



RESOLUTION NO. 39767

1 A RESOLUTION relating to economic development; authorizing the execution of a
2 Amended and Restated Development Agreement with Yareton
3 Investment & Management (Washington) L.L.C., for the development of a
4 hotel and mixed-use project on an approximately two-acre City-owned site
located at South 17th Street and Broadway, adjoining the Greater Tacoma
Convention Center.

5 WHEREAS, at \$150 million in total project cost, the Greater Tacoma
6 Convention Center (“GTCC”) is one of the largest, most important public
7 investments in economic development in Tacoma’s history, and
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9 WHEREAS, because of the lack of adjacent hotel room block reservations
10 for convention attendees, the GTCC has been unable to utilize its full capability,
11 and

12 WHEREAS, since the initial development of the GTCC, the City has
13 planned for the adjacent City-owned property to the south (“Subject Property”) to
14 be developed with a hotel/mixed-use development that would complement the
15 GTCC, and include a Room Block Agreement with the City to allow full convention
16 operations, and
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18 WHEREAS the Subject Property currently fulfills existing contractual
19 parking obligations and supports GTCC operations, but if developed as a
20 hotel/mixed-use development that would complement the GTCC, including
21 replacement parking and a Room Block Agreement with the City to allow full
22 convention operations, the Subject Property, in its current configuration, would be
23 surplus to the needs of the City, and
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1 WHEREAS, in 2014, the City selected Yareton Investment & Management
2 (Washington) L.L.C., a subsidiary of Shanghai Mintong Real Estate Company,
3 Ltd. ("Yareton"), through a public competitive process, as its preferred developer
4 for a hotel/mixed-use development, including a Room Block Agreement, on the
5 Subject Property, and in November 2014, entered into a Development Agreement
6 Between the City of Tacoma and Yareton ("Development Agreement"), and

7 WHEREAS, following the effective date of the Development Agreement, at
8 Yareton's request, the City extended time for performance, forgoing other
9 potential opportunities to develop the Subject Property, the enhancement to
10 GTCC operations from an implemented Room Block Agreement, and tax
11 revenues that would have been derived from a development that was completed
12 according to the original schedule, and

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14 WHEREAS, since November 2014, the parties have developed a number
15 of material amendments to the original Development Agreement to account for
16 changed or completed terms, as well as additional requests from Yareton, and
17 final time frames for commencement and completion of development; Now,
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19 Therefore,

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

21 Section 1. That the recitals are hereby incorporated herein as if set forth in
22 full as legislative findings.

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24 Section 2. That the City Council has considered the proposed transaction,
25 including the consideration to the City to be provided by Yareton Investment &
26 Management (Washington) L.L.C., a subsidiary of Shanghai Mintong Real Estate



1 Company, Ltd. ("Yareton"), and the terms of the Amended and Restated
2 Development Agreement, and hereby makes a legislative determination that the
3 consideration to the City in the Amended and Restated Development Agreement
4 is sufficient, appropriate, and in the best interests of the public.

5 Section 3. That the City Council hereby approves the execution of the
6 Amended and Restated Development Agreement with Yareton and execution of a
7 Quit Claim deed subject to the terms of the Agreement, said document to be
8 substantially in the form of the agreement on file in the office of the City Clerk.

9 Section 4. That the Subject Property currently fulfills existing contractual
10 parking obligations and supports GTCC operations, but if developed as a
11 hotel/mixed-use development that would complement the GTCC, including
12 replacement parking and a Room Block Agreement with the City to allow full
13 convention operations, the Subject Property, in its current configuration, will be
14 surplus to the needs of the City.
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16 Section 5. That the City Manager is authorized to take and execute any
17 additional measures or documents that may be necessary to complete this
18 transaction, which are consistent with the approved form of documents attached
19 to this Resolution, and this Resolution.
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Section 6. That this Resolution shall become effective immediately upon adoption by the City Council.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney