



RESOLUTION NO. 39941

1 A RESOLUTION relating to City-owned property; authorizing the execution of a
2 lease agreement with Tacoma Firs Golf Center, LLC, for property located at
3 4504 South Tyler Street, for a monthly base rent revenue of \$4,562 for the
4 initial term once a Certificate of Occupancy is obtained, and increasing to
5 \$10,340 per month, 24 months from the rent commencement period, for
6 capital improvements to be made to the golf center.

7 WHEREAS in 1998, pursuant to Resolution No. 33906, the City entered into
8 an Operating Agreement for the design, construction, and operation of a regional
9 golf learning center with Family Golf, Inc. ("FGI") on a City-owned parcel of land
10 adjacent to the Tacoma Landfill, and

11 WHEREAS FGI designed, constructed, and commenced operation of
12 Tacoma Firs Golf Center ("TFGC") under this agreement, and

13 WHEREAS FGI filed for Chapter 11 bankruptcy protection in May 2000, and
14 continued to operate TFGC under the authority of the Bankruptcy Court, and

15 WHEREAS the Bankruptcy Court approved the purchase of FGI by TFGC,
16 including rights and interest in the agreement for the operation of TFGC, and

17 WHEREAS, in 2001, TFGC and the City entered into an updated agreement
18 pursuant to Resolution No. 35114, for the continued operation of the golf center,
19 driving range, and associated facilities adjacent to the Tacoma Landfill, and

20 WHEREAS, in 2003, the Operating Agreement was amended pursuant to
21 Resolution No. 35907, to allow TFGC to construct a cover over the second level of
22 the driving range, and

23 WHEREAS the existing term of the Operating Agreement expires on
24 December 31, 2031, and
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1 WHEREAS TFGC has proposed substantial improvements to the golf center
2 to be funded by TFGC, and has asked the City to enter into a lease agreement
3 creating a leasehold interest in the golf center, authorizing certain improvements to
4 be made by the golf center, and providing for an initial 30-year term, with five,
5 five-year extensions, and
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7 WHEREAS TFGC will be providing payment of a monthly base rent revenue
8 of \$4,562 for the initial term once a Certificate of Occupancy is obtained, and
9 increasing to \$10,340 per month, 24 months from the commencement period, with
10 annual increases after the third year proportional with the Consumer Price Index,
11 with said sums to be deposited into the Environmental Services Waste Fund, for
12 capital improvements to be made to the golf center; Now, Therefore,
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14 **BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:**

15 That the proper officers of the City are hereby authorized to enter into a
16 lease agreement with Tacoma First Golf Center, LLC, for the lease of property
17 located at 4504 South Tyler Street, for a monthly base rent revenue of \$4,562
18 for the initial term once a Certificate of Occupancy is obtained, and increasing
19 to \$10,340 per month, 24 months from the rent commencement period, with
20 annual increases after the third year, proportional with the Consumer Price
21 Index, and to deposit said sums into the Environmental Services Solid Waste
22 Fund, for capital improvements to be made to the golf center, all as more
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specifically set forth in the proposed agreement on file in the office of the City Clerk.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney