

RESOLUTION NO. R-2018-5239

WHEREAS, RRTX Lake Creek Hotel, LP, (“LCH”) has expressed to the City of Round Rock (“City”) its desire to locate an upscale boutique hotel (“Hotel”) to the City which will provide jobs and 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 locating the “Ruby Hotel” in the City, 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 8th day of March, 2018.

CRAIG MORGAN, Mayor
City of Round Rock, Texas

ATTEST:

SARA L. WHITE, 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 locating an upscale boutique hotel (“Hotel”) 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 3.0 acres (the “Property”), as described in Exhibit 1.
 - 1.2. LCH agrees to construct the Hotel and convention center with 39 hotel rooms (the “Project”).
 - 1.3. LCH agrees to invest at least \$4,500,000 in Project improvements.
 - 1.4. LCH agrees to employ at least 35 full-time equivalent employees in the Hotel.
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>
2019	75%
2020	75%
2021	50%
2022	50%

- 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>
2019	75%
2020	50%
2021	50%
2022	50%

2.3 City shall waive up to \$13,000.00 in development application fees.

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.