



TO: Elizabeth Pauli, City Manager
FROM: Adam Cook, Director, Tacoma Venues and Events
Carol Wolfe, Acting Director, Tacoma Community and Economic Development
COPY: City Council, Deputy City Manager and City Clerk
SUBJECT: Request for a Resolution amending the LeMay Museum Option Agreement to establish a 120-day notice period for exercise of the Option and support the Museum's development of a state-of-the-art robotics lab in partnership with the Tacoma School District- Requested for April 8, 2025
DATE: 3/19/2025

SUMMARY & PURPOSE:

The Tacoma Venues and Events and Community and Economic Development Departments are requesting a Resolution authorizing amendment of the LeMay Museum Option Agreement to establish a 120-day notice period for exercise of the Option and support the Museum's request for State funding to develop a state-of-the-art robotics lab in partnership with the Tacoma School District.

COUNCIL SPONSORS:

Mayor Victoria Woodards

BACKGROUND:

In 2002, the City Council approved an Option and Development Agreement (Agreement) for the LeMay Museum (Museum) to be developed on property adjacent to the Tacoma Dome. Under the Agreement, the Museum was required to Close on the first phase of property within 5 years, develop and open the Museum and meet other criteria, all of which have been satisfied. The remaining future phase property remained under option to the Museum for twenty (20) years. The notice period to the City for exercise of second phase option was set at two (2) years advance notice. The two years notice period was set to ensure that the museum facility was constructed, and all other first phase requirements would be met before the Museum could exercise the second phase option. Three subsequent Council-approved Amendments in 2006, 2007, and 2010 extended to Option Agreement for the second phase through 2029.

The Museum is now prepared to exercise its second phase option. In the Second Phase, the Museum plans to partner with the Tacoma School District to develop a state-of-the-art robotics lab on the second phase site. The lab would continue, enhance, and expand the Museum's collaboration with the Tacoma School District with robotics classes to be held on site. The second phase site is directly adjacent to the Museum's show field and would allow outdoor and aerial robotics experiences. The site also directly connects to East, South and Central Tacoma for convenient access for students from those communities. The lab would make Tacoma a regional hub for primary and secondary robotics education. The School District has funds available for its portion of the project and the Museum will seek the balance of funds necessary for the project from the State legislature this year.

The reduction in notice to the City to exercise the Museum's second phase closing is necessary to ensure that the School District's schedule for the project can be met.



COMMUNITY ENGAGEMENT/CUSTOMER RESEARCH:

This legislation is necessary to allow timely exercise of the Museum’s second phase option to meet the School District’s schedule for development of the robotics lab project. Staff and the Mayor’s Office have engaged with partners involved in the project to understand project needs and provide support.

2025 STRATEGIC PRIORITIES:

- **Equity and Accessibility:** This resolution will create new learning opportunities for students across Tacoma while investing near the Dome district and east Tacoma where investment has historically been lacking.

Education: *Equity Index Score:* Equity Index Score: Very High Opportunity Increase the availability of industry-specific education programs to support identified growth sectors. Decrease the number of vacant properties downtown and in the neighborhood business districts.

Explain how your legislation will affect the selected indicator(s). This project will utilize a parking lot that is currently used during events and generates revenue for the Tacoma Venues and Events Department (TVE). Exercise of the 2002 Option for development of the Robotics Lab will end that revenue stream but development of the Robotics Lab will provide greater use of the area and create quality learning opportunities that prepare students for future employment in robotics or related fields.

STAFF RECOMMENDATION:

The recommendation is to:

- Approve the Resolution.

ALTERNATIVES:

Alternatives.

Alternative	Positive Impacts	Negative Impacts
1. Do not approve the Resolution.	None.	Without approval of the Resolution the joint School District and Museum robotics lab project will not proceed.

EVALUATIONS AND FOLLOW UP:

The City will ensure fulfillment of all conditions of the Option Agreement.

FISCAL IMPACT:

Shortening the notice period reduces the amount of time TVE has left to operate the parking lot and generate revenue. The parking lot that is the subject of the 2002 Option generates approximately \$125,000 in annual revenue for Tacoma Dome operations. By shortening the notice period, this revenue loss will begin at 120 days instead of 2 years.

ATTACHMENTS:

Proposed Resolution amending LeMay Museum Option Agreement, and draft Fourth Amendment.