



NOTICE OF SPECIAL COUNCIL MEETING

In accordance with §38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given to the Members of City Council and to the general public that the Mayor and Council of the City of San Luis, Arizona, will hold a Special City Council meeting at 6:00 p.m., Wednesday, April 7, 2021. The meeting will take place at the City Council Chambers, located at 1090 E. Union Street, San Luis, Arizona, 85349.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

THIS NOTICE IS GIVEN BY:

/s/ Sonia Cornelio, City Clerk

AVISO DE JUNTA ESPECIAL

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.01, se le informa a los miembros del Cabildo y al público en general que el Alcalde y el Cabildo, tendrán una Junta Especial a las 6:00 p.m., el día Miércoles, 7 de Abril del 2021. La junta se llevará a cabo en la Sala del Cabildo, ubicada en el 1090 E. Union Street, San Luis, Arizona, 85349.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación del 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicado en el 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona A.R.S §1-602.A.9, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas del Cabildo se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona A.R.S. §1-602.A.9.

ESTE AVISO ES DADO POR:

/f/ Sonia Cornelio, Actuaría de la Ciudad



AGENDA
Special Meeting
San Luis City Council
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
April 7, 2021
6:00 p.m.

The April 7, 2021, Special Council meeting, for the safety of the public during the COVID-19 pandemic, will not have in-person attendance for members of the public. However, members of the public may listen to the meeting's live audio stream on the City of San Luis website <https://sanluisaz.gov/listenlive>. Recordings of the meetings will be available on the city's website <https://sanluisaz.gov/listenlive> after the meeting.

Open meetings conducted remotely through technological means are permissible under the March 13, 2020, Arizona Attorney General opinion titled, "Re: Concerns Relating to Arizona's Open Meeting Law and COVID-19" and following the Mayor's March 18, 2020, Continued Declaration of Emergency and Amended Order-Coronavirus Disease-19 and City Council's Order 2020-7 which closed all city buildings and facilities (except the Municipal Court) to public access.

Por la seguridad del público durante la pandemia COVID-19, no habrá asistencia en persona para los miembros del público en la junta especial del Cabildo del 7 de Abril del 2021. Sin embargo, los miembros del público pueden escuchar el audio en vivo de la reunión transmitido en el sitio web de la Ciudad de San Luis <https://sanluisaz.gov/listenlive>. Las grabaciones de las reuniones estarán disponibles en el sitio web de la ciudad <https://sanluisaz.gov/listenlive> después de la reunión.

Las reuniones abiertas realizadas de forma remota a través de medios tecnológicos están permitidas bajo la opinión del Fiscal General de Arizona del 13 de Marzo del 2020 titulada "Re: Preocupaciones relacionadas con Open Meeting Law de Arizona y COVID-19" y después de la Declaración de Emergencia Continua del 18 de marzo de 2020 del alcalde y Orden modificada-Enfermedad de Coronavirus-19 y Orden del Ayuntamiento 2020-7 la cual cerró todos los edificios e instalaciones de la ciudad (excepto a Corte Municipal) al acceso público, para proteger la salud y la seguridad pública y reducir la transmisión de la Enfermedad de Coronavirus 2019 (COVID- 19).

MEMBERS OF THE CITY COUNCIL WILL ATTEND EITHER IN PERSON, TELEPHONE, OR VIDEO CONFERENCE COMMUNICATION

1. **CALL TO ORDER/ROLL CALL 6:00 P.M.**

2. **PLEDGE OF ALLEGIANCE**

3. **DISCUSSION AND POSSIBLE ACTION ITEM:**

3. A. **EXECUTIVE SESSION**

Vote to hold an Executive Session pursuant to A.R.S. § 38-431.03(A)(3), (4), and (7).

**Executive
Session
Held**

Discussion and possible action to hold an Executive Session pursuant to A.R.S. § 38-431.03(A)(3), (4), and (7) for discussion or consultation:

- for legal advice with the city's attorneys, and/or

- with city's attorneys in order to consider its position and instruct its attorneys regarding the City Council's position regarding contracts that are the subject of negotiations, and/or

- with designated representatives of City Council in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property. **(Kay Marion Macuil, City Attorney; Jenny Torres, Economic Development Manager; and Ralph Velez, City Consultant and Bill Sims, Outside Counsel)**

4. MOTION TO GO BACK INTO SPECIAL SESSION

5. DISCUSSION AND POSSIBLE ACTION ITEM:

5. A. Discussion and possible action on any and all matters regarding the Development Agreement between the City of San Luis, Arizona, and Green San Luis, L.L.C., an Arizona Limited Liability Company. **(Jenny Torres, Economic Development Manager)** **Tabled**

6. ADJOURNMENT 6:56 P.M.



AGENDA ITEM REVIEW FORM

Special City Council Meeting

3. A.

Meeting Date: 04/07/2021

Department Head: Kay Macuil, City Attorney, Attorney's Office

Submitted By: Kay Macuil, City Attorney, Attorney's Office

Action Requested: Motion

ITEM:

EXECUTIVE SESSION

Vote to hold an Executive Session pursuant to A.R.S. § 38-431.03(A)(3), (4), and (7).

Discussion and possible action to hold an Executive Session pursuant to A.R.S. § 38-431.03(A)(3), (4), and (7) for discussion or consultation:

- for legal advice with the city's attorneys, and/or

- with city's attorneys in order to consider its position and instruct its attorneys regarding the City Council's position regarding contracts that are the subject of negotiations, and/or

- with designated representatives of City Council in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property. **(Kay Marion Macuil, City Attorney; Jenny Torres, Economic Development Manager; and Ralph Velez, City Consultant and Bill Sims, Outside Counsel)**

SUMMARY:

City Council can be properly advised by holding an executive session for the purposes described in the agenda item.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO HOLD AN EXECUTIVE SESSION PURSUANT TO A.R.S. § 38-431.03(A)(3), (4) AND (7) AS DESCRIBED IN THE AGENDA ITEM.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM: N/A

CITY/STATE/FEDERAL FUNDS: N/A

TOTAL: N/A

BUDGETED AMOUNT: N/A

AVAILABLE AMOUNT TO TRANSFER: N/A

ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE: N/A

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

Fiscal impact is not applicable to this agenda item under A.R.S. §38-431.03(D), legal action involving a final vote or decision is not permitted to be taken at an executive session. This executive session is focused on the process.



AGENDA ITEM REVIEW FORM

Special City Council Meeting

5. A.

Meeting Date: 04/07/2021

Department Head: Jenny Torres, Economic Development Manager, Administration, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Administration, Economic Development

Action Requested: Motion

ITEM:

Discussion and possible action on any and all matters regarding the Development Agreement between the City of San Luis, Arizona, and Green San Luis, L.L.C., an Arizona Limited Liability Company. **(Jenny Torres, Economic Development Manager)**

SUMMARY:

The San Luis City Council adopted Resolution No. 1171 approving a Memorandum of Understanding (MOU) between the City of San Luis and San Luis Commercial Holdings, L.L.C., to develop a brand hotel and restaurant, a franchise convenience store/gas station, and other transaction privilege tax-generating businesses. The MOU was signed on December 14, 2016, and entered into a development agreement on June 7, 2017. An amendment was approved by the City Council on March 11, 2020, extending the development to December 31, 2022. San Luis Commercial Holdings, L.L.C., advised staff that the L.L.C. will be dissolved, and Green San Luis, L.L.C. is interested in proceeding with the development of this commercial project. Mr. Sharad Kadakia, founding principal at Green, a privately held real estate development and hotel company, has been in business for 31 years. The company develops and operates hotels in Arizona, California, and Utah. Mr. Ross Wait, one of the partners from San Luis Commercial Holdings, L.L.C., will be a partner in the San Luis Green, L.L.C. The project was revised to complete the hotel and gas station development in Phase I. Phase I will include the development of a hotel, convenient store and gas station as shown on the conceptual plan and will be completed by December 31, 2023.

The development agreement complies with A.R.S. § 95-500.11, where actions taken by the city pursuant to this agreement are for economic development purposes and will assist in the creation and retention of jobs. The economic impact analysis findings demonstrate that the total projected revenues exceed the anticipated tax credit by over 180%. The breakdown of the city benefits includes \$2,102,600.00 of transaction privilege taxes, \$515,000.00 in utility system revenue and \$677,000.00 in payroll revenue, for total revenue of \$3,294,600.00. Under Article 9, Section 7 of the Arizona Constitution, it recognizes that if the public treasury receives benefits that meet or exceed the cost of the public treasury, the transaction does not violate the provision of law. The city will participate by reimbursing the developer for the cost of public infrastructure at the cost not to exceed \$300,000.00. The development agreement includes a sales tax rebate where the developer will receive 50% of the city's 4% transaction privilege taxes as generated from businesses established on the project site in the amount not to exceed \$1,822,680.00 in a period of 15 years. The condition to receive the transaction privilege taxes includes complete construction of improvements within 18 months from the commencement of the hotel project, operation and lease of proposed projects and disclosing of employment figures to the city.

The proposed project consists of a fifteen-million-dollar (\$15,000,000.00) investment that will enhance the

economic welfare of the residents, increase the tax revenues to the city, provide job opportunities for San Luis residents, and will trigger other development in the area. The city has taken the necessary steps to comply with Arizona law in regard to the power granted by A.R.S. § 95-500.11 and the limitations imposed by Article 9, Section 5 of the Arizona Constitution, known as the anti-gift clause.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE DEVELOPMENT AGREEMENT WITH GREEN SAN LUIS , L.L.C., AS PRESENTED.

Fiscal Impact

IS THERE FISCAL IMPACT ASSOCIATED WITH THIS ITEM:	Yes
CITY/STATE/FEDERAL FUNDS:	City
TOTAL:	\$300,000.00
BUDGETED AMOUNT:	\$300,000.00
AVAILABLE AMOUNT TO TRANSFER:	N/A
ACCT NAME & GL#/REMAINING BALANCE BEFORE PURCHASE:	Capital Projects Account: 100-999-90015

FISCAL IMPACT STATEMENT (IF THIS IS A BUDGET TRANSFER, YOU MUST ATTACH THE BUDGET ADJUSTMENT FORM):

The city's commitment is infrastructure development in public right of way. These costs are capped under the MOU at \$300,000.00.

Attachments

Impact Analysis
Conceptual Plan
Willdan Presentation
Greens Presentation

**City of San Luis, Arizona
Economic Impact Analysis**

**Proposed Retail Tax Incentive Agreement with
Green San Luis, LLC for
Multi-Use Site**

Prepared by:



**5500 Democracy Drive, Suite 130 | Plano, Texas 75024
Tel: (972) 378-6588 | Cell: (972) 998-0417 | Fax: (972) 378-6988**

Contact Person:

Dan V. Jackson, Vice President | Email: djackson@willdan.com

January 15, 2021



Confidential – Not for Distribution

January 15, 2021

Ms. Jenny Torres
Economic Development Manager
City of San Luis
1090 East Union St.
San Luis, AZ 85349

Re: Economic Impact Analysis – Green San Luis, LLC Multi-Use Project Site

Dear Ms. Torres:

Pursuant to our agreement with the City of San Luis (the City), **Willdan Financial Services** is pleased to present herein the results of the Economic Impact Analysis of the Green San Luis, LLC Multi-Use Site. This Letter Report summarizes our findings. It represents an update of an economic impact analysis originally prepared in 2017 and updated in February 2020.

