

ORDINANCE NO. 2571

JUN 18 2007

AN ORDINANCE TO AUTHORIZE A HOTEL AND MOTEL ACCOMODATION TAX REBATE FINANCING AGREEMENT BETWEEN THE CITY OF COLUMBIA, A MUNICIPAL CORPORATION IN THE STATE OF ILLINOIS AND THE COLUMBIA HOSPITALITY COMPANY, LLC, AN ILLINOIS LIMITED LIABILITY COMPANY TO CONSTRUCT AND OPERATE A HOTEL ON LOT #10 IN THE ADMIRAL TROST DEVELOPMENT SUBDIVISION AND IN THE CITY'S ADMIRAL PARKWAY TAX INCREMENT DEVELOPMENT DISTRICT

WHEREAS, the COMPANY intends to construct and operate a hotel consisting of approximately 43,000 square feet on three levels with approximately 79 rooms and all required site improvements and infrastructure to be located on Lot No. 10 in the Admiral Trost Development Subdivision (the "Subdivision") which is located within the corporate limits of the CITY and the Admiral Parkway Tax Increment Redevelopment Area;

WHEREAS, if the COMPANY constructs the Improvements in the CITY, it is anticipated that the Company will invest over Four Million Six Hundred Thousand Dollars (\$4,600,000) in the construction of the hotel, which will create a real estate tax increment of approximately Ninety Eight Thousand Dollars (\$98,000) or more annually in the Admiral Parkway Tax Increment Financing ("TIF") District ("TIF District") in which the Property is located;

WHEREAS, if the COMPANY constructs the Improvements in the CITY, it is anticipated that the Company will attract approximately Two Million One Hundred Thousand Dollars in room rentals, which will create Hotel And Motel Accommodation Tax revenues of over One Hundred Thousand Dollars (\$100,000) or more annually;

WHEREAS, the COMPANY estimates that the hotel will create a minimum of Seventeen (17) FTE jobs in the CITY and that those employees shall be employed within twenty-four (24) months of the date of this Agreement;

WHEREAS, the City, acting pursuant to the Section 8-3-14 of the Illinois Municipal Code (65 ILCS 5/8-3-14 et seq.) enacted City Ordinance No. 1653, on March 2, 1998, approving a Hotel And Motel Accommodation Tax in the amount of Five Percent (5%) of the gross rental receipts upon all persons engaged in the business of renting, leasing, or letting rooms in a hotel in the City of Columbia, Illinois;

WHEREAS, pursuant to the Section 8-3-14 of the Illinois Municipal Code (65 ILCS 5/8-3-14 et seq.) the amounts collected shall be expended by the municipality solely to promote tourism and conventions within the City or to otherwise attract nonresident overnight visitors to the City;

WHEREAS, as an inducement for the COMPANY to construct the hotel within the TIF District of the CITY aforesaid, which will promote the goals and objectives of the CITY'S Admiral Parkway TIF Redevelopment Plan, the City Council wishes to lend assistance to the COMPANY in the attraction of overnight visitors to the City for the success of its enterprise;

WHEREAS, the 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; and,

WHEREAS, it is the intention of the CITY and the COMPANY that this Agreement shall set forth fully the rights and obligations of the parties with regard to Hotel and Motel Accommodation Tax Rebate financing for the COMPANY.

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

Section 1. The City Council of the City of Columbia, Illinois hereby agrees to make and enter into The Hotel And Motel Accommodation Tax Rebate Financing Agreement between the City of Columbia Illinois and The Columbia Hospitality Company, LLC, in the form attached hereto, which is hereby approved as to form; and, does hereby authorize and direct the Mayor to execute the same for and on behalf of the CITY, in as many counterparts as the Mayor shall decide, and does hereby authorize and direct the City Clerk to attest the same and affix thereto the corporate seal of the CITY.

Section 2. This ordinance shall be in full force and effect from and after its passage and publication in pamphlet form, as provided by law.

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

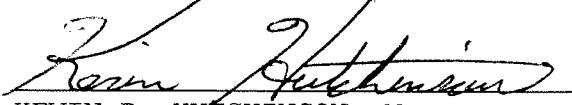
YEAS: Aldermen Ebersohl, Agne, Niemietz, Row, Hejna, Stumpf and Mayor Hutchinson.

NAYS: Aldermen Unnerstall and Oberkfell.

ABSENT: None.

ABSTENTIONS: None.

PASSED by the City Council and APPROVED by the Mayor this 18th day of June, 2007.


KEVIN B. HUTCHINSON, Mayor

ATTEST:


WESLEY J. HOFFKEN, City Clerk

(SEAL)