

RCW 43.99N.020 General obligation bonds—Certifications by public stadium authority—Obligations of team affiliate. (1) For the purpose of providing funds to pay for operation of the public stadium authority created under RCW 36.102.020, to pay for the preconstruction, site acquisition, design, site preparation, construction, owning, leasing, and equipping of the stadium and exhibition center, and to reimburse the county or the public stadium authority for its direct or indirect expenditures or to repay other indebtedness incurred for these purposes, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of three hundred million dollars, or so much thereof as may be required, for these purposes and all costs incidental thereto. Bonds authorized in this section may be sold at such price as the state finance committee shall determine.

(2) Bonds shall not be issued under this section unless the public stadium authority has certified to the director of financial management that:

(a) A professional football team has made a binding and legally enforceable contractual commitment to play all of its regular season and playoff home games in the stadium and exhibition center, other than games scheduled elsewhere by the league, for a period of time not shorter than the term of the bonds issued or to be issued to finance the initial construction of the stadium and exhibition center;

(b) A team affiliate has entered into one or more binding and legally enforceable contractual commitments with a public stadium authority under RCW 36.102.050 that provide that:

(i) The team affiliate assumes the risks of cost overruns;

(ii) The team affiliate shall raise at least one hundred million dollars, less the amount, if any, raised by the public stadium authority under RCW 36.102.060(15). The total one hundred million dollars raised, which may include cash payments and in-kind contributions, but does not include any interest earned on the escrow account described in RCW 43.99N.030, shall be applied toward the reasonably necessary preconstruction, site acquisition, design, site preparation, construction, and equipping of the stadium and exhibition center, or to any associated public purpose separate from bond-financed expenses. No part of the payment may be made without the consent of the public stadium authority. In any event, all amounts to be raised by the team affiliate under (b)(ii) of this subsection shall be paid or expended before the completion of the construction of the stadium and exhibition center. To the extent possible, contributions shall be structured in a manner that would allow for the issuance of bonds to construct the stadium and exhibition center that are exempt from federal income taxes;

(iii) The team affiliate shall deposit at least ten million dollars into the *youth athletic facility grant account created in RCW 43.99N.060 upon execution of the lease and development agreements in RCW 36.102.060 (7) and (8);

(iv) At least ten percent of the seats in the stadium for home games of the professional football team shall be for sale at an affordable price. For the purposes of this subsection, "affordable price" means that the price is the average of the lowest ticket prices charged by all other national football league teams;

(v) One executive suite with a minimum of twenty seats must be made available, on a lottery basis, as a free upgrade, at home games

of the professional football team, to purchasers of tickets that are not located in executive suites or club seat areas;

(vi) A nonparticipatory interest in the professional football team has been granted to the state beginning on the date on which bonds are issued under this section which only entitles the state to receive ten percent of the gross selling price of the interest in the team that is sold if a majority interest or more of the professional football team is sold within twenty-five years of the date on which bonds are issued under the [this] section. The ten percent shall apply to all preceding sales of interests in the team which comprise the majority interest sold. This provision shall apply only to the first sale of such a majority interest. The ten percent must be deposited in the permanent common school fund. If the debt is retired at the time of the sale, then the ten percent may only be used for costs associated with capital maintenance, capital improvements, renovations, reequipping, replacement, and operations of the stadium and exhibition center;

(vii) The team affiliate must provide reasonable office space to the public stadium authority without charge;

(viii) The team affiliate, in consultation with the public stadium authority, shall work with surrounding areas to mitigate the impact of the construction and operation of the stadium and exhibition center with a budget of at least ten million dollars dedicated to area mitigation. For purposes of this subsection, "mitigation" includes, but is not limited to, parking facilities and amenities, neighborhood beautification projects and landscaping, financial grants for neighborhood programs intended to mitigate adverse impacts caused by the construction and operation of the stadium and exhibition center, and mitigation measures identified in the environmental impact statement required for the stadium and exhibition center under chapter 43.21C RCW; and

(ix) Twenty percent of the net profit from the operation of the exhibition facility of the stadium and exhibition center shall be deposited into the permanent common school fund. Profits shall be verified by the public stadium authority. [1997 c 220 s 210 (Referendum Bill No. 48, approved June 17, 1997).]

***Reviser's note:** The "youth athletic facility grant account" was renamed the "youth athletic facility account" by 2000 c 137 s 1.