

RESOLUTION NO. 2012/001

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONROE, WASHINGTON, DECLARING THE CITY COUNCIL'S INTENT TO ENTER INTO A LEASE AGREEMENT WITH H30, LLC, FOR THE DEVELOPMENT AND OPERATION OF A CABLE WAKEBOARD RECREATIONAL FACILITY AT LAKE TYE PARK; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO REASONABLY ASSIST AND COOPERATE WITH H30, LLC TO SUBMIT ANY APPLICATIONS FOR PERMITS AND OTHER REGULATORY APPROVALS NECESSARY TO EFFECTUATE SAID LEASE; EXPRESSLY RESERVING THE CITY'S REGULATORY AUTHORITY; AND ESTABLISHING AN IMMEDIATE EFFECTIVE DATE.

WHEREAS, the City of Monroe owns and operates Lake Tye Park, a 67.54 acre recreational facility located adjacent to the Fryelands neighborhood of Monroe and comprised of two legal parcels; and

WHEREAS, H30, LLC desires to construct and operate a cable wakeboard facility upon the southern portion of Lake Tye Park, which when operational will enable recreational users to wakeboard on the lake by utilizing mechanized cable tows rather than motorized boats; and

WHEREAS, the City Council finds that the development and operation of said facility would serve the public interest by encouraging economic development within the City, attracting tourists to the Monroe community, and providing valuable recreational opportunities for local families and children; NOW, THEREFORE

IT IS HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONROE AS FOLLOWS:

Section 1. Nonbinding Declaration of Intent. The City Council hereby declares its intent to enter into a lease or other appropriate agreement authorizing H30, LLC and/or its affiliates to develop and operate a cable wakeboard park facility on the southern parcel of Lake Tye Park. The City Council further declares its intent that said lease or other agreement shall contain, in addition to any other necessary or appropriate provisions, the basic terms and conditions enumerated in Exhibit A, attached hereto and incorporated herein by this reference as if set forth in full. Provided, that the City Council reserves the right to supplement, modify or otherwise change such terms and conditions through negotiation with H30, LLC. Provided further, that the City's execution of said lease or other agreement shall be subject to City Council approval at an open public meeting.

Section 2. Authorization to Mayor and Staff. The Mayor or his designee is hereby authorized to cooperate with and reasonably assist H30, LLC, with respect to the submittal of any applications for permits, licenses or other regulatory approvals necessary to effectuate the development of the proposed cable wakeboard park facility. Such authorization specifically includes without limitation co-signing, as landowner of the underlying real property, the submittal of any such applications.

Section 3. Regulatory Authority Preserved. The authorizations set forth in this resolution are specific and limited to the City of Monroe's proprietary capacity as landowner of Lake Tye Park. Nothing herein shall be construed as waiving, abridging or otherwise limiting the City of Monroe's regulatory authority and police power, which the City hereby reserves in full.

Section 4. Effective Date. This resolution shall take effect immediately upon passage.

PASSED BY THE MONROE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 3rd DAY OF JANUARY, 2012.

CITY OF MONROE, WASHINGTON


Robert G. Zimmerman, Mayor

ATTEST:


Eadye Martinson, Deputy City Clerk

APPROVED AS TO FORM:


J. Zachary Lell, City Attorney

Exhibit A

Basic Terms and Conditions: Lake Tye Cable Wakeboard Park Project

- The cable/wakeboard course will be located within the southern portion of Lake Tye.
- The lease and related agreements will be entered into between City of Monroe and H30, LLC or its affiliate.
- The initial lease term will be 10 years with three five-year extensions.
- The City will have special event rights on Lake Tye during the lease term.
- The basic rent will be \$12,000 in Year 1, \$18,000 in Year 2, and \$24,000 in Years 3 through 10.
- Additional rent will include two percent of H30's gross revenues, subject to partial offset for expenses incurred. The offset will be capped at \$45,000.
- A Facilities Plan will be jointly agreed upon by the parties prior to permit application and will include amenities to be built and improvements to be titled and remain with City at the end of the lease, including a 2,500 (approx.) square foot building to be constructed at H30's expense.
- H30 will comply with all applicable regulatory permit and approval standards and procedures.
- Risk allocation as between the parties will be addressed by appropriate provisions governing insurance, indemnification and similar matters.