



# Pierce County Council

930 Tacoma Ave S, Rm 1046  
Tacoma, WA 98402-2176  
(253) 798-7777  
FAX (253) 798-7509  
Toll-Free (800) 992-2456  
[www.piercecountywa.org/council](http://www.piercecountywa.org/council)

*Passed as Amended  
at the 05-07-2019  
Council meeting. (See  
page 2.)*

**Council Amendment No. 19  
Proposed Ordinance No. 2019-10s  
Sky Blue**

**Date:** May 7, 2019  
**To:** Councilmembers  
**From:** Pam Roach, Council District 2  
Jim McCune, Council District 3  
*PR.  
J.M.*  
**Hearing Date:** May 7, 2019  
**Attachments:** None  
**Subject:** **Proposed Amendment to Ordinance No. 2019-10s – Ground Lease Chambers Bay Resort**

The following amendment to Exhibit A would prohibit all gambling, gaming operations or gaming devices associated with the Resort.

1. Starting on page 3 of Exhibit A, amend Section 1.05.1 as follows:

1.05.1 Use. The Property is leased to Tenant for the purpose of constructing, maintaining and operating the Improvements consisting of a resort hotel, golf villas, restaurant, spa, event space, golf clubhouse, Golf Course support facilities, and parking necessary to serve the Improvements on the Property, and for other uses and purposes customarily associated with and reasonably related to a resort hotel, and for no other use or purpose without the prior written consent of Landlord. In no event shall the use include a gaming operation or devices ~~without written approval of the County Council.~~ Tenant will develop, construct and operate certain Improvements including the Buildings as part of the Project which shall include:

1. No more than 190 hotel or golf villa units;
2. Event and meeting space;
3. New clubhouse and pro shop (the "Clubhouse")
4. Spa;
5. Restaurant (s) and bar(s);
6. Publicly accessible outdoor amenities including a new public plaza and enhanced recreational trails;
7. 200 parking spaces or the minimum required under University Place Municipal Code for the proposed Project; and
8. Not more 239,000 sq. ft. of total Building space

all in accordance with the Plans and Specifications approved by Landlord pursuant to Section 4.04, and no other improvements without the prior written consent of Landlord. Tenant shall not permit the Project or any Improvement to be used for any unlawful purpose nor shall Tenant

permit any nuisance or waste in or upon the Premises or the Improvements. Gaming, gambling, and any devices to permit gaming or gambling shall be ~~prohibited~~ ~~permitted only if lawful and approved by the County Council~~. The Project shall be constructed and used as first-class hotel and resort facilities. Subject to Tenant's express rights to cease or interrupt operation of the Project hereunder, the Buildings and Project shall be repaired, maintained and operated by Tenant throughout the term in a first-class condition, as such repair and maintenance standards are measured relative to other similar facilities at first class golf course resorts, taking into account the age and type of building, market conditions, occupancy levels and other relevant factors, all as reasonably determined by Tenant from time to time. Any dispute regarding the first-class nature, condition, operation or maintenance of the Project or the other matters in this Section 1.05 shall be settled by arbitration in accordance with Section 16 of this Lease.

2. Starting on page 9 of Exhibit A, amend Section 2.01.3 as follows:

~~2.01.3 "Gross Revenue" shall mean all gross revenues received by Tenant or any Affiliate of Tenant or their agents or managers with respect to gross income (including both cash and credit transactions) derived directly or indirectly from operation of the Premises and the Project, including but not limited to rents, room charges, sales of food and beverages, facility rentals, vending machines revenues, parking revenues, telephone, facsimile, and internet services, in-room video, gaming and gaming activities or devices (to the extent permitted by law and approved by the County Council), cancellation fees, retail sales, proceeds of business interruption and loss of rents insurance, the fair market value of any non-cash consideration, and subtenant rentals or reimbursements with respect to operation of the Premises, but excluding ("Exclusions"):~~

*clerk's note:*

*Paragraph #2 was removed from the Amendment.*

**Staff Contacts:**

Mike Kruger, Senior Legislative Analyst – (253)798-6067  
Jenifer Schultz, Committee Clerk – (253) 798-6696