



## REQUEST FOR CITY COUNCIL ACTION

**MEETING DATE:**

November 4, 2020

**DEPARTMENT:**

City Attorney

**DIVISION:**

- ☐ Motion
- ☒ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

**TITLE:**

Development Agreement: Home2 Suites Hotel

**SUMMARY RECOMMENDATION:**

Approve a development agreement with Kesari Putra Hospitality LLC, owner and operator of the new Home2 Suites hotel, deferring water and sanitary sewer capacity charges for payment in three equal installments due January 1, 2021, January 1, 2022, and January 1, 2023. (City Attorney) (Richard W. Files)

**REPORT:**

The City and Kesari Putra Hospitality LLC (Kesari) previously entered into a Phase Three Component Real Property Sale and Development Agreement involving the sale of a 2.86 acre parcel to Kesari for the construction of the Home2 Suites hotel. The terms of the Development Agreement included deferral of development fees and water and sanitary sewer capacity charges until the time of issuance of a certificate of occupancy.

The travel and hotel industry has been one of the hardest hit sectors of the economy due to the COVID-19 pandemic. Home2 Suites has requested a continued deferral of the water and sanitary sewer capacity charges (but not development fees) beyond the issuance of the certificate of occupancy and seeks to pay the \$116,400 still owed in three equal installments over a 2 year, two month period beginning January 1, 2021. The attached proposed resolution and development agreement accomplishes a continued deferral of the water and sewer capacity fees at 4% interest and will facilitate the Home2 Suites proposed opening on November 17, 2020.

FISCAL REQUIREMENTS	CITY FUNDS:	\$0.00	BUDGETED:	\$0.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00 \$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP: \$0.00	
	TOTAL:	\$0.00		
	FISCAL IMPACT STATEMENT:			
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK:			
	1. 2. 3. 4. 5.  IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?  <input checked="" type="radio"/> Department <input type="radio"/> City Clerk's Office <input type="checkbox"/> Document to be recorded <input type="checkbox"/> Document to be codified			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	Philip A. Rodriguez		10/28/2020	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files		10/28/2020	
RECOMMENDED BY (DEPT/DIV HEAD):		DATE:		
WRITTEN/SUBMITTED BY:		DATE:		