

STATE OF ILLINOIS
CITY OF COLUMBIA
FILED FOR RECORD

FEB 17 2015

ORDINANCE NO. 3166

**AN ORDINANCE TO AUTHORIZE EXTENSION OF THE HOTEL AND
MOTEL ACCOMMODATION TAX REBATE FINANCING AGREEMENT
BETWEEN THE CITY OF COLUMBIA AND MMCP, LLC**

Debby Stoff
City Clerk

WHEREAS, the City of Columbia (hereinafter "City") is interested in expanding its economic base with the primary emphasis on creating and retaining jobs anywhere within the corporate boundaries of the City;

WHEREAS, in 2007 the City authorized Ordinance No. 2571, an Agreement with Columbia Hospitality, LLC to construct and operate a 77-room Hampton Inn hotel (hereinafter the "Hotel") on Lot No. 10 in the Admiral Trost Development Subdivision which is located within the corporate limits of the City in the Admiral Parkway Tax Increment Redevelopment Area (the "Agreement");

WHEREAS, the Agreement authorized Columbia Hospitality, LLC to receive a rebate from hotel and motel accommodation tax paid for up to 84 months or until a total of \$350,000 had been rebated (whichever was to occur first);

WHEREAS, proceeds from lodging provided through the Hotel lagged significantly behind expectations due to impacts of the economic recession;

WHEREAS, MMCP, LLC (hereinafter the "Company") purchased the Hotel from Columbia Hospitality, LLC and assumed all its assets and liabilities;

WHEREAS, as an incentive for the Company to keep the Hotel operating within the City's Admiral Parkway Redevelopment Area, the City in 2010 authorized Ordinance No. 2817 to assign the Agreement and its benefits to the Company;

WHEREAS, the Company has requested an extension of the Agreement to allow investors to recapture more of the anticipated rebate over a longer period of time;

WHEREAS, tax proceeds rebated to the Company, like other hotel and motel accommodation tax paid, can only be used to promote overnight stays in Columbia at the Hotel;

WHEREAS, the City Council reviewed the Company's request during a work session on February 9, 2015 at which time said request was recommended for approval by the Committee of the Whole.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Columbia, Illinois, as follows:

Section 1. The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.

Section 2. The City Council of the City of Columbia, Illinois, hereby agrees to the extension of the Hotel and Motel Accommodation Tax Rebate Financing Agreement between the City of Columbia, Illinois, and MMCP, LLC, pursuant to Section 4 Subparagraph 8 of the original Agreement, a copy of which is attached as Exhibit A and incorporated herein by reference, for a period not to exceed an additional sixty (60) months or \$350,000 in total remittance, whichever occurs first, and does hereby authorize and direct the Mayor to execute any additional documents that carry out the purpose and intent of the extension, and does hereby authorize and direct the City Clerk to attest the same and affix the corporate seal of the City.

Section 3. This Ordinance shall be in full force and effect from and after its passage, as provided by law.

Alderman Holtkamp moved the adoption of the above and foregoing Ordinance; the motion was seconded by Alderman Reis, and the roll call vote was as follows:

YEAS: Aldermen Ebersohl, Agne, Niemietz, Reis and Holtkamp.

NAYS: None.

ABSENT: Aldermen Roessler, Huch and Mathews.

ABSTENTIONS: None.

PASSED by the City Council and APPROVED by the Mayor, this 17th day of February, 2015.



KEVIN B. HUTCHINSON, Mayor

ATTEST:



WESLEY J. HOEFFKEN, City Clerk

(SEAL)