The Report is based on estimates, assumptions and other information developed from prior research, knowledge of the industry and discussions with you and other involved parties, during which we were provided certain information that forms the basis of estimates and assumptions as stated in the Report. These estimates and assumptions are subject to uncertainty and variation due to evolving events.

Any conclusions and/or any prospective financial information that is included in our documentation are based on estimates and assumptions from previous studies, information developed from supplemental research, knowledge of the industry and other sources, including certain information that the City and/or developer provided. Some assumptions and forecasts may not materialize, and unanticipated events and circumstances may occur. Therefore, actual results achieved will vary from any estimates, and the variations may be material. For all the reasons stated above, this report presents no guarantees that any of the forecast results will be realized or achieved by the City.

We extend our thanks and appreciation for the opportunity to be of service in this matter, and for the City's and its staff's valuable cooperation and assistance. If you have any questions, please do not hesitate to contact me at 972.378.6588 or djackson@willdan.com.

Respectfully submitted,

WILLDAN FINANCIAL SERVICES

A handwritten signature in black ink, appearing to read 'Dan V. Jackson', with a horizontal line extending to the right.

Dan V. Jackson
Vice President

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Attachment A – Arizona Revised Statutes §9-500.11

Attachment B – Schedules

Introduction

Willdan Financial Services was retained by the City of San Luis, Arizona (the “City”) to evaluate the fiscal and economic benefits associated with the development of a multi-use site by Green San Luis, LLC (the “Developer”). The Developer is proposing to develop and maintain a multi-use hotel, restaurant(s), and convenience store/gas station on the site. This site is proposed to be developed in two phases. Phase 1 will be composed of the hotel and convenience store/gas station. Phase 2 will be composed of the restaurant(s). The analysis contained herein is based on the Phase 1 development project.

The proposed Project location will be a 5 to 8-acre site at the northwest corner of the intersection of Highway 95 and 22nd Street within the City’s limits (the “Project Site”). The Project Site is identified in the Development Agreement (the “Agreement”) between the City and the Developer. The acquisition of the Project Site by the Developer has yet to occur as of the date of this Report.

This Report identifies the estimated economic and fiscal impacts of the multi-use project at the Project Site for Phase 1 only. An Economic Impact Analysis examines the effect of a particular project on the economy in a specified area, ranging from a single neighborhood to the entire world. It usually measures changes in overall business revenue, business profits, personal wages, and/or jobs.

A Fiscal Impact Analysis addresses the net impact on the affected government of a particular project. This is achieved by estimating the increase in revenues to a municipality. For this Project, the estimated revenues that will be increased include a variety of taxes including, but not limited to, state income taxes, sales tax/transaction privilege tax, and utility fee revenues. **Schedules 4 and 5 of Attachment B** of this Report present the different categories and estimated annual revenues for each.

Background

As described in the Agreement, the Developer intends to develop a “brand” hotel, franchise restaurant(s), a franchise convenience store and gas station, and other transaction privilege tax generating businesses on the Project Site. In addition to generating transaction privilege taxes directly to the City, these businesses will indirectly benefit the City by providing employment in a City with a high unemployment rate, enhance property values of nearby properties, and generate other economic development in the City limits. The Developer desires to receive credit for the transaction privilege tax revenue being generated to the City to maximize its leverage and maximize use of its development funding for actual development of the site. Having an effective tax credit where excise privilege taxes being generated are used, in part, to acquire and develop the Project Site is a material part of the transaction to the Developer.

Regulatory Requirements

Arizona Revised Statutes (A.R.S.) §9-500.11 allows a municipality to enter into a “retail tax incentive agreement” as that term is defined in that statute. By having an agreement or set of agreements which comply with the provisions of this statute, the Developer may get credit for a portion of the sales, use, or transaction privilege taxes payable to the City in connection with the construction, development, or operation of retail development activities on the Project Site by Developer or its nominee(s). According to A.R.S. §9-500.11 (D1): “... the proposed tax incentive is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement.” The statute also states that “A city or

*town shall not enter into a retail tax incentive agreement if the proposed tax incentive raises less revenue than the amount of the incentive...The finding made pursuant to subsection D, paragraph 1 of this section shall be verified by an independent third party before the city or town enters into the retail development incentive agreement.” (A.R.S. §9-500.11 (F, H)). A copy of A.R.S. §9-500.11 is included as **Attachment A** to this Letter Report.*

Article 9 §7 of the Arizona Constitution prohibits any subdivision of the State giving or lending its credit or making any donation, grant, or subsidy to any person, association, or corporation. Arizona has recognized that if (i) the public treasury receives benefits that meet or exceed the cost to the public treasury and (ii) if the expenditure of public funds is for a public purpose, then there is consideration for the transaction and the matter is not in violation of this provision of law.

Retail Tax Incentive Agreement

So that the City will, at all times, raise more revenue than the amount of the credit provided by the Retail Tax Incentive Agreement, based on discussions with City Staff and the City’s Legal Counsel it has been proposed that the updated Agreement will be structured as follows:

- A. Fifty percent (50%) of all transaction privilege taxes of the City as generated from businesses established on the Project Site will be rebated to Developer or its nominee or assignee until the sum of one million eight hundred twenty two thousand six hundred eighty dollars (\$1,822,680.00) is paid.
- B. The Retail Tax Incentive Agreement will be conditioned upon the development of and the opening of the afore described hotel and convenience store/gas station on or before August 31, 2023.

Economic Impact Analysis

Methodology

To prepare the economic impact analysis, the project team developed an impact model based upon certain inputs and assumptions, and utilizing appropriate local data sets. Based on our experience and knowledge of the industry, this model was developed to measure the impacts of development and many other activities that affect employment or expenditures in the economy.

Models such as this are particularly useful for measuring the total economic effects of a particular project or program, and yield estimates of the number and types of jobs created, the amount of wages associated with those jobs, and the total economic output or “final sales” generated within particular industries. This model relies upon economic “multipliers” that mathematically represent the relationship between the initial change in one sector of the economy and the corresponding effect of that change on other interdependent industry sectors, as well as the effect of that subsequent change on further sectors. These effects are commonly described as “direct,” “indirect,” and “induced” and are generally defined as follows:

- The “direct” effect is the initial change in economic activity from local payroll and construction expenditures in a specific industry or sector. For this Project, the direct effects to San Luis’s zip code are the wages and other expenditures at the site (and with City businesses), during both

construction and operation of the proposed facility.

- The “indirect” effect results from industry-industry transactions required to support the direct activity. This effect is a measure of the change in the output of suppliers linked to the industry being evaluated. For example, construction will result in an increase in purchases of building materials, engineering and consulting services, and other goods from “business to business” suppliers within the City.
- The “induced” effect consists of employee spending in the City by employees, created by direct and indirect impacts, spending their earnings on local goods and services, such as food, clothing, real estate, education, health services, etc.

The total economic impact of the project is typically the sum of the direct, indirect, and induced impacts, offset by any economic loss related to the change in the use of the land. For purposes of this analysis, the project team has only included the direct labor effects in the overall return to the City.

It should be noted that this modeling generally assumes that demand for goods and services by industries or households increases in relation to an increase in income, and that an increase in demand results in a proportional increase in local supply and employment. This implies that local suppliers satisfy this initial demand by increasing their output and hiring additional workers rather than shifting their goods or services from one set of consumers to another. This assumption may not hold in areas with tight labor or capital markets since suppliers may find it difficult to obtain these labor or material inputs or other resources necessary to expand production. Considering the scale of the proposed project and the size of the economic study area, this is not likely to be a factor for this analysis.

Assumptions and Inputs

The project team utilized the following sets of assumptions and inputs for Phase 1 of this project:

- **Direct Labor.** The Project Phase 1 will create both construction-related jobs and ongoing jobs once construction is complete. The anticipated construction related and ongoing jobs by facility were provided by the City and the Developer. The project team allocated these anticipated jobs as director/supervisor positions (25%) and staff positions (75%) as detailed on **Schedule 1 of Attachment B**.
- **Direct Payroll.** Using the labor categories identified by both the Developer and the allocation between director/supervisor and staff positions, the project team assigned an hourly labor cost to each anticipated labor category associated with the businesses on the Project Site. The hourly wage estimates were obtained from the Yuma MSA-2018 Occupational Employment & Hourly Wage Estimates, prepared by the Arizona Office of Employment and Population Statistics in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, May 2019. The hourly wage rates were adjusted for inflation to the start of the projection period. The anticipated monthly payroll was then calculated based on the total staffing levels and anticipated hourly wages. This analysis is detailed on **Schedule 1 of Attachment B**.
- The project team forecast that 70% of the jobs associated with the development of the Phase 1 Project Site and 80% of the jobs associated with the ongoing operations of the businesses at the Project Site would be local residents who currently reside within the San Luis City limits or would relocate within the City Limits. The resulting local direct labor and local direct payroll are identified on **Schedule 2 of**

Attachment B.

- Payroll costs are assumed to increase at 2.5 percent (2.5%) annually due to inflation and merit adjustments.
- Construction is estimated to take approximately 16 months.

Summary of Economic Impacts

The anticipated Project Phase 1 is forecast to be the source of substantial economic benefits over the 15-year projection period. The total anticipated economic benefits for Phase 1 is shown on **Table 1**. Backup and supporting calculations are presented in **Schedule 1** and **Schedule 2** of **Attachment B**.

Table 1
Summary of Economic Benefits

Description	Local Labor Impacts	Annual Payroll Impacts (Rounded)
Construction Related Jobs		
Hotel	25.20	\$ 1,195,100
Convenience Store / Gas Station	16.10	771,400
Total Construction Related Jobs	41.30	\$ 1,966,500
Ongoing Jobs		
Hotel	14.40	\$ 542,700
Convenience Store / Gas Station	20.00	664,000
Total Ongoing Jobs	34.40	\$ 1,206,700

Notes: (1) Does not include inflationary impacts on wages.

Fiscal Impact Analysis

Methodology

The analysis of fiscal impacts focuses on the potential public revenues generated from utility services, transaction privilege taxes and the City's share of taxes including state income taxes. For purposes of this analysis, only those revenues to the City are included.

This analysis concentrates on direct and indirect fiscal impacts for Phase 1 only. The direct fiscal benefits consist of utility fees and tax revenues generated by the construction and operation of the proposed businesses on the Project Site. Indirect fiscal benefits include public revenues generated by direct payroll such as state income and transaction privilege tax revenues.

Assumptions and Inputs

The project team utilized the following sets of assumptions and inputs for Phase 1 of this project:

- **Projected Revenues Subject to Transaction Privilege Tax.** Revenue projections for the hotel, and convenience store/gas station have been estimated by the Developer based on industry averages. The revenues are phased in over the first part of the projection period and include an annual inflationary adjustment of 2.0%. The projected revenues are detailed on **Schedule 3 of Attachment B**. Note that revenues from the sale of fuel at the gas station are not subject to transaction privilege taxes and therefore are not included in this analysis.
- As discussed previously, the agreement is expected to provide a credit of transaction privilege taxes of 50% of the annual liability of the businesses located on the Project Site until a total of \$1,822,680 credit has been received. **Schedule 3 of Attachment B** presents the anticipated annual transaction privilege tax credit.
- Construction will begin by April 2022 and is expected to take approximately 16 months.
- Estimated construction costs have been provided by the City and the developer. Anticipated Transaction Privilege Taxes paid on the Construction portion of the Phase 1 project are estimated on **Table 2** as follows:

Table 2
Construction Cost Summary

Description	Amount
Construction Costs	
Hotel	\$ 11,975,000
Convenience Store / Gas Station	4,657,055
Total Construction Costs	\$ 16,632,055
Amount Allocated to Purchases within the City	\$ 5,821,219
Total Projected Transaction Privilege Tax Paid (Rounded)	\$ 232,800
Allocated to Year 1	-
Allocated to Year 2	116,400
Allocated to Year 3	116,400

- **Utility System Revenues.** The City will receive water and wastewater revenue from the businesses on the project site. Based on our experience with the water and wastewater industry, we have developed flow projections based on the business type and size. Additionally, the project team has used the City's current utility system rates to project monthly and annual water and wastewater revenue from the project site. The water and wastewater rates are expected to be increased annually

at 2.0 percent (2.0%). Detailed Utility System revenue projections are shown on **Schedule 4 of Attachment B**.

