

## ENTERTAINMENT AND SPORTS CENTER PROJECT

### *Terms and Development*

**What are the terms of the lease agreement?** The City of Sacramento will lease the ESC to the Kings at a progressive lease amount. The Kings will pay a minimum of \$6.5 million per year with annual increases. Their minimum payment at the end of the 35-year lease will be approximately \$18 million. The cumulative total of the minimum lease payments, over the term of the lease, will amount to approximately \$391 million.

**Who will own the ESC?** The ESC will be owned by the City of Sacramento. The City will lease the ESC to the Sacramento Kings ownership group. At the end of the lease, the Kings will have the option to acquire the ESC if they meet all other obligations over the term.

**Will the City increase taxes or use taxes to pay for the ESC?** No. The City will not be paying for the ESC with new taxes or using tax dollars from the general fund.

**What is the development schedule for the ESC?** The City has been working closely with the owners of the Kings to finalize definitive agreements, the Final Environmental Impact Report, the Financing Plan, Entitlements and Digital Billboard Ordinance. On May 1, all contracts, agreements and the final environmental document will be released for public viewing. On May 20, City staff will present the ESC project to City Council for consideration and final approval. Pending approval, construction preparation activities will start immediately and construction will begin in the fall of 2014.

**Who will design the ESC and new development in and around the Downtown Plaza?** The City and the owners of the Kings have been working with design group AECOM on ESC and plaza designs. AECOM has designed more NBA arenas than any other firm and has extensive experience with urban planning and international sporting events. AECOM aims to create a building that is iconic, LEED Gold certified, technologically advanced and an embodiment of Sacramento's unique character.

The surrounding development is being designed by RCH. Selections for the design and development of the adjacent uses will follow shortly after the ESC.

**When will the ESC be completed and open for events?** The ESC is scheduled for completion by October 2016.

\* At this time, the ESC is only a proposal. These Quick Facts anticipate possible future events. The city must and will comply with CEQA before committing itself to finance or develop the ESC.

For more information, please visit: <http://www.cityofsacramento.org/arena/>