of the State of Washington.

On or about October 1, 1997, pursuant to Ordinance 118733, CITY entered into an Agreement with LICENSEE regarding the use and occupancy of Seattle Center facilities in connection with the playing of ice hockey games (hereinafter referred to as the "Agreement");

The CITY and the LICENSEE desire to amend the terms of the Agreement to extend the term for two additional years, to increase the License Fees for the extended term, and to make other miscellaneous changes;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree to amend the Agreement as follows:

I. **AMENDMENT OF SECTION II:** Section II of the Agreement is amended to read as follows:

TERM OF AGREEMENT; ONE-YEAR NOTICE REQUIREMENT; OPTION TO EXTEND

A. Term:

The Term of this Agreement shall commence July 1, 1997, and expire June 30, 2002, unless terminated earlier pursuant to the provisions hereof, or extended for one additional year as provided below.

B. One-year Notice Requirement if Either CITY or LICENSEE Does Not Intend to Continue a License Agreement:

If either party does not intend to continue a License Agreement between CITY and LICENSEE beyond June 30, 2002, said party is required to provide

notice to the other party by June 30, 2001. If no such notice is provided, the parties shall commence to negotiate a License Agreement for the period beginning July 1, 2002 for such terms and conditions as are mutually agreed to and authorized by CITY and LICENSEE. If the parties do not reach agreement on such terms and conditions, this Agreement shall extend for one additional year, until June 30, 2003, under the existing terms and conditions, provided that for the period July 1, 2002 to June 30, 2003 the Minimum License Fee for thirty-six (36) regular season Home Games and the first two (2) play-off Home Games shall increase by the CPI in accordance with Section IX. C. of this Agreement, and further provided that LICENSEE has cured any breach that has occurred before June 30, 2002.

II. AMENDMENT OF SECTION III: Section III of the Agreement is amended to read as follows:

A. Selection of Pre- & Regular Season KeyArena Use Dates:

1. Each year by February 15, the Director shall provide LICENSEE with a list of each potential date, the total number of such dates to be not less than Fifty-One (51), occurring between September 24th and the next succeeding March 31st on which a regular season Home Game could be presented in the KeyArena. At least one-third of these dates (not less than 17) shall be either a Friday or a Saturday, including Saturdays shared with the SuperSonics, and not less than eight of these Fridays and Saturdays shall fall during the months of January, February and March. The Director shall also provide LICENSEE with a calendar showing all potential game dates offered to the SuperSonics, and showing which other dates between September 24th and the next succeeding March 31 are either contractually committed or tentatively held for other events.

2. All dates during the WHL regular season offered to, but not used by, the SuperSonics as game dates shall become available to LICENSEE for scheduling of Home Games.

3. At the earliest possible date, and no later than seven (7) days after the official release of the SuperSonics schedule, LICENSEE shall provide written notice to the Director regarding each potential regular season Home Game date listed by the Director pursuant to Subsection III.A.1 hereof, or subsequently made available to LICENSEE, that has been selected by the WHL as a Home Game date.

4. Upon receipt of such notice, the Director shall confirm each such WHL-selected date by written endorsement notice to LICENSEE, and all dates not selected by the WHL for regular season Home Games shall become available for use by other parties.

B. Scheduling of Playoff and Championship Games in KeyArena:

From the date that Director confirms the regular season Home Game dates for the upcoming season pursuant to Subsection III.A.4 hereof, the Director shall hold dates in KeyArena for potential play-off Home Games for that season, as follows:

1. For dates between the end of the WHL regular season and the end of the NBA regular season, Director shall hold dates for potential play-off Home Games unless such dates are: (a) scheduled for a SuperSonics regular season home game, or (b) contractually committed, or tentatively held for another event, provided that:

- for the first three weekends (weekends here meaning Friday, Saturday, and Sunday) after the conclusion of the WHL regular season, Director shall hold the Friday and Saturday of each weekend for potential play-off Home Games, unless such dates are not available due to the scheduling of a SuperSonics regular season game or games; and if in any weekend the Friday and/or Saturday is not available, the Director shall hold the Sunday, unless such date is not available due to the scheduling of a SuperSonics regular season game.
- within any consecutive seven-day time period, no fewer than four (4) days will be made available for play-off Home Games, unless the SuperSonics are scheduled to play four (4) regular season games in one week.

2. For dates after the conclusion of the NBA regular season, LICENSEE shall have the first right, for the purpose of scheduling a play-off Home Game, for any play-off date being held for the SuperSonics and subsequently not used for a SuperSonics home play-off game. The Director shall make available to LICENSEE a copy of the official NBA playoff scheduling memorandum.

3. The Director shall schedule and reserve the KeyArena for a play-off Home Game and confirm such date by written endorsement notice to LICENSEE if, and only if, the WHL schedules the Seattle Team for such a play-off Home Game and LICENSEE gives notice to Director of the dates of such play-off Home Games.

C. Scheduling Use of KeyArena for Other than a Home Game:

LICENSEE may request the Director to schedule and reserve use of the KeyArena each hockey season for one (1) Seattle Team-related event other than a Home Game (such as a season ticket holder's reception or other promotional event) to occur on a day between September 24, and the next succeeding March 31. No admission fee shall be charged for such an event without the prior approval of the Director. The Director shall schedule and reserve the KeyArena for such use and confirm such LICENSEE-selected day by written endorsement notice to LICENSEE if and only if:

1. The KeyArena is not being tentatively held, and has not been scheduled and reserved or contractually committed, for use on such day by a third party; and
2. CITY has not planned to use the KeyArena, itself, or to perform maintenance, repair or improvement work therein, and the Director is willing and able to reschedule such CITY use, maintenance, repair or improvement work to a different date; and
3. In the opinion of the Director, the KeyArena not only can be converted from the use configuration required by the immediately preceding user into the configuration and by the time desired by LICENSEE, but also can be reconverted from LICENSEE's desired configuration into the next succeeding user's desired configuration by such succeeding user's time deadline for such action.

