

RESOLUTION NO. R-2025-074

WHEREAS, RRTX Lake Creek Hotel, LP, (“LCH”) has expressed to the City of Round Rock (“City”) its desire to expand its upscale boutique hotel (“Ruby Hotel”) by purchasing an adjacent property for the development of an events center to the City which will provide an additional tax base to the City, and

WHEREAS, §380.001 Local Government Code provides that a municipality may establish an economic development program (“Program”) to promote local economic development and to stimulate business and commercial activity in the municipality, and

WHEREAS, the City Council has determined that the Program described in Exhibit “A” will meet the goals set forth in said §380.001 and will be of mutual benefit to both parties, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

That the City offers to LCH a §380.001 Program in exchange for LCH expanding the “Ruby Hotel” in the City through the acquisition of additional property and the development of an events center, and

BE IT FURTHER RESOLVED

That the offer of the Program shall be as generally outlined in Exhibit “A” attached hereto and incorporated herein for all purposes.

The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and

the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 13th day of March, 2025.

CRAIG MORGAN, Mayor
City of Round Rock, Texas

ATTEST:

ANN FRANKLIN, City Clerk

EXHIBIT A
ECONOMIC DEVELOPMENT PROGRAM

The terms of the \$380,001 Economic Development Program to be offered to **RRTX Lake Creek Hotel, LP** (“LCH”) in exchange for LCH's expanding the “Ruby Hotel” by purchasing and adjacent property for the development of an events center in the City of Round Rock are as generally outlined below:

1. LCH’s obligations:
 - 1.1. LCH agrees to purchase a tract of land containing approximately 1.028 acres adjacent to the “Ruby Hotel” (the “Property”), as described in Exhibit C of the Economic Development Program Agreement.
 - 1.2. LCH agrees to redevelop the existing structure on the Property use as an events center (the “Project”).
 - 1.3. LCH agrees to invest at least \$2,650,000.00 in Project improvements.
 - 1.4. LCH agrees to continue to employ at least 25 full-time equivalent employees in the Hotel.
 - 1.5. LCH agrees to sell to the City for \$750,000.00 a portion of property it owns adjacent to Brushy Creek for a bridge landing related to the City’s trail system, as described and shown in Exhibit F of the Economic Development Program Agreement.
2. City’s obligations:
 - 2.1. City shall, pursuant to Chapter 380 of the Texas Local Government Code, but subject to the conditions set out herein, make annual EIPs to LCH within thirty (30) days after LCH submits to the City the Job Compliance Affidavit, the Certificate of Compliance, and HOT Tax returns reflecting the tax generated by the Project and actually paid to the City. The EIPs will be a percentage of the HOT tax collected by LCH and actually paid to the City as set forth below:

<u>Year</u>	<u>Percentage of HOT Tax Paid</u>
2024	75%
2025	75%
2026	75%
2027	75%
2028	75%
2029	75%

- 2.2. City shall, pursuant to Chapter 380 of the Texas Local Government Code, but subject to the conditions set out herein, make annual EIPs to LCH within thirty (30) days after LCH submits to the City the Job Compliance Affidavit, the

Certificate of Compliance, and Ad Valorem Tax returns reflecting the tax generated by the Project and actually paid to the City. The EIPs will be a percentage of the Ad Valorem Tax actually paid to the City as set forth below:

<u>Year</u>	<u>Percentage of Property Tax Paid</u>
2024	75%
2025	75%
2026	75%
2027	75%
2028	75%
2029	75%

- 2.3 City shall make an Economic Development Loan to LCH in the amount of \$2,650,000.00 secured by a Deed of Trust on the Property.

- 3. The terms and provisions of this Program will be set out in more detail in the Economic Development Program Agreement of even date herewith.