

Agenda Item Details

Meeting	Aug 13, 2024 - Bryan City Council Second Regular Meeting
Category	5. Consent (Automatic Approval) Agenda - This agenda consists of ministerial or "housekeeping" items required by law such as routine bids, contracts, purchases, and resolutions. Items may be removed from the consent agenda for separate consideration at the request of two Councilmembers.
Subject	D. Approval of a second amendment to Chapter 380 Economic Development Program Agreement between the City of Bryan, Texas, and BSMS Project Owner, L.L.C.
Type	Action (Consent)
Preferred Date	Aug 13, 2024
Absolute Date	Aug 13, 2024
Fiscal Impact	No
Budgeted	No
Budget Source	N/A
Goals	Economic Development

Summary:

BSMS Project Owner, LLC (Developer) has acquired the LaSalle Hotel pursuant to the requirements of the original 380 Agreement and is nearing completion of the LaSalle's revitalization as a Marriott Tribute. The Developer is also nearing completion of the Plaza project. However, due to delays caused by third parties, outside the control of either the City or the Developer, the project was delayed further, and consequently, this proposed Second Amendment is necessary to extend the Agreement a second time.

The proposed Second Amendment to the Agreement includes the following:

1. All terms defined in the Agreement shall have the same meaning when used herein. Except as expressly modified herein, all terms and conditions of the Agreement remain in full force and effect.
2. The definition of "Plaza Improvements" in section 1.01 of the Agreement is modified to delete the exception "The Plaza Improvements shall not include FF&E." The definition now includes FF&E. **Exhibit B** of the Agreement is modified to include plaza tables and seating, umbrellas, outdoor fans, outdoor speakers, and an outdoor television.
3. The Hotel Project Completion Deadline stated in section 3.01(B) of the Agreement as modified by the First Amendment, is hereby amended to be August 31, 2024. The deadline set by section 3.01(D) for minimum investment, as modified by the First Amendment, is amended to be December 31, 2024. The Hotel Operating Standards deadline in section 3.01(G) of the Agreement, as amended by the First Amendment, is amended to be December 31, 2024.
4. The deadline to meet the benchmark for hotel occupancy taxes in section 3.01(H) of the Agreement is modified to be December 31, 2025.

5. The Plaza Project Completion deadline set in section 4.01(F) of the Agreement, as modified by the First Amendment, is amended to be December 31, 2024.

Staff Analysis and Recommendation:

City staff has worked closely with the Developer throughout this revitalization process, including development reviews and approvals by the Historical Landmark Commission, witnessing firsthand the LaSalle's transformation to a Marriott Tribute. The delays have been unfortunate, but are not so material as to be a reason to terminate or declare the Developer in breach, and the City is still of the opinion the Agreement is achieving a valuable public purpose when the project is completed.

Staff recommends approval of the Second Amendment.

Options:

1. Approve the Second Amendment
2. Modify the Second Amendment, which will require consideration at a future City Council meeting
3. Do not approve the Second Amendment

Attachments:

1. Second Amendment to Chapter 380 Economic Development Program Agreement between the City of Bryan, Texas and BSMS Project Owner, LLC

[City of Bryan 2nd Amendment to 380 Signed 7.16.24 \(002\).pdf \(1,176 KB\)](#)