III. **AMENDMENT OF SUBSECTION IV.A.I.:** Subsection IV.A.I. of the Agreement is amended to read as follows:

A. Premises Licensed for Use and Occupancy By LICENSEE:

CITY hereby grants to LICENSEE the right and license to use and to authorize others to use solely for and in connection with the presentation of a Home Game, or a Seattle Team-related event other than a Home Game pursuant to Subsection III.C, in the Seattle Center facilities and spaces specified in this Subsection IV.A and made available to LICENSEE for use in common with others under Subsection IV.C, hereof, in consideration of LICENSEE's providing of the

compensation specified in Section IX, hereof, and compliance with all other applicable terms and conditions of this Agreement:

1. Full Time Use of KeyArena Dressing, Training, Office & Ticket Sales Facilities:

The Northeast Dressing, Training & Office Rooms as follows: Rooms E28A, E28B, E28C, E28E, E28F, E28G, E29A, E29B, E29C, E29D, E29E, E30B, Storage Closet E05C, Media Lounge Closets L14C, L14D and L14E, and the northernmost ticket sales booth and the office area immediately adjacent thereto (all as shown on attached Exhibit "B") at all times through the expiration or earlier termination of the Term of this Agreement; provided that if CITY were successful in securing any Olympic Committee events for KeyArena during LICENSEE's off-season, LICENSEE, upon reasonable notice from CITY, shall move out of certain exclusive spaces for the duration of the event, provided that the spaces to be vacated and the time period for said vacation of space shall be mutually agreed upon by LICENSEE and CITY, and CITY shall pay for LICENSEE'S actual costs for moving out and back in to said spaces;

IV. AMENDMENT OF SUBSECTION VII.E.: Subsection VII.E. of the Agreement is amended to read as follows:

E. Title Sponsor's Identification in KeyArena:

Notwithstanding anything to the contrary in this Section VII, the "title sponsor" for the KeyArena shall be entitled to display such title sponsor's own advertisement or display on the Zamboni, provided that the location of such advertisement or display is mutually agreed to by CITY and LICENSEE, and to use approximately ten (10) square feet of display space in the center of the ice floor for such title sponsor's own advertisement or display without the payment by CITY or any other person or entity of any sum of money to LICENSEE, and CITY reserves for itself and SSI, the right to grant such title sponsor the right to such display opportunities.

V. AMENDMENT OF SUBSECTION IX.A.1: Subsection IX.A.1. of the Agreement is amended to read as follows:

A. Compensation to be Provided:

In consideration of the Premises license as granted in Section IV, hereof, and CITY's providing to LICENSEE various services as described herein,

LICENSEE shall remit to CITY, without deduction or offset of any kind or nature whatsoever, the following:

1. License Fee for Facility Use:

a. For thirty-six (36) regular season Home Games and the first two (2) play-off Home Games:

Ten Percent (10%) of the first One Million Dollars (\$1,000,000), after City Admissions Tax is deducted, of Gross Ticket Revenue;

Fifteen Percent (15%) of Gross Ticket Revenue in excess of One Million Dollars (\$1,000,000), after City Admissions Tax is deducted;

Provided that the minimum License Fee for Facility Use for thirty-six (36) regular season Home Games and the first (2) play-off Home Games in any season shall be Two Hundred Seventy-Five Thousand Dollars (\$275,000), provided that beginning with the 2000-2001 season, the minimum License Fee shall be Two Hundred and Ninety Thousand Dollars (\$290,000).

b. For each play-off Home Game after the first two (2) and for each pre-season Home Game:

a fixed per-game License Fee of Twelve Thousand Dollars (\$12,000.00), increasing to Thirteen Thousand Dollars (\$13,000.00) beginning with the 2000-2001 season.

c. For a non-Home-Game KeyArena use pursuant to Subsection III.C hereof, a License Fee equal to the aggregate actual costs incurred by CITY for facilitating and permitting the same to occur, as reasonably determined by the Director.

d. If the number of regular season Home Games changes to something other than thirty-six (36) during the term of this Agreement, CITY and LICENSEE shall negotiate terms and conditions to reflect such a change in the number of regular season Home Games.

e. If the occasion arises for a Seattle Team Home Game to be held in the Mercer Arena during the term of this Agreement, CITY and LICENSEE shall negotiate terms and conditions for the playing of any such Home Game(s) in the Mercer Arena.

VI. AMENDMENT OF SUBSECTION IX.B.1. AND IX.B.2.: Subsections IX.B.1. and IX.B.2. of the Agreement are amended to read as follows:

1. Minimum License Fee -- For each season during the term of this Agreement, the minimum License Fee for Facility Use shall be paid in four (4) equal installments due on or before the following dates:

Installment 1 -- November 15 for the season beginning in that year

Installment 2 -- December 30 for the season beginning in that year

Installment 3 -- February 15 for the season ending in that year

Installment 4 -- March 30 for the season ending in that year.

2. Percentage of Gross Ticket Revenue Above Minimum License Fee -- Additional License Fee for Facility Use above the Minimum License Fee, pursuant to Subsection IX.A.1, shall be due on or before the fifteenth (15th) day of the month for the preceding month.

VII. ADDITION OF NEW SUBSECTION IX.C.: There is added to Section IX a new Subsection IX.C.:

C. CPI Increase for License Fee:

If this Agreement is extended pursuant to Section II, the minimum License Fee pursuant to Subsection IX.A.1. shall be increased effective **July 1, 2002** for the extended term of the Agreement as follows: the minimum License Fee shall be increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers ("CPI-U" / 1982-84 = 100) Seattle-Tacoma-Bremerton, WA Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor, that occurred during the immediately preceding calendar year; provided, that in the event of a change in the index base of (1982-84 = 100) or other modification of such index, the City shall apply whatever conversion factors are necessary to establish an adjusted CPI-U that produces the percentage increase in the CPI-U for each such annual period that would have been produced had no change been made in such index by its publisher; and in the event such index is discontinued, the Director shall select and use for such license fee adjustment purpose a similar index that reflects consumer price changes.



VIII. RENUMBERING OF SUBSECTION IX.C.: Subsection IX.C. is renumbered to Subsection IX.D.

IX. AMENDMENT OF SECTION XXIV: Section XXIV of the Agreement is amended to read as follows:

Any notice or communication to be given by one party to the other under this Agreement must be in writing. Such notices or communications shall be delivered or sent to the following respective addresses or to such other addresses as the parties, from time to time, may specify in writing:

If to CITY:

Seattle Center Director
Seattle Center Department
The City of Seattle
305 Harrison Street
Seattle, WA 98109

If to LICENSEE:

Russ Farwell, General Manager
SEATTLE THUNDERBIRDS HOCKEY CLUB, INC.
1813 - 130th Avenue NE, Suite 210
Bellevue, WA 98005

X. UNAMENDED PROVISIONS OF AGREEMENT REMAIN IN EFFECT:
All provisions of the Agreement between the parties hereto shall remain in full force and effect except as specifically modified herein.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by having their authorized representatives affix their signatures in the spaces below:

**SEATTLE THUNDERBIRDS
HOCKEY CLUB, INC.**

By: _____
W. H. YUILL
Owner and President

By: _____
RUSS FARWELL
General Manager

THE CITY OF SEATTLE

By: _____
VIRGINIA ANDERSON
Seattle Center Director

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PROVINCE OF

)
) ss. (LICENSEE'S ACKNOWLEDGMENT)
)

On this ____ day of _____, 1999, before me personally appeared W. H. Yuill, to me known to be the Owner and President of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument for said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the _____, residing at _____.
My appointment expires _____.

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STATE OF WASHINGTON)

COUNTY OF KING)

) ss. (LICENSEE'S ACKNOWLEDGMENT)

On this ____ day of _____, 1999, before me personally appeared Russ Farwell, to me known to be the General Manager of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument for said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at _____. My appointment expires _____.

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STATE OF WASHINGTON)

COUNTY OF KING)

ss: (CITY'S ACKNOWLEDGMENT)

On this ____ day of _____, 1999, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the Seattle Center Director, who executed the foregoing instrument, and acknowledge said instrument to be the free and voluntary act and deed of The City of Seattle, for the uses and purposes herein mentioned, and on oath stated that she is authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at _____. My appointment expires _____.

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October 19, 1999

The Honorable Sue Donaldson, President
Seattle City Council
1100 Municipal Building
Seattle, Washington 98104

Via: Mayor's Office

Attention: Dwight Dively, Director, Executive Services Department

Subject: TWO-YEAR EXTENSION TO FACILITY USE AGREEMENT
WITH THE SEATTLE THUNDERBIRDS HOCKEY CLUB

Dear Councilmember Donaldson:

The attached legislation authorizes an amendment to our current agreement with the Seattle Thunderbirds Hockey Club for the use of KeyArena. We are currently in the third year of a three-year agreement with the Thunderbirds. The proposed amendment does the following:

- extends the term of the agreement for two years, through the 2001-02 season;
- includes a one-year notice requirement if either party does not intend to continue after the 2001-02 season;
- increases the minimum license fee from \$275,000 to \$290,000;
- increases the license fee for additional play-off games from \$12,000 to \$13,000.

Background

The Seattle Thunderbirds Hockey Club is a Junior Hockey team, comprised of 16 to 20 year-olds. They play in the Western Hockey League (WHL), one of three leagues that make up the Canadian Junior Hockey Association. The top players in junior hockey get drafted into the National Hockey League. Junior hockey players do not get paid, but the league provides one year of college tuition for each year played. Most of the players are from Canada, and they stay with local families during the season and attend school.

The Thunderbirds have been a Seattle Center tenant since 1985. The current ownership has been in place since 1991. The Thunderbirds originally played all their games in the Mercer Arena. Beginning in the

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The Honorable Sue Donaldson
October 19, 1999
Page 2

1989-90 season, they began playing Friday and Saturday games in the Coliseum and weekday and Sunday games in Mercer Arena. Since the KeyArena opened in the fall of 1995, the Thunderbirds have played all their games in KeyArena. The Thunderbirds season begins in the fall and ends in the spring. Last season (1998-99), the Thunderbirds averaged 4,000 per game in paid attendance.

While the Thunderbirds are a minor league, non-professional team, they are an important tenant at Seattle Center, providing the following benefits to the City:

- 36 guaranteed dates in KeyArena, or nearly 30% of our 125 event guaranty to suiteholders;
- variety in sporting events at KeyArena, which adds value to KeyArena suites, to help support the \$4.2 million in annual City suite revenue;
- an affordable sports option for families and individuals (tickets \$8 to \$20);
- on average from \$50,000 to \$100,000 in net revenue to support Seattle Center operations, not including parking revenue;
- \$100,000 in admission tax revenue for the City's General Fund.

In addition, this year the Thunderbirds are partners in a year-long fundraising effort sponsored by Microsoft to raise \$1,000,000 for Ronald McDonald House.

Current Agreement

The basic terms of our agreement with the Thunderbirds are as follows:

- Seattle Center receives 10% of first \$1,000,000 in gross ticket revenue and 15% above \$1,000,000 (less admissions tax).
- The Thunderbirds pay a minimum licensee fee of \$275,000 (increasing to \$290,000 in the proposed amendment) for 36 regular season games and the first two home play-off games.
- Seattle Center keeps the first \$300,000 in food and beverage concession revenue for the regular season and the first two home play-off games. Concession revenue in excess of \$300,000 is split 50/50.
- As the Thunderbirds advance in the play-offs, the City shares in their success. After the first two play-off games, the per game license fee is \$12,000 (increasing to \$13,000 in the proposed amendment), and concession revenue is split 90% City / 10% Thunderbirds.

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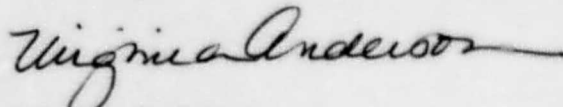
The Honorable Sue Donaldson
October 19, 1999
Page 3

In the first two years of the current agreement, Seattle Center's net revenue from the Thunderbirds was approximately \$69,000 and \$80,000 respectively (not including parking revenue). Thunderbirds attendance has declined in each of the past two seasons, yet Seattle Center has done better than projected in part by working with the Thunderbirds to reduce our expenses.

