Introduced by: BILL REAMS

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ATTEST:

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ordinance no. 2630

AN ORDINANCE relating to an Agreement between King County and the major league professional soccer franchise located in Seattle for use of the King County Domed Stadium in accordance with Ordinance 2556, and authorizing the King County Executive to sign said Agreement.

WHEREAS, King County is the owner of the King County Domed Stadium which is suitable for the playing of professional soccer and which will be ready for such play in 1976, and

WHEREAS, the Seattle Professional Soccer Club is the possessor of the Seattle franchise of the North American Soccer League, and

WHEREAS, King County and the Seattle Professional Soccer Club have negotiated an Agreement for use of the King County Domed Stadium at such rental rates, terms and conditions which adequately protect the public interest and reasonably reflect existing market conditions.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF KING COUNTY: The execution by the County Executive of the Agreement between King County and the Seattle Professional Soccer Club, a copy of which is attached hereto and by this reference made a part hereof, is hereby authorized and approved.

INTRODUCED AND READ for the first time this 9th day of February, 1976.

PASSED this 17th day of Julyuary

KING COUNTY COUNCIL KING COUNTY, WASHINGTON

APPROVED this 18th day of

AGRÉEMENT

Between

KING COUNTY, WASHINGTON

and .

SEATTLE PROFESSIONAL SOCCER CLUB

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Definitions. As used in this Agreement, the following terms shall have the meaning herein assigned to them.

- A. Agreement means this Agreement, as from time to time amended and supplemented in accordance with the terms here-of, including the license to use the Domed Stadium for Home Season Games and Exhibition Games pursuant to Article Three and to use the Domed Stadium as a practice facility pursuant to Article Three, and all other provisions of this Agreement.
- B. Approval of SPSC means the prior written consent of Seattle Professional Soccer Club which shall not, in any case, be unreasonably withheld.
- C. County means King County, a municipal corporation of the State of Washington.
- D. <u>Commissioner</u> means the party designated as the Commissioner or similar officer of the NASL.
- E. <u>Day of Game</u> means the calendar day upon which a Sounders Game (as defined herein) is scheduled to be played in the Domed Stadium.
- F. <u>Domed Stadium</u> means the multipurpose Stadium, seating approximately 65,000 persons, constructed and owned by King County, together with all structures, equipment and other appurtenances incorporated in or adjacent to the Stadium site.
- G. "Exhibition Game" or "Exhibition Games means any professional soccer game or games hosted or sponsored by the Sounders team or organized by SPSC on behalf of the NASL or the United States Soccer Federation, other than a Home Season Game.
- H. "Home Season Game" or "Home Season Games" means any professional soccer game or games regularly scheduled during the NASL season, at which the Sounders team is a participant and the host team.

- I. NASL means the North American Soccer League or its successor or successors as the professional soccer league or organization of which the Seattle NASL team is a member.
- J. Parking Area means the area adjacent to the Stadium containing approximately 2,000 passenger vehicle parking stalls.
- K. "Pay Television Broadcast" means any day of game television coverage of any Sounders Game transmitted by cable or otherwise, in such a manner that a charge is made to the receiver or viewer for the reception of signals in usable form, and shall include, but not be limited to, telecasts in theatres, taverns and similar establishments and any metered, subscription or "payas-you-see" home television.
- L. <u>"Sounders Game or "Sounders Games"</u> means all Home Season Games and all Exhibition Games which are played in the Domed Stadium.
- M. <u>Soccer Novelties</u> shall mean merchandise, goods, wares, programs and other publications bearing the symbol, mark or name of the Sounders, the NASL, or any other NASL team, and all other soccer-related merchandise, including team pictures or pictures of players or other team personnel.
- N. <u>Season Tickets</u> means those tickets to Home Season Games in the Domed Stadium sold by SPSC each year as part of a multiticket package.
- O. Sounders means the NASL professional soccer team owned and managed by Seattle Professional Soccer Club.
- P. <u>Seats</u> means those seats in the Domed Stadium from which events in the Domed Stadium are to be viewed.
- Q. SPSC means Seattle Professional Soccer Club, a general partnership possessing the Seattle NASL team franchise, and its successor or successors.

- R. <u>Stadium Director</u> means the County Director of the Department of Stadium Administration.
- S. Stadium Novelties shall mean merchandise, goods, wares and publications depicting, describing or otherwise relating to the Domed Stadium and/or King County, excluding Soccer Novelties.
- T. <u>Ticket Sales Proceeds</u> means the gross revenues derived from the sale of tickets for each Sounders Game less admissions taxes or similar taxes levied on admissions to Sounders Games.

#### ARTICLE ONE

Term. The term of this Agreement, and of all subparts thereof, including the license of the Domed Stadium for Home Season Games and Exhibition Games (Article Three) and for the use of the Domed Stadium as a practice facility (Article Three) shall be one (1) year, commencing on April 1, 1976, provided that SPSC may, at its option, extend the term of this Agreement, and all subparts thereof, for an additional four (4) years upon the terms and conditions contained in this Agreement, said option to be exercisable no later than January 1, 1977.

#### ARTICLE TWO

## Construction, Financing and Maintenance

- 2.1. Construction. The County will cause the Domed Stadium to be constructed substantially in accordance with the plans and specifications for the Domed Stadium in effect as of the date of this Agreement.
- 2.2. <u>Completion Date</u>. The County agrees that the construction of the Domed Stadium will be substantially completed no later than April 1, 1976, <u>provided</u>, however, that noncompletion of the portable seating located on the west and south sides of

the stadium at the 100 level and the retractable seating located on the east side at the 100 level shall not be deemed to affect the substantial completion of the Domed Stadium. Construction will be deemed to be completed if a certificate of occupancy has been issued or if SPSC is reasonably satisfied that construction (except as to the completion of the portable and retractable seating (see Section 3.16)) will be completed in sufficient time to allow the Sounders to play their first scheduled Home Season Game (as defined herein) in the Domed Stadium.

2.3. Construction of Locker Rooms. The County shall construct and furnish suitable locker room facilities for the Sounders and the visiting team. Such facilities shall fairly meet the standards and conditions prevalent in recently constructed stadiums in Metropolitan areas comparable to the County.

## 2.4. Insurance.

(a) Property Insurance. The County and SPSC, for and in consideration of the execution hercof by each of said parties, do each herewith and hereby release and relieve the other, and waive their entire claim of recovery for loss or damage to property arising out of or incident to fire, lightning and the perils included in the extended coverage endorsement, in, on or about the said premises, whether due to the negligence of any of said parties, their agents or employees or otherwise. The County covenants at all times of this Agreement, at its own cost and expense, to carry and maintain insurance against loss or damage to the Domed Stadium caused by fire and such other causes of loss as are usually and customarily covered by vandalism and malicious mischiefs endorsements and by an "extended coverage endorsement,"

excluding earthquake insurance, in an amount equal to 90% of the replacement value of the Domed Stadium, or to make such other arrangements as may be approved by SPSC to provide for repair or replacement in the event of such loss or damage.

- times during the term of this Agreement, at SPSC's cost and expense, carry and maintain, for the mutual benefit of the County and SPSC, general public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the Domed Stadium, which insurance shall cover such claims as may be occasioned by an act, omission or negligence of SPSC or its officers, agents representatives, employees or servants during all times that SPSC uses the Domed Stadium under the terms of this Agreement. The limitations of liability, which may be increased from time to time as deemed necessary under said liability insurance, shall be not less than:
  - (i) \$5,000,000 each person, personal
    injury liability;
  - (ii) \$5,000,000 each occurrence, personal
    injury liability;
  - (iii) \$1,000,00 each occurrence, property
    damage liability;
  - (iv) \$1,000,000 aggregate property damage liability, or a combined limit of \$5,000,000 bodily injury and property damage liability.

At SPSC's option it may carry and maintain the insurance provided for in this subparagraph, provided that in the event SPSC elects to exercise such option, it shall notify the County not later than April 15th of any year this Agreement is in effect. The County will at all times during the term of this Agreement, at its own cost and expense, carry and maintain general public liability insurance or make such other arrangements as may be approved by SPSC, to protect against claims for bodily injury, death, or

property damage occurring on, in, or about the Domed Stadium which insurance shall cover such claims as may be occasioned by an act, omission, or negligence of the County, or its officers, agents, representatives, employees, or servants. The limitations of liability, which may be increased from time to time as deemed necessary by the County under said liability insurance, shall be not less than:

- (i) \$5,000,000 each person, personal injury liability;
- (ii) \$5,000,000 each occurrence, personal injury liability;
- (iii) \$1,000,000 each occurrence, property damage liability;
- (iv) \$1,000,000 aggregate property damage liability, or a combined limit of \$5,000,000 bodily injury and property damage liability.
- (c) General Provisions. The insurance described in subparagraphs 2.5(a) and 2.5(b) shall be issued by insurance companies which have Bests Rating of AAA, are duly authorized to issue such policies in the State of Washington and are acceptable to County and SPSC. The County and SPSC shall be named insureds on all such policies. Certificates or other evidence satisfactory to SPSC and the County evidencing the existence and terms and conditions of all insurance maintained pursuant to subparagraphs 2.5(a) and 2.5(b) shall be delivered to SPSC or the County upon request. No policies of insurance maintained pursuant to subsections 2.5(a) or 2.5(b) shall be cancelled, nor shall the terms and conditions thereof be altered or amended without sixty (60) days notice to SPSC and the County.

#### ARTICLE THREE

# License To Use Domed Stadium for Sounders Games

3.1 <u>Use of Domed Stadium for Home Season Games.</u>

During the term of this Agreement, the Sounders shall play all

Home Season Games (as defined herein), which shall be at least twelve (12) in number, in the Domed Stadium unless precluded from doing so by the existence of a labor dispute involving the Domed Stadium which renders the Domed Stadium substantially unavailable for use for professional soccer games.

- During the term of this Agreement, the Sounders may at their option play any or all Exhibition Games (as defined herein) in the Domed Stadium on the same terms and conditions as for Home Season Games unless precluded from doing so by the scheduling of another and incompatible event in the Domed Stadium on the day of the Exhibition Game, or unless precluded from doing so by the existence of a labor dispute involving the Domed Stadium which renders the Domed Stadium substantially unavailable for use for professional soccer games. If the Domed Stadium is available on a date requested for an Exhibition Game it shall be available to SPSC.
- 3.3 Use of the Domed Stadium as Practice Facility.

  The Sounders shall have the right to the exclusive use of the playing field in the Domed Stadium for three (3) consecutive hours (between 9:00 a.m. and 6:00 p.m.) as a practice facility four (4) times prior to any NASL season during the term of this Agreement or any extension thereof and one (1) time prior to each Sounders Game to be played in the Domed Stadium without charge, except for the actual cost of utilities as described in paragraph 3.11. In addition, at the request of SPSC the visiting team shall have the right to exclusive use of the playing field of the Domed Stadium for three (3) consecutive hours (between 9:00 a.m. and 9:00 p.m.) on the day of the game or the day prior to the day of the game without charge except for the actual cost of utilities. In no event shall the use of the Domed Stadium as a practice facility by either the Sounders or a visiting team

interfere with or preclude the normal scheduling of stadium tours by the County, provided that such tours shall not be conducted on the playing field. The use of the Domed Stadium as a practice facility by the Sounders and visiting team shall be conditioned upon the availability of the stadium and upon notice to the stadium director at least two days prior to each date requested. The rights of the Sounders and the visiting team to use the Domed Stadium as a practice facility shall include the right to use the locker room described in section 2.4 for a reasonable period before and after the three (3) hour practice period.

- 3.4 Additional Use of Domed Stadium or Practice Facility. In addition to the use of the Domed Stadium as a practice facility as described in Section 3.3 the Sounders may also, at their option but subject to the availability of the Domed Stadium, use the Domed Stadium as a practice facility at other times mutually acceptable to the Stadium Director and SPSC, provided that SPSC shall pay to the County \$225 for each date of such use plus the actual cost of utilities as described in Paragraph 3.11.
- 3.5 Use of Parking Facilities in Connection with Games.

  SPSC shall have the right to use without charge no less than 200 parking spaces at the Domed Stadium on the day of any Sounders Game, and no less than 50 parking spaces at the Domed Stadium on the day of any use of the Domed Stadium for practice.
- 3.6. Exclusive Use on Game Days. SPSC shall have exclusive use of the Domed Stadium for the entirety of the Day of Game. The County will not use the Domed Stadium for any purpose, nor permit use of the Domed Stadium by any other party for any purpose on the Day of Game without the prior written consent of SPSC.

- 3.7. Use of Domed Stadium for Other Soccer Games. The Domed Stadium will not be used for any professional soccer games other than those involving the Sounders, or hosted or promoted by SPSC, without the written consent of SPSC, which shall not be unreasonably withheld. No other soccer games of any character will be permitted in the Domed Stadium during the six days immediately preceding Home Season Games without the written consent of SPSC, except games involving colleges and universities operated by the State of Washington.
- 3.8. County to Furnish Domed Stadium. On the day of Sounders Games, the County shall furnish and make available to SPSC the entire Domed Stadium facility, including the stadium itself, the playing field, visiting locker rooms, press box, broadcast facilities and other facilities (all of which are included in the definition of Domed Stadium) fully equipped, operating, lighted and staffed for soccer game purposes no later than three (3) hours prior to game time. All County personnel, other than the Stadium Director, personnel designated by the Stadium Director as essential to the management and operation of the Domed Stadium, and the personnel specifically authorized by SPSC to remain, shall have exited from the Domed Stadium no later than three (3) hours prior to game time. All costs incurred in connection with the conversion of the playing field and/or other portions of the Domed Stadium from a baseball or other configuration to a soccer configuration, or from a soccer configuration to a baseball or other configuration, shall be the sole responsibility of the County.
- 3.9. County to Furnish Utilities. On the day of Sounders Games the County shall furnish and have available at the Domed Stadium all utilities required for the use of the Domed Stadium as an arena for professional soccer games, together with such technical and other personnel as are required to maintain and

operate such utilities. On the day of the game all such utilities will be turned on as specified by SPSC.

- Day of Game Personnel. On the day of game, at the request of SPSC, the County will make available any or all of the following day of game personnel: ticket sellers, ticket takers, grounds keepers, elevator operators, public address and scoreboard operators, ushers, medical personnel, police and security personnel for the interior of the Domed Stadium, a clean-up crew for the interior of the Domed Stadium (excluding the interior of any concession areas) and any other stadium personnel specifically requested by SPSC. The costs to the County of furnishing the above personnel will be reimbursed by SPSC as provided in Section 3.11. In lieu of requesting the County to furnish such personnel, SPSC may, at its option, furnish any or all such personnel at its own expense. In no event shall SPSC be responsible for cleaning the exterior areas of the Domed Stadium or the interior of any concession areas or for police and security personnel deployed outside the stadium itself nor shall SPSC be required to reimburse the County for any expenses incurred by the County in connection therewith nor for any expenses, including personnel expenses, incurred in connection with parking or parking lots. Because of clean-up difficulties, the County will not permit its concessionaire to sell gum or similar food items which entail extraordinary cleanup expense without the express written consent of SPSC. In the event that SPSC requests the County to furnish personnel in any of the categories specified above, the number of persons furnished by the County in each category shall be determined in the sole discretion of SPSC.
- 3.11. <u>Use Payments</u>. In consideration for the use of the Domed Stadium as provided in this Agreement, SPSC shall pay to the County for each Sounders Game an amount equal to the sum of:

- a. The cost of providing the utilities specified in Section 3.9 for a period of five (5) hours, at the rate of \$62.50 per hour; plus
- b. The actual cost to the County of providing day of game personnel pursuant to Section 3.10, exclusive of any costs for administration incurred by the County; plus
- c. A percentage of the Ticket Sales Proceeds as follows:
  - i. Five Percent (5%) or \$2,500,
    whichever is greater during the year commencing April 1, 1976;
  - ii. If the option to extend the term of this Agreement is exercised pursuant to Article One:
  - (a) Five Percent (5%) or \$2,500 whichever is greater for the year commencing April 1, 1977.
  - (b) Six Percent (6%) or \$2,500, whichever is greater for the year commencing April 1, 1978.
  - (c) Six and one-half Percent (6 1/2%) or \$2,500, whichever is greater for the year commencing April 1, 1979.
  - (d) Seven Percent (7%) or \$2,500, whichever is greater for the year commencing April 1, 1980.
- 3.12. Time of Payment. The use payments defined in Section 3.11 shall be due and payable by SPSC no later than 15 days after the date of each home game in the Domed Stadium.
- 3.13. Books, Records and Inspection. SPSC shall keep accurate books and accounts of the matters upon the basis of which the use payments specified in Section 3.11 are to be computed and ascertained. Such books and records shall be open and available for inspection by the County upon the official request of the Stadium Director during regular working hours between Monday and Friday. The County covenants and warrants

that it will keep the information acquired from the examination of such books and records confidential and that it will not disclose any of such information directly or indirectly or use such information for any purpose during the term of this Agreement or any time thereafter except with respect to the disclosure of information concerning the amount of the use payments made to the County pursuant to Section 3.11.

- 3.14. Day of Game Personnel Costs. After each Sounders Game, the County shall submit to SPSC a data sheet showing the numbers of persons working in each job description, the number of hours each person worked and the hourly rate of pay and the total pay for each person. SPSC shall not be responsible for any costs incurred by the County for day of game personnel unless such personnel were specifically requested or approved in writing by the General Manager of SPSC.
- 3.15. Presentation of Soccer Games. SPSC shall assume full responsibility for the presentation of its Home Games including the payment of all expenses of its own team, guaranties and payments to visiting teams and other expenses incident to the playing of games, including the costs of game officials. SPSC shall also obtain, furnish and present such pregame, game-time, half-time and post-game activities within the Domed Stadium as it shall deem appropriate in connection with Sounders Games.
- 3.16. Alternate Seating. It is understood by SPSC and the County that portable seating located on the west and south sides of the stadium at the 100 level and the retractable seating located on the east side at the 100 level may not be completed and available to SPSC for certain Home Season Games and that such retractable seats are prime viewing seats for soccer games. It is further understood that the County is using, and will continue to use, its best efforts to have such seats available for every Home Season Game. For each Home Season Game for which the retractable

seating is not completed and available for use by SPSC, SPSC shall have the right to offer to season's ticket holders the option to sit in other seats at the 100 and 200 levels or seats in the 300 level. Notwithstanding anything contained in Sections 3.10 and 3.11 of this Agreement, if any season's ticket holders elect to sit in seats in the 300 level, the County shall have sole responsibility for costs of all day of game personnel necessary to open, staff and clean up said 300 level; provided, however, in the event SPSC elects to open the 300 level for seating of persons other than the season's ticket holders exercising the option to sit in the 300 level seats as described herein, all day of game personnel costs connected with use of the 300 level shall be the sole responsibility of SPSC.

### ARTICLE FOUR

## Selection of Dates for the Sounders Games

4.1. Dates of Games. The parties recognize that customarily schedules for professional soccer games are made by the NASL in January and February of each year and that SPSC will be unable to specify the dates of its league games until the NASL schedule is established. Attached hereto as Exhibit A is a schedule of Home Season Games to be played in the Domed Stadium during 1976. It is agreed that the Domed Stadium shall be available for use by SPSC on such dates. It is understood, however, that circumstances may arise which will cause SPSC to request an alternate date or alternate dates. The County agrees that if the Domed Stadium is available on an alternative date or dates, requested by SPSC, the Domed Stadium will be made available for use by SPSC and SPSC agrees to use the Domed Stadium on such alternative date or dates. In the event SPSC exercises its option to extend the term of this Agreement as provided in Article One hereof, SPSC will provide the County with a proposed schedule

of playing dates on or before February 15, 1977, and on or before February 15 of each subsequent year during the extended term. During such extended term SPSC shall have the right to use the Domed Stadium on all playing dates set forth in such schedule for which other events have not been scheduled. Within five (5) days of receipt by the County of such schedule, the County will advise SPSC if any of such playing dates is unavailable and SPSC shall have the right to choose alternative dates on which no other events have been scheduled in the Domed Stadium. agreed that the County shall leave open until February 15, 1977, and February 15 of each subsequent year if the term of this Agreement is extended pursuant to Article One hereof at least one weekend date (Friday night, Saturday, or Sunday) in each of ten separate weekends during the months of April, May, June, July, and August during the term of this Agreement or extension hereof. A weekend as used herein is defined as that period beginning at 5:00 P.M. on Friday night and ending at midnight on Sunday.

### ARTICLE FIVE

#### Tickets

- 5.1. Seats. The sale of tickets (whether individual game tickets or season tickets or season tickets affording the purchaser the right to purchase a season ticket for the same seat the following year) by SPSC as to all seats in the Domed Stadium shall be under the exclusive control of SPSC.
- 5.2. Tickets and Ticket Prices. Prices to be charged for tickets to Sounders games by SPSC, including prices to be charged for season tickets and the Sounders Games to be included in a season ticket package, shall be under the exclusive control of SPSC and shall be determined, from time to time by SPSC. The number of complimentary tickets or complimentary admission to Sounders Games played in the Domed Stadium, not including credentials issued to officials and personnel of the NASL and other league teams, to the press and broadcast and similar personnel,

and credentials for persons working or performing in the Domed Stadium shall not exceed 1000. SPSC shall furnish all tickets for Sounders Games at its expense.

#### ARTICLE SIX

### Press Box

- 6.1. Construction and Furnishing of Press Box. The County shall construct, or cause to be constructed, and suitably furnish, or cause to be suitably furnished, at its expense, a two-level press box, containing approximately 5,662 sq. ft., adequate for the staging of championship and all-star games in the Domed Stadium.
- 6.2. Access to Press Box. On the day of Sounders Games in the Domed Stadium, SPSC shall have exclusive control of access to the press box and the press lounge or owners lounge, if any for a period beginning three (3) hours prior to game time and ending three hours after the end of the game, provided that the Stadium Director and personnel designated by the Stadium Director as essential to the operation of the press box shall be afforded reasonable access.

#### ARTICLE SEVEN

### Concessions

7.1. Concessions. Except for rights and concessions reserved to SPSC (such as the sale of Soccer Novelties, Section 7.2; broadcast rights, Article Nine; and similar rights) the County will retain the right to operate or authorize others to operate such concessions at the Domed Stadium as it deems appropriate. The County will require concessionaires to so operate as to provide reasonable service and food, beverages and merchandise of wholesome quality and at reasonable prices. The County or concessionaires operating under contract from the County shall not sell any products at Sounders Games without previously consulting SPSC concerning the price, type of product and

brands to be sold. The cost of cleaning the interior of concession areas before, during and after Sounders Games shall not be a part of day of game personnel expenses which are to be paid by SPSC.

7.2 Sale of Soccer and Stadium Novelties. SPSC shall have the exclusive right to sell Soccer Novelties at the Domed Stadium on the day of each Sounders Game, and, except as to Stadium Novelties, which the County may sell or cause to be sold at the Domed Stadium at any time, no other novelties, souvenirs, programs or other publications may be sold at the Domed Stadium on the day of a Sounders Game without the prior written approval of SPSC. SPSC may itself publish, manufacture and sell Soccer Novelties, or it may authorize other parties to do so. may, on the day of a Sounders Game, place at its own expense temporary stands for the sale of Soccer Novelties; the size, construction and location of such stands shall not impede the normal and safe flow of vehicular and foot traffic in and around the Domed Stadium, and shall be subject to the approval of the Stadium Director. Also, at its option, SPSC may sell said Soccer Novelties through the concessionaires selected by the County for a commission to be negotiated by SPSC and the concessionaires and approved by the County.

#### ARTICLE EIGHT

8.1. Public Address System. As a part of the Domed Stadium the County will provide and maintain a public address system. SPSC will have the exclusive use and control of the public address system within the Domed Stadium on the Day of Game; provided, however, that such public address system shall not be used for propaganda or political purposes and further provided that the County shall have the right of access for emergency purposes including but not limited to general announcements and crowd control.

- 8.2. Scoreboard. The County shall, during the term of this Agreement, provide and maintain one primary scoreboard and one auxiliary scoreboard each of which shall have the capability of presenting, on a fixed format basis, game-in-progress information relating to a soccer game including but not limited to: score and time remaining in period. The County shall be responsible for the actual operation of the scoreboard provided that SPSC shall have exclusive control of the information presented on the scoreboard.
- 8.3. <u>Video Screen</u>. As a part of the Domed Stadium, the County shall provide and maintain a video screen which is in accordance with the contract entered into with the Conrac Corporation dated August 5, 1975 for the transmission of "instant replays", commercial messages, and other information. The County shall be responsible for the operation of the video screen; provided, that except as provided in section 8.4, SPSC shall have the exclusive control of the timing of information displayed on the video screen.
- 8.4. Advertising on Video Screen. It is understood by the County and SPSC that the County is selling advertising on the scoring and information system which includes fixed advertising panels on the primary and on the auxilliary scoreboard and spot advertising on the video screen, and that the revenue generated therefrom is committed to amortize the costs of the scoreboard. The County shall have the right to display up to nine minutes of commercial message time on the video screen. SPSC shall determine, in conjunction with the County, the timing of such commercial message time, provided that such commercial message time shall occur on the day of game and between the period beginning 15 minutes prior to the commencement of the game and the end of the game,

and provided further that such time shall be fairly distributed within that period. SPSC is not entitled to sell or display advertising on the video screen.

#### ARTICLE NINE

### Broadcasting

- Broadcast Rights. SPSC shall have and retain exclusive broadcast and reproduction rights incident to each Sounders Game including, but not limited to, radio and television broadcasting, film or tape rights, closed circuit, cable or pay television rights and similar rights by whatever means or process now existing or hereafter developed of preserving, transmitting and reproducing for hearing and/or viewing day of game events in the Domed Stadium. Such broadcasts will not be used for propaganda or political purposes except for regular commercials. All proceeds from such broadcast rights shall be retained by SPSC. Except as required by the NASL Constitution, or by-law or as required by law, no Sounders Game played in
- the Domed Stadium shall be televised within a radius of 75 miles of the Domed Stadium.
- Broadcast Facilities. With regard to the broadcast 9.2. and reproduction rights referred to in Section 9.1, the County will cooperate with SPSC and with those parties actually producing any of such broadcasts and reproductions in all phases of the preparation, broadcast and production of Sounders Games and the attendant activities. In connection with any of such broadcast activities, the County shall provide access to the stadium and maintenance personnel and all utilities at the request of SPSC. SPSC shall be authorized to issue a reasonable number of credentials for admission to the Domed Stadium on the part of personnel engaged in such broadcasts and reproductions, the production thereof and the removal of equipment thereafter.

- 9.3. <u>Camera Facilities</u>. As part of the Domed Stadium, the County shall provide facilities at each end of the Domed Stadium adequate for the use by SPSC and broadcasting media for the purpose of filming, taping and broadcasting the on-field activities.
- 9.4. Pay Television Broadcast within 75-Mile Radius of the Domed Stadium. SPSC shall not authorize, permit or otherwise participate in any pay television broadcast to locations within a 75-mile radius of the Domed Stadium without the prior written consent of the County Executive.

#### ARTICLE TEN

# Default

- 10.1 Nonexcusable Acts of Default. The County shall have the right to terminate this Agreement in its entirety in the event that SPSC shall not, within sixty (60) days of receipt of notice thereof, cure any of the following events of default:
- a. The occurrence of any act or omission on the part of SPSC which operates to deprive it of the right, powers, licenses, and authorizations necessary for the lawful and proper conduct and operation of the services and activities authorized herein; or
- b. The filing by or against SPSC of any petition in bankruptcy, the filing of which petition, either voluntary or involuntary; or
- c. The making by SPSC of an assignment for the benefit of creditors, the making of which assignment shall automatically terminate this Agreement and the filing of such petition or making of such assignment shall bar the passing thereunder of any benefits under this Agreement to such creditors, assignees or transferees thereof; or
- d. The abandonment or discontinuance without the written consent of the County of any or all of the operations of SPSC under this Agreement; or

- e. The failure of SPSC to pay the use payments required under the terms of this Agreement, or
- f. The failure of SPSC to perform, keep and observe any of the terms, and conditions of this Agreement, required on the part of SPSC to be performed, kept or observed.
- delay which substantially interferes with SPSC's performance hereunder due to force majeure causes and any other causes found and determined by the County to be beyond the reasonable control of SPSC, shall excuse performance by SPSC of its contractual obligations under this Agreement, including the payment of use payments and other considerations to the County as provided herein for a period equal to such delay or prevention, notwithstanding anything to the contrary stated herein.
- 10.3. Termination Procedure. Termination of this
  Agreement by the County shall be by written notice authorized by
  the County Executive and directed to SPSC. Upon termination, the
  County shall have the right, immediately and without further
  notice to SPSC, to enter and take full and exclusive possession
  of any area occupied by SPSC in connection with its operations
  under this Agreement.

Upon such termination by County, all rights, powers, privileges and authority granted to SPSC under this Agreement shall immediately cease. SPSC shall vacate the premises immediately. SPSC waives any and all claims it may have against the County, its elected or appointed officials and employees who are acting in the scope of their duty by reason of such termination.

The remedies provided the County herein upon termination shall not be considered to be exclusive but instead shall be cumulative and shall not affect any other right or remedy available to the County.

10.4. Nonwaiver of Default. The County's failure to take advantage of any default or breach of any term or condition of this Agreement by SPSC shall not be implied nor construed to be a waiver thereof. A waiver by the County of a particular breach or default shall not be considered continuing as to a subsequent breach or default of the same nature.

### ARTICLE ELEVEN

### Miscellaneous

- ll.1. Enforcement of this Agreement. It is recognized that the obligations of the parties to this Agreement are unique in nature and that it may be specifically or mandatorily enforced by either party.
- 11.2. <u>Powers of the County</u>. Nothing contained in this Agreement shall be considered to diminish the governmental or police powers of the County.
- 11.3 NASL Rules and Regulations. The activities of SPSC in owning and playing a professional soccer team in the NASL and in matters related to such activities and the obligations of te Seattle NASL team under this Agreement are subject to the Constitution, By-Laws and Rules and Regulations of the NASL; provided, however, that none of such Constitution, By-Laws, Rules and Regulations shall relieve SPSC of its obligation to play its Home Season Games in the Domed Stadium in accordance with this Agreement.
- 11.4. <u>Warranties, Special Covenants</u>. SPSC hereby warrants to, and specially covenants and agrees with, the County as follows, to wit:
  - a. that SPSC is the owner and holder of an outstanding and effective franchise of the NASL which permits and authorizes SPSC to operate a professional soccer team in the Domed Stadium;

- b. that no rule, policy, constitution, or by-law (or any provision of any thereof) of the NASL in any manner or respect prohibits, limits or in any manner affects the right or power of SPSC to enter into, accept or perform each and every one of the terms, commitments and provisions of this Agreement;
- c. that none of the partners in SPSC are directly or indirectly a party, or parties, to any contract, agreement, commitment or understanding of any nature or kind with any other party or parties, the terms of which prohibit, limit, restrict or affect the right and power of SPSC to enter into, execute and perform its obligations under this Agreement to the full extent hereof;
- 11.5 Notices. Any notice or communication hereunder must be in writing, and may be given by registered or certified mail and, if given by registered or certified mail, same shall be deemed to have been given and received when a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail; and if given otherwise than by registered mail, it shall be deemed to have been given when delivered to and received by the party to whom it is addressed. Such notices or communications shall be given to the parties hereto at their following addresses:

If to the County:

County Executive King County, Washington Seattle, Washington 98104

and

Stadium Director King County Domed Stadium Seattle, Washington If to Scattle Professional Soccer Club:

Seattle Professional Soccer Club c/o Walter Daggatt 7th Floor, Skinner Building Seattle, Washington 98101

Any party hereto may at any time, by giving ten (10) days written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice or communication shall be given.

### 11.6. Force Majeure.

(a) This Agreement shall be subject to force majeure (hereafter "force"), including, but not limited to fire, accidents, riots, civil disturbances, war, government regulations and other causes beyond the control of either party whereby the fulfillment of this Agreement may be made impossible. In such event, the County and SPSC shall each have the right to terminate this Agreement if the following termination criteria exist:

#### (b) Termination Criteria:

Termination of the respective obligations under this Agreement shall not be automatic by reason of any "force", but instead shall be cause to review the respective obligations if the number of usable seats (defined as the seats within levels 100 and 200 between the goal lines) within the Domed Stadium is reduced by more than 5%. If it is determined that the above criteria exist and that SPSC is prevented by such "force" from exhibiting professional soccer in the Domed Stadium or from carrying out the NASL schedule in any soccer season during this Agreement, SPSC, without payment of use payment under the terms of this Agreement, may exhibit professional soccer elsewhere without such exhibition being an act of default under this Agreement for the period of time that the Domed Stadium is damaged.

- (c) Termination of Agreement. If the premises are damaged or destroyed by any "force" which is then covered by insurance, the County shall proceed with due diligence to apply the proceeds of such insurance to rebuild or restore the damaged area in order to render the same usable under the terms of this Agreement as soon as is practicable. If any "force" causes damage or destruction which is not then fully covered by insurance, the County may, at its option, elect to rebuild or restore the damaged area from any funds available to it. In the event that the damaged area is not fully covered by insurance and the County elects not to rebuild or restore the damaged area, the County shall give SPSC written notice to that effect within 60 days after the occurrence of the "force" at which time either party shall have the right to terminate this Agreement by written notice to the other party.
- 11.7. Assignment. SPSC agrees that any sale or assignment of the Franchise of SPSC in the NASL or any transfer of SPSC or any other reorganization or changes in SPSC will be strictly subject to the provisions of this Agreement.
- 11.8. <u>Nondiscrimination</u>. SPSC agrees to comply with all Federal, State and County laws regarding nondiscrimination and specifically agrees not to discriminate against any employee or applicant for employment because of race, color, religion, creed, sex, or national origin.
- 11.9. Taxes. SPSC agrees to pay on a current basis all taxes or assessments levied on its activities and property; provided, however, that nothing herein shall modify the right of SPSC to contest any such tax and SPSC shall not be deemed to be in default so long as SPSC shall in good faith, contest the validity or amount of such taxes.

11.10. <u>Successors and Assigns</u>. The terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the day and year first above written.

ATTEST:

KING COUNTY, WASHINGTON

Ву			
	John Spellman		
	County Executive		
	•	. 1	
SEATTLE	PROFESSIONAL	SOCCER	CLUB

Walter Daggatt, Managing Partner

# EXHIBIT A

# Home Season Games

# 1976

April 25	Portland
May 2	Vancouver
May 19	Chicago
June 4	San Jose
June 12	St. Louis
June 19	San Diego
June 30	Dallas
July 3	Minnesota
July 17	San Antonio
July 24	Philadelphia
July 31	Los Angeles
August 4	Hartford