

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: September 9, 2014	DATE SUBMITTED: August 28, 2014
DEPARTMENT OF ORIGIN: Economic Development	SUBMITTED BY: Joey Dunn

MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> STATUTORY		<input checked="" type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input type="checkbox"/> INFRASTRUCTURE
			<input checked="" type="checkbox"/> QUALITY OF LIFE

AGENDA ITEM DESCRIPTION: Consider approving an Agreement between the City of Bryan and ATLAS HOTEL, L.P., to provide up to \$2,250,000 from future hotel occupancy tax (HOT) funds generated by the Atlas Hotel for the purpose of promoting economic development through the construction of a 177-room four-star boutique hotel within the Atlas Town Center Development, to be located north of the intersection of Traditions Drive and Health Science Center Parkway in Bryan, Brazos County, Texas.

SUMMARY STATEMENT: Investments in land and infrastructure in west Bryan over the past fifteen (15) years have led to the development of the Traditions Club, the Texas A&M Health Science Center, and ultimately the birth of the One Health Plus BioCorridor. The impacts of the City's initial investment have been far reaching, attracting millions of dollars in private investment as well as State and federally funded facilities and projects within the BioCorridor.

Representatives of the Traditions Acquisition Partnership (TAP) propose to construct the Atlas Town Center Development, a mix use master planned community to be located within the developing One Health Plus Biocorridor. The town center is designed to attract Pharmaceutical and Biotechnology companies to relocate to the Biocorridor area of Bryan and College Station. Atlas TAP, LLC is under contract to own a tract of land at the corner of Traditions Drive and Health Science Center Parkway in the proposed Atlas Town Center Development, which it plans to develop as a 177-room four-star boutique hotel, with a 10,000 square foot conference center.

Currently, the City of Bryan lacks sufficient business class hotel, meeting, conference and convention facilities in the City, as well as the Biocorridor area. Bryan has made it a priority to promote economic development through tourism, including efforts to attract to the community out-of-town visitors, travelers, businesses, organizations and groups whether for purposes of business or pleasure. Tourism and tourism related industries and the money spent by tourists and visitors to the community are essential components of a diverse local economy aiding in the creation of jobs for local residents, increased revenues for local businesses, and increased local sales and property tax revenue.

The Atlas Hotel will be the first hotel and conference center facility in Bryan with conference center space of this size and four star accommodations and amenities enabling the City of Bryan to attract the number and types of tourists, visitors and conventions critical to the City's goals and promotional efforts. Atlas TAP, LLC will be actively engaged in promoting the hotel and tourism in the City of Bryan, including promoting travel to the City by residents of other areas for conventions and similar events.

The proposed agreement makes HOT funding available to ATLAS HOTEL, L.P., in the amount of fifty percent (50%) of the annual HOT generated solely by the Atlas Hotel for a period of up to ten (10) years and for a total not to exceed amount of \$2,250,000, whichever occurs first. The funds must be specifically used in promoting tourism

and conventions in the City of Bryan.

STAFF ANALYSIS AND RECOMMENDATION: Staff recommends approval of this agreement. This proposed agreement serves the following purposes:

- serves the public purpose of promoting economic development in the City through tourism
- provides incentive for a four star boutique hotel and conference center to locate within the City of Bryan
- reduces the City's financial risk and places that risk on the shoulders of the developer, by using only those hotel occupancy tax revenues generated by the hotel itself, to cover costs associated with promoting tourism and conventions in the City of Bryan.

OPTIONS (In Suggested Order of Staff Preference):

1. Approve Agreement
2. Reduce percentage of HOT funds made available to an amount less than fifty percent
3. Modify Agreement for approval, which may require consideration at a future City Council meeting
4. Deny Agreement and provide direction to staff

ATTACHMENTS: Agreement

FUNDING SOURCE: Future HOT funds generated by the Atlas Hotel

APPROVALS: Joey Dunn, 09-01-14; Hugh R. Walker, 09/02/2014

APPROVED FOR SUBMITTAL: CITY MANAGER Kean Register, 09-02-2014

APPROVED FOR SUBMITTAL: CITY ATTORNEY Janis K. Hampton, 09/02/2014

Revised 05/2013