The Thunderbirds have been improving on the ice, and we are optimistic that this season they will reverse the recent pattern of declining attendance. The Thunderbirds were the top-rated team in the WHL going into this season. To help the Thunderbirds build their audience, Seattle Center is working on several joint marketing efforts with the Thunderbirds, including activities in Center House, player appearances at the Winterfest Ice Rink, and co-promotion activities with University of Washington basketball, which shares several home dates with the Thunderbirds this year in KeyArena.

We believe that Thunderbirds hockey is an important part of the event mix in KeyArena and at Seattle Center. We look forward to continuing our long-standing relationship with the Thunderbirds and recommend your approval of the proposed amendment to extend our current agreement. If you would like any additional information regarding this legislation, please call Ned Dunn at 684-7212.

Sincerely,



Virginia Anderson

Attachments

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**Fiscal Note – Extension of Facility Use Agreement with the Seattle
Thunderbirds Hockey Club**

Department: Seattle Center	Contact Person/Phone: Ned Dunn 4-7212	CBO Analyst/Phone: Donnie Grabowski 3-2603
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Legislation Title:

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

Summary of the Legislation:

The attached legislation authorizes an amendment to Seattle Center's current agreement with the Seattle Thunderbirds Hockey Club for the use of KeyArena. Seattle Center is currently in the third year of a three-year agreement with the Thunderbirds. The proposed amendment does the following:

- extends the term of the agreement for two years, through the 2001-02 season;
- includes a one-year notice requirement if either party does not intend to continue after the 2001-02 season;
- increases the minimum license fee from \$275,000 to \$290,000;
- increases the license fee for additional play-off games from \$12,000 to \$13,000.

**Background (Include justification for the legislation
and any funding history, if applicable):**

The Seattle Thunderbirds Hockey Club is a Junior Hockey team, comprised of 16 to 20 year-olds. They play in the Western Hockey League (WHL), one of three leagues that make up the Canadian Junior Hockey Association. The top players in junior hockey get drafted into the National Hockey League. Junior hockey players do not get paid, but the league provides one year of college tuition for each year played. Most of the players are from Canada, and they stay with local families during the season and attend school.

The Thunderbirds have been a Seattle Center tenant since 1985. The current ownership has been in place since 1991. The Thunderbirds originally played all their games in the Mercer Arena. Later they played Friday and Saturday games in the Coliseum. They now play all their games in KeyArena. In the most recent season, the Thunderbirds averaged 4,000 per game in paid attendance.

While the Thunderbirds are a minor league, non-professional team, they are an important tenant at Seattle Center, providing the following benefits to the City:

- 36 guaranteed dates in KeyArena, or nearly 30% of the 125-event guaranty to suiteholders;
- variety in sporting events at KeyArena, which adds value to KeyArena suites, to help support \$4 million in annual City suite revenue;
- an affordable sports option for families and individuals (tickets \$8 to \$20);
- on average from \$50,000 to \$100,000 in net revenue to support Seattle Center operations, not including parking revenue;
- \$100,000 in admission tax revenue for the City's General Fund.

In addition, this year the Thunderbirds are partners in a year-long fundraising effort sponsored by Microsoft to raise \$1,000,000 for Ronald McDonald House.

Current Agreement

The basic terms of the City's current agreement with the Thunderbirds are as follows:

- The City receives 10% of first \$1,000,000 in gross ticket revenue and 15% above \$1,000,000 (less admissions tax).
- The Thunderbirds pay a minimum licensee fee of \$275,000 (increasing to \$290,000 in the proposed amendment) for 36 regular season games and the first two home play-off games.
- The City keeps the first \$300,000 in food and beverage concession revenue for the regular season and the first two home play-off games. Concession revenue in excess of \$300,000 is split 50/50.
- As the Thunderbirds advance in the play-offs, the City shares in their success. After the first two play-off games, the per game license fee is \$12,000 (increasing to \$13,000 in the proposed amendment), and concession revenue is split 90% City / 10% Thunderbirds.

In the first two years of the current agreement, Seattle Center's net revenue from the Thunderbirds was \$69,000 and \$78,000 respectively (not including parking revenue). Thunderbirds attendance has declined in each of the past two seasons, yet Seattle Center has done better than projected in part by working with the Thunderbirds to reduce our expenses.

Sustainability Issues (related to grant awards): N/A

Estimated Expenditure Impacts: None



Estimated Revenue Impacts:

FUND	1998	1999	2000
Seattle Center Operating Fund	\$69,000	\$80,000	\$90,000

One-time \$

On-going \$50,000 to \$100,000 annually

With the potential to exceed \$100,000, during some or all of the next three seasons, if the Thunderbirds continue their improvement on the ice and increase attendance. Listed below is a financial summary of the last two seasons and a projection for the 1999-2000 season:

	1997-98	1998-99	1999-00 Projected
Revenues			
Licensee Fees	\$275,000	\$275,000	\$275,000
Concessions	\$289,761	\$297,592	\$299,827
Reimbursable Expenses	\$8,007	\$7,438	\$11,642
Play-off Licensee Fees	0	\$36,000	0
Total Revenue	\$572,768	\$616,030	\$586,469
Total Expenses (1)	\$504,027	\$536,500	\$496,240
Total Net Revenue	\$68,741	\$79,530	\$90,230

(1) Expenses are primarily admissions staff at the event and laborers for post-game clean-up and building turnover.

Estimated FTE Impacts: None

Do positions sunset in the future? If so, when? N/A

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Other issues (including long-term implications of the legislation):

As noted above, the Thunderbirds are an important part of the KeyArena financial picture by providing:

- 36 guaranteed dates in KeyArena, or nearly 30% of the 125-event guaranty to suiteholders;
- variety in sporting events at KeyArena, which adds value to KeyArena suites, to help support the \$4.2 million in annual City suite revenue;
- on average from \$50,000 to \$100,000 in net revenue to support Seattle Center operations, not including parking revenue;
- \$100,000 in admission tax revenue for the City's General Fund.

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*Mich's
floor
amend*

**FIRST AMENDMENT OF AGREEMENT BETWEEN
THE CITY OF SEATTLE
AND
SEATTLE THUNDERBIRDS HOCKEY CLUB, INC.
REGARDING SEATTLE CENTER FACILITY USE**

This first amendatory agreement is entered into by and between THE CITY OF SEATTLE (hereinafter referred to as "CITY"), a municipal corporation of the State of Washington, acting by and through its Seattle Center Department and the Director thereof (hereinafter referred to as "Department" and "Director", respectively), and SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. (hereinafter referred to as "LICENSEE"), a for-profit corporation organized and existing under the laws of the State of Washington.

On or about October 1, 1997, pursuant to Ordinance 118733, CITY entered into an Agreement with LICENSEE regarding the use and occupancy of Seattle Center facilities in connection with the playing of ice hockey games (hereinafter referred to as the "Agreement");

The CITY and the LICENSEE desire to amend the terms of the Agreement to extend the term for two additional years, to increase the License Fees for the extended term, and to make other miscellaneous changes;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree to amend the Agreement as follows:

I. **AMENDMENT OF SECTION II:** Section II of the Agreement is amended to read as follows:

TERM OF AGREEMENT; ONE-YEAR NOTICE REQUIREMENT; OPTION TO EXTEND

A. Term:

The Term of this Agreement shall commence July 1, 1997, and expire June 30, 2002, unless terminated earlier pursuant to the provisions hereof, or extended for one additional year as provided below.

B. One-year Notice Requirement if Either CITY or LICENSEE Does Not Intend to Continue a License Agreement:

If either party does not intend to continue a License Agreement between CITY and LICENSEE beyond June 30, 2002, said party is required to provide

notice to the other party by June 30, 2001. If no such notice is provided, the parties shall commence to negotiate a Licensee Agreement for the period beginning July 1, 2002 for such terms and conditions as are mutually agreed to and authorized by CITY and LICENSEE. If the parties do not reach agreement on such terms and conditions, ~~LICENSEE may exercise the option to extend this Agreement shall extend~~ for one additional year, until June 30, 2003, under the existing terms and conditions ~~as provided in Subsection C below and~~, provided that for the period July 1, 2002 to June 30, 2003 the Minimum License Fee for thirty-six (36) regular season Home Games and the first two (2) play-off Home Games shall increase by the CPI in accordance with Section IX. C. of this Agreement, and further provided that LICENSEE has cured any breach that has occurred before June 30, 2002.

C. Option to Extend:

~~The LICENSEE shall have the right to extend this License agreement for one (1) additional one (1) year period ending June 30, 2003, on the same terms and conditions ("Extended Term"), provided that a party has not provided Notice of Intent Not to Extend pursuant to Subsection B. above. LICENSEE shall exercise such option by giving written notice by June 30, 2002 to the Director of such exercise, or shall be deemed to have foregone such option. Notwithstanding any other provision hereof, LICENSEE shall have no authority to exercise such option, and any purported exercise of such option shall be void and of no effect, if LICENSEE fails to cure any breach that occurred prior to the commencement of such Extended Term.~~

II. AMENDMENT OF SECTION III: Section III of the Agreement is amended to read as follows:

A. Selection of Pre- & Regular Season KeyArena Use Dates:

1. Each year by February 15, the Director shall provide LICENSEE with a list of each potential date, the total number of such dates to be not less than Fifty-One (51), occurring between September 24th and the next succeeding March 31st on which a regular season Home Game could be presented in the KeyArena. At least one-third of these dates (not less than 17) shall be either a Friday or a Saturday, including Saturdays shared with the SuperSonics, and not less than eight of these Fridays and Saturdays shall fall during the months of January, February and March. The Director shall also provide LICENSEE with a calendar showing all potential game dates offered to the SuperSonics, and showing which other dates between September 24th and

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ORDINANCE _____

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Seattle Center Director and recommended by the Mayor, said Director is hereby authorized to execute, for and on behalf of The City of Seattle, an amendment to the Agreement with the Seattle Thunderbirds Hockey Club, Inc. substantially in the form of agreement attached hereto or with such additions, modifications or deletions as the Mayor or said Director deems to be in the best interest of the City and identified as "FIRST AMENDMENT OF AGREEMENT BETWEEN THE CITY OF SEATTLE AND SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. REGARDING SEATTLE CENTER FACILITY USE" under which the term of said Agreement is extended for two additional years, under certain terms and conditions, including an increase in certain fees for the two additional years, all as specified in the attached Agreement, for purposes related to the presentation of ice hockey games.

Section 2. Any act consistent with the authority and prior to the effective date of this ordinance is hereby ratified and confirmed.

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SC/nd
D:\DATA\TBIRDS\CONTRACT\1999\leg_docs\ORD_99.DOC
10/18/99
V #1

1 Section 3. This ordinance shall take effect and be in force thirty (30) days from and
2 after its approval by the Mayor, but if not approved and returned by the Mayor within ten
3 (10) days after presentation, it shall take effect as provided by Municipal Code Section
4 1.04.020.

5 Passed by the City Council the ____ day of _____, 1999, and signed by
6 me in open session in authentication of its passage this ____ day of _____,
7 1999.

8
9 _____
10 President of the City Council

11 Approved by me this ____ day of _____, 1999.

12
13 _____
14 Mayor

15 Filed by me this ____ day of _____, 19____.

16
17 _____
18 City Clerk

19 (SEAL)

20 Attachment

21 "FIRST AMENDMENT OF AGREEMENT BETWEEN THE CITY OF SEATTLE AND
22 SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. REGARDING SEATTLE CENTER
23 FACILITY USE"
24
25
26

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0 5 1999

CB 112982

From: Lisa Herbold
To: Margaret Carter
Date: 10/19/99 4:50PM
Subject: referral calendar

LICATA - CULTURE, ARTS & PARKS

Margaret--this ordinance is coming to us tomorrow, but Nick and I will be at the budget retreat, so we won't be able to sign the sponsorship form and put the blue jacket in the hopper. Will you put this title on the referral calendar, with the understanding that I'll get you the blue jacket first thing Thursday AM.

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

CC: Ned Dunn

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**FIRST AMENDMENT OF AGREEMENT BETWEEN
THE CITY OF SEATTLE
AND
SEATTLE THUNDERBIRDS HOCKEY CLUB, INC.
REGARDING SEATTLE CENTER FACILITY USE**

This first amendatory agreement is entered into by and between THE CITY OF SEATTLE (hereinafter referred to as "CITY"), a municipal corporation of the State of Washington, acting by and through its Seattle Center Department and the Director thereof (hereinafter referred to as "Department" and "Director", respectively), and SEATTLE THUNDERBIRDS HOCKEY CLUB, INC. (hereinafter referred to as "LICENSEE"), a for-profit corporation organized and existing under the laws of the State of Washington.

