

Mayor and Council Communication

DATE: 11/05/19

M&C FILE NUMBER: M&C 19-0287

LOG NAME: 17714MAINEDPAAMEND1

SUBJECT

Authorize Execution of Amendment No. 1 to the Economic Development Program Agreement with 714 Main Real Estate Holdings, LLC (City Secretary Contract No.52382) for Development of a Hotel at 714 Main Street to Revise the Minimum Operating Standards Required for the Hotel (COUNCIL DISTRICT 9)

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to execute Amendment No. 1 to the Economic Development Program Agreement with 714 Main Real Estate Holdings, LLC (City Secretary Contract No.52382) for development of a hotel at 714 Main Street to revise the the minimim operating standards that will be required for the hotel.

DISCUSSION:

On October 30, 2018, the City Council authorized the execution of an Economic Development Program Agreement with 714 Main Real Estate Holdings, LLC (Developer) for the conversion of the existing 190,000 square foot office tower located at 714 Main St. into a 232-room four star hotel (City Secretary Contract No. 52382, M&C C-28913). Under the Agreement, the Developer committed to ensure that the hotel will operate at all times in accordance with Kimpton brand standards or otherwise in a manner that is consistent with the standards for a Four Star Hotel as defined by *Forbes Travel Guide*.

While still wishing to preserve the requirement that the hotel be operated consistent with the standards of a four star hotel, Developer wishes to use an acceptable industry alternative to the *Forbes Travel Guide* on which such standards are to be based. Developer therefore proposes to amend the Agreement to require the hotel to operate consistent with the standards required for a Four Star or Four Diamond rating by either Forbes, AAA, Travelocity, or other recognizable hospitality industry rating guide as deemed acceptable by the City Manager or designated City staff.

All other terms and conditions outlined in the Agreement will remain the same.

This project is located in COUNCIL DISTRICT 9.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

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