- **City Share of State Income Taxes.** The project team has assumed approximately 1.775 percent (1.775%) of every direct payroll dollar will be credited to the City by the State for State Income Tax.
- **In-City Spending.** Willdan has projected that approximately 25% of payroll will be spent on goods and services within the City that are subject to the transaction privilege tax. It is assumed these expenditures will be at businesses other than those on the proposed project site.
- **Transaction Privilege Tax Rate.** The transaction privilege tax rate included in the projections is 4.0 percent (4.0%). This rate assumed throughout the projection period.

Summary of Fiscal Impacts

The results of the Fiscal Impacts Analysis for Phase 1 are shown on **Schedule 5 and Schedule 6 of Attachment B**. These projections are based on the assumptions discussed in the previous sections. In order for the City to move forward with the Project, the proposed tax incentive must provide more revenue to the City than the tax incentive. As can be seen on **Schedule 6**, the total projected revenues exceed the anticipated tax credit by over 180%.

It is anticipated that it will take approximately 15 years from the end of construction to reach the \$1,822,680 tax credit cap. Over that period, the cumulative projected direct payroll anticipated is \$24,395,400.

Schedule 6 presents the anticipated Tax Credit as well as the projected sources of income to the City provided by this project over the projection period. As summarized from **Schedule 6** and shown on **Table 3** below, the net benefit to the City over the projection period for Phase 1 of this project is anticipated to be **\$3,294,600**.

Table 3
Summary of Projected Fiscal Benefits
Phase 1

Description	Amount
TRANSACTION PRIVILEGE TAX CREDIT	\$ (1,822,700)
PROJECTED SOURCES OF REVENUE	
Transaction Privilege Taxes Paid (net after credit)	\$ 2,102,600
Utility System Revenue	515,000
Payroll Revenue Impacts	677,000
TOTAL PROJECTED SOURCES OF REVENUE	\$ 3,294,600

Attachment A

9-500.11. Expenditures for economic development; requirements; definitions

(L05, Ch. 200, sec. 1)

- A. In addition to any other powers granted to a city or town, the governing body of a city or town may appropriate and spend public monies for and in connection with economic development activities.
- B. To fund economic development activities under this section, a city or town subject to the requirements of section 9-500.06 shall not impose a new fee or tax on a single specific industry or type of business.
- C. Notwithstanding section 19-142, subsection B, a decision by the governing body involving an expenditure pursuant to this section shall not be enacted as an emergency measure and that decision is not effective for at least thirty days after final approval of the expenditure.
- D. Before entering into a retail development tax incentive agreement, a city or town shall make a finding by a simple majority vote of the governing body without the use of consent calendar that includes both of the following:
1. That the proposed tax incentive is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement.
 2. That in the absence of a tax incentive, the retail business facility or similar retail business facility would not locate in the city or town in the same time, place or manner.
- E. A city or town located in or within twenty-five miles of the exterior boundary of a metropolitan statistical area having a population of more than two million persons shall make a finding pursuant to subsection D of this section, by a two-thirds vote of the governing body.
- F. A city or town shall not enter into a retail tax incentive agreement if the proposed tax incentive raises less revenue than the amount of the incentive.
- G. A city or town shall present a status report of the revenues and expenses associated with the tax incentive every two years for the duration of the agreement in a public meeting.
- H. The finding made pursuant to subsection D, paragraph 1 of this section shall be verified by an independent third party before the city or town enters into the retail development incentive agreement.
- I. The adoption of the retail development tax incentive agreement shall be approved by a simple majority vote of the governing body without the use of consent calendar. For a city or town located in or within twenty-five miles of the exterior boundary of a metropolitan statistical area having a population of more than two million persons, the adoption of a retail development tax incentive agreement shall be approved by an affirmative vote of at least two-thirds of the governing body without the use of consent calendar.
- J. A person or business entity receiving the retail development tax incentive agreement shall not finance the independent third party verification of the findings or have input into the selection of the independent third party verifying the findings.
- K. A city or town shall adopt a notice of intent to enter into a retail development tax incentive agreement at least fourteen days before approving a retail development tax incentive agreement.
- L. Subsection D of this section does not apply to tax incentives given to a business entity in an area that is designated by a city or town as a redevelopment project as defined in section 36-1471.

M. For the purposes of this section:

1. "Economic development activities" means any project, assistance, undertaking, program or study, whether within or outside the boundaries of the city or town, including acquisition, improvement, redevelopment, leasing or conveyance of improved or unimproved real or personal property or other activity, that the governing body of the city or town has found and determined will assist in the creation or retention of jobs or will otherwise improve or enhance the economic welfare of the inhabitants of the city or town.
2. "Expenditure" includes any waiver, exemption, deduction, credit, rebate, discount, deferral or other abatement or reduction of the normal municipal tax liability that otherwise applies to similar existing business entities and properties in that city or town, however denominated, computed or applied, and that is generally understood as an inducement to locate a business facility or other operation in the city or town.
3. "Metropolitan statistical area" means a geographical area consisting of cities, towns and other populated areas defined for federal statistical and census purposes by the United States office of management and budget with technical assistance from the United States bureau of the census.
4. "Retail" means the sale of tangible personal property, except the sale of tangible personal property to a person who is engaged in the business of selling such property.
5. "Retail development activities" means those economic development activities that involve the acquisition, improvement, leasing or conveyance of improved or unimproved real or personal property or other activity to facilitate the sale of goods at retail, including the sale of automobiles, or to facilitate other activities, including theater and restaurant development, that generate revenues that are subject to municipal transaction privilege taxation.
6. "Retail development tax incentive agreement" means an agreement between a city or town and a person engaged in or planning to engage in retail development activities within that city or town in which the city or town agrees to pay, refund, credit, rebate or otherwise provide to that person all or a portion of the sales, use or transaction privilege taxes payable to that city or town in connection with the construction, development or operation of the retail development activities.

Attachment B

Schedules

Schedule 1
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Direct Labor and Payroll Assumptions

Labor Classification	Total (1)	Director/ Supervisor	Staff
		FTEs	FTEs
JOBS			
Construction Related Jobs			
Hotel	36.00	9.00	27.00
Convenience Store / Gas Station	23.00	6.00	17.00
Total Construction Related Jobs	59.00	15.00	44.00
Ongoing Jobs			
Hotel	18.00	5.00	14.00
Convenience Store / Gas Station	25.00	6.00	19.00
Total Ongoing Jobs	43.00	11.00	33.00
HOURS PER MONTH			
Construction Related Jobs			
Hotel	5,760.00	1,440.00	4,320.00
Convenience Store / Gas Station	3,680.00	960.00	2,720.00
Total Construction Related Jobs - Hours Per Month	9,440.00	2,400.00	7,040.00
Ongoing Jobs			
Hotel	3,040.00	800.00	2,240.00
Convenience Store / Gas Station	4,000.00	960.00	3,040.00
Total Ongoing Jobs - Hours Per Month	7,040.00	1,760.00	5,280.00
EFFECTIVE HOURLY RATE (2)			
Construction Related Jobs			
Hotel		\$ 42.31	\$ 18.83
Convenience Store / Gas Station		\$ 42.31	\$ 18.83
Ongoing Jobs			
Hotel		\$ 34.12	\$ 13.05
Convenience Store / Gas Station		\$ 30.25	\$ 13.20
MONTHLY PAYROLL			
Construction Related Jobs			
Hotel	\$ 142,272.00	\$ 60,926.40	\$ 81,345.60
Convenience Store / Gas Station	91,835.20	40,617.60	51,217.60
Total Construction Related Jobs - Monthly Payroll	\$ 234,107.20	\$ 101,544.00	\$ 132,563.20
Ongoing Jobs			
Hotel	\$ 56,528.00	\$ 27,296.00	\$ 29,232.00
Convenience Store / Gas Station	69,168.00	29,040.00	40,128.00
Total Ongoing Jobs - Monthly Payroll	\$ 125,696.00	\$ 56,336.00	\$ 69,360.00

Notes:

- (1) Total Direct Jobs As provided by the Developer and City of San Luis.
- (2) Yuma MSA-2018 Occupational Employment & Hourly Wage Estimates. Prepared by the Arizona Office of Economic Opportunity in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics, May 2019. Adjusted for Inflation.

Schedule 2
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Direct Labor and Payroll Summary

Labor Classification	Total	% Local	Amount Local
JOBS			
Construction Related Jobs			
Hotel	36.00	70%	25.20
Convenience Store / Gas Station	23.00	70%	16.10
Total Construction Related Jobs	59.00		41.30
Ongoing Jobs			
Hotel	18.00	80%	14.40
Convenience Store / Gas Station	25.00	80%	20.00
Total Ongoing Jobs	43.00		34.40
MONTHLY PAYROLL			
Construction Related Jobs			
Hotel	\$ 142,272.00	70%	\$ 99,590.40
Convenience Store / Gas Station	91,835.20	70%	64,284.64
Total Construction Related Jobs - Monthly Payroll	\$ 234,107.20		\$ 163,875.04
Ongoing Jobs			
Hotel	\$ 56,528.00	80%	\$ 45,222.40
Convenience Store / Gas Station	69,168.00	80%	55,334.40
Total Ongoing Jobs - Monthly Payroll	\$ 125,696.00		\$ 100,556.80

Schedule 3
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Projected Revenues and Transaction Privilege Tax Credit

Description	Construction	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2021	2022	2023	2024	2025	2026	2027	2028	2029
Projected Revenues Subject to Transaction Privilege Tax (1)									
Hotel	(2)	(2)	\$ 774,600	\$ 2,552,200	\$ 2,937,600	\$ 2,996,400	\$ 3,095,000	\$ 3,156,900	\$ 3,220,000
Convenience Store / Gas Station	(2)	(2)	698,400	2,328,000	2,619,000	2,910,000	3,026,400	3,086,900	3,148,700
Total Projected Revenues			\$ 1,473,000	\$ 4,880,200	\$ 5,556,600	\$ 5,906,400	\$ 6,121,400	\$ 6,243,800	\$ 6,368,700
Transaction Privilege Tax Revenue @ 4%									
Hotel	(2)	(2)	\$ 31,000	\$ 102,100	\$ 117,500	\$ 119,900	\$ 123,800	\$ 126,300	\$ 128,800
Convenience Store / Gas Station	(2)	(2)	27,900	93,100	104,800	116,400	121,100	123,500	125,900
Total Transaction Privilege Tax Revenue @ 4%			\$ 58,900	\$ 195,200	\$ 222,300	\$ 236,300	\$ 244,900	\$ 249,800	\$ 254,700
Proposed Tax Credit									
Annual Percent			50%	50%	50%	50%	50%	50%	50%
Dollar Amount			\$ 29,500	\$ 97,600	\$ 111,200	\$ 118,200	\$ 122,500	\$ 124,900	\$ 127,400
Cumulative Tax Credit			\$ 29,500	\$ 127,100	\$ 238,300	\$ 356,500	\$ 479,000	\$ 603,900	\$ 731,300

Notes:

- (1) Based on Information Provided by the Developer and City of San Luis.
- (2) Construction Projected to last approximately 16 months.

