

Agenda Item Details

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| Meeting | Dec 12, 2023 - Bryan City Council Second Regular Meeting |
| Category | 6. Statutory (Automatic Approval) Agenda - This agenda consists of items previously approved by Council action such as adoption of items that are part of an approved budget or capital improvement projects, first and only readings of ordinances, interlocal agreements, or action that is required by law or delegated to the City Manager. Items may be removed from the statutory agenda for separate consideration at the request of two Councilmembers. |
| Subject | C. Approval of a First Amendment to the Chapter 380 Economic Development Program Agreement between City of Bryan and BSMS Project Owner, L.L.C., for the revitalization of the LaSalle Hotel |
| Type | Action (Statutory) |
| Preferred Date | Dec 12, 2023 |
| Absolute Date | Dec 12, 2023 |
| Fiscal Impact | No |
| Budgeted | No |

Summary:

A Chapter 380 Agreement between the City of Bryan ("City") and BSMS Project Owner, LLC ("Developer") was approved by the City Council and executed on September 8, 2022. This Agreement provides performance based incentives to the Developer associated with the revitalization of the LaSalle Hotel as a Marriott Tribute branded hotel and City-owned Plaza.

Under the terms of the Agreement, the Developer is required to invest \$6,000,000 into the revitalization of the LaSalle, to transform it into a Marriott Tribute branded hotel, and to renovate the Plaza. Furthermore, the Agreement requires the Developer to complete the Hotel Project, Plaza Project, and to operate the Hotel in accordance with the operating standards by December 31, 2023.

Based on performance, the City agreed to provide the following:

- a grant in the amount of \$550,000 for improvements made by the Developer to the Plaza;
- a Marketing Grant in an amount not to exceed \$75,000 annually for up to 5 years;
- facade improvement and life safety reimbursement grants in the combined total of \$100,000;
- 15 exclusive and 25 non-exclusive parking spaces; and
- assistance in obtaining staggered Bryan Texas Utilities (BTU) SmartBusiness incentives not to exceed \$30,000 each year for 2 fiscal years.

At this time, the Developer has acquired the LaSalle Hotel and begun the process to complete the Hotel Project as a Marriott Tribute branded hotel. However, due to FF&E supply chain issues and a request by the Historic Landmark Commission to revise the proposed design of the Plaza, the Developer needs more time to complete the projects.

The First Amendment to the Agreement simply changes the required project(s) completion date from December 31, 2023, to March 31, 2024.

Staff Analysis and Recommendation:

City staff continues to work in close coordination with the Developer. The LaSalle is being transformed, revitalized as a Marriott Tribute branded hotel. As such, City staff believes the additional time is warranted and will not interfere with the public purpose to be achieved by the Agreement.

Staff recommends approval of the First Amendment to the Chapter 380 Economic Development Program Agreement between the City of Bryan, Texas and BSMS Project Owner, LLC.

Options:

1. Approve the First Amendment
2. Do not approve the First Amendment

Attachments:

1. First Amendment to the Chapter 380 Agreement with BSMS Project Owner LLC
2. Original Chapter 380 Agreement with BSMS Project Owner LLC

[BSMS PROJECT OWNER LLC_CHAPTER 380 AGMT.pdf \(13,292 KB\)](#)

[6C - First Amendment to Ch 380 Agreement with BSMS Project LLC 11_29_2023.pdf \(152 KB\)](#)