

RESOLUTION 14-15

**FREDERICK COUNTY, MARYLAND
BOARD OF COUNTY COMMISSIONERS
AND
THE CITY OF FREDERICK, MARYLAND
MAYOR AND BOARD OF ALDERMEN**

JOINT RESOLUTION

A JOINT RESOLUTION OF THE CITY OF FREDERICK AND FREDERICK COUNTY, MARYLAND TO SUPPORT A PUBLIC PRIVATE PARTNERSHIP FOR THE DEVELOPMENT OF A DOWNTOWN FREDERICK HOTEL AND CONFERENCE CENTER (THE "PROJECT") AND TO INDICATE AN AGREEMENT IN CONCEPT TO THE USE OF FUTURE INCREMENTAL REAL PROPERTY TAX REVENUES DERIVED FROM THE DEVELOPMENT OF THE PROJECT USING TAX INCREMENT FINANCING ("TIF") OR A SIMILAR FINANCING MECHANISM FOR THE PUBLIC INFRASTRUCTURE ASSOCIATED WITH THE PROJECT INCLUDING BUT NOT LIMITED TO PARKING, STREETScape, UTILITIES, AND CONFERENCE CENTER.

Whereas, the Project is a major public private partnership initiative of the Downtown Frederick Hotel Advisory Committee ("Committee") which is composed of leadership representatives of the Frederick County Chamber of Commerce and its Major Employers Group (MEG), the Tourism Council of Frederick County, Downtown Frederick Partnership, and East Frederick Rising, together with The City of Frederick, and Frederick County; and

Whereas, the Project is intended to serve the needs of the citizens and businesses of the city and county, induce tourism and conferences, over-night stays, and visitor spending, generate jobs and revenue for the community, and be an anchor for continued downtown revitalization; and

Whereas, the Project is intended to be a 200 room (+/-) full-service hotel with approximately 20,000 square feet of conference and event space for which the City has issued a Request For Proposal (RFP 14-J) and has received two qualified proposals; and

Whereas, the Project is estimated to generate over 100 full time equivalent jobs with an annual payroll of over \$3 million. The Project would serve as a catalyst for private investment, generating \$26 million in direct, indirect, and induced spending; and local and state sales and income taxes of approximately \$2 million (Projects derived from IMPLAN model in June 2012 Study by Crossroads/HGS for the Maryland Stadium Authority); and

Whereas, the business community has identified the Project as a critical need for attracting, retaining, and expanding employment in Frederick; and

Whereas, the Project will serve as a catalyst for area wide revitalization, increasing the value of surrounding properties, and is anticipated to generate significant follow-on business activity and investment; and

Whereas, the Project will require a number of public infrastructure capital improvements including but not limited to structured and on-street parking, utilities upgrades, streetscape improvements, and a 20,000 square foot conference facility; and

Whereas, the cost of those public infrastructure components is more than the private developer equity and bank financing can achieve, leaving a financing gap to be filled from other sources; and

Whereas, the Committee is seeking public gap financing support from The City of Frederick and Frederick County solely for public infrastructure related to the Project including the conference facility, through the use of future incremental real property tax revenues from the Project, and hotel tax revenue, and

Whereas, the Committee is also seeking public gap financing support from the State of Maryland in the form of grants, bond bills, and budget earmarks.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF FREDERICK AND THE BOARD OF COUNTY COMMISSIONERS OF FREDERICK COUNTY, MARYLAND ("BOCC"), that The City of Frederick and the BOCC hereby support a public private partnership for the development of the Downtown Frederick Hotel and Conference Center; and

BE IT FURTHER RESOLVED that The City of Frederick and the BOCC are agreeable in concept to the use of future incremental real property tax revenues from the Project to fund a portion of the public infrastructure improvements associated with the Project as identified herein, subject to the development and approval of future legal agreements by the respective organizations in accordance with all legal requirements including but not limited to Tax Increment Financing or similar financing program the details of which will be developed as part of the public private partnership; and

BE IT FURTHER RESOLVED that the Mayor of The City of Frederick and the President of the Board of County Commissioners are hereby authorized to send letters of support to the Governor and State Legislature of the State of Maryland in support of the Project and State funding assistance.

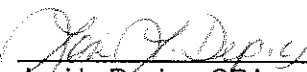
ADOPTED AND APPROVED THIS 25th DAY OF September 2014.


WITNESS

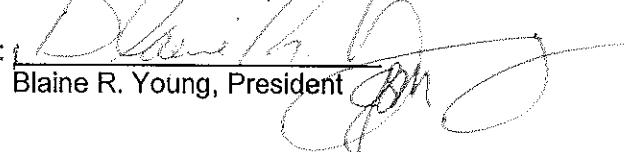
THE CITY OF FREDERICK,
MARYLAND

By: 
Randy McClement, Mayor

ATTEST:


Lori L. Depies, CPA
County Manager

BOARD OF COUNTY COMMISSIONERS
OF FREDERICK COUNTY, MARYLAND

By: 
Blaine R. Young, President