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Memorandum

To: Honorable Chairman and Trustees
From: Roger Kolman, City Manager
Re: Renewal of Hotel Tax Incentive Agreement
Date: 7/6/2020

BACKGROUND

In June of 2013, the Coweta Industrial Development Authority and Prenivi, LLC entered into a Hotel Tax Incentive Agreement related to the development of a new hotel in Coweta. The agreement contains provisions for annual renewal for a period of ten (10) years commencing the June following the date that hotel taxes were first remitted to the city or until the payment of a total of \$750,000 to the developer from ½ of the hotel tax generated by the facility. The first payment was received in October of 2015, which under the terms of the agreement made June of 2016 as the initial renewal date. To date, the developer has been reimbursed a total of \$ 43,956.51 under the agreement.

The terms of the agreement require that the Trustees annually review the agreement to ensure that there is a continued public benefit to the incentive agreement as part of the renewal process. The general public benefits in the agreement include:

- Development of previously undeveloped property
- Creation of new jobs
- Creation of additional hotel tax opportunities and benefit to surrounding businesses
- Improvement of the quality of life for citizens of Coweta

Staff believes that the location and continued operation of the hotel in Coweta continues to meet the general public benefits set out in the agreement.

STAFF RECOMMENDATION

Staff recommends the Trustees make the finding that the agreement continues to provide public benefit and approve the fifth renewal of the hotel tax incentive agreement.

ATTACHMENTS

Hotel Tax Incentive Agreement