

ORDINANCE

# CITY HOTEL REDEVELOPMENT AND FINANCING AGREEMENT

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# CITY HOTEL

## REDEVELOPMENT AND FINANCING AGREEMENT

Town staff favorably recommends the proposed financial assistance agreement for the City Hotel.

As outlined by the applicant and the DDA Executive Director, this project responds to a number of Town goals & values:

- The project saves one of the oldest historic structures in Town – saving it from likely future collapse or demolition.
- It revitalizes the structure with a use allowing for public enjoyment. The business proposal is unique – not chain/franchise, but independent.
- It will be different from other offerings in the community – something we hear as a desire from many residents.
- The project provides upper scale lodging in the community and downtown, including a rooftop amenity that has been long sought for our downtown.
- The project currently generates modest property tax and no sales tax.
- The proposal will substantially upgrade the property, generating sales and Town lodging tax.
- New visitors to downtown will also generate business for others in downtown.

The valet parking solution, while perhaps not ideal, can work for a lodging establishment and is appropriate given how the project achieves a number of values for the community. The financial incentives are limited: the short term loan only occurs after the multi-million dollar project is completed, and the sales tax share-back is limited in scope/duration and obviously generating more than currently available from the site.



# QUESTIONS?

RECOMMENDED MOTION :

*"I MOVE TO APPROVE ORDINANCE NO. 2025-001, AS INTRODUCED BY TITLE."*

ALTERNATIVE MOTIONS:

*"I MOVE TO APPROVE ORDINANCE NO. 2025-001, WITH THE FOLLOWING CONDITIONS: \_\_\_\_."*

*"I MOVE TO CONTINUE THIS ITEM TO THE COUNCIL MEETING ON: (DATE)."*