

# **City of Scottsbluff, Nebraska**

**Monday, August 19, 2019**

**Regular Meeting**

## **Item Reports1**

**Council to discuss and consider action on an Economic  
Development Assistance Agreement for American Lodging, LLC.**

**Staff Contact: Starr Lehl, Economic Development Director**

**CITY OF SCOTTSBLUFF**  
**ECONOMIC DEVELOPMENT APPLICATION REVIEW COMMITTEE**  
**August 14, 2019**

The meeting of the Economic Development Application Review Committee was held on August 14, 2019 at 8:00 a.m. at City Hall, 2525 Circle Drive, Scottsbluff, Nebraska.

Present were committee members Jim Trumbull, Dennis Hadden, Marla Marx, Lee Glenn, and alternate Dave Schaff. Also in attendance on behalf of the City was Starr Lehl, City Economic Director, Liz Hilyard, City Finance Director, and Rick Ediger, Deputy City Attorney.

Chairman Trumbull called the meeting to order at 8:00 a.m. and stated that a copy of the Nebraska Open Meetings Act was located on the south wall of the Council Chamber. There were no changes to the agenda. Since there are only four committee members present, alternate Schaff will be voting on all matters to be considered at this meeting.

It was moved by member Marx, and seconded by member Glenn that the minutes of the May 10, 2019 committee meeting be approved. Voting yes: Hadden, Schaff, Marx, Trumbull and Glenn. Voting no: None.

The next item on the agenda was an application made by Monument Inn. Present on behalf of Monument Inn was Shannon Brunner. Present on behalf of Old West Balloon Fest were Colleen Johnson and Hunter Kosman. This application is being made in order to assist the Old West Balloon Fest in connection with its hosting of the US National Hot Air Ballooning Championship. Old West Balloon Fest is not a Qualifying Business. However, the Monument Inn is engaged in the business of selling services interstate commerce and in that capacity, is a Qualifying Business. The Monument Inn was willing to submit an application in order to assist the Old West Balloon Fest.

Colleen Johnson indicated that Scottsbluff and the surrounding area was awarded the US National Hot Air Ballooning Championships for a 3-year period. 500 other cities submitted bids. As part of the contractual arrangement to host the Championships, the host organizations are required to provide lodging for all officials and balloon pilots. There are a total of 32 officials and 44 competition balloons participating. In addition, there are an additional 27 balloons participating over the weekend in the Old West Balloon Fest. The reason the Monument Inn was selected to house most of the pilots and officials is that all pilot meetings are being held at the Gering Civic Center and all pilots must be housed in proximity to the pilot meetings location.

After further discussion and questions being asked and answered, it was moved by Glenn and seconded by Hadden that the Committee recommend a grant to the Monument Inn, in order to pay for lodging for the US National Hot Air Ballooning Championships in an amount not to exceed \$28,280. This covers the 2019 Championships only, and any grants for future years will need to be considered separately. Voting yes: Hadden, Schaff, Marx, Trumbull and Glenn. Voting no: None.

The meeting was adjourned at 8:30 a.m.

---

Starr Lehl, Economic Development Director

## ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT

This Agreement is made on August \_\_\_, 2019, between the City of Scottsbluff, Nebraska (the “City”) and American Lodging, L.L.C. (the “Applicant”).

### Recitals:

- a. The City has adopted an Economic Development Plan pursuant to the Nebraska Local Option Municipal Economic Development Act (the “Plan”). Pursuant to the Plan, the City has implemented an Economic Development Program (the “Program”).
- b. The Applicant has made application for assistance from the Program (the “Application”);
- c. The Administrator of the Program (the “Administrator”) and the City Council (the “Council”) have reviewed the Application. The Council has determined that a grant (the “Grant”) be awarded to the Applicant from the City of Scottsbluff Economic Development Fund (the “Fund”) as provided for in this Agreement.
- d. The parties now desire to enter into this Agreement for the purpose of setting out the terms and conditions of the Grant.

