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Andrew Hoffman

## "Kraken" Down on Emissions: The World's First Net-Zero Arena

In the fall of 2021, Farah Ahmed,<sup>i</sup> chief operating officer of the ownership group for the newly formed National Hockey League (NHL) team the Kraken in Seattle, Washington, reflected on the completion of the team's new arena. Much had changed since the naming rights to the arena were purchased in 2018. The original plan was to simply renovate the arena, saving its roof and providing the best amenities for players and fans alike. But a renaming of the arena changed everything. Jeff Bezos, founder of Amazon, bought the naming rights, ultimately pronouncing it Climate Pledge Arena. The renaming initiated a costly, time-consuming, and risky undertaking that had never before been tried: a net-zero-carbon sports arena.

Tim Leiweke, co-founder of arena developer Oak View Group (OVG), recalled reconvening the architects and contractors with this new mandate in mind. He described the meeting as "traumatic," as it resulted in a total redesign and re-permitting of the building.<sup>1</sup> Jeff Bezos had figured out how to "scare the hell out of us," regarding climate change, Leiweke said.<sup>2</sup> He explained that the commitment was "not just the cause of our lifetime and our generation... the cause of our planet."<sup>3</sup> Leiweke's team completed the renovation on time, but not on budget. To support the environmental and sustainability modifications to the arena, OVG was able to achieve a substantial additional investment.

But now Ahmed faced the large question of making it all work for the business and for the environment. Climate Pledge Arena's goal to be net-zero carbon by 2040 was lofty and weighed heavily on the reputations of those involved. She pondered several questions. Would the extra costs of this arena be met with larger revenues and operating savings over time? Would it even be possible to meet Amazon's goal of net-zero by 2040? How could sports leagues effectively serve as a platform for championing sustainability? Finally, how would Leiweke and his brother Tod, CEO of the Kraken ownership group, maintain their reputation with such a bold and risky new initiative?

<sup>i</sup> Farah Ahmed is a fictional character.

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