On or about October 1, 1997, pursuant to Ordinance 118733, CITY entered into an Agreement with LICENSEE regarding the use and occupancy of Seattle Center facilities in connection with the playing of ice hockey games (hereinafter referred to as the "Agreement");

The CITY and the LICENSEE desire to amend the terms of the Agreement to extend the term for two additional years, to increase the License Fees for the extended term, and to make other miscellaneous changes;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree to amend the Agreement as follows:

I. **AMENDMENT OF SECTION II:** Section II of the Agreement is amended to read as follows:

TERM OF AGREEMENT; ONE-YEAR NOTICE REQUIREMENT; OPTION TO EXTEND

A. Term:

The Term of this Agreement shall commence July 1, 1997, and expire June 30, 2002, unless terminated earlier pursuant to the provisions hereof, or extended for one additional year as provided below.

B. One-year Notice Requirement if Either CITY or LICENSEE Does Not Intend to Continue a License Agreement:

If either party does not intend to continue a License Agreement between CITY and LICENSEE beyond June 30, 2002, said party is required to provide



notice to the other party by June 30, 2001. If no such notice is provided, the parties shall commence to negotiate a Licensee Agreement for the period beginning July 1, 2002 for such terms and conditions as are mutually agreed to and authorized by CITY and LICENSEE. If the parties do not reach agreement on such terms and conditions, LICENSEE may exercise the option to extend this Agreement for one additional year, until June 30, 2003, as provided in Subsection C below and, provided that for the period July 1, 2002 to June 30, 2003 the Minimum License Fee for thirty-six (36) regular season Home Games and the first two (2) play-off Home Games shall increase by the CPI in accordance with Section IX. C. of this Agreement.

C. Option to Extend:

The LICENSEE shall have the right to extend this License agreement for one (1) additional one (1) year period ending June 30, 2003, on the same terms and conditions ("Extended Term"), provided that a party has not provided Notice of Intent Not to Extend pursuant to Subsection B. above. LICENSEE shall exercise such option by giving written notice by June 30, 2002 to the Director of such exercise, or shall be deemed to have foregone such option. Notwithstanding any other provision hereof, LICENSEE shall have no authority to exercise such option, and any purported exercise of such option shall be void and of no effect, if LICENSEE fails to cure any breach that occurred prior to the commencement of such Extended Term.

II. **AMENDMENT OF SECTION III:** Section III of the Agreement is amended to read as follows:

A. Selection of Pre- & Regular Season KeyArena Use Dates:

1. Each year by February 15, the Director shall provide LICENSEE with a list of each potential date, the total number of such dates to be not less than Fifty-One (51), occurring between September 24th and the next succeeding March 31st on which a regular season Home Game could be presented in the KeyArena. At least one-third of these dates (not less than 17) shall be either a Friday or a Saturday, including Saturdays shared with the SuperSonics, and not less than eight of these Fridays and Saturdays shall fall during the months of January, February and March. The Director shall also provide LICENSEE with a calendar showing all potential game dates offered to the SuperSonics, and showing which other dates between September 24th and the next succeeding March 31 are either contractually committed or tentatively held for other events.

2. All dates during the WHL regular season offered to, but not used by, the SuperSonics as game dates shall become available to LICENSEE for scheduling of Home Games.

3. At the earliest possible date, and no later than seven (7) days after the official release of the SuperSonics schedule, LICENSEE shall provide written notice to the Director regarding each potential regular season Home Game date listed by the Director pursuant to Subsection III.A.1 hereof, or subsequently made available to LICENSEE, that has been selected by the WHL as a Home Game date.

4. Upon receipt of such notice, the Director shall confirm each such WHL-selected date by written endorsement notice to LICENSEE, and all dates not selected by the WHL for regular season Home Games shall become available for use by other parties.

B. Scheduling of Playoff and Championship Games in KeyArena:

From the date that Director confirms the regular season Home Game dates for the upcoming season pursuant to Subsection III.A.4 hereof, the Director shall hold dates in KeyArena for potential play-off Home Games for that season, as follows:

1 For dates between the end of the WHL regular season and the end of the NBA regular season, Director shall hold dates for potential play-off Home Games unless such dates are: (a) scheduled for a SuperSonics regular season home game, or (b) contractually committed, or tentatively held for another event, provided that:

- for the first three weekends (weekends here meaning Friday, Saturday, and Sunday) after the conclusion of the WHL regular season, Director shall hold the Friday and Saturday of each weekend for potential play-off Home Games, unless such dates are not available due to the scheduling of a SuperSonics regular season game or games; and if in any weekend the Friday and/or Saturday is not available, the Director shall hold the Sunday, unless such date is not available due to the scheduling of a SuperSonics regular season game.
- within any consecutive seven-day time period, no fewer than four (4) days will be made available for play-off Home Games, unless the SuperSonics are scheduled to play four (4) regular season games in one week.



2. For dates after the conclusion of the NBA regular season, LICENSEE shall have the first right, for the purpose of scheduling a play-off Home Game, for any play-off date being held for the SuperSonics and subsequently not used for a SuperSonics home play-off game. The Director shall make available to LICENSEE a copy of the official NBA playoff scheduling memorandum.

3. The Director shall schedule and reserve the KeyArena for a play-off Home Game and confirm such date by written endorsement notice to LICENSEE if, and only if, the WHL schedules the Seattle Team for such a play-off Home Game and LICENSEE gives notice to Director of the dates of such play-off Home Games.

