



**BUSINESS OF THE CITY COUNCIL
CITY OF SNOQUALMIE**

**AB23-097
August 14, 2023
Committee Report**

AGENDA BILL INFORMATION

TITLE:	AB23-097: Pacific West Rail Model Train Museum	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
PROPOSED ACTION:	Approval of Development Agreement and Ground Lease for Pacific West Rail Model Train Museum, to be located on a proposed "public use" parcel known as Gateway Park.	

REVIEW:	Department Director	Emily Arteche	7/13/2023
	Finance	Drew Bouta	7/13/2023
	Legal	David Linehan	8/9/2023
	City Administrator	Mike Chambless	8/7/2023

DEPARTMENT:	Administration		
STAFF:	Mike Chambless		
COMMITTEE:	Community Development	DATE: July 17, 2023	
COMMITTEE:	Finance & Administration	DATE: July 18, 2023	
CITY COUNCIL:	City Council Regular Meeting	DATE: July 24, 2023	
CITY COUNCIL:	City Council Special Meeting	DATE: July 31, 2023	
EXHIBITS:	1. Development Agreement 2. Ground Lease		

AMOUNT OF EXPENDITURE	\$ 0
AMOUNT BUDGETED	\$ 0
APPROPRIATION REQUESTED	\$ 0

SUMMARY

INTRODUCTION

The proposed Pacific West Rail Model Train Museum would be located on City owned property commonly known as Gateway Park, which lies at the southwest corner of the intersection of Railroad Avenue SE and Snoqualmie Parkway (7001 Railroad Avenue SE, parcel no. 3024089017). The attached exhibits, Development Agreement and Ground Lease, allow the project to move forward.

LEGISLATIVE HISTORY

In December 2022 under AB22-132 the Council authorized the Mayor to approve a Memorandum of Understanding (MOU), to develop a park/museum on City property which will showcase a model train. The

MOU required the City and the proponents of the museum to prepare a development agreement and lease agreement.

BACKGROUND

On September 12, 2022, Peter Hambling presented his vision for an interpretive model train museum that will promote a cultural, historical, educational, and entertaining tourism experience for the City of Snoqualmie. The model train is a replica of Northwest Trunk Line. The project involves the construction of a 20,000 square foot building with parking to feature the model train along with community event space, a gift shop and other interactive features as well as an outdoor recreational area with picnic benches and other improvements on City property. The museum would be operated and managed by a nonprofit foundation (Pacific West Rail Foundation), and would be open to the public daily, Wednesday-Monday, 10:00 a.m. to 6:00 p.m., with limited exceptions for certain holidays.

The agenda bill and exhibits were presented to the Community Development Committee on July 17, 2023, and the Finance & Administration Committee on July 18, 2023. An introductory presentation was made by Peter Hambling at the July 24, 2023, City Council meeting and discussion was held at a City Council Special meeting on July 31, 2023.

ANALYSIS

The Development Agreement and Ground Lease do not require the City or the proponent to exchange money. During the term of the Development Agreement, the foundation would work to finalize the project design, obtain all necessary city approvals, and attempt to raise money to fund the construction. The term of the lease is set for 50-years, commencing when construction begins, with a stipulation that after the 50 years the building and related improvements would revert to the city, with the exhibits and other personal property of the museum remaining with the foundation. No permit fees will be charged to the proponents. The land would be provided to the proponents "as is," subject to certain assumptions about its readiness for construction. The proponent must raise adequate funds to construct the museum/park within 5 years.

The City sees this project as a unique opportunity to create a new tourist destination and point of attraction for local residents and guests, which has the potential to drive additional economic activity to City businesses, including restaurants, hotels, and retail stores, thereby promoting the prosperity of the business community and increasing City tax revenues. The Museum would also be made available to the City to use as a venue for City events up to two times per year.

BUDGET IMPACTS

This agenda bill does not require the City to spend any funds. However, the City may have out-of-pocket costs associated with permit review as the project proceeds to construction. The museum is expected to encourage more tourism in the area and have a positive impact on the local economy.

NEXT STEPS

PROPOSED ACTION

MOVE to approve the Development Agreement and Ground Lease for the Pacific West Rail Model Train Museum, to be located on the "public use" parcel known as Gateway Park, with the agreements to be substantially in the form provided herewith, and authorize the Mayor to sign.