



Req. #11522

RESOLUTION NO. 37277

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A RESOLUTION authorizing the execution of the second amended option and development agreements with the Harold E. LeMay Museum for development of a world-class automobile museum in Tacoma.

WHEREAS, on July 6, 2007, the City received notice from the Harold E. LeMay Museum ("LeMay Museum") that it was exercising its option on Tacoma Dome Lots "B" and "C" for development of a world-class automobile museum, and

WHEREAS, under current agreements, closing must occur within 24 months of exercising the option, and

WHEREAS, if the LeMay Museum elects to close in phases, any portion of the property not used in the initial phase will remain under option to the LeMay Museum for 20 years from the date of closing of the first phase, and

WHEREAS the City and the LeMay Museum desire to amend the option agreement and the development agreement to (1) remove obligations of the City to construct parking and infrastructure improvements prior to the construction of the LeMay Museum; (2) allow the City to retain title to the property along the perimeter of Tacoma Dome Lots "B" and "C" to provide for a 30-foot wide access road; (3) allow the LeMay Museum to construct a first-phase facility at a cost of at least \$25 million, with commitment to construct, in the second phase, a facility with a combined total cost of at least \$40 million; and (5) allow the City to use the LeMay Museum grounds and premises for City-sponsored events, and



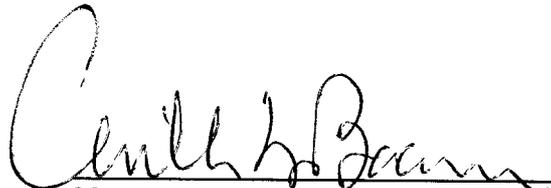
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WHEREAS the option agreement also provides October 31, 2007, as the new date to exercise the amended option for the first phase, terminating on October 31, 2009; Now, Therefore,

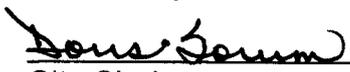
BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the proper officers of the City are hereby authorized to approve of and execute the second amended option agreement and the second amended development agreement with the Harold E. LeMay Museum, for the purposes hereinabove enumerated, said documents to be substantially in the form of the proposed amended agreements on file in the office of the City Clerk.

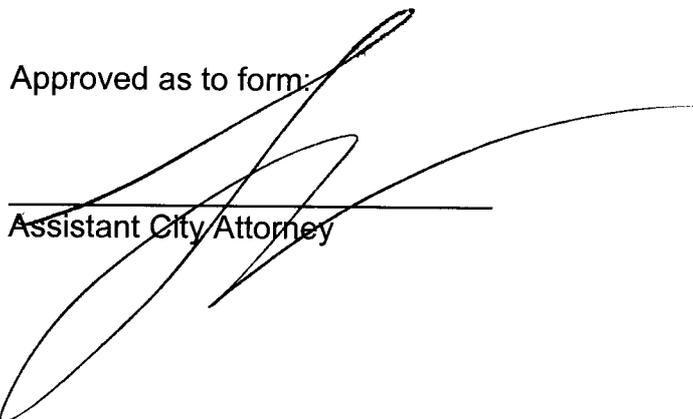
Adopted SEP 11 2007


Mayor

Attest:


City Clerk

Approved as to form:


Assistant City Attorney



CITY CLERK USE ONLY

REQUEST FOR
[] ORDINANCE [X] RESOLUTION

Request #: 11522
Ord./Res. #: 37277

1. DATE: August 15, 2007

2. SPONSORED BY: COUNCIL MEMBER(S) N/A

Table with 3 columns: 3a. REQUESTING (Community & Economic Dev. Dept.), 3b. DO PASS FROM [Committee Name] (Yes/No/Did not go before a Committee), 4a. CONTACT (Martha Anderson), 4b. Person Presenting, 4c. ATTORNEY (Steve Victor), and signatures for Department Director, Budget Officer, and City Manager.

5. REQUESTED EFFECTIVE DATE: September 11, 2007

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

Authorizing approval of the second amended option agreement and second amended development agreement between the City of Tacoma and the Harold E. LeMay Museum.

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 July 6, 2007 the City received notice from the Harold E. LeMay Museum that the Museum is exercising its option on Tacoma Dome lots "B" and "C". Under current agreements, closing must occur within 24 months of exercising the Option. If the Museum elects to close in phases, any portion of the property not used in the initial phase will remain under option to the Museum for 20 years from the date of closing of the first phase. The City and the Museum desire to amend the option and the development agreements to 1) Remove the City obligations to replace displaced parking prior to Museum construction, 2) Remove City obligation to construct \$1.6 million plaza and other improvements; 3) Allow City to retain title to property along the perimeter of Dome lots "B" and "C" to provide for a 25 foot wide access road; 4) Allow Museum to construct a first-phase facility at a cost of at least \$25 million, with commitment to construct in second phase a facility with a combined total cost of at least \$40 million; and 5) Allow City to use Museum grounds and premises for City-sponsored events. The option amendment also provides a new date of September 7, 2007 to exercise the option for the first phase, terminating on September 7, 2009. The balance of the site remains under the current 20 year option period.

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

Table with 2 columns: Source Documents/Backup Material and Location of Document. Includes Second Amended Option Agreement and Second Amended Development Agreement, both located at City Clerk.

2007 AUG 17 PM 4:39 RECEIVED CITY CLERK'S OFFICE

9. FINANCIAL IMPACT: A. [X] 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
If an expenditure, is it budgeted? [] Yes [] No Where? Cost Center: Acct #:

Resolution No. 37277

Adopted: SEP 11 2007

Maker of Motion: Talbert

Seconded: Anderson

Voice Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Ms. Anderson	✓			
Mr. Evans	✓			
Mr. Fey				✓
Ms. Ladenburg	✓			
Mr. Lonergan	✓			
Mr. Manthou				✓
Mr. Stenger	✓			
Mr. Talbert	✓			
Mayor Baarsma	✓			

Roll Call Vote:

MEMBERS	AYES	NAYS	ABSTAIN	ABSENT
Ms. Anderson				
Mr. Evans				
Mr. Fey				
Ms. Ladenburg				
Mr. Lonergan				
Mr. Manthou				
Mr. Stenger				
Mr. Talbert				
Mayor Baarsma				