C. Scheduling Use of KeyArena for Other than a Home Game:

LICENSEE may request the Director to schedule and reserve use of the KeyArena each hockey season for one (1) Seattle Team-related event other than a Home Game (such as a season ticket holder's reception or other promotional event) to occur on a day between September 24, and the next succeeding March 31. No admission fee shall be charged for such an event without the prior approval of the Director. The Director shall schedule and reserve the KeyArena for such use and confirm such LICENSEE-selected day by written endorsement notice to LICENSEE if and only if:

1. The KeyArena is not being tentatively held, and has not been scheduled and reserved or contractually committed, for use on such day by a third party; and

2. CITY has not planned to use the KeyArena, itself, or to perform maintenance, repair or improvement work therein, and the Director is willing and able to reschedule such CITY use, maintenance, repair or improvement work to a different date; and

3. In the opinion of the Director, the KeyArena not only can be converted from the use configuration required by the immediately preceding user into the configuration and by the time desired by LICENSEE, but also can be reconverted from LICENSEE's desired configuration into the next succeeding user's desired configuration by such succeeding user's time deadline for such action.



III. AMENDMENT OF SUBSECTION IV.A.I.: Subsection IV.A.I. of the Agreement is amended to read as follows:

A. Premises Licensed for Use and Occupancy By LICENSEE:

CITY hereby grants to LICENSEE the right and license to use and to authorize others to use solely for and in connection with the presentation of a Home Game, or a Seattle Team-related event other than a Home Game pursuant to Subsection III.C, in the Seattle Center facilities and spaces specified in this Subsection IV.A and made available to LICENSEE for use in common with others under Subsection IV.C, hereof, in consideration of LICENSEE's providing of the compensation specified in Section IX, hereof, and compliance with all other applicable terms and conditions of this Agreement:

1. Full Time Use of KeyArena Dressing, Training, Office & Ticket Sales Facilities:

The Northeast Dressing, Training & Office Rooms as follows: Rooms E28A, E28B, E28C, E28E, E28F, E28G, E29A, E29B, E29C, E29D, E29E, E30B, Storage Closet E05C, Media Lounge Closets L14C, L14D and L14E, and the northernmost ticket sales booth and the office area immediately adjacent thereto (all as shown on attached Exhibit "B") at all times through the expiration or earlier termination of the Term of this Agreement; provided that if CITY were successful in securing any Olympic Committee events for KeyArena during LICENSEE's off-season, LICENSEE, upon reasonable notice from CITY, shall move out of certain exclusive spaces for the duration of the event, provided that the spaces to be vacated and the time period for said vacation of space shall be mutually agreed upon by LICENSEE and CITY, and CITY shall pay for LICENSEE'S actual costs for moving out and back in to said spaces;

IV. AMENDMENT OF SUBSECTION VII.E.: Subsection VII.E. of the Agreement is amended to read as follows:

E. Title Sponsor's Identification in KeyArena:

Notwithstanding anything to the contrary in this Section VII, the "title sponsor" for the KeyArena shall be entitled to display such title sponsor's own advertisement or display on the Zamboni, provided that the location of such advertisement or display is mutually agreed to by CITY and LICENSEE, and to use approximately ten (10) square feet of display space in the center of the ice floor for such title sponsor's own advertisement or display without the payment by CITY or



any other person or entity of any sum of money to LICENSEE, and CITY reserves for itself and SSI, the right to grant such title sponsor the right to such display opportunities.

V. AMENDMENT OF SUBSECTION IX.A.1: Subsection IX.A.1. of the Agreement is amended to read as follows:

A. Compensation to be Provided:

In consideration of the Premises license as granted in Section IV, hereof, and CITY's providing to LICENSEE various services as described herein, LICENSEE shall remit to CITY, without deduction or offset of any kind or nature whatsoever, the following:

1. License Fee for Facility Use:

a. For thirty-six (36) regular season Home Games and the first two (2) play-off Home Games:

Ten Percent (10%) of the first One Million Dollars (\$1,000,000), after City Admissions Tax is deducted, of Gross Ticket Revenue;

Fifteen Percent (15%) of Gross Ticket Revenue in excess of One Million Dollars (\$1,000,000), after City Admissions Tax is deducted;

Provided that the minimum License Fee for Facility Use for thirty-six (36) regular season Home Games and the first (2) play-off Home Games in any season shall be Two Hundred Seventy-Five Thousand Dollars (\$275,000), provided that beginning with the 2000-2001 season, the minimum License Fee shall be Two Hundred and Ninety Thousand Dollars (\$290,000).

b. For each play-off Home Game after the first two (2) and for each pre-season Home Game:

a fixed per-game License Fee of Twelve Thousand Dollars (\$12,000.00), increasing to Thirteen Thousand Dollars (\$13,000.00) beginning with the 2000-2001 season.

c. For a non-Home-Game KeyArena use pursuant to Subsection III.C hereof, a License Fee equal to the aggregate actual costs incurred by CITY for facilitating and permitting the same to occur, as reasonably determined by the Director.



d. If the number of regular season Home Games changes to something other than thirty-six (36) during the term of this Agreement, CITY and LICENSEE shall negotiate terms and conditions to reflect such a change in the number of regular season Home Games.

e. If the occasion arises for a Seattle Team Home Game to be held in the Mercer Arena during the term of this Agreement, CITY and LICENSEE shall negotiate terms and conditions for the playing of any such Home Game(s) in the Mercer Arena.

VI. AMENDMENT OF SUBSECTION IX.B.1. AND IX.B.2.: Subsections IX.B.1. and IX.B.2. of the Agreement are amended to read as follows:

1. Minimum License Fee – For each season during the term of this Agreement, the minimum License Fee for Facility Use shall be paid in four (4) equal installments due on or before the following dates:

Installment 1 – November 15 for the season beginning in that year

Installment 2 – December 30 for the season beginning in that year

Installment 3 – February 15 for the season ending in that year

Installment 4 – March 30 for the season ending in that year.

2. Percentage of Gross Ticket Revenue Above Minimum License Fee – Additional License Fee for Facility Use above the Minimum License Fee, pursuant to Subsection IX.A.1, shall be due on or before the fifteenth (15th) day of the month for the preceding month.

