

City of Scottsbluff, Nebraska

Monday, August 17, 2020

Regular Meeting

Item Reports2

**Council to discuss and consider action on the Economic
Development Assistance Agreement for Western Hospitality, LLC.**

Staff Contact: Starr Lehl, Economic Development Director

ECONOMIC DEVELOPMENT ASSISTANCE AGREEMENT

This Agreement is made on August 17, 2020, between the City of Scottsbluff, Nebraska (the “City”) and Western Hospitality, LLC. (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”), the Economic Development Application Review Committee (the “Committee”) have reviewed the Application. The Committee and the Administrator have recommended approval of the Application to the City Council (the “Council”). The Council, per the terms of this Agreement, has determined that a grant (the “Grant”) be awarded to the Applicant from the City of Scottsbluff Economic Development Fund (the “Fund”).

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 “Hampton Inn” located at 301 West Highway 26, Scottsbluff, Nebraska (the “Hotel”). Old West Balloon Fest (“OWBF”) is hosting a sanctioned qualifier for the Balloon Federation of America in replace of a U.S. National Hot Air Balloon Championships for 2020 (the “Championships”), and has contracted with the Applicant in order to provide lodging of officials and pilots participating in the sanctioned qualifier.

b. In order to provide assistance and recognize the economic impact of the sanctioned qualifier 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 sanctioned qualifier.

2. Amount and Payment of the Grant:

The amount of the Grant awarded to the Applicant is a maximum of \$11,868. 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:

Western Hospitality, LLC
301 West Highway 26
Scottsbluff, NE 69361
Attention: Bekah Gorsuch
Email: bekah.gorsuch@hilton.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 Western Hospitality, LLC**

City of Scottsbluff, Nebraska

Western Hospitality, LLC

By: _____

Economic Development
Program Administrator

Clarence Gealy
President