

RESOLUTION NO. 2024-02- 17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS, APPROVING A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LANCASTER, TEXAS AND MAYFLOWER STAR LLC, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Mayflower Star LLC agrees to plans to build a Homewood Suites Hotel with a minimum of one hundred (100) rooms and a minimum private investment of ten million dollars (\$10,000,000); and

WHEREAS, the City of Lancaster ("City") recognizes the importance of business and community development to the vitality and growth of the City; and

WHEREAS, the City desires to grant certain incentives to Mayflower Star LLC for the purpose of developing the hotel, identified as a target industry in the Lancaster Economic Development Strategic Plan; and

WHEREAS, the City has adopted programs for promoting economic development and the economic development incentives set forth herein are given and provided by the City pursuant to and in accordance with those programs; and

WHEREAS, the City is authorized by Chapter 380 of the Texas Local Government Code to issue grants in order to promote local economic development by stimulating the local economy; and

WHEREAS, the Agreement containing the terms of the grant of incentives from the City is appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LANCASTER, TEXAS:

SECTION 1. The City Council of the City of Lancaster, Texas approves a Chapter 380 Economic Development Incentive Agreement by and between the City of Lancaster and Mayflower Star LLC, attached as Exhibit "A" and incorporated herein.

SECTION 2. The City Council authorizes the City Manager to execute the Chapter 380 Economic Development Agreement between the City of Lancaster and Mayflower Star LLC.

SECTION 3. This Resolution shall take effect immediately from and after the date of passage and is provided by law.

DULY PASSED and approved by the City Council of the City of Lancaster, Texas, on this the 26th day of February, 2024.

ATTEST:



Sorangel O. Arenas, City Secretary

APPROVED:



Clyde C. Hairston, Mayor

APPROVED AS TO FORM:



David T. Ritter, City Attorney

EXHIBIT A

**CITY OF LANCASTER, TEXAS
AND
MAYFLOWER STAR LLC**

**CHAPTER 380 ECONOMIC DEVELOPMENT
PROGRAM AND AGREEMENT**

This **CHAPTER 380 ECONOMIC DEVELOPMENT PROGRAM AND AGREEMENT** (hereinafter referred to as the "Agreement") is made and entered into by and between the **CITY OF LANCASTER, TEXAS**, a Texas home-rule municipality (hereinafter referred to as the "City"), and **MAYFLOWER STAR LLC**, a Texas Limited Liability Company (hereinafter referred to as the "Developer"), for the purposes and considerations stated below:

WHEREAS, the Developer desires to enter into this Agreement pursuant to Chapter 380 of the Texas Local Government Code; and

WHEREAS, the City desires to provide, pursuant to Chapter 380 of the Texas Local Government Code an incentive to Developer to develop the Property as defined below; and

WHEREAS, the City possesses the legal and statutory authority under Chapter 380 of the Texas Local Government Code to expend public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City of Lancaster, Texas; and

WHEREAS, the City has determined that a grant of funds to the Developer will serve the public purpose of promoting local economic development, with the development and diversification of the economy of the State and City, will eliminate unemployment and underemployment in the State and City, and will enhance business and commercial activity within the City of Lancaster, Texas; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Lancaster, Texas, and, as such, meets the requisites under Chapter 380 of the Texas Local Government Code, and further, is in the best interests of the City and the Developer; and

WHEREAS, the City has concluded and hereby finds that this Agreement clearly promotes economic development in the City of Lancaster, Texas, and, as such, meets the requirements of Article III, Section 52-a of the Texas Constitution by assisting in the development and diversification of the economy of the State, by eliminating unemployment or underemployment in the State, and by the development or expansion of commerce within the State.

NOW, THEREFORE, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Developer agree as follows:

SECTION 1. FINDINGS INCORPORATED.

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

SECTION 2. TERM.

This Agreement shall be effective as of the Effective Date of this Agreement, as defined herein, and shall continue thereafter until December 31, 2038, unless otherwise terminated pursuant to the terms of this Agreement.

SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- (a) **Agreement.** The word "Agreement" means this Chapter 380 Economic Development Program and Agreement, authorized by Chapter 380 of the Texas Local Government Code, together with all exhibits and schedules attached to this Agreement from time to time, if any.
- (b) **Certificate of Occupancy.** The words "Certificate of Occupancy" mean a certificate of occupancy (or its local equivalent) for the Facility.
- (c) **City.** The word "City" means the City of Lancaster, Texas, a Texas home-rule municipality. For the purposes of this Agreement, City's address is P.O. Box 940, Lancaster, Texas 75146.
- (d) **Developer.** The word "Developer" means Mayflower Star LLC, whose address for the purposes of this Agreement is 4907 Wildflower Lane, Temple, Texas 76502.
- (e) **Effective Date.** The words "Effective Date" mean the date that the City Council approves this agreement.
- (f) **Event of Default.** The words "Event of Default" mean and include any of the Events of Default set forth in the section entitled "Events of Default" in this Agreement.
- (g) **Facility.** The word "Facility" means Developer's facilities constructed on the Property. In order to qualify as the "Facility" under this Agreement, the facility must meet all of the following criteria: (1) be located within the City; and (2) obtain a Certificate of Occupancy by January 31, 2028 and maintain it throughout the Term of this Agreement.
- (h) **Program Payment.** The words "Program Payment" mean the economic development funds provided by the City to Developer in accordance with this Agreement. Program Payments will be made in the form of tax rebates as described in more detail in Section

5(a) of this Agreement.

- (i) **Property.** The word “Property” means the tract of land located in the City of Lancaster, Dallas County, Texas, commonly known as 405 Hana Lane, Lancaster, Texas, and more particularly described and or depicted in *Exhibit 1 – Site Plan* of this Agreement, which is attached hereto and incorporated herein for all purposes. For purposes of this Agreement, the tract does not need to be owned by Developer, but may instead be leased.
- (j) **Term.** The word “Term” means the term of this Agreement as specified in Section 2 of this Agreement.

SECTION 4. AFFIRMATIVE OBLIGATIONS OF DEVELOPER.

The Developer covenants and agrees with City that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Application for building permit.** Developer covenants and agrees to apply for a building permit for the Facility located on the Property on or before January 31, 2026 and to begin construction of the Facility by that date.
- (b) **Occupation of Facility.** Developer covenants and agrees to commence operations by January 31, 2028 and to continue occupying the Facility during the term of this Agreement.
- (c) **Certificate of Occupancy.** Developer covenants and agrees to obtain or maintain a City Certificate of Occupancy for the Facility located on the Property on or before January 31, 2028, and to maintain the Certificate of Occupancy throughout the Term of this Agreement.
- (d) **Investment Threshold.** Developer covenants and agrees to make a minimum expenditure of ten million dollars (\$10,000,000) for land purchase and direct project design and construction expenditures including project related Business and Personal Property expenditures.
- (e) **Hotel Requirements.** Developer covenants and agrees to build a hotel on the Property that contain a minimum of one hundred (100) rooms and minimum of sixty thousand (60,000) square feet of hospitality space. Developer covenants and agrees to build a hotel classified as ‘Upscale, or higher on the STR Chain Scales – ‘North American and Caribbean list.’ The City acknowledges that the Developer intends to build a Homewood Suites by Hilton on the Property which is classified as Upscale on the STR Chain Scales.
- (f) **Performance.** Developer covenants and agrees to perform and comply with all terms, conditions and provisions set forth in this Agreement, and any other agreements by and between the City and Developer.

- (g) **Provision of Records.** Developer covenants and agrees to provide to City all receipts, purchase orders, funds transfers, checks, charges, and all other supporting documentation that City may request to demonstrate the costs incurred and paid by Developer related to the Investment Threshold specified in Section 4(d) and payment of Business Personal Property taxes related to this Agreement. On request by City, Developer shall supply to City information reasonably requested related to Developer's employment of workers at the Facility, including but not limited to employee headcount and average wage data. Developer will provide all receipts and supporting documentation to City within ninety (90) days of payment of taxes, and within thirty (30) days of a written request by the City for information regarding the Investment Threshold or employment.
- (h) **Site Visit.** Developer covenants and agrees to grant a tour of the facility once every four years of the term of the Agreement to a delegation from the City.
- (i) **Sign Agreement.** Developer covenants and agrees to sign this document and return it to the City no later than twenty working days after approval by City Council.

SECTION 5. AFFIRMATIVE OBLIGATIONS OF THE CITY.

City covenants and agrees with Developer that, while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Program Payments.**
 - (1) **Business Personal Property Tax Rebate.** Provided that: (1) the Developer has obtained a Certificate of Occupancy for the Facility by January 31, 2028; (2) the investment threshold set forth herein are met; and (3) all other Affirmative Obligations set out in Section 4 have been satisfied, the City shall make Program Payments to Developer for a portion (as set forth below) of ad valorem taxes paid by the Developer to the City for Business Personal Property Taxes for a period of five (5) years. Developer shall provide the City records of ad valorem taxes paid in a format approved by the City as soon as possible after the payment, and City shall provide the Program Payment within thirty (30) business days after receipt of the tax records.

The first year of eligibility for the Program Payment shall be the tax year starting the earlier of: (1) the first tax year after the Investment Threshold is met; or (2) January 1, 2029.

These Program Payments shall be based upon the following percentages and terms:

Tax Years 1-5	Percentage of City Business Personal Property Taxes Reimbursed
1st through 5th tax year	40%

- (2) **Real Property Tax Rebate.** Provided that: (1) the Developer has obtained a Certificate of Occupancy for the Facility by January 31, 2028; (2) the investment threshold set forth herein are met; and (3) all other Affirmative Obligations set out in Section 4 have been satisfied, the City shall make Program Payments to Developer for a portion (as set forth below) of ad valorem taxes paid by the Developer to the City for Real Property Taxes for a period of five (5) years. Developer shall provide the City records of ad valorem taxes paid in a format approved by the City as soon as possible after the payment, and City shall provide the Program Payment within thirty (30) business days after receipt of the tax records.

The first year of eligibility for the Program Payment shall be the tax year starting the earlier of: (1) the first tax year after the Investment Threshold is met; or (2) January 1, 2029.

These Program Payments shall be based upon the following percentages and terms:

Tax Years 1-5	Percentage of City Real Property Taxes Reimbursed
1st through 5th tax year	40%

(3) Bonuses:

- (a) The term of the rebate for Business Personal Property tax rebate and Real Property tax rebate will be extended for an additional two (2) years (for Tax Years 6 and 7), up to a total of seven (7) years and the rebate rate will be increased to 50%, if: a) Developer builds or supports the construction of a second 'Upscale' hotel (as defined in Section 4(e)) with a minimum of sixty thousand (60,000) square feet of space and a minimum of ten thousand (10,000) square feet of meeting space on the site; or
- b) The term of the rebate for Business Personal Property tax rebate and Real Property tax rebate will be extended for an additional five (5) years (for Tax Years 6 through 10), up to a total of ten (10) years and the rebate rate will be increased to 50%, if: a) Developer builds or supports the construction of a second 'Upscale' hotel (as defined in

Section 4(e)) with a minimum of sixty thousand (60,000) square feet of space and a minimum of ten thousand (10,000) square feet of meeting space on the site; Developer includes a restaurant or regional or national retail shop on the site.

- (4) **Hotel Occupancy Tax (HOT) Rebate.** Provided that: (1) the Developer has obtained a Certificate of Occupancy for the Facility by January 31, 2028; (2) the investment threshold set forth herein are met; and (3) all other Affirmative Obligations set out in Section 4 have been satisfied including provision of ten thousand (10,000) square feet of meeting space at this or another hotel located on the site, the City shall make Program Payments to Developer for a portion of HOT funds paid (as set forth below) by the Developer to the City for Hotel Occupancy Taxes for a period of ten (10) years. Developer shall provide the City records of HOT funds paid in a format approved by the City as soon as possible after the payment, and City shall provide the Program Payment within thirty (30) business days after receipt of the tax records.

The first year of eligibility for the Program Payment shall be the tax year starting the earlier of: (1) the first tax year after the Investment Threshold is met; or (2) January 1, 2029.

These Program Payments shall be based upon the following percentages and terms:

Tax Years 1-10	Percentage of local HOT Fund Taxes Reimbursed
1st through 10th tax year	50%

- (5) **Investment.** The Investment Threshold in Section 5 is based on receipts demonstrating actual expenditures, and subject to City review and approval.

SECTION 6. CESSATION OF ADVANCES.

If City has made any commitment to provide any Program Payment to Developer, whether under this Agreement or under any other agreement, the City shall have no obligation to advance or disburse future Program Payment after: (a) Developer becomes insolvent, files a petition in bankruptcy or similar proceedings, or is adjudged bankrupt; or (b) an Event of Default occurs and is not cured within the time period provided in Section 8.

SECTION 7. EVENTS OF DEFAULT.

Each of the following shall constitute an Event of Default under this Agreement:

- (a) **General Event of Default.** Failure of Developer or City to comply with or to perform any

other term, obligation, covenant or condition contained in this Agreement, or failure of Developer or City to comply with or to perform any other term, obligation, covenant or condition contained in any other agreement by and between Developer and City is an Event of Default.

- (b) **False Statements.** Any warranty, representation, or statement made or furnished to the City by or on behalf of Developer under this Agreement that is false or misleading in any material respect, as of the time made or furnished is an Event of Default.
- (c) **Insolvency.** Developer's insolvency, appointment of receiver for any part of Developer's property, any assignment for the benefit of creditors of Developer, any type of creditor workout for Developer, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Developer is an Event of Default.
- (d) **Ad Valorem Taxes.** Developer allows its ad valorem taxes owed to the City to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of such taxes and to cure such failure within thirty (30) days after written notice thereof from City and/or Dallas County Central Appraisal District is an Event of Default. For the avoidance of doubt, it shall not be an Event of Default if Developer's landlord or another third party allows its ad valorem taxes for Facility real or personal property that it owns to become delinquent, unless such delinquency arises from Developer's failure to satisfy its contractual obligation to pay or reimburse ad valorem taxes imposed on Developer's landlord or another third party.

SECTION 8. EFFECT OF AN EVENT OF DEFAULT.

In the event of default under Section 7(a), (b), or (d) of this Agreement, the non-defaulting party shall give written notice to the other party of any default, and the defaulting party shall have thirty (30) days to cure a monetary default and ninety (90) days to cure a non-monetary default. Should said default remain uncured as of the last day of the applicable cure period, the non-defaulting party shall have the right to terminate this Agreement, enforce specific performance as appropriate, or maintain a cause of action for damages caused by the event(s) of default. In the event the Developer defaults and is unable or unwilling to cure said default within the prescribed time period, the Program Payments provided by the City to Developer pursuant to Section 5(a) of this Agreement, shall become immediately due and payable by the Developer to the City. A default under Section 7(c) of this Agreement will trigger an immediate default and all Program Payments provided by the City to Developer shall become immediately due and payable by the Developer to the City without right of cure.

SECTION 9. INDEMNITY.

TO THE EXTENT ALLOWED BY TEXAS LAW, EACH PARTY AGREES TO RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE OTHER (AND ITS OFFICERS, AGENTS, AND EMPLOYEES) FROM AND AGAINST ALL CLAIMS OR CAUSES OF ACTION FOR INJURIES (INCLUDING DEATH), PROPERTY

DAMAGES (INCLUDING LOSS OF USE), AND ANY OTHER LOSSES, DEMAND, SUITS, JUDGMENTS AND COSTS, INCLUDING REASONABLE ATTORNEYS' FEES AND EXPENSES, IN ANY WAY ARISING OUT OF, RELATED TO OR RESULTING FROM ITS PERFORMANCE UNDER THIS AGREEMENT, OR CAUSED BY ITS NEGLIGENT ACTS OR OMISSIONS (OR THOSE OF ITS RESPECTIVE OFFICERS, AGENTS, EMPLOYEES, OR ANY OTHER THIRD PARTIES FOR WHOM IT IS LEGALLY RESPONSIBLE) IN CONNECTION WITH PERFORMING THIS AGREEMENT. NOTHING HEREIN SHALL BE INTERPRETED AS A WAIVER OF CITY'S GOVERNMENTAL IMMUNITY FROM SUIT OR DAMAGES.

SECTION 10. MISCELLANEOUS PROVISIONS.

The following miscellaneous provisions are a part of this Agreement:

- (a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
- (b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Dallas County, Texas. Venue for any action arising under this Agreement shall lie in the state district courts of Dallas County, Texas.
- (c) **Assignment.** This Agreement may not be assigned without the express written consent of the other party, which shall not be unreasonably withheld, conditioned or delayed. Any restrictions herein on the transfer or assignment of Developer's interest in this Agreement shall not apply to and shall not prevent, and no City consent shall be required for but Developer shall provide notice to City of, the assignment of this Agreement to a subsidiary or affiliate of Developer, an acquirer of substantially all of Developer's assets, or any corporation or other entity with which Developer may merge or consolidate or that may succeed to a controlling interest in the business of Developer or in which Developer owns more than a twenty percent (20%) equity interest.
- (d) **Attorneys' Fees and Costs.** In the event of any action at law or in equity between the parties to enforce any of the provisions hereof, to the extent allowed by law any unsuccessful party to such litigation shall pay to the successful party all costs and expenses, including reasonable attorneys' fees (including costs and expenses incurred in connection with all appeals) incurred by the successful party, and these costs, expenses and attorneys' fees may be included in and as part of the judgment. A successful party shall be any party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment.
- (e) **Binding Obligation.** This Agreement shall become a binding obligation on the signatories upon execution by all signatories hereto. City warrants and represents that the

individual executing this Agreement on behalf of City has full authority to execute this Agreement and bind City to the same. Developer warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind it to the same.

- (f) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.
- (g) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- (h) **Entire Agreement.** This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.
- (i) **Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war, civil commotion, acts of God, inclement weather, pandemic or wide-spread disease, fire or other casualty, employee strike or other work stoppages, or court injunction, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or requirement shall be extended for a period of time equal to the period such party was delayed.
- (j) **No Interpretation Against Drafter.** Developer and City have participated in negotiating and drafting this Agreement, and agree that the Agreement is to be construed as if drafted jointly. The parties agree that the Agreement will not be interpreted or construed against either party should a need for interpretation or resolution of any ambiguity arise.
- (k) **Notices.** Any notice or other communication required or permitted by this Agreement (hereinafter referred to as the "Notice") is effective when in writing and (i) personally delivered by nationally recognized next business day delivery service or by hand or (ii) three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified with return receipt requested. The parties agree to keep the other party or parties informed of their address at all times during the Term of this Agreement. The Notices shall be addressed as follows:

If to the City:	City of Lancaster, Texas Attn: Opal Mauldin-Jones, City Manager P.O. Box 940 Lancaster, Texas 75146 Telephone: (972) 218-1300
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If to the Developer: Mayflower Star LLC
Attn: Bankim Bhatt
4907 Wildflower Lane
Temple, Texas 76502

- (l) **Severability.** The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation have the force and effect of the law, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.
- (m) **Sovereign Immunity.** No party hereto waives any statutory or common law right to sovereign immunity by virtue of its execution hereof.
- (n) **Survival.** All warranties, representations, and covenants made by Developer in this Agreement or in any certificate or other instrument delivered by Developer to City under this Agreement shall be considered to have been relied upon by the City and will survive the payment of any Program Payments under this Agreement regardless of any investigation made by the City or on City's behalf.
- (o) **Time is of the Essence.** Time is of the essence in the performance of this Agreement.
- (p) **Undocumented Workers.** The Developer certifies that Developer does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. If during the Term of this Agreement, Developer is convicted of a violation under 8 U.S.C. § 1324a(f), Developer shall repay the amount of any public subsidy provided under this Agreement to Developer plus six percent (6.0%), not later than the 120th day after the date the City notifies Developer of the violation.
- (q) In accordance with Section 2270.002 of the Texas Government Code (as added by Tex. H.B. 89, 85th Leg., R.S. (2017)), the Developer verifies that it does not boycott Israel and will not boycott Israel during the Term of this Agreement.
- (r) In accordance with Section 2252.152 of the Texas Government Code (as added by Tex. S. B. 252, 85th Leg., R.S. (2017)), the Parties covenant and agree that Developer is not on a list maintained by the State Comptroller's office prepared and maintained pursuant to Section 806.051, 807.051, or 2252.153 of the Texas Government Code.
- (s) **Estoppel Certificate.** Upon written request by Developer to City, City will provide Developer with a certificate stating, as of the date of the certificate, (i) whether this Agreement is in full force and effect and, if Developer is in breach of this Agreement, the nature of the breach, (ii) a statement as to whether this Agreement has been amended and, if so, the identity and substance of each amendment, and/or (iii) such other matters as

may be agreed upon by the parties. City shall not unreasonably withhold or delay its consent to such requests.

[The Remainder of this Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed.

CITY:

CITY OF LANCASTER, TEXAS,
a Texas home-rule municipality

By: _____

Opal Mauldin-Jones, City Manager

Date: _____

ATTEST:

Sorangel O. Arenas

Sorangel O. Arenas, City Secretary

APPROVED AS TO FORM:

David T. Ritter

David T. Ritter, City Attorney

STATE OF TEXAS

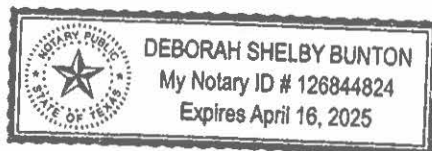
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COUNTY OF DALLAS

This instrument was acknowledged before me on the 29 day of February, 2024 by Opal Mauldin-Jones, City Manager of the City of Lancaster, Texas, a Texas home-rule municipality, on behalf of said municipality.

Deborah Shelby Bunton

Notary Public, State of Texas



DEVELOPER:

MAYFLOWER STAR LLC
a Texas Limited Liability Company

Name: Bankim Bhatt
Title: _____
Date Signed: _____

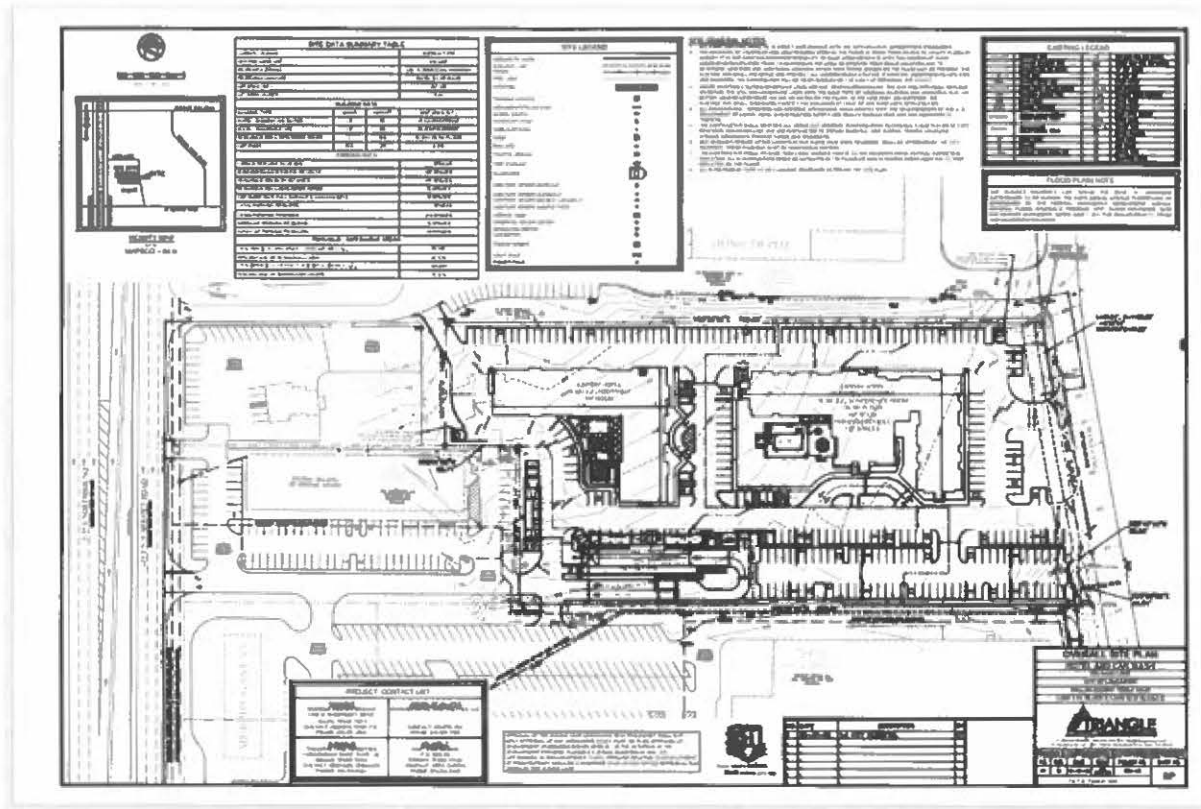
STATE OF _____ §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2024 by Bankim Bhatt, _____ of Mayflower Star LLC, a Texas Limited Liability Company, on behalf of said Texas Limited Liability Company.

Notary Public, County of _____, _____

Exhibit 1

Site Plan





STR Chain Scales - North America and Caribbean

Luxury	Park Hyatt	Hard Rock	Wyndham Grand	Hyatt Place
21c Museum Hotel	Prestige Hotels & Resorts	Hilton		Iberostar Hotels & Resorts
AKA	Regent	Hilton Grand Vacations	Upscale	Innsby Melia
Aman	Ritz-Carlton	Hotel Indigo	AC Hotels by Marriott	Jolly
Andaz	RockResorts	Hotel Nikko	Allegro	Larkspur Landing
Banyan Tree	Rosewood	Hyatt	aloft Hotel	Legacy Vacation Club
Belmond Hotels	Royalton	Hyatt Centric	Alt Hotel	Mantra
Capella	Secrets Resorts & Spas	Hyatt Regency	Apa Hotel	Melia
COMO	Shangri-La	Instinct Hotels	Ascend Collection	Miyako
Conrad	Sixty Hotels	Joie De Vivre	Aston Hotel	NH
Destination Hotels	Sofitel	Kimpton	Atton	Nova Hotels
Dorchester Collection	St Regis	Le Meridien	Be Live	Novotel
Doyle Collection	Taj	Live Aqua	Best Western Premier	NYLO Hotel
Dreams Resorts & Spas	The Peninsula	Magnolia	BW Premier Collection	Occidental
Edition	The Unbound Collection	Marriott	Cambria hotel & suites	Palladium Hotel
Elegant	Thompson Hotels	Marriott Conference Center	Canad Inn	Prince Hotel
Fairmont	Trump Hotel Collection	Memories	Citadines	Radisson
Firmdale	Valencia Group	Millennium	citizenM	Residence Inn
Four Seasons	Viceroy	New Otani	Club Med	RIU Hotel
Grand Bahia Principe	W Hotel	NH Collection	Coast Hotels Canada	Room Mate
Grand Hyatt	Waldorf Astoria	Omni	Coast Hotels USA	Sandals
Hyatt Zilara	Zoetry Wellness & Spa Resorts	Outrigger Resorts	Courtyard	Sandman Signature
Hyatt Ziva		Pan Pacific	Crowne Plaza	Sawridge
Iberostar Grand Collection	Upper Upscale	Pestana	Dazzler	Shell Vacations Club
InterContinental	Ace Hotel	Pullman	Decameron	Sonesta Hotel
JW Marriott	Affinia Hotel	Quinta Real	Disney Hotels	Springhill Suites
Kempinski	Alila	Radisson Blu	DoubleTree	Staybridge Suites
Langham	Autograph Collection	Radisson RED	dusitD2	Stoney Creek
Loews	Bridgestreet	Red Carnation	Eaton	SuperClubs
Lotte Hotel	Accommodations	Renaissance	element	Tapestry Collection
Luxury Bahia Principe	Camino Real	Royal Hideaway	Eurostars Hotel	Travel Inn
Luxury Collection	Canopy by Hilton	Sheraton Hotel	EVER Hotels	Vacation Condos by Outrigger
Mandarin Oriental	Club Quarters	Silver Cloud	Fiesta Americana	Westmark
ME	Curio Collection	St. Giles Hotel	Four Points by Sheraton	Wyndham
Mokara	Delta Hotel	Starhotels	Graduate Hotel	Wyndham Vacation Resort
Montage	Dolce Hotels & Resorts	Sunscape Resorts & Spas	Grand America	
Nobu Hotels	Dream Hotels	Swissotel	Great Wolf Lodge	
NOW Resorts & Spas	Embassy Suites	Time Hotels	H10	
One & Only	Fireside Inn & Suites	Tribute Portfolio	Hampshire	Upper Midscale
Palace Resort	Gaylord	Warwick Hotel	Hilton Garden Inn	Aqua Hotels & Resorts
Paradisus		Westin	Homewood Suites	Ayres
			Hotel RL	Barcelo
			Hyatt House	

Brands/Chains are slotted by Chain Scale based on the previous year's annual system wide (global) Average Daily Rate and other factors. Rate ranges defining each Chain Scale are determined by STR. If you have questions about the Chain Scales, please email support@str.com (North America) or hotelinfo@str.com (Outside North America). Copyright 2018. STR, Inc. and STR Global, Ltd. trading as STR. Publishing or reproducing this information is strictly prohibited. Last updated 10 February 2018.



STR Chain Scales - North America and Caribbean

Upper Midscale cont.

Best Western Plus
Boarders Inn & Suites
Boulders Inn & Suites
Canalta Hotels
Centerstone Hotels
Chase Suites
City Express
City Express Plus
Clarion
Cobblestone
Comfort Inn
Comfort Suites
Country Inn & Suites
DoubleTree Club
Drury Inn
Drury Inn & Suites
Drury Plaza Hotel
Drury Suites
Exe Hotel
Fairfield Inn
GrandStay Hotels
Hampton
Hampton
Holiday Inn
Holiday Inn Express
Holiday Inn Select
Home2 Suites
Hotel Des Gouverneurs
IFA
Inns North
Isle of Capri
Lexington
Mama Shelter
Mercure
Monte Carlo Inn
MOXY
My Place
OHANA
Oxford Suites
Park Inn
Phoenix Inn
Princess

Quality
Real Inn
Red Lion Hotel
Rodd Hotel
Shilo Inn
Sonesta ES Suites
TownePlace Suites
Trademark Hotel
Collection
Tryp by Wyndham
Van der Valk
Wyndham Garden Hotel
Yotel

Midscale

3 Palms
A Victory
AmericInn
Aristos Hotel
Baymont
Best Western
BlueBay
Cabot Lodge
Canadas Best Value Inn
Candlewood Suites
Catalonia
City Express Suites
ClubHouse
Crystal Inn
Delfin Hotel
FairBridge Inn
Fiesta
Fiesta Inn
Gamma by Fiesta inn
GuestHouse Inn
Hawthorn Suites by
Wyndham
Hoteles Vista
ibis
ibis Styles
InnSuites Hotel
La Quinta Inns & Suites
Lakeview

Loyalty Inn
Maeva
MainStay Suites
Oak Tree Inn
Palace Inn
Quality Inn
Ramada
Real de Minas
Red Lion Inn & Suites
Rode Inn
Sandman
Settle Inn
Sleep Inn
Sol
SureStay Plus
SureStay Signature
Collection
Tru by Hilton
Uptown Suites
Vagabond Inn
Vista
Wingate by Wyndham

Economy

Affordable Suites of
America
America's Best Inn
Americas Best Value Inn
AmeriVu Inn & Suites
Budget Host
Budget Suites of
Budgetel
City Express Junior
Country Hearth Inn
Crossland Economy
Studios
Days Inn
Downtowner Inn
Econo Lodge
Extended Stay America
E-Z 8
Family Inn
Good Nite Inn

Great Western
GreenTree Inn
Home Inn
Home-Towne Suites
Hoteles Serena
Howard Johnson
InTown Suites
Jameson Inn
Key West Inn
Knights Inn
Lite Hotels
Master Hosts Inns
Masters Inn
Microtel Inn & Suites
by Wyndham
Motel 6
National 9
One Hoteles
Passport Inn
Pear Tree Inn
Red Carpet Inn
Red Roof Inn
Rodeway Inn
Savannah Suites
Scottish Inn
Select Inn
Studio 6
Suburban Extended Stay
Sundowner
Toyoko Inn
Tune Hotel
Vienna 3hao
Z
Zest Hotel
Zleep

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EXHIBIT A

**CITY OF LANCASTER
TAX INCENTIVE POLICY**



Policy Overview

The City of Lancaster is dedicated to achieving the highest quality of development, infrastructure, and quality of life for its citizens. These objectives are met, in part, by the enhancement and expansion of the city's economy. Additionally, the competitive nature of other municipalities on the local, state and international levels necessitates additional inducements to attract business to the community. The city's "pro-business" philosophy is designed not only to attract high quality companies but to retain them as well. These incentives are offered on a "case by case" review of each tax incentive application. Nothing herein shall imply or suggest that the City of Lancaster is precluded from considering other options which would further the best interests of the city. A reduction in taxes may be granted by a tax reduction grant utilizing 380.001 of the Texas Local Government Code.

Review Criteria

Any consideration for a tax reduction grant is reviewed by the Lancaster City Council. The review process is considered on the "Value Added" elements of the project. A tax reduction grant applies only to new construction activities, whether a new facility or expansion of an existing building.

Value of New Construction Incentives

Subjective criteria for an applicant's project will be used by the City Council in determining whether or not it is in the best interest of the city to recommend that a tax reduction grant be offered to a particular applicant planning to construct a new facility. Specific considerations will include the degree to which the individual project furthers the goals and objectives of community, as well as the relative impact of the project. While estimates may be used to determine the approximate amount of tax reduction grant for the project, copies of all construction contracts, closing statements and other such documents reflecting the value of all factors in the request will need to be submitted for review before a contracted tax reduction grant amount can be approved.

The Value of Improvements includes value of land and buildings and immovable property on the Premises less base year value. Base Year Value is the assessed value of the real property on Premises on January 1 of the current year.

Real property includes the value of land and improvements on the Premises as defined by the Texas Property Tax Code (V.T.C.A.).

The value of ineligible property shall be fully taxable. Additional value of new eligible improvements shall be fully taxed but used in the calculation of the grant in this program and all real property shall be fully taxed at the end of the tax reduction agreement.

Values shall be the same as the value of such property as determined annually by the Dallas Central Appraisal District, subject to the appeal procedures set forth in the V.T.C.A. Tax Code.

Any decrease in value after appeal is subject to recalculation of the appropriate amount of the grant from the City under a tax reduction agreement.

If the City has already issued the tax reduction grant to the Owner based on the larger value, payment to the City by the owner of such difference shall be remitted within 60 days to City after final determination of appeal.

After it has been determined that a project qualifies for a grant, the approximate value of that incentive can be calculated from the following table. However, this table should only be used as a guide for incentives, since each project is evaluated individually.

Value of Project	Terms of Reduction	% of Reduction
\$75,000,000+	10 years	65%
\$50,000,000	8 years	60%
\$35,000,000	7 years	50%
\$20,000,000	5 years	45%
\$10,000,000	5 years	40%
\$ 5,000,000	3 years	30%

Expansion of Existing Facility Values of Incentives

A tax reduction grant will only be considered for the increase in valuation above the existing valuation of that property. This tax reduction grant will be a maximum of up to eight years. The amount and terms to be determined by factors such as costs to the city, project's increased valuation to the tax base, new jobs and business expansion to the city as a result of the proposed project. Minimum standards proposed for an expansion project are:

1. 35 jobs created or retained
2. Expansion increases the valuation of existing facility by a minimum of 30%

Inventory & Business Personal Property Tax Reduction

New and Expanding Facilities:

The City of Lancaster may reduce the amount of inventory and/or business personal property tax. This program is designed to encourage large inventory companies to relocate or expand in the city. Percentage of the reduction is determined on a "case by case" basis. Total employment, inventory value, business personal property and facility value are some of the factors that determine the reduction percentage. Minimum requirements are:

New Facilities:

- Minimum of \$25 million annual inventory
- Minimum of \$3 million in business personal property
- Create at least 75 jobs
- Facility value of a least \$5 million

Existing Companies and Expanding Facilities:

- Add a minimum of \$15 million annual inventory
- Add at least \$2 million in business personal property
- Create at least 30 new jobs
- Expand existing facility by at least 30%

Incentive Application Procedures

- An application for incentive must be submitted to the City's Office of Economic Development.
- Project review by city staff of each application is required including appropriate comments and recommendations for changes prior to submission to the City Council.
- While estimates may be used to determine the approximate amount of the tax reduction grant for the project, copies of all construction contracts, closing statements and other such documents reflecting the value of all factors in the request will need to be submitted for review before a contracted tax reduction amount can be approved.
- Tax reduction grant payments will be made within 30 days after verification of payment of the full annual property tax bill. Grant payments will be made in the form of a reimbursement equal to the percentage of tax reduction and term approved by the City Council.

Triple Freeport Exemption

The City of Lancaster offers Triple Freeport Exemption from all local taxing authorities, city, county and school districts. The exemption applies to inventory that is brought into Lancaster from outside Texas and then reshipped out of state within 175 days is exempt from inventory tax.

Retail Redevelopment and Rehabilitation Program

Property Tax Reduction Grant

The Program is sponsored by the City to provide property tax reduction grants to existing retail shopping centers and other retail facilities for enhancements and/or redevelopment. Improvements must enhance the tax base related to the retail facilities and surrounding development. The Program is retention-based with the goal of rehabilitating the retail facilities for aesthetic or architectural appeal.

Each application is evaluated on a case by case basis.

The Program provides a for a property tax reduction grant based on the chart below indicating the costs of the improvements, the percentage of tax reduction and number of years:

Cost of Improvements	Terms of Reduction	% of reduction
\$800,000+	4 years	35%
\$700,000 – 800,000	3 years	35%
\$600,000 – 700,000	3 years	30%
\$500,000 – 600,000	3 years	25%
\$400,000 – 500,000	2 years	25%
\$300,000 – 400,000	2 years	20%
\$200,000 – 300,000	2 years	15%
\$100,000 - 200,000	2 years	10%

Eligible Expenses

- Upgrade or enhanced landscaping improvement costs
- Parking lot improvement costs
- Signage upgrade costs
- Center facade improvement costs

Eligibility Criteria for Eligible Retail Facilities

- The retail facility or facilities must be older than twenty (20) years.
- The property on which the retail facility or facilities is located must be in excess of 2 acres,
- Potential impact of the reinvestment project on surrounding neighborhoods.
- Application and Approval Process
- The proposed improvements must meet all associated zoning, codes, inspections and fees.
- Project review by staff of each application is required including appropriate comments and recommendations for changes prior to submission to the City Council.

- An application for incentive must be submitted to the City's Office of Economic Development by the land owner. The application should include a detailed description of the project including renderings or drawings of the finished project, a project budget including sources of funds and a project timetable. The application should describe how the project will enhance the ability of the shopping retail center to attract and retain tenants.
- While estimates may be used to determine the approximate amount of the tax reduction grant for the project, copies of all construction contracts, closing statements and other such documents reflecting the value of all factors in the request will need to be submitted for review before a contracted tax reduction grant amount can be approved.
- Tax reduction grant payments will be made within 15 days after verification of payment of the full annual property tax bill.

Hotel Incentive Policy

Hotel Occupancy Tax (HOT funds) Rebate

- The Program is sponsored by the City to provide HOT Funds rebates to new targeted lodging facilities that provide a high level of amenities and services. Each application is evaluated on a case by case basis.
- Rebates must be reinvested by the grantee for a purpose that complies with State law regarding HOT funds.
- The Program provides for a HOT funds rebate grant based on the chart below indicating the number of rooms, meeting room capacity in a single room, pre-function space capacity, and board room capacity.

Hotel Occupancy Tax Rebates

# of Rooms	Meeting Cap	Meeting Room Size	Term	Rebate
50-75	250	3,000	5	30%
50-75	415	5,000	5	45%
75-100	250	3,000	5	35%
75-100	415	5,000	5	50%
100+	415	5,000	7	65%
100+	830	10,000	10	65%

*Bonus - rebate of 5% if Upper Upscale Hotel

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