



Req. #12517

RESOLUTION NO. 37984

1 A RESOLUTION relating to the Harold E. LeMay Museum; authorizing the
2 execution of a revised Third Amendment to the Harold E. LeMay
3 Museum Option Agreement and a revised Third Amendment to the
4 Harold E. LeMay Development Agreement.

5 WHEREAS, on October 2, 2009, the Harold E. LeMay Museum ("LeMay
6 Museum") provided written notice to the City that it intended to close on the
7 option to acquire City-owned property on Lots "B" and "C" of the Tacoma
8 Dome ("Dome"), and

9 WHEREAS, on December 8, 2009, the City Council adopted
10 Resolution No. 37948, authorizing the execution of the Third Amendments to
11 both the Harold E. LeMay Museum Option Agreement and to the Development
12 Agreement, and

13 WHEREAS, as the building design has continued to evolve and the
14 needs of the project have changed, the LeMay Museum has requested
15 revisions to the Third Amendments of both the Option Agreement and the
16 Development Agreement; Now, Therefore,

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18 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

19 That the proper officers of the City are hereby authorized to execute a
20 revised Third Amendment to the Harold E. LeMay Museum Option Agreement
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and a revised Third Amendment to the Harold E. LeMay Development Agreement,
said documents to be substantially in the forms of the proposed Third
Amendments on file in the office of the City Clerk.

Adopted FEB 09 2010



Mayor

Attest:



City Clerk

Approved as to form:



Deputy City Attorney



CITY CLERK USE ONLY

REQUEST FOR
[] ORDINANCE [X] RESOLUTION

Request #: 12517
Ord./Res. #: 37984

JAN 26 2010

1. DATE: January 26, 2010

2. SPONSORED BY: COUNCIL MEMBER(S) N/A (If no sponsor, enter N/A)
3a. REQUESTING DEPARTMENT/DIVISION/PROGRAM: Community & Economic Development
3b. "DO PASS" FROM: [X] Did not go before a Committee
3c. DID THIS ITEM GO BEFORE THE PUBLIC UTILITY BOARD?: [X] Not required
4a. CONTACT (for questions): Martha Anderson, PHONE: 253-591-5207
4b. Person Presenting: Martha Anderson, PHONE: 253-591-5207
4c. ATTORNEY: Jeff Capell, PHONE: 253-591-5638

5. REQUESTED COUNCIL DATE: February 9, 2010

6. SUMMARY AGENDA TITLE: (A concise sentence, as it will appear on the Council agenda.)

Authorizing execution of the revised Third Amendment to the Harold E. LeMay Museum Option Agreement and Development Agreement.

7. BACKGROUND INFORMATION/GENERAL DISCUSSION: (Why is this request necessary? Are there legal requirements? What are the viable alternatives? Who has been involved in the process?)

On October 2nd, 2009 the Harold E. LeMay Museum (HELM) provided written notice to the City that it intended to close on the option to acquire City-owned property on Tacoma Dome Lots B and C. Section 5 of the agreement requires three conditions prior to closing: 1) Complete Design Development Documents, 2) Raise 75 percent of the identified cost of construction and 3) Own or have control over at least 600 Museum Quality Vehicles. HELM completed those conditions and desires to close on the property. As the building design has continued to evolve and the needs of the project have changed modification to the agreements were necessary. The first attempt to modify was reviewed and approved by City Council at its December 15, 2009 meeting. The amendments included the following:
- Phase 1 property will adjust to approximately 7+ acres which will include all of Dome Lot B and a major portion of Dome Lot C for parking, show field and building.
- The perimeter access corridor connecting Dome Lots A and C will change from a 30 foot wide corridor to a 22 1/2 foot wide corridor. Paving and grading cost will be paid by the City.
- HELM will control approximately 124 parking stalls on Dome Lot C.
- City will be responsible for certain infrastructure improvements including vacating an existing easement for storm and sanitary in Lot C and relocating storm and sanitary to access road. HELM will be responsible for extending utilities to serve its project and City will provide access to place utilities.
- Remaining parking in Lot C will remain at current grade. HELM will install barrier berms and landscaping on its property. City will install berms and landscaping on its property.
- HELM will use parking revenues generated on its property to pay permit fees, utility relocation and parking improvements. Parking revenues will not be shared with the City.
- HELM will install parking lot catch basin and storm line in Lot C. City and HELM will split the cost.

REQUEST (CONT)

CITY CLERK USE ONLY

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- HELM agrees to not object to the City adding additional parking deck level(s) on Lot A with reasonable design review rights.
- Building permit fees will be capped at \$180,000.
- Construction of show field improvements must be completed within one year of receipt of Certificate of Occupancy for the Collector Car Center. If show field is not completed property reverts to City until LeMay is ready to proceed with construction.
- Future encumbrances on the LeMay property are prohibited.

After Council approval of the amendments in December, LeMay representatives contacted the City and indicated that they objected to the last two requirements and would not sign the agreements. After further discussions with LeMay the more express requirement to complete construction of the show field within one year was removed and the prohibition on mortgaging the property was modified to allow encumbrances (after repayment of a HUD 108 loan obtained through the City) exclusively for financing expansion or major capital improvements for the Museum but not for commercial purposes, operating revenues or repairs and maintenance. The amendments before Council now reflect these revisions.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material	Location of Document
Harold E. LeMay Museum Option Agreement and Development Agreements	City Clerk's Office
First Amended Harold E. LeMay Museum Option Agreement and Development Agreements	City Clerk's Office
Second Amended Harold E. LeMay Museum Option Agreement and Development Agreements	City Clerk's Office
Third Amended Harold E. LeMay Museum Option Agreement and Development Agreements approved December, 2009	City Clerk's Office
Revised Third Amended LeMay Museum Option and Development Agreements	City Clerk's Office

9. WHICH OF THE CITY'S STRATEGIC GOALS DOES THIS ITEM SUPPORT? (CHECK THE GOAL THAT BEST APPLIES)

- A. A SAFE, CLEAN AND ATTRACTIVE COMMUNITY
- B. A DIVERSE, PRODUCTIVE AND SUSTAINABLE ECONOMY
- C. A HIGH-PERFORMING, OPEN AND ENGAGED GOVERNMENT

REQUEST (CONT)

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10. IF THIS CONTRACT IS FOR AN AMOUNT OF \$200,000 OR LESS, EXPLAIN WHY IT NEEDS LEGISLATIVE APPROVAL:

11. FINANCIAL IMPACT: **EXPENDITURE** **REVENUE**

- A. **NO IMPACT (NO FISCAL NOTE)**
- B. **YES, OVER \$100,000, Fiscal Note Attached**
- C. **YES, UNDER \$100,000, (NO FISCAL NOTE)**
Provide funding source information below:

FUNDING SOURCE: (Enter amount of funding from each source)

Fund Number & Name:	State \$	City \$	Other \$	Total Amount
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If an expenditure, is it budgeted? **Yes** **No** **Where? Cost Center:**
Acct #:

Resolution No. 37984

Adopted: FEB 09 2010

Maker of Motion: FHEY

Seconded: WALKER

Voice Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe	✓			
Mr. Campbell	✓			
Mr. Fey	✓			
Mr. Lonergan	✓			
Mr. Manthou	✓			
Mr. Mello	✓			
Ms. Walker	✓			
Ms. Woodards	✓			
Mayor Strickland	✓			

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Mr. Boe				
Mr. Campbell				
Mr. Fey				
Mr. Lonergan				
Mr. Manthou				
Mr. Mello				
Ms. Walker				
Ms. Woodards				
Mayor Strickland				