VII. ADDITION OF NEW SUBSECTION IX.C.: There is added to Section IX a new Subsection IX.C.:

C. CPI Increase for License Fee:

If this Agreement is extended pursuant to Section II, the minimum License Fee pursuant to Subsection IX.A.1. shall be increased effective **July 1, 2002** for the extended term of the Agreement as follows: the minimum License Fee shall be increased by the percentage increase (if any) in the Consumer Price Index for



All Urban Consumers ("CPI-U" / 1982-84 = 100) Seattle-Tacoma-Bremerton, WA Area, as published by the U.S. Department of Labor, Bureau of Labor Statistics or its successor, that occurred during the immediately preceding calendar year; provided, that in the event of a change in the index base of (1982-84 = 100) or other modification of such index, the City shall apply whatever conversion factors are necessary to establish an adjusted CPI-U that produces the percentage increase in the CPI-U for each such annual period that would have been produced had no change been made in such index by its publisher; and in the event such index is discontinued, the Director shall select and use for such license fee adjustment purpose a similar index that reflects consumer price changes.

VIII. RENUMBERING OF SUBSECTION IX.C.: Subsection IX.C. is renumbered to Subsection IX.D.

IX. AMENDMENT OF SECTION XXIV: Section XXIV of the Agreement is amended to read as follows:

Any notice or communication to be given by one party to the other under this Agreement must be in writing. Such notices or communications shall be delivered or sent to the following respective addresses or to such other addresses as the parties, from time to time, may specify in writing:

If to CITY:

Seattle Center Director
Seattle Center Department
The City of Seattle
305 Harrison Street
Seattle, WA 98109

If to LICENSEE:

Russ Farwell, General Manager
SEATTLE THUNDERBIRDS HOCKEY CLUB, INC.
1813 - 130th Avenue NE, Suite 210
Bellevue, WA 98005

X. UNAMENDED PROVISIONS OF AGREEMENT REMAIN IN EFFECT:
All provisions of the Agreement between the parties hereto shall remain in full force and effect except as specifically modified herein.



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by having their authorized representatives affix their signatures in the spaces below:

**SEATTLE THUNDERBIRDS
HOCKEY CLUB, INC.**

THE CITY OF SEATTLE

By: _____

W. H. YUILL
Owner and President

By: _____

VIRGINIA ANDERSON
Seattle Center Director

By: _____

RUSS FARWELL
General Manager

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PROVINCE OF

)
) ss. (LICENSEE'S ACKNOWLEDGMENT)
)

On this ____ day of _____, 1999, before me personally appeared W. H. Yuill, to me known to be the Owner and President of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument for said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the _____, residing at _____.
My appointment expires _____.

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STATE OF WASHINGTON)

COUNTY OF KING)

) ss. (LICENSEE'S ACKNOWLEDGMENT)

On this ____ day of _____, 1999, before me personally appeared Russ Farwell, to me known to be the General Manager of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument for said corporation.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at _____. My appointment expires _____.



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STATE OF WASHINGTON)
COUNTY OF KING)

ss: (CITY'S ACKNOWLEDGMENT)

On this ____ day of _____, 1999, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the Seattle Center Director, who executed the foregoing instrument, and acknowledge said instrument to be the free and voluntary act and deed of The City of Seattle, for the uses and purposes herein mentioned, and on oath stated that she is authorized to execute said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

(Signature)

(Print or type name)

NOTARY PUBLIC in and for the State of Washington, residing at _____. My appointment expires _____.

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STATE OF WASHINGTON - KING COUNTY

112085
City of Seattle, City Clerk

—ss.

No. 733-735 ORD.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CTOT: 119725-27, 729-3

was published on

11/18/99

The amount of the fee charged for the foregoing publication is the sum of \$ _____, which amount has been paid in full.

Subscribed and sworn to before me on

11/18/99

Notary Public for the State of Washington
residing in Seattle

Affidavit of Publication

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City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following ordinances, passed by the City Council on November 1, 1999, and published here by title only, will be mailed upon request, or can be accessed electronically at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 624-2344.

ORDINANCE NO. 119726

AN ORDINANCE relating to the Neighborhood Planning Early Implementation funds; authorizing the Department of Neighborhoods to enter into agreements for the provision of neighborhood planning goods and services; reducing the expenditure authority from Finance General by \$100,000 and increasing the expenditure authority of the Department of Neighborhoods by a total of \$100,000.

ORDINANCE NO. 119728

AN ORDINANCE relating to the City Light Department; authorizing the sale of real property in King County, Washington,

commonly known as "Belmont Substation" (PM#230407-2-301) by public bid; authorizing the Superintendent of the City Light Department to offer said property for sale at the appraised value, accept the best offer to purchase and to execute a Quit Claim Deed; designating the disposition of sales proceeds; and, ratifying and confirming prior actions.

ORDINANCE NO. 119727

AN ORDINANCE relating to the City Light Department; authorizing the sale of real property in King County, Washington, commonly known as "Gregory Hughes Substation" (PM#230326-1-301) by public bid; authorizing the Superintendent of the City Light Department to offer said property for sale at the appraised value, accept the best offer to purchase and to execute a Quit Claim Deed; designating the disposition of sales proceeds; and, ratifying and confirming prior actions.

ORDINANCE NO. 119729

AN ORDINANCE creating the Denny Triangle Amenity Credit Fund.

ORDINANCE NO. 119730

AN ORDINANCE authorizing execution of an Interlocal Agreement with King County for the establishment of the Transfer of Rural Development Credits in the Denny Triangle Urban Village.

ORDINANCE NO. 119731

AN ORDINANCE authorizing an expenditure from the Judgment/Claims Fund to be reimbursed by the Light Fund to settle the claim of Marjorie Lee Johnson (C-60516), all by a two-thirds vote of the City Council.

ORDINANCE NO. 119733

AN ORDINANCE relating to the Department of Parks and Recreation; increasing revenue estimates and expenditure allowances in the 1999 Budget in the Department of Parks and Recreation for the "Pop" Mounser Pool facility; abrogating one position and creating additional position authority, all by a three-quarters vote of the City Council.

ORDINANCE NO. 119734

AN ORDINANCE relating to the Seattle Center Department; authorizing execution of the first amendment to the Agreement between the City of Seattle and the Seattle Thunderbirds Hockey Club, Inc.; extending the term of said Agreement and increasing facility license fees.

ORDINANCE NO. 119735

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Publication ordered by JUDITH PIP-PIN, City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, November 18, 1999. 11/18/112005

NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.