Schedule 3
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Projected Revenues and Transaction Privilege Tax Credit

Description	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
	2030	2031	2032	2033	2034	2035	2036	2037
Projected Revenues Subject to Transacti								
Hotel	\$ 3,284,400	\$ 3,350,100	\$ 3,417,100	\$ 3,485,500	\$ 3,555,200	\$ 3,626,300	\$ 3,698,800	\$ 3,772,800
Convenience Store / Gas Station	3,211,600	3,275,900	3,341,400	3,408,200	3,476,400	3,545,900	3,616,800	3,689,200
Total Projected Revenues	\$ 6,496,000	\$ 6,626,000	\$ 6,758,500	\$ 6,893,700	\$ 7,031,600	\$ 7,172,200	\$ 7,315,600	\$ 7,462,000
Transaction Privilege Tax Revenue @ 4%								
Hotel	\$ 131,400	\$ 134,000	\$ 136,700	\$ 139,400	\$ 142,200	\$ 145,100	\$ 148,000	\$ 150,900
Convenience Store / Gas Station	128,500	131,000	133,700	136,300	139,100	141,800	144,700	147,600
Total Transaction Privilege Tax Revenue	\$ 259,900	\$ 265,000	\$ 270,400	\$ 275,700	\$ 281,300	\$ 286,900	\$ 292,700	\$ 298,500
Proposed Tax Credit								
Annual Percent	50%	50%	50%	50%	50%	50%	50%	50%
Dollar Amount	\$ 130,000	\$ 132,500	\$ 135,200	\$ 137,900	\$ 140,700	\$ 143,500	\$ 146,400	\$ 125,200
Cumulative Tax Credit	\$ 861,300	\$ 993,800	\$ 1,129,000	\$ 1,266,900	\$ 1,407,600	\$ 1,551,100	\$ 1,697,500	\$ 1,822,700

Schedule 4
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Fiscal Impact Assumptions

Description	Construction	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2021	2022	2023	2024	2025	2026	2027	2028	2029
UTILITY SYSTEM REVENUE ASSUMPTIONS									
Hotel									
Water									
Monthly Usage (Gallons)			139,000	155,000	163,000	163,000	163,000	163,000	163,000
Base Charge - 4" Meter (Includes 2,000 gallons usage)			\$ 1,404.07	\$ 1,432.15	\$ 1,460.79	\$ 1,490.01	\$ 1,519.81	\$ 1,550.21	\$ 1,581.21
Volume Charge Per Thousand Gallons			\$ 2.66	\$ 2.71	\$ 2.77	\$ 2.82	\$ 2.88	\$ 2.94	\$ 3.00
Total Volume Charge			\$ 364.42	\$ 415.12	\$ 445.56	\$ 454.47	\$ 463.56	\$ 472.83	\$ 482.29
Total Monthly Bill - Water			\$ 1,768.49	\$ 1,847.27	\$ 1,906.36	\$ 1,944.48	\$ 1,983.37	\$ 2,023.04	\$ 2,063.50
Wastewater									
Base Charge			\$ 24.50	\$ 24.99	\$ 25.49	\$ 26.00	\$ 26.52	\$ 27.05	\$ 27.59
Volume Charge Per Thousand Gallons			\$ 2.47	\$ 2.52	\$ 2.57	\$ 2.62	\$ 2.67	\$ 2.73	\$ 2.78
Total Volume Charge			\$ 343.33	\$ 390.51	\$ 418.88	\$ 427.25	\$ 435.80	\$ 444.51	\$ 453.40
Total Monthly Bill - Wastewater			\$ 367.83	\$ 415.50	\$ 444.37	\$ 453.25	\$ 462.32	\$ 471.56	\$ 481.00
Convenience Store / Gas Station									
Water									
Monthly Usage (Gallons)			39,000	44,000	49,000	49,000	49,000	49,000	49,000
Base Charge - 1" Meter (Includes 2,000 gallons usage)			\$ 58.62	\$ 59.79	\$ 60.99	\$ 62.21	\$ 63.45	\$ 64.72	\$ 66.02
Volume Charge Per Thousand Gallons			\$ 2.66	\$ 2.71	\$ 2.77	\$ 2.82	\$ 2.88	\$ 2.94	\$ 3.00
Total Volume Charge			\$ 98.42	\$ 113.95	\$ 130.07	\$ 132.67	\$ 135.33	\$ 138.03	\$ 140.79
Total Monthly Bill - Water			\$ 157.04	\$ 173.75	\$ 191.06	\$ 194.88	\$ 198.78	\$ 202.75	\$ 206.81
Wastewater									
Base Charge			\$ 24.50	\$ 24.99	\$ 25.49	\$ 26.00	\$ 26.52	\$ 27.05	\$ 27.59
Volume Charge Per Thousand Gallons			\$ 2.47	\$ 2.52	\$ 2.57	\$ 2.62	\$ 2.67	\$ 2.73	\$ 2.78
Total Volume Charge			\$ 96.33	\$ 110.85	\$ 125.92	\$ 128.44	\$ 131.01	\$ 133.63	\$ 136.30
Total Monthly Bill - Wastewater			\$ 120.83	\$ 135.84	\$ 151.41	\$ 154.44	\$ 157.53	\$ 160.68	\$ 163.89
PAYROLL CONVERSION FACTOR									
City Share of State Shared Revenue					0.01775				
Percent of Payroll Dollar Used for In City Purchases			0.25000						
Transaction Privilege Tax Rate			0.04000						
Additional Transaction Privilege Tax Revenue					<u>0.01000</u>				
Total Payroll Conversion Factor					0.02775				

Schedule 4
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Fiscal Impact Assumptions

Description	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
	2030	2031	2032	2033	2034	2035	2036	2037
UTILITY SYSTEM REVENUE ASSUMPTIONS								
Hotel								
Water								
Monthly Usage (Gallons)	163,000	163,000	163,000	163,000	163,000	163,000	163,000	163,000
Base Charge - 4" Meter (Includes 2,000 gallons usage)	\$ 1,612.84	\$ 1,645.09	\$ 1,677.99	\$ 1,711.55	\$ 1,745.78	\$ 1,780.70	\$ 1,816.31	\$ 1,852.64
Volume Charge Per Thousand Gallons	\$ 3.06	\$ 3.12	\$ 3.18	\$ 3.24	\$ 3.31	\$ 3.37	\$ 3.44	\$ 3.51
Total Volume Charge	\$ 491.94	\$ 501.77	\$ 511.81	\$ 522.05	\$ 532.49	\$ 543.14	\$ 554.00	\$ 565.08
Total Monthly Bill - Water	\$ 2,104.77	\$ 2,146.87	\$ 2,189.80	\$ 2,233.60	\$ 2,278.27	\$ 2,323.84	\$ 2,370.31	\$ 2,417.72
Wastewater								
Base Charge	\$ 28.14	\$ 28.71	\$ 29.28	\$ 29.87	\$ 30.46	\$ 31.07	\$ 31.69	\$ 32.33
Volume Charge Per Thousand Gallons	\$ 2.84	\$ 2.89	\$ 2.95	\$ 3.01	\$ 3.07	\$ 3.13	\$ 3.20	\$ 3.26
Total Volume Charge	\$ 462.47	\$ 471.72	\$ 481.16	\$ 490.78	\$ 500.59	\$ 510.61	\$ 520.82	\$ 531.24
Total Monthly Bill - Wastewater	\$ 490.62	\$ 500.43	\$ 510.44	\$ 520.64	\$ 531.06	\$ 541.68	\$ 552.51	\$ 563.56
Convenience Store / Gas Station								
Water								
Monthly Usage (Gallons)	49,000	49,000	49,000	49,000	49,000	49,000	49,000	49,000
Base Charge - 1" Meter (Includes 2,000 gallons usage)	\$ 67.34	\$ 68.68	\$ 70.06	\$ 71.46	\$ 72.89	\$ 74.34	\$ 75.83	\$ 77.35
Volume Charge Per Thousand Gallons	\$ 3.06	\$ 3.12	\$ 3.18	\$ 3.24	\$ 3.31	\$ 3.37	\$ 3.44	\$ 3.51
Total Volume Charge	\$ 143.61	\$ 146.48	\$ 149.41	\$ 152.40	\$ 155.45	\$ 158.56	\$ 161.73	\$ 164.96
Total Monthly Bill - Water	\$ 210.94	\$ 215.16	\$ 219.47	\$ 223.86	\$ 228.33	\$ 232.90	\$ 237.56	\$ 242.31
Wastewater								
Base Charge	\$ 28.14	\$ 28.71	\$ 29.28	\$ 29.87	\$ 30.46	\$ 31.07	\$ 31.69	\$ 32.33
Volume Charge Per Thousand Gallons	\$ 2.84	\$ 2.89	\$ 2.95	\$ 3.01	\$ 3.07	\$ 3.13	\$ 3.20	\$ 3.26
Total Volume Charge	\$ 139.03	\$ 141.81	\$ 144.64	\$ 147.53	\$ 150.49	\$ 153.50	\$ 156.57	\$ 159.70
Total Monthly Bill - Wastewater	\$ 167.17	\$ 170.51	\$ 173.92	\$ 177.40	\$ 180.95	\$ 184.57	\$ 188.26	\$ 192.02

Schedule 5
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Fiscal Impact Details

Description	Construction	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2021	2022	2023	2024	2025	2026	2027	2028	2029
TRANSACTION PRIVILEGE TAXES									
Transaction Privilege Taxes on Construction Materials	\$ -	\$ 116,400	\$ 116,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transaction Privilege Taxes	(1)	(1)	\$ 58,900	\$ 195,200	\$ 222,300	\$ 236,300	\$ 244,900	\$ 249,800	\$ 254,700
Less: Proposed Tax Credit	(1)	(1)	29,500	97,600	111,200	118,200	122,500	124,900	127,400
Transaction Privilege Tax Revenues Paid			\$ 29,400	\$ 97,600	\$ 111,100	\$ 118,100	\$ 122,400	\$ 124,900	\$ 127,300
Total Transaction Privilege Taxed Paid	\$ -	\$ 116,400	\$ 145,800	\$ 97,600	\$ 111,100	\$ 118,100	\$ 122,400	\$ 124,900	\$ 127,300
UTILITY SYSTEM REVENUES									
Water									
Hotel	(1)	(1)	\$ 7,100	\$ 22,200	\$ 22,900	\$ 23,300	\$ 23,800	\$ 24,300	\$ 24,800
Convenience Store / Gas Station	(1)	(1)	600	2,100	2,300	2,300	2,400	2,400	2,500
Total Water			\$ 7,700	\$ 24,300	\$ 25,200	\$ 25,600	\$ 26,200	\$ 26,700	\$ 27,300
Wastewater									
Hotel	(1)	(1)	\$ 1,500	\$ 5,000	\$ 5,300	\$ 5,400	\$ 5,500	\$ 5,700	\$ 5,800
Convenience Store / Gas Station	(1)	(1)	500	1,600	1,800	1,900	1,900	1,900	2,000
Total Wastewater			\$ 2,000	\$ 6,600	\$ 7,100	\$ 7,300	\$ 7,400	\$ 7,600	\$ 7,800
Total Utility System Revenues	(1)	(1)	\$ 9,700	\$ 30,900	\$ 32,300	\$ 32,900	\$ 33,600	\$ 34,300	\$ 35,100
TAX CREDIT ANALYSIS									
Proposed Tax Credit	(1)	(1)	\$ 29,500	\$ 97,600	\$ 111,200	\$ 118,200	\$ 122,500	\$ 124,900	\$ 127,400
Less:									
Transaction Privilege Taxes Paid	(1)	(1)	29,400	97,600	111,100	118,100	122,400	124,900	127,300
Utility System Revenues	(1)	(1)	9,700	30,900	32,300	32,900	33,600	34,300	35,100
Remaining Revenue to be Recovered			N/A	N/A	N/A	N/A	N/A	N/A	N/A
Payroll Conversion Factor	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775
Minimum Additional Payroll Needed (in City)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Demand Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Additional Direct Payroll Needed									
Annual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Payroll Anticipated									
Annual	\$ -	\$ 1,344,000	\$ 1,715,800	\$ 1,169,600	\$ 1,332,000	\$ 1,365,600	\$ 1,399,200	\$ 1,434,000	\$ 1,470,000
Cumulative	\$ -	\$ 1,344,000	\$ 3,059,800	\$ 4,229,400	\$ 5,561,400	\$ 6,927,000	\$ 8,326,200	\$ 9,760,200	\$ 11,230,200

Notes:

(1) Construction Projected to last approximately 16 months.

