



Colonial Heights City Council Meeting Agenda Item Executive Summary

City Council Meeting

MEETING TYPE: City Council Regular Meeting

MEETING DATE: August 8, 2023

ITEM: A Resolution No. 23-26

DEPARTMENT: City Manager/Economic Development

PROPOSED ACTION: City Council approval of Resolution No. 23-26 for an economic incentive grant to Shamin Hotels.

BACKGROUND: Resolution No. 23-26 provides for an economic development incentive to Shamin Hotels in conjunction with the construction of a Home 2 Suites by Marriott Hotel at 325 Charles Dimmock Parkway.

The proposed incentive would provide:

- A rebate to Shamin Hotels of up to \$150,000 per year from the lodging tax that Home 2 Suites collects during its first, second, third, and fourth full calendar years in operation, not to exceed the total amount of lodging tax collected by Home 2 Suites for a particular year. The total rebate amount shall not exceed \$600,000.
- The first full calendar year would begin in the January following the Home 2 Suites opening for business.

The economic incentive grant is contingent on approval by the Colonial Heights Economic Development Authority (EDA); the EDA has agreed in concept to the proposed incentive. If approved, the City would transfer funds to the EDA at the appropriate times in the future to pay the incentive.

BUDGET/FINANCIAL IMPACT:

Funding for this item was: included not included in the current-year budget N/A
The incentive would be paid as a rebate of lodging taxes paid in future years.

RECOMMENDATION: Staff recommends City Council approval of Resolution No. 23-26.

ATTACHMENTS: A Resolution No. 23-26.

- Staff will be making a detailed presentation on this agenda item at the meeting.
- Staff will provide brief comments and answer questions on this item at the meeting.
- This is a routine procedural item and no presentation is planned for the meeting.

Councilmembers who have any detailed questions or would like to request additional information regarding this item are encouraged to contact the City Manager at their earliest convenience.