### Agreement:

#### 1. Purpose of Grant and Application of Funds:

- a. The Applicant operates a hotel under the name “Monument Inn & Suites” located at 1130 M Street, Gering, Nebraska (the “Hotel”). Old West Balloon Fest (“OWBF”) is hosting the US National Hot Air Ballooning Championships (the “Championships”) and has contracted with the Applicant in order to provide lodging of officials and pilots participating in the Championships.
- b. In order to provide assistance and recognize the economic impact of the Championships to the City and surrounding area, the City agrees to provide the Grant to the Applicant in order to reduce the costs that would otherwise be incurred by OWBF. The Grant is to be used to pay for lodging provided for officials and pilots participating in the Championships.

#### 2. Amount and Payment of the Grant:

The amount of the Grant awarded to the Applicant is a maximum of \$28,280. The Grant shall be payable from the Fund following the provision of rooms by the Applicant for the Championships. The Applicant shall provide a statement to the City and OWBF. Once OWBF confirms that the amount billed is appropriate, then the payment shall be scheduled as a claim at the next Council meeting for which the matter may be reasonably scheduled. Following approval by the Council, the approved amount shall be paid to the Applicant.

**3. Representations and Warranties of the Applicant:**

The Applicant represents and warrants the following, all of which shall survive the Closing:

- a. The Applicant is a limited liability company organized, existing, and in good standing under the laws of Nebraska. The Applicant has full power and authority to enter into this Agreement and carry out the transactions contemplated by this Agreement.
- b. The Applicant is engaged in the hotel business. A portion of its business includes renting rooms to persons who are not residents of Nebraska.
- c. No representation or warranty made by the Applicant in this Agreement contains or will contain any untrue statement of any material fact, or omits or will fail to state any material fact known to the Applicant that are required to make the statements not misleading.

**4. Representations and Warranties of the City:**

The City represents and warrants the following, all of which shall survive the Closing:

- a. The City is a municipal corporation organized and existing under the laws of Nebraska, and has full power and authority to enter into this Agreement and carry out the transactions contemplated by this Agreement.
- b. No representation or warranty made by the City in this Agreement contains or will contain any untrue statement of any material fact, or omits or will fail to state any material fact known to the City that is required to make the statements not misleading.

**5. Certification of the Applicant:**

The Applicant certifies to the City that it has not filed nor does it intend to file an application with the Department of Revenue to receive tax incentives under the Nebraska Advantage Act.

**6. Default:**

The Applicant shall be in default if it fails to comply with any of the terms of this Agreement, or any warranty, representation or statement made or given to the City by the Applicant proves to have been false in any material respect when made or given.

**7. Assignability:**

The Administrator may assign his interest in this Agreement to any successor administrator designated by the City Council. The Applicant may not assign or transfer its

interest in this Agreement without the consent of the Administrator. Assignment shall include a transfer of ownership of the Applicant.

**8. Notices:**

Any notices or other communications between the parties shall be personally delivered, sent by certified or registered mail, return receipt requested, by Federal Express or similar service that records delivery, or by email transmission combined with any of the above methods of notice, to the addresses set out below, or to such other address as a party may designate, from time to time, by written notice to the other. A notice shall be deemed effective upon receipt.

- a. If to the City:

City of Scottsbluff  
2525 Circle Drive  
Scottsbluff, NE 69361  
Attention: City Manager  
Email: njohnson@scottsbluff.org

- b. If to the Applicant:

American Lodging, L.L.C.  
1130 M Street  
Gering, NE 69341  
Attention: Shannon Brunner  
Email: shannon@monumentinnsuites.com

**9. Miscellaneous:**

- a. This Agreement constitutes the entire agreement of the parties with respect to its subject matter, and may only be modified by a writing signed by both of the parties.

- b. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but which together shall constitute a single instrument.

- c. This Agreement shall be governed by the laws of Nebraska.

- d. This Agreement shall be binding on the successors and assigns of the parties.

*[Signatures on Following Page]*

**Signature Page to Economic Development Assistance Agreement between  
the City of Scottsbluff, Nebraska and American Lodging, L.L.C.**

City of Scottsbluff, Nebraska

American Lodging, L.L.C.

By: \_\_\_\_\_  
Economic Development  
Program Administrator

By: \_\_\_\_\_  
Title: \_\_\_\_\_