Schedule 5
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Fiscal Impact Details

Description	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
	2030	2031	2032	2033	2034	2035	2036	2037
TRANSACTION PRIVILEGE TAXES								
Transaction Privilege Taxes on Construction Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transaction Privilege Taxes	\$ 259,900	\$ 265,000	\$ 270,400	\$ 275,700	\$ 281,300	\$ 286,900	\$ 292,700	\$ 298,500
Less: Proposed Tax Credit	130,000	132,500	135,200	137,900	140,700	143,500	146,400	125,200
Transaction Privilege Tax Revenues Paid	\$ 129,900	\$ 132,500	\$ 135,200	\$ 137,800	\$ 140,600	\$ 143,400	\$ 146,300	\$ 173,300
Total Transaction Privilege Taxed Paid	\$ 129,900	\$ 132,500	\$ 135,200	\$ 137,800	\$ 140,600	\$ 143,400	\$ 146,300	\$ 173,300
UTILITY SYSTEM REVENUES								
Water								
Hotel	\$ 25,300	\$ 25,800	\$ 26,300	\$ 26,800	\$ 27,300	\$ 27,900	\$ 28,400	\$ 29,000
Convenience Store / Gas Station	2,500	2,600	2,600	2,700	2,700	2,800	2,900	2,900
Total Water	\$ 27,800	\$ 28,400	\$ 28,900	\$ 29,500	\$ 30,000	\$ 30,700	\$ 31,300	\$ 31,900
Wastewater								
Hotel	\$ 5,900	\$ 6,000	\$ 6,100	\$ 6,200	\$ 6,400	\$ 6,500	\$ 6,600	\$ 6,800
Convenience Store / Gas Station	2,000	2,000	2,100	2,100	2,200	2,200	2,300	2,300
Total Wastewater	\$ 7,900	\$ 8,000	\$ 8,200	\$ 8,300	\$ 8,600	\$ 8,700	\$ 8,900	\$ 9,100
Total Utility System Revenues	\$ 35,700	\$ 36,400	\$ 37,100	\$ 37,800	\$ 38,600	\$ 39,400	\$ 40,200	\$ 41,000
TAX CREDIT ANALYSIS								
Proposed Tax Credit	\$ 130,000	\$ 132,500	\$ 135,200	\$ 137,900	\$ 140,700	\$ 143,500	\$ 146,400	\$ 125,200
Less:								
Transaction Privilege Taxes Paid	129,900	132,500	135,200	137,800	140,600	143,400	146,300	173,300
Utility System Revenues	35,700	36,400	37,100	37,800	38,600	39,400	40,200	41,000
Remaining Revenue to be Recovered	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Payroll Conversion Factor	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775
Minimum Additional Payroll Needed (in City)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Demand Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Additional Direct Payroll Needed								
Annual	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cumulative	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Payroll Anticipated								
Annual	\$ 1,507,200	\$ 1,544,400	\$ 1,582,800	\$ 1,622,400	\$ 1,663,200	\$ 1,705,200	\$ 1,748,400	\$ 1,791,600
Cumulative	\$ 12,737,400	\$ 14,281,800	\$ 15,864,600	\$ 17,487,000	\$ 19,150,200	\$ 20,855,400	\$ 22,603,800	\$ 24,395,400

Schedule 6
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Projected Fiscal Impacts

Description	Construction	Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
	2021	2022	2023	2024	2025	2026	2027	2028	2029
PROJECTED TRANSACTION PRIVILEGE TAXES CREDIT (1)									
Annual	\$ -	\$ -	\$ 29,500	\$ 97,600	\$ 111,200	\$ 118,200	\$ 122,500	\$ 124,900	\$ 127,400
Cumulative	\$ -	\$ -	\$ 29,500	\$ 127,100	\$ 238,300	\$ 356,500	\$ 479,000	\$ 603,900	\$ 731,300
PROJECTED SOURCES OF REVENUE									
Transaction Privilege Taxes Paid									
From Construction Purchases	\$ -	\$ 116,400	\$ 116,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From Businesses On Site (1)	\$ -	\$ -	\$ 29,400	\$ 97,600	\$ 111,100	\$ 118,100	\$ 122,400	\$ 124,900	\$ 127,300
Total Annual	\$ -	\$ 116,400	\$ 145,800	\$ 97,600	\$ 111,100	\$ 118,100	\$ 122,400	\$ 124,900	\$ 127,300
Cumulative	\$ -	\$ 116,400	\$ 262,200	\$ 359,800	\$ 470,900	\$ 589,000	\$ 711,400	\$ 836,300	\$ 963,600
Utility System Revenue									
Annual	\$ -	\$ -	\$ 9,700	\$ 30,900	\$ 32,300	\$ 32,900	\$ 33,600	\$ 34,300	\$ 35,100
Cumulative	\$ -	\$ -	\$ 9,700	\$ 40,600	\$ 72,900	\$ 105,800	\$ 139,400	\$ 173,700	\$ 208,800
Payroll Revenue Impacts									
Annual Direct Payroll	\$ -	\$ 1,344,000	\$ 1,715,800	\$ 1,169,600	\$ 1,332,000	\$ 1,365,600	\$ 1,399,200	\$ 1,434,000	\$ 1,470,000
Direct Demand Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Payroll Conversion Factor (2)	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775
Total Revenue Payroll Impacts									
Annual	\$ -	\$ 37,300	\$ 47,600	\$ 32,500	\$ 37,000	\$ 37,900	\$ 38,800	\$ 39,800	\$ 40,800
Cumulative	\$ -	\$ 37,300	\$ 84,900	\$ 117,400	\$ 154,400	\$ 192,300	\$ 231,100	\$ 270,900	\$ 311,700
TOTAL PROJECTED SOURCES OF REVENUE									
Annual	\$ -	\$ 153,700	\$ 203,100	\$ 161,000	\$ 180,400	\$ 188,900	\$ 194,800	\$ 199,000	\$ 203,200
Cumulative	\$ -	\$ 153,700	\$ 356,800	\$ 517,800	\$ 698,200	\$ 887,100	\$ 1,081,900	\$ 1,280,900	\$ 1,484,100

Notes:

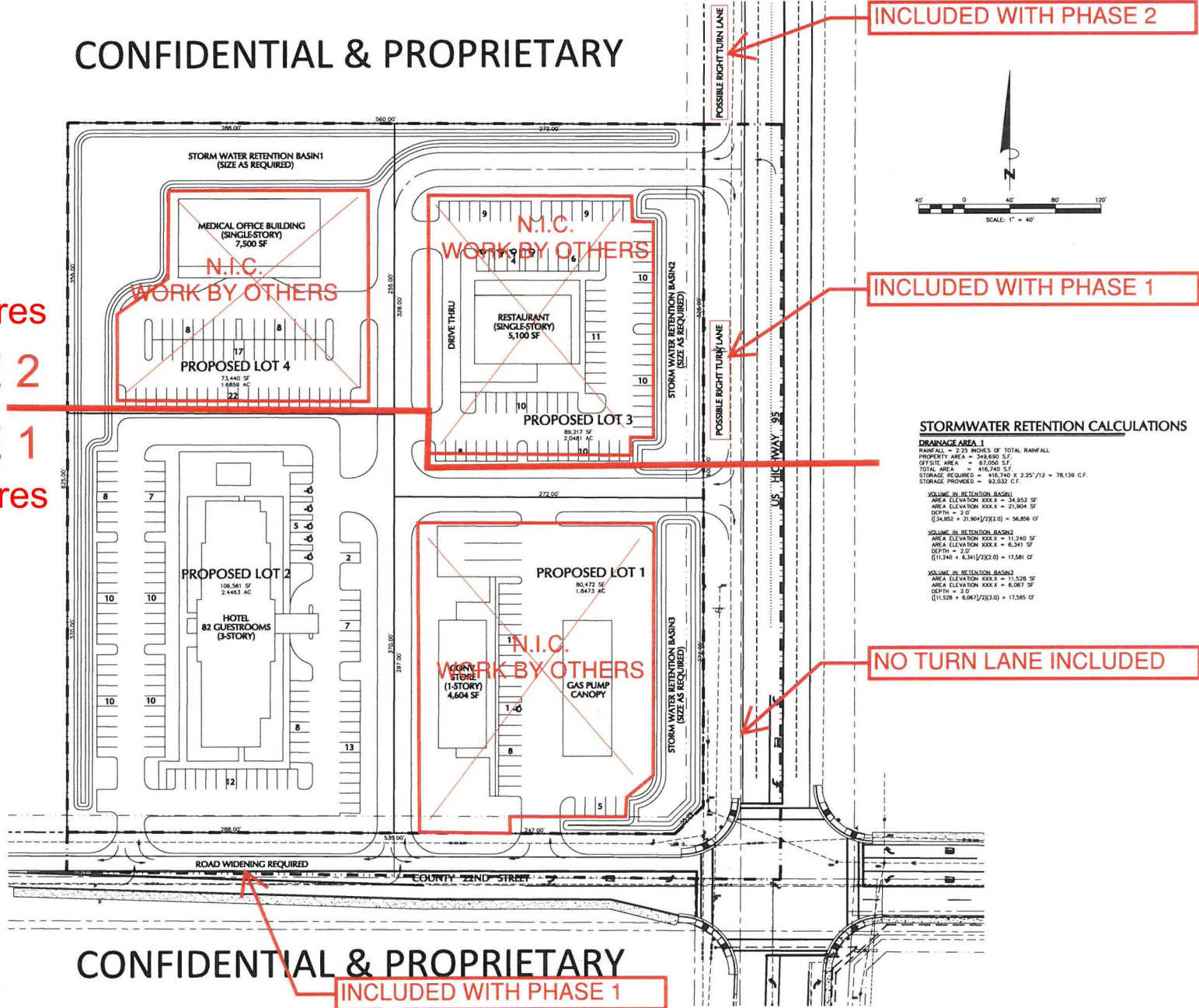
- (1) Assumes 50% credit of annual transaction privilege taxes due.
- (2) Includes City's share of additional State Tax as well as Transaction Privilege Taxes from additional consumer spending.

Schedule 6
City of San Luis Economic Impact Analysis
Green San Luis, LLC Multi-Use Project: Phase 1
Projected Fiscal Impacts

Description	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
	2030	2031	2032	2033	2034	2035	2036	2037
PROJECTED TRANSACTION PRIVILEGE TAXES CREDIT (
Annual	\$ 130,000	\$ 132,500	\$ 135,200	\$ 137,900	\$ 140,700	\$ 143,500	\$ 146,400	\$ 125,200
Cumulative	\$ 861,300	\$ 993,800	\$ 1,129,000	\$ 1,266,900	\$ 1,407,600	\$ 1,551,100	\$ 1,697,500	\$ 1,822,700
PROJECTED SOURCES OF REVENUE								
Transaction Privilege Taxes Paid								
From Construction Purchases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
From Businesses On Site (1)	\$ 129,900	\$ 132,500	\$ 135,200	\$ 137,800	\$ 140,600	\$ 143,400	\$ 146,300	\$ 173,300
Total Annual	\$ 129,900	\$ 132,500	\$ 135,200	\$ 137,800	\$ 140,600	\$ 143,400	\$ 146,300	\$ 173,300
Cumulative	\$ 1,093,500	\$ 1,226,000	\$ 1,361,200	\$ 1,499,000	\$ 1,639,600	\$ 1,783,000	\$ 1,929,300	\$ 2,102,600
Utility System Revenue								
Annual	\$ 35,700	\$ 36,400	\$ 37,100	\$ 37,800	\$ 38,600	\$ 39,400	\$ 40,200	\$ 41,000
Cumulative	\$ 244,500	\$ 280,900	\$ 318,000	\$ 355,800	\$ 394,400	\$ 433,800	\$ 474,000	\$ 515,000
Payroll Revenue Impacts								
Annual Direct Payroll	\$ 1,507,200	\$ 1,544,400	\$ 1,582,800	\$ 1,622,400	\$ 1,663,200	\$ 1,705,200	\$ 1,748,400	\$ 1,791,600
Direct Demand Factor	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Payroll Conversion Factor (2)	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775	0.02775
Total Revenue Payroll Impacts								
Annual	\$ 41,800	\$ 42,900	\$ 43,900	\$ 45,000	\$ 46,200	\$ 47,300	\$ 48,500	\$ 49,700
Cumulative	\$ 353,500	\$ 396,400	\$ 440,300	\$ 485,300	\$ 531,500	\$ 578,800	\$ 627,300	\$ 677,000
TOTAL PROJECTED SOURCES OF REVENUE								
Annual	\$ 207,400	\$ 211,800	\$ 216,200	\$ 220,600	\$ 225,400	\$ 230,100	\$ 235,000	\$ 264,000
Cumulative	\$ 1,691,500	\$ 1,903,300	\$ 2,119,500	\$ 2,340,100	\$ 2,565,500	\$ 2,795,600	\$ 3,030,600	\$ 3,294,600

CONFIDENTIAL & PROPRIETARY

Approx 3.5 Acres
PHASE 2
PHASE 1
Approx 4.5 Acres



INCLUDED WITH PHASE 2

INCLUDED WITH PHASE 1

NO TURN LANE INCLUDED

INCLUDED WITH PHASE 1

CONFIDENTIAL & PROPRIETARY

STORMWATER RETENTION CALCULATIONS

DRAINAGE AREA 1
 RAINFALL = 2.75 INCHES OF TOTAL RAINFALL
 PROPERTY AREA = 345,690 S.F.
 OFFSITE AREA = 672,000 S.F.
 TOTAL AREA = 1,017,690 S.F.
 STORAGE REQUIRED = 436,740 X 3.25' / 12" = 78,139 C.F.
 STORAGE PROVIDED = 92,032 C.F.

VOLUME IN RETENTION BASIN1
 AREA ELEVATION XXXX = 34,903 SF
 AREA ELEVATION XXXX = 31,904 SF
 DEPTH = 2.0'
 ((34,903 + 31,904) / 2) X 2.0 = 56,806 CF

VOLUME IN RETENTION BASIN2
 AREA ELEVATION XXXX = 11,240 SF
 AREA ELEVATION XXXX = 6,541 SF
 DEPTH = 2.0'
 ((11,240 + 6,541) / 2) X 2.0 = 17,581 CF

VOLUME IN RETENTION BASIN3
 AREA ELEVATION XXXX = 11,528 SF
 AREA ELEVATION XXXX = 6,067 SF
 DEPTH = 2.0'
 ((11,528 + 6,067) / 2) X 2.0 = 17,595 CF

DATE: _____

DRAWING ISSUE RECORD:

1550 S. 5th Avenue
 Phoenix, AZ 85018-1205
 Phone: (602) 814-0025
 Fax: (602) 814-0028
 www.dahlrobins.com

DR

DAHL, ROBINS & ASSOCIATES, INC.

SAN LUIS DEVELOPMENT
 NORTHWEST CORNER OF US HWY 95 & COUNTY 22ND STREET
 SAN LUIS, ARIZONA
 PRELIMINARY SITE LAYOUT 01 - 8/26/2016

PRELIMINARY
 NOT FOR CONSTRUCTION

DATE: SEP 2016
 SURVEYED BY: N/A
 DESIGNED BY: KAD
 DRAWN BY: JDL
 CHECKED BY: KAD
 PROJECT NO.: 16215

SHEET 1 OF 1



City of San Luis

Economic Impact Analysis

Green San Luis, LLC Multi-Use Project

Introduction



- ⊖ Developer (Green San Luis) is proposing to construct and maintain:
 - ⊖ **Phase 1:** a multi-use hotel and convenience store/gas station, and
 - ⊖ **Phase 2:** drive thru restaurant(s)
- ⊖ Project to be located at Highway 95 and 22nd Street
- ⊖ Project is intended to provide the following benefits to City:
 - ⊖ **Direct** – transaction privilege taxes to City and IGA obligations to benefit community
 - ⊖ **Indirect** – additional tax revenue from new employment/new jobs created from development

Developer Agreement with City



- ⊖ Developer is requesting a credit for a portion of the transaction privilege tax revenue it will generate from the new development

- ⊖ Terms of Agreement with City:
 - ⊖ 50% of taxes from development to be rebated to Developer until the sum of \$2,122,680 is paid

 - ⊖ Agreement conditioned on the opening of the hotel and convenience store/gas station on or before December 31, 2023

Regulatory Requirements



- ⊖ **ARS 9-500.11** is statute that governs tax incentive agreements

- ⊖ Key provision:
 - ⊖ “A city or town shall not enter into a retail tax incentive agreement if the proposed tax incentive raises less revenue than the amount of the incentive” ... this section shall be verified by an independent third party before the city or town enters into the agreement”

- ⊖ Independent “watchdog” groups also monitor local agreements to ensure compliance with statutes

Analysis Conducted Phase 1



- ⊖ **Economic Impact Analysis** – examined the effect of the project on the overall local economy – changes in business revenues, profits, wages, etc.
- ⊖ **Fiscal Impact Analysis** – examined the impact of the project on the local government – increase in revenues from taxes and other government sources



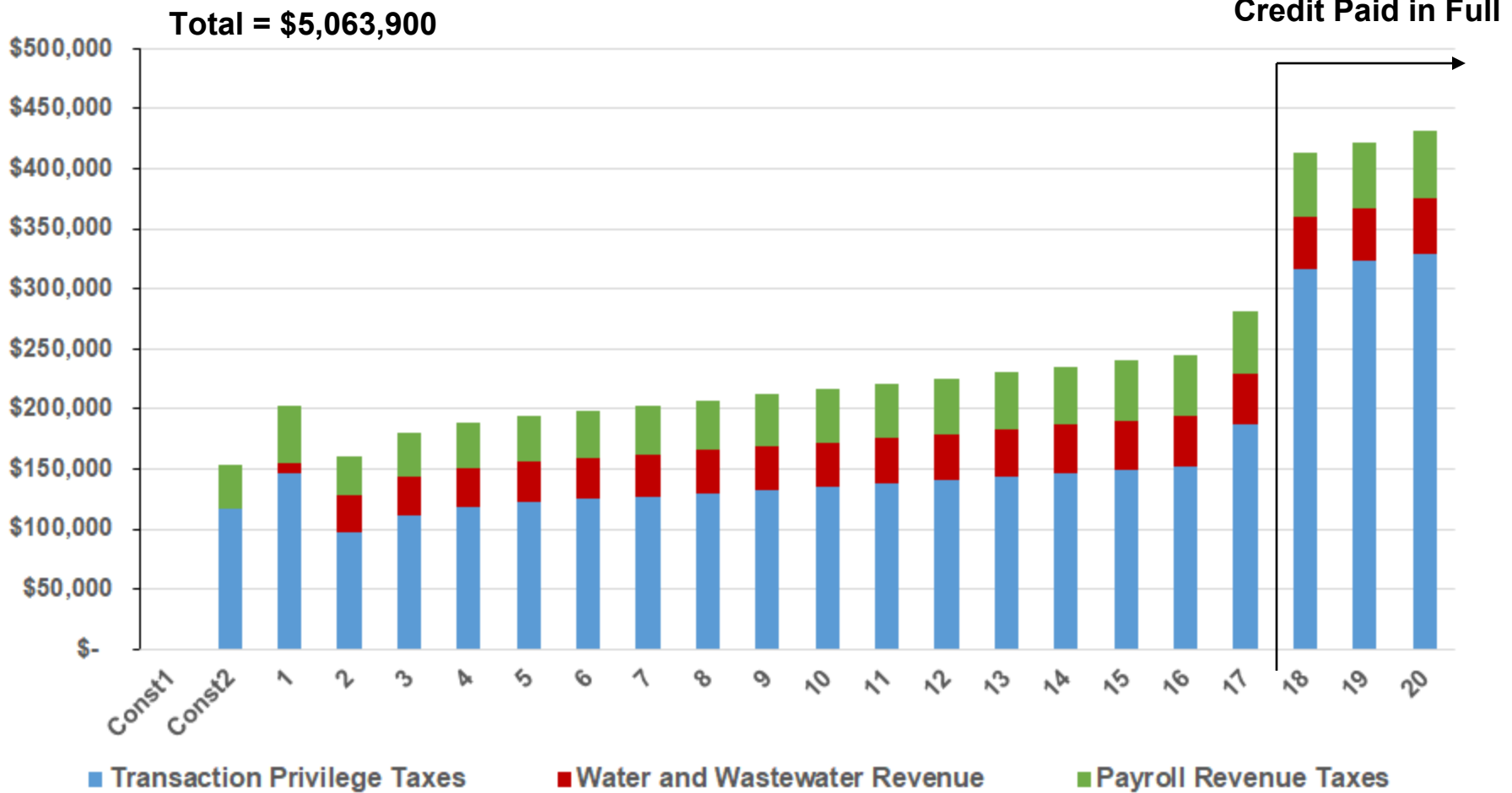
Fiscal Impact Analysis Critical Assumptions



- Percentage of jobs for local residents: 70-80%
- Wages and development revenue based on industry averages and developer estimates
- 25% of payroll is spent on goods and services within City
- City will receive revenue from water/wastewater services provided to development



Annual Tax Revenue Phase 1



Fiscal Impact Analysis Summary

Phase 1



Description	Amount
TRANSACTION PRIVILEGE TAX CREDIT	\$ (2,122,700)
PROJECTED SOURCES OF REVENUE	
Transaction Privilege Taxes Paid (net after credit)	\$ 3,386,800
Utility System Revenue	732,500
Payroll Revenue Impacts	944,600
TOTAL PROJECTED SOURCES OF REVENUE	\$ 5,063,900

Presentation Summary

Phase 1



- Development is forecast to provide a significant economic benefit to the City of San Luis
- Tax credits offered in agreement with City are more than recovered through increased economic activity
- City is forecast to benefit by as much as **\$5,063,900** in first 20 years after construction, even more in later years
- Proposed agreement complies with requirements of Arizona statutes



April 2nd, 2021

City of San Luis
Office of Economic Development
Jenny Torres
1090 E. Union Street
San Luis, Arizona 85349

RE: Hotel Development Site, San Luis

Dear Ms. Torres:

Greens and its team are pleased to submit our vision for a Hilton hotel as part of the overall project that includes a fuel station. We are confident that our upscale hotel will be a great fit for the City and provide tremendous benefits to the community.

We are a group of professionals with proven design creativity, financial strength, and success in developing, owning, and managing hotel & commercial developments. Our team is extremely excited to collaborate with the City and the community to ensure that this new development will be a cornerstone of economic progress for the City of San Luis.

Our hotel will be an inclusive focused engagement of the community – a cornerstone of our values is that every deal with do must be a win-win for all parties. We are confident that you will find out team’s commitment to excellence and our extensive experience with similar projects. We have spoken to Hilton’s Development Team about this opportunity already and have received a commitment of support in franchising us in this market.

We appreciate the opportunity to submit our vision, and we look forward to developing in San Luis.

Sincerely,

Sharad Kadakia
Managing Principal

Atman Kadakia
Managing Principal

Ashutosh Kadakia
Managing Principal



April 1, 2021

Ashutosh Kadakia
Greens Group
Managing Principal
8815 Research Drive
Irvine, CA 92618

RE: Hilton development opportunity in San Luis, AZ

Dear Ash,

This letter is to serve as confirmation of Hilton’s interest in exploring a new development opportunity with you located in San Luis, AZ at the intersection of County 22nd Street and Highway 95. We are familiar with the property and the immediate neighborhood. We believe it is a great match for either Home 2 Suites or Hampton within the Hilton family brands and we are excited about the opportunity.

We understand our discussions with you are preliminary in nature, but based on the information you have shared we have a strong interest in continuing to explore this opportunity. To gain a better understanding about all the brands of Hilton, please visit <https://www.hilton.com/en/corporate/>.

Should you have any questions or comments please feel free to contact me at corey.mitchell@hilton.com or at 310-462-1320.

Sincerely,

Corey Mitchell
Senior Director Development
Southwest Region
Hilton

Corey Mitchell
Senior Director Development
Southwest Region
Based in Phoenix
5694 Mission Center Rd, Suite 602 #895
San Diego, CA 92108
PH: 310-462-1320
corey.mitchell@hilton.com

HISTORY OF GREENS



Greens started in **1958** as an electrical distribution company and expanded to Hyderabad, India opening a new office in **1962**. Sharad Kadakia, current CEO of Greens, joined the business in **1976**; and exponentially grew the company.



Sharad Kadakia decided to move from India to the United States in **1988** to pursue the American Dream and expand Greens into new markets.



GREENS

In **1989**, Sharad Kadakia began managing his first hotel in Washington, UT which served as the basis of his hospitality roots.



Greens Group was founded in **1996** with the construction of its first hotel in Parker, AZ – a Best Western.



In **2005**, Greens constructed the Greens Towers building. This was the first office project for Greens – 82,000 SF.



Over the **next decade**, Greens would steadily grow into multiple business across the Southwestern United States.



Greens acquired 14 acres in 2014 from Starwood Capital and begins to develop a retail, fuel, and hospitality mixed use development in Riverside and starts a process of focused growth with the acquisition of 5 other hotel sites in Southern California and 3 sites for fuel development.



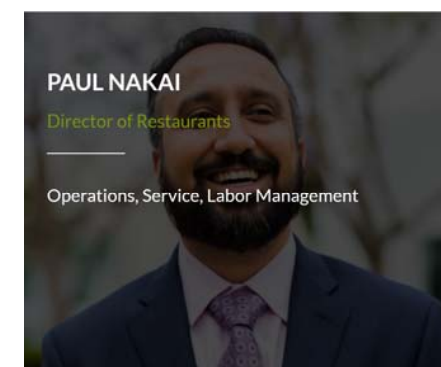
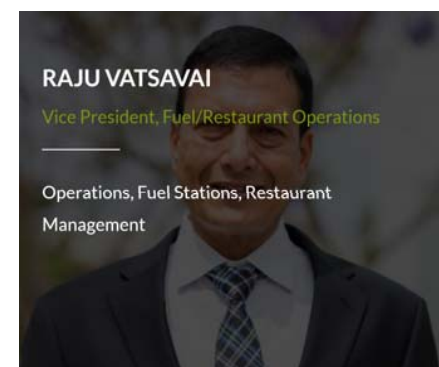
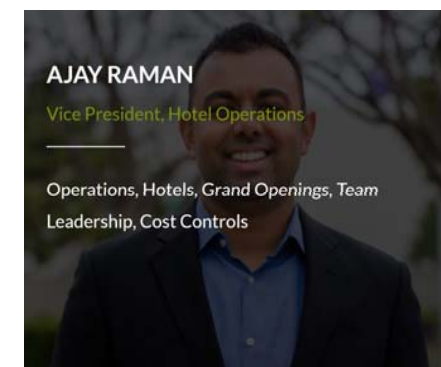
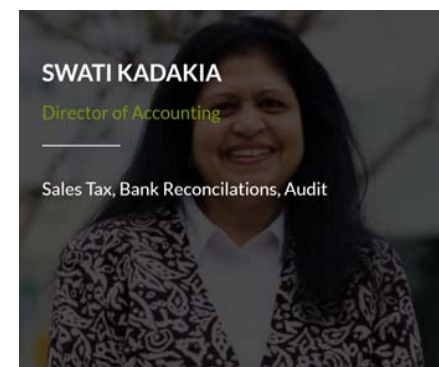
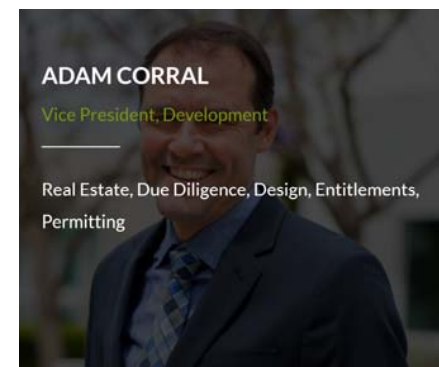
In **2017**, Greens opens Red Cliffs Plaza.



In **2018**, Greens is awarded the prestigious R Hotel project, an RFQ that Greens competed for and won in the City of Riverside; currently under design development & entitlements.

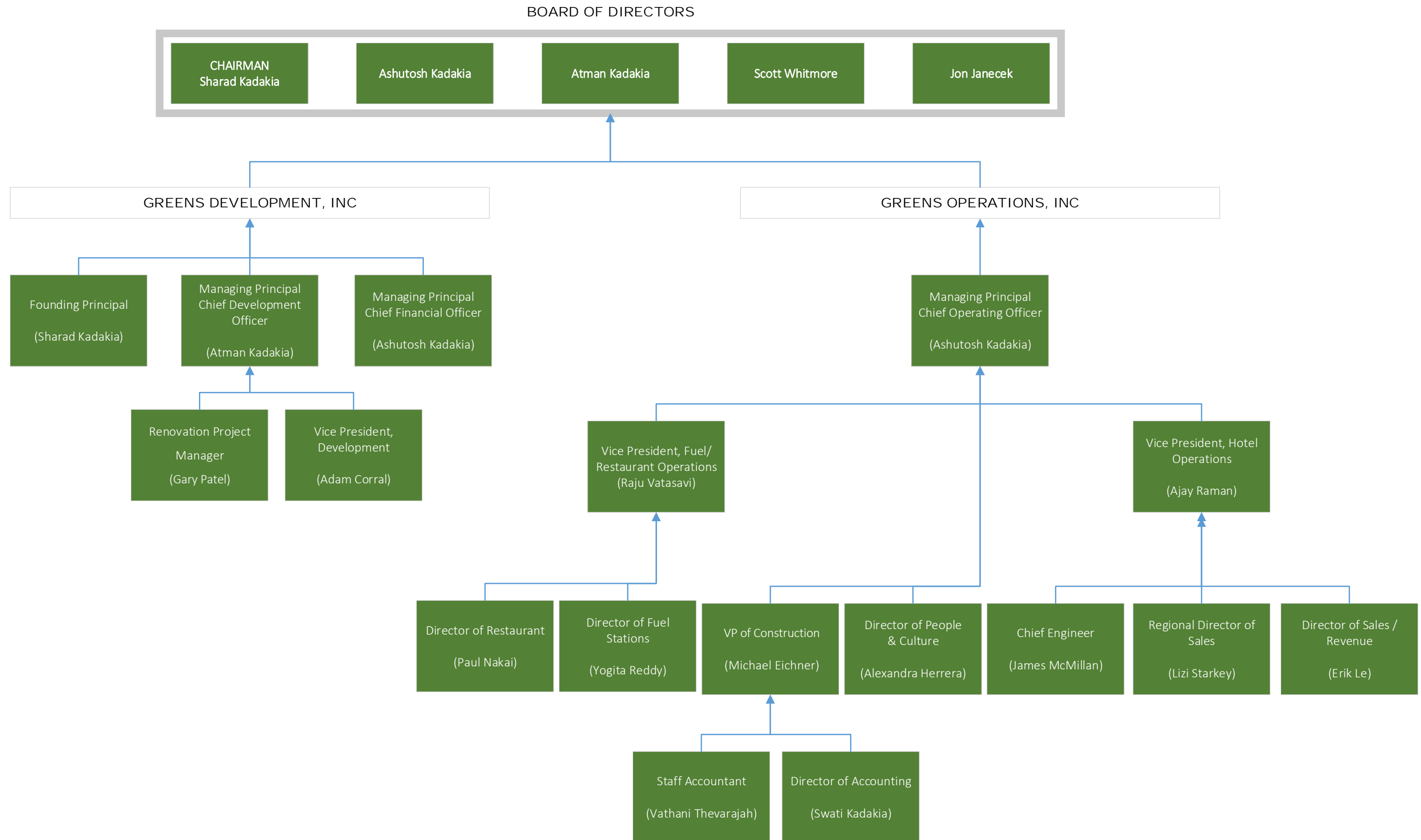


CORPORATE TEAM



GREENS
HOTELS

ORGANIZATION CHART



KEY IN-HOUSE TEAM MEMBERS



SHARAD KADAKIA, FOUNDING PRINCIPAL

Project Role – Participate in strategy discussions and administer the team.

Sharad Kadakia founded Greens Group in 1996. Sharad focuses on new acquisitions, development, and capital procurement. He spends a significant amount of his time focusing on international development opportunities including commercial office, residential, and land development. Throughout his career, he has purchased or developed in excess of 50 real estate properties and has worked in all facets of development including minor renovations, major structural changes and complete overhaul, ground up construction, and master planning land development. He holds an associate degree in Physics from the New Science College in Hyderabad, India. Sharad has served as a Governor for Best Western International and has been intricately involved in a number of charitable organizations.



ASHUTOSH KADAKIA, MANAGING PRINCIPAL

Project Role – Secure financing, manage legal / tax, and legal processes.

Ashutosh Kadakia joined the Greens Group in 2007 and is primarily responsible for fundamental analysis, finance, tax, legal, maintaining investor, and lender relationships, and the portfolio management of the firm's excel capital. His team consists of Operations, Accounting, Human Resources, and IT. He also leads the development of Simple Hotel, the firm's proprietary hotel management and analytic software. He studied Finance, Real Estate, and Economics at the Kelley School of Business at Indiana University and has earned the right to use the Chartered Financial Analyst (CFA) designation. He loves the outdoors, and when he's not at work, he can be found hiking, camping, biking, running, or spending time with his new baby girl.



ATMAN KADAKIA, MANAGING PRINCIPAL

Project Role – Manage all facets of the project from RFP submission, participate in meetings with all consultants and manage project through certificate of occupancy.

Atman oversees acquisitions, franchising, entitlements, design, construction, and leasing. Starting as a general manager of a single hotel at Greens, he worked his way through multi-state operations. This hands-on experience helps him evaluate hotel acquisition opportunities. Prior to joining Greens, he worked in multifamily brokerage for Sperry Van Ness, construction management for Perini Corporation, and operations finance for Hilton Worldwide. He holds a BS in Business Administration and a MS in Construction Management from the University of Southern California and a MS in Real Estate Finance from Georgetown University. He is also a Certified Hospitality Administrator and a licensed real estate broker. He serves as Vice-Chair of USC's Emerging Leaders Board and received the Jr. Alumni of the Year award for founding its Construction Alumni Group. He recently accepted a volunteer position with the Children's Hospital of Orange County's Multidisciplinary Feeding Program. Atman starts early with a 4:30am alarm clock but balances his passion for growing the business by playing basketball, skiing, and spending family time.



AJAY RAMAN, VICE-PRESIDENT OF HOTEL OPERATIONS

Project Role – Developing the final hotel program for the Riverside Market and participate in construction as it relates to future hotel operations.

Ajay leads all aspects of hotel operations and oversees the corporate operations team to run the Greens portfolio of hotels. A familiar face at all of our properties, he regularly travels to meet with our general managers and other corporate staff. Opening his first business while still in high school, Ajay has spent the past 18+ years building and operating multiple hotels, restaurants and retail spaces, while managing diverse teams and overseeing day-to-day operations. Ajay's entrepreneurial background and hospitality experience has made him a perfect fit to lead the groups growing hotel portfolio. He graduated from the University of California, Riverside with a Bachelor of Science in Business Administration and is a Certified Hospitality Administrator (CHA). Ajay is known for his focus and drive, something he puts both into his professional and personal life. A one-time scratch golfer, Ajay enjoys playing outdoor sports like flag football & wakeboarding and spends most of his free time with his wife and two young boys.



ERIK LE, DIRECTOR OF SALES & REVENUE MANAGEMENT

Project Role – Provide direction in design and programming meeting space, guest room mix, and provide support in the marketing and sales vision of the hotels.

Erik oversees all aspects of total revenue, rate management, sales, and hotel management support. Beginning as a front desk agent in one of Green's Hotels, Erik worked his way towards becoming a General Manager for a single hotel and then progressed to becoming a General Manager for multiple hotel properties. He now oversees the entire hotel revenue and sales department and provides hotel management support. Previously, Erik worked for Van Hanh Nguyen CPA as a staff accountant. After graduating from Indiana University with a Bachelor of Science in Business Administration with an emphasis in Accounting, Erik became a licensed Certified Public Accountant as well as a Certified Hospitality Revenue Manager. Erik is active in volunteering throughout the community through various organizations, an active Public Notary, and continuously is looking for ways to improve in business and health while spending quality time with family and friends.



ADAM CORRAL, VICE-PRESIDENT OF DEVELOPMENT

Project Role – Entitlement processing and direct overall engineering direction.

Adam has over 16 years of Commercial, Institutional, and Industrial experience; with an expertise in entitlements, infrastructure planning and design. He specializes in complex, multi-phase projects, that span several years. Most notably, Adam was the Senior Project Manager of the Meridian Development, a 2,400-acre redevelopment area of the former March Air Force Base. Adam is a registered professional engineer in the state of California. He graduated with a Bachelor of Science in Civil Engineering from Northern Arizona University in 2002. Out of school, he worked for Kimley Horn & Associates, which afforded him the experience of working on several large multi-year projects. As the Vice President of Development at Greens, Adam is responsible for coordinating consultants for various studies, plans, architectural and engineering documents that are required to implement a project. Having worked on many large complicated projects throughout his career, Adam can provide experienced advice when discussing site specific conditions, anticipate issues, and resolve problems that may arise. Over the course of his career he has helped entitle and develop thousands of acres, and millions of square feet of building area.

GREENS HOTEL HISTORY – FEW & SELECT HOTELS SHOWN FOR ILLUSTRATIVE PURPOSES

Current Markets:

San Diego, CA
Riverside, CA
Needles, CA
Brawley, CA
Washington, UT
Parker, AZ
Blythe, AZ
Yuma, AZ
Big Bear, CA
Bishop, CA
Mammoth Lakes, CA
Victorville, CA
Lake Havasu City, CA

Previous Markets:

Phelan, CA
St. George, UT
Hurricane, UT
Wickenburg, AZ
Chandler, AZ
Mesa, AZ

Completed Hotels Value:

150M+

Pipeline Hotels Value:

200M+

Role:

Master Developer

Square Footage:

600,000+

Past/Current

Guestrooms:

1300+

Pipeline Guestrooms:

1000+

INTRODUCTION

Greens has built ground up, or completely repositioned and redeveloped twenty hotel properties throughout the Southwestern United States. The market value of the completed hotels exceeds \$150M. Greens has acquired land and is currently in various stages of development in nine hotels and is in process of acquiring another three hotel sites this year. The market value of the pipeline of hotels is \$200M.



Humble Roots, 1989 – Greens 1st Hotel

GROUND UP DEVELOPMENT

We design, entitle, construct, and manage new construction projects in a variety of real estate asset classes, and create value by active management during every phase.



Greens 1st ground up hotel - 1996

ASSET REPOSITIONING

We have successfully renovated and rebranded over 45+ properties and utilize in-house construction team and attentively manage procurement of materials and construction costs to maximize returns.



Before and After in St. George, UT

FRANCHISE RELATIONS

We partner with strong brands and have affiliations with industry leaders such as Hilton Worldwide, Marriott International and Wyndham Hotels. We apply best practices to minimize costs by streamlining processes to increase efficiency in operations. Greens has focused on creating value by managing as many aspects of the process as possible, and rarely acquiring finished product. Whether it is acquiring raw land and entitling a project, or repositioning and underperforming hotel due to property condition or non-competitive branding, Greens strives to see value where others do not.



HISTORICAL TRACK RECORD

In many cases, Greens has been able to refinance the initial equity + the capital required for repositioning, by stabilizing the asset through careful operations, and prudently leveraging the asset.

In its 30-year history, Greens is proud to state that it has never lost money in a hotel transaction and has consistently achieved in excess of 20% cash on cash returns across all hospitality products.



HAMPTON INN DOWNTOWN RIVERSIDE

Location:

Riverside, CA

Cost:

\$25M

Estimated Current Value:

\$35M

Role:

Master Developer

Square Footage:

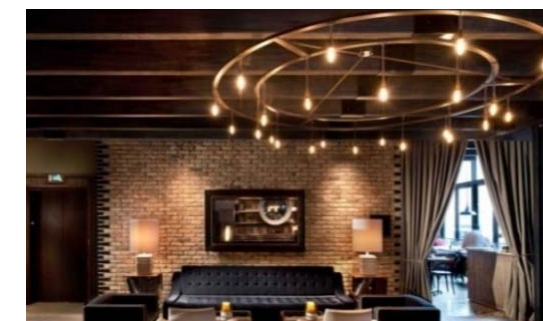
76,000 Hotel
2,000 Restaurant

Guestrooms:

140

Greens entered a PSA to acquire 1.58 acres in the heart of Riverside Downtown across the Hyatt Place, Marriott, and the Riverside Convention Center in 2014 and purchased the property in 2017 after receiving entitlements to build 259 keys between two Hilton brands: Hampton Inn, Home 2 Suites.

Hampton by Hilton has 2,400+ properties worldwide with 243,000 rooms and is one of the most well-recognized brands within the global hospitality space. With free hot breakfast, a fitness center, free Wi-Fi, worldwide consistency, and a 100% Hampton Guarantee, Hampton Inn offers tremendous value to their guests.



Greens collaborated with several local public interest groups along with the City's Planning Department & City Manager to design the project with the intent of modernizing the Downtown Core. Great thought was given to pedestrian activity on this project with public art and street fronting restaurant and retail space, along with an outdoor patio with a fire pit accessible from the hotel.



Phase 1 of the project is the Hampton Inn with 140 keys with a surface parking lot and is currently open for business.





HOME 2 SUITES DOWNTOWN RIVERSIDE

Location:
Riverside, CA

Projected Cost:
\$25M

Projected Project Value:
\$33M

Role:
Master Developer

Square Footage:
65,000

Guestrooms:
119

The Home 2 Suites by Hilton Riverside Downtown is the Phase 2 of a 1.58-acre site which started with a Hampton Inn by Hilton.



It features lifestyle focused amenities that provide a full complement of services and flexibility for a customized guest experience such as suites with fully accessorized kitchen includes place settings for six with a refrigerator, freezer, dual function dining table, dishwasher, microwave, & coffee maker. The lobby is a community space that

provides common areas for social gathering as well as communal and individual work.



With a lot of complimentary amenities, it is hard to beat the value for extended stay travelers within the Hilton family of hotels.

The Home 2 Suites is scheduled to start construction drawings in June 2021 with a projected start date of Jan 1st, 2022 upon stabilization of the Hampton Inn. Greens is excited to bring extended stay to Downtown Riverside and Home 2 Suites by Hilton is a compelling and breakthrough alternative to the mid-scale, extended stay marketplace.



AC HOTEL BY MARRIOTT RIVERSIDE DOWNTOWN

Location:
Riverside, CA

Projected Cost:
\$45M

Estimated Project Value:
\$50M

Role:
Master Developer

Square Footage:
150,000 w/ parking

Guestrooms:
161

Greens responded to an RFQ to the City of Riverside with a proposed adaptive reuse of a vacant and historic fire station. It was especially difficult due to the stringent parking requirement the city requested as a replacement to the existing parking that the fire station had originally.

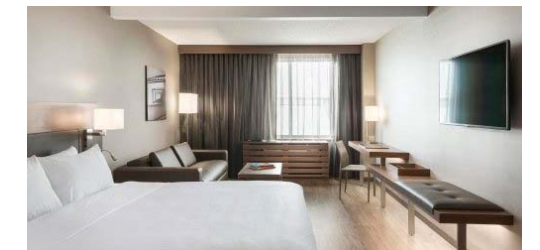
With the help of the most reputed hotel architect on the west coast, Greens was able to design the floor plan to be cost – effective to build, but also meet the requirements that the RFQ asked for. Originally, Greens applied under the Hilton brand name and did a boutique hotel entitled the “R” hotel. The original RFQ submittal is shown below.



Greens plans to develop/operate long term this asset.



After winning the RFQ, Greens evaluated all options in depth and discussed branding with both Hilton & Marriott. After nearly a year of efforts, Greens was able to secure the rights to develop the prestigious AC by Marriott.



The AC guest room is meticulously planned.



The AC Lounge, an area for guests to enjoy elