**AMENDMENT NO. 6 TO AGREEMENT**

Attachment B

 **BETWEEN KING COUNTY**

**AND THE WASHINGTON STATE MAJOR LEAGUE**

**BASEBALL STADIUM PUBLIC FACILITIES DISTRICT**

This Amendment No. 6 to the March 18, 1996 Financing Agreement (“Amendment No. 6”) by and between King County (the “County”) and the Washington State Major League Baseball Stadium Public Facilities District (the “PFD”), collectively referred to as the “Parties,” shall be effective upon the authorized signatures of the Parties.

**STATEMENT OF FACTS**

The County and the PFD entered into a Financing Agreement dated March 18, 1996 (“Financing Agreement”) providing for County financial assistance and cooperation in certain aspects of the development of a Major League Baseball stadium in the City of Seattle (the “Ballpark”); and

The Financing Agreement which remains in effect by its terms has been periodically amended by the Parties to more specifically address aspects of their cooperation and to provide further County assistance for the Ballpark project; and

The County has determined to provide additional ongoing funding to the PFD from proceeds of its lodging tax for major capital infrastructure improvements to the Ballpark pursuant to a separate agreement between the Parties (the “Funding Agreement”); and

The Parties wish to amend the Financing Agreement to provide for the County’s advance of funds authorized under the Funding Agreement and in accordance with the terms of this Amendment No. 6 upon the request of the PFD through, among other things, the County’s issuance of debt to which the lodging taxes will be pledged for repayment.

NOW, THEREFORE, in consideration of the promises, covenants and considerations set forth herein, the County and the PFD hereby agree to amend the Financing Agreement to add a new Section 24, as follows:

**24. ADDITIONAL FUNDING FOR CAPITAL IMPROVEMENTS**

 24.1 The PFD may request that the County make advances to the PFD of amounts it is obligated to transfer to the PFD under the Funding Agreement for the purposes set forth in the Funding Agreement. Such request for an advance shall be in writing directed to the County’s Director of the County Finance and Business Operations Division or his or her functional successor (the “Director”) with such information as the Director may require, including the amount of the advance, the proposed date of such advance (which shall be no sooner than 240 days after the request) and the proposed use of such funds. Such advance shall be repaid to the County by crediting against the repayment obligation the lodging taxes to be transferred to the PFD under the Funding Agreement. The County shall determine the term of such repayment based on its reasonable estimate of future lodging tax payments to the PFD under the Funding Agreement.

 24.2 The County shall only advance such funds in accordance with this Section 24. . The County shall credit against this advance the amount of lodging taxes that it would otherwise have transferred to the PFD under the Funding Agreement including an amount equal to interest on such advance until such advance, including interest thereon, is fully repaid.

If the County borrows or otherwise issues debt to fund such advance pledging the lodging taxes to the repayment of such borrowing, then the interest rate to the PFD shall be the interest rate of such borrowing. It is assumed, but not required, that the County will apply such lodging taxes to the debt the County incurred. If the County does not borrow for such advance but makes such an advance from available funds of the County, the interest rate to the PFD shall be the interest rate reasonably determined by the County based on its projections of what it would have earned on such amounts if they had been held by the County and not advanced less the amount, if any, the County would have earned on lodging tax amounts during the periods that it would possess such amounts prior to their distribution to the PFD at the times set forth in the Funding Agreement.

24.3 In the event the amount that would have been transferred to the PFD in accordance with the Funding Agreement exceeds the amount that is required to pay the amortized repayment of an advance hereunder including interest, then any excess shall be transferred to the PFD in accordance with the Funding Agreement. In the event the amount that would have been transferred to the PFD is less than the amount that is required to pay the amortized repayment of an advance including interest, then the unpaid repayment shall accrue and the amount shall be added to the unpaid portion of the original advance.

24.4 Any obligation of the PFD under this Amendment to the Financing Agreement shall be satisfied exclusively from lodging taxes to be transferred to the PFD under the Funding Agreement.

24.5 The PFD agrees to deposit the proceeds of any advance in a separate fund (the “Advance Fund”) and not comingle such proceeds with other amounts held by or on behalf of the PFD. The PFD will use the amounts in the Advance Fund in accordance with the Funding Agreement to provide funding for major basic infrastructure improvements to the Ballpark and report to the County on an annual basis with regard to the use of such amounts on deposit in the Advance Fund. As PFD Treasurer, the County will invest amounts in the Advance Fund and any earnings thereon on deposit in such fund.

24.6 In the event the County were to terminate its obligation to make payments to the PFD from lodging taxes in accordance with the Funding Agreement, such termination shall not apply to amounts required to repay advances made by the County hereunder, including interest thereon, which otherwise would be credited against any PFD repayment obligation incurred hereunder until fully repaid.

24.7 The PFD acknowledges that a request to advance funds will require King County Council ("Council") review and approval of requests for advances of funds. Upon receipt from the PFD of its request for an advance of funds, the Director shall review the PFD request and determine if it is reasonable, complies with the County's financial and debt management policies, and if the advance of funds is made, that it will not adversely affect the County's bond rating. The determination shall also identify the proposed mechanism (e.g. bonds, interfund borrowing) by which funds would be advanced to the PFD.

The Director shall transmit his or her determination to the clerk of the Council. The Council shall then have forty-five days from the date the clerk receives the determination to review the determination ("review period"); and unless the Council passes a motion objecting to advance of funds within that review period, at the conclusion of the review period, the Director may proceed with making the advance of funds in accordance with the provisions of this Amendment No. 6. Notwithstanding the foregoing, the final decision to issue bonds shall be within the sole discretion of the Council.

24.8 The indemnification provisions in Section 12 of the Funding Agreement are incorporated herein as if fully set forth.

EXCEPT AS SET FORTH HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE FINANCING AGREEMENT ARE TO REMAIN IN FULL FORCE AND EFFECT.

In witness whereof, the Parties hereto have accepted this Amendment No. 6.

|  |  |
| --- | --- |
| KING COUNTYBy Dow Constantine, County Executive DateApproved as to form: King County Prosecuting Attorney Date | WASHINGTON STATE MAJOR LEAGUEBASEBALL STADIUM PUBLICFACILITIES DISTRICTBy Virginia Anderson, Board Chair DateApproved as to form: Thomas Eli Backer, PFD Attorney Date |