

# WASHINGTON STATE PUBLIC STADIUM AUTHORITY

September 24, 2015

## BOARD MEETING

CenturyLink Field  
Public Stadium Authority  
800 Occidental Ave. S.  
Seattle, WA 98134

## MINUTES

### I. Call to Order

Board Chair Lorraine Hine called the meeting to order at 12:35 p.m. Other Board members present were: Vice Chair Fred Mendoza, Joel Ing, Bill Lotto and Jud Marquardt. Jake Jundt and Randy Loomans were absent. Staff members in attendance included Executive Director Ann Kawasaki Romero, Project Manager Steve Woo and Business Manager Jodi Todd.

### II. Approval of Minutes

#### Minutes

Minutes of the July 23, 2015 regular Board meeting.

Motion by Vice Chair Mendoza, second by Member Ing to approve the minutes of the July 23, 2015 regular Board meeting.

Motion carried unanimously 5-0.

### III. Public Participation

There was no public participation.

### IV. Administrative Briefings

#### 1. Compliance Review Reports:

##### CenturyLink Field Event Center Statement of Revenues, Expenses and Net Profits

Don Busch, PSA Auditor, reported on his compliance review of the Event Center profit and loss statement for FGI's fiscal year ending March 31, 2015. Mr. Busch stated he performed his normal review of the standard operating procedures and randomly selected three events held in the WAMU Theatre to test the Event Center revenues. After looking at a sample of transactions, there were no significant findings or corrections. A review of the expenses--both direct and indirect-- was also done to verify the information used in the net income calculation. The test sample information was also found to be correct. In general, the Event Center's net income was up about 10% from the prior year. As a result, the profit sharing figure payable to the State Common School Fund based on net income is \$457,327.

### Admissions and Parking Taxes

The review of the applicable admissions tax and parking tax collected at both CenturyLink Field and the CenturyLink Field Event Center was successfully completed for the fiscal year ending March 31, 2015. Mr. Busch found that the methods used by First & Goal relating to the accounting and remittance of the admissions tax for both the Event Center and Seahawks games were materially accurate and improved from the prior year.

He also performed an analysis and testing of the Seattle Sounders FC ticket sales. The reported revenue and related taxes for the 2015 season indicated an increase of approximately 8% over the prior year's season. He found no material errors.

### Affordable Priced Seats

Mr. Busch reviewed the Affordable Priced Seats Report submitted by First & Goal for the 2014 season. Section 8.1.2 of the Master Lease, as amended, requires at least 10 percent of the spectator seats for each home game to be made available for purchase at an "affordable price", which is based on the average of the lowest ticket prices around the league. Mr. Busch reviewed the data submitted by First & Goal and verified the information by contacting some of the other NFL teams. He concluded that the lease requirement was met for the 2014 season with just over 15% of sold Seahawks tickets qualifying as "affordable" under the definition of the Lease compared to the 10% requirement.

There was a discussion whether including playoff games in the calculation of the lowest NFL average ticket price is the most reasonable methodology considering the intent of the law. The inclusion of playoff tickets in the weighted average calculation of the NFL teams lowest average prices can have a significant impact on the final figure used to determine which priced tickets sold by the Seahawks qualifies as "affordable." The Board directed staff to pursue an amendment to Master Lease Section 8.1.2.1 to exclude playoff tickets from the calculation.

## 2. Stadium District Update

PSA Land Use Counsel, Molly Lawrence, updated the Board on the status of the following:

### Stadium District Concept Plan

- It was originally planned for Council review as part of the 2014 Comprehensive Plan amendment cycle, but it has been deferred to the major Comprehensive Plan update now planned for spring/summer 2016.
- Seattle Department of Planning & Development issued their draft 20 year comprehensive plan-- "Seattle 2035"-- on July 8<sup>th</sup>. The PSA will be submitting a comment letter before the November 20, 2015 deadline to explain why a separate Stadium District is desired. A final

recommendation to the City Council is expected in late 2015 with Council review during 2016.

#### Arena Project

- There is still no clear plan for an NBA or NHL team.
- The City issued the FEIS on May 7, 2015 which will roll into the Master Use Permit.
- The Design Commission held its final meeting regarding the Street Vacation Petition on September 3, 2015. They recommended approval subject to various conditions. They will require the Arena to return for a "confirming" meeting prior to permit approval.
- The Design Review Board held its final recommendation meeting regarding the Arena design on September 1, 2015. They issued the final recommendation for approval on September 22, 2015. The recommendation will be integrated into the Master Use Permit decision.
- There is still no movement on a multiple events scheduling agreement, nor is there any commitment regarding code required parking. The City has proposed to schedule a meeting with the Arena, the Mariners and FGI after SDOT issues its recommendation regarding the Street Vacation.
- The current MOU expires October 2017.

#### 3. General Manager's Report

David Young, FGI General Manager, briefed the Board on the following:

- Zach Hensley, Managing Director of Guest Experience for First & Goal was introduced to the Board. Zach is responsible for front of house operations including concessions.
- The facility hosted several Sounders matches, the Seattle Art Fair which was a successful new event, the Taylor Swift concert in the stadium, Seahawks games, and a few concerts in the WAMU Theatre.
- Staff is looking forward to Monday Night Football on October 5<sup>th</sup>, the Auto Show and Fall Home Show.
- Facility projects include cleaning and repainting of the roof as well as the east arch. Staff is also working on rebranding some concession stands, adding wayfinding for specific concession stands and introducing new food options throughout the stadium.
- Staff continues to work with their consultant on the Master Plan and should be ready to share with the PSA Board at the November meeting.

### **V. Chair and Director's Reports**

#### A. Chair's Report

There was no report given.

#### B. Director's Report

Ann Kawasaki Romero reported the following:

- Staff and Chair Hine recently met with the State Auditor's office regarding the Authority's reporting requirements.
- The Common School Fund contribution was submitted to the State Department of Natural Resources in August

- There will be two Master Lease amendments at the November meeting. one is regarding the affordable priced seats, as discussed earlier, and the other is regarding Major League soccer
- A brief presentation was made by Jodi Todd for the Board to see the new PSA webpage and a brief explanation of the transition to place meeting information on the site.

## VI. Unfinished Business

There were no items for review under this section.

## VII. New Business

### A. Voucher Approval of Expenses

Vouchers included in blanket Vouchers 513-517 and payroll for the periods ended July 15, 2015, July 31, 2015, August 15, 2015, and August 31, 2015 in a total amount of \$607,987.80

Motion by Vice Chair Mendoza, second by Member Jundt to approve Vouchers included in blanket Vouchers 513-517 and payroll for the periods ended July 15, 2015, July 31, 2015, August 15, 2015, and August 31, 2015 in a total amount of \$607,987.80

Motion carried 5-0.

### C. Naming Rights Reimbursement

There were no items for review under this section.

### D. Resolutions

There were no items for review under this section.

## VIII. Executive Session

There was no Executive Session.

## IX. Adjournment

The regular meeting of the Public Stadium Authority Board adjourned at 2:30 p.m.

Approved this 19<sup>th</sup> day of November 2015.

  
Lorraine Hine, Chair

  
Jodi Todd, Clerk of the Board