

## CITY OF LAKE JACKSON

### LOCAL HOTEL OCCUPANCY TAX REIMBURSEMENT GUIDELINES FOR HOTEL AND CONVENTION CENTER DEVELOPMENT

#### I. General Statement of Purpose

The City seeks to enhance its economic development efforts to attract and retain quality hotel and convention center development by establishing these reimbursement guidelines for authorized uses under Chapter 351.101 of the Texas Tax Code.

These Policies and Procedures are established in an effort to develop and expand quality hotels to attract conventions and tourists to Lake Jackson. The ultimate goal and public purpose of programs established hereunder is to protect and enhance the City's fiscal ability to provide quality municipal services for the safety, comfort and enjoyment of Lake Jackson residents.

#### II. Criteria

A. To be considered for reimbursements under these Policies and Procedures, a project must at least meet the following minimum requirements:

1. The hotel project shall result in a minimum original investment of \$12,000,000 in real and business personal property (excluding inventory and supplies).
2. The hotel shall employ a minimum of 25 employees, full and part-time.
3. The hotel shall consist of:
  - a. A minimum of 100 hotel rooms and offer the following minimum amenities;
    - i. 100% of rooms shall have refrigerator and microwave
    - ii. 5% of rooms shall have a separate shower and Jacuzzi type bathtub
    - iii. 5% of rooms classified as Executive Suites minimum 450 square feet each.
    - iv. 10% of rooms classified as Executive Suites minimum 550 square feet each.
    - v. Executive Suite amenities shall include:
      1. Office area with appropriate internet, power and Wi-Fi connections

b. A minimum of 6,500 square feet of meeting space inclusive of pre-event areas, restrooms, catering/service kitchen, main meeting room and at least one board or breakout room.

- c. Bar/lounge area.
- d. Sit down restaurant and room service.
- e. Full kitchen facilities.
- f. Workout and exercise room of 600 square feet or more.
- g. Guest laundry area.
- h. Home theater area in lobby area.
- i. Business area with computer access.
- j. Swimming pool

B. In the alternative, the hotel project may be considered for reimbursements if it is specifically determined by resolution of the Lake Jackson City Council that the project brings extraordinary benefits to the City consistent with the General Statement of Purpose and Policy as stated in Section I above and that the project will make a unique or unequalled contribution to development or redevelopment efforts in the City of Lake Jackson, due to its magnitude, significance to the community or aesthetic quality.

- C. A project shall not be eligible for reimbursements under these Policies and Procedures if a building permit has been issued for the project prior to making application in accordance with these Policies and Procedures.
- D. Reimbursements established under this Program will be provided only to the extent that the revenue realized by the City and attributable to a project exceeds a minimum amount established by the Agreement. The public benefit or amount of revenue realized by the City and attributable to the project must be commensurate with value of any incentives granted under this Program.

### III. Additional Considerations

Additional factors to be considered by the City Council in determining whether to authorize an Agreement for reimbursements are:

- A. the financial capacity of the applicant to undertake and complete the proposed project;
- B. other incentive programs for which the applicant has applied or is qualified;
- C. the market conditions and growth potential for the business activity, and
- D. any other factors the City Council finds helpful and relevant to accomplishing the City's economic development objectives.

### IV. Value of Reimbursements

Reimbursements may be offered to applicants that pursue quality hotel and convention center development. The reimbursements will be in the form of local hotel occupancy tax reimbursements derived from the local hotel occupancy tax generated from the new development.

### V. Application Process

A. An application for consideration as a Program shall be made on forms supplied by the City. An applicant may be required to provide additional information to show compliance with minimum Program requirements. If City staff determines minimum program requirements have been met, City staff shall prepare and present the proposal to the City Council.

B. The City Council may consider the proposal and may take action on the proposal as it deems appropriate. Nothing in these Policies and Procedures and nothing in the application form and process shall create any property, contract, or other legal right in any person to have the City Council consider or grant reimbursements.

- Adopted by City Council Resolution 14-685 on July 21, 2014.
- Revised by City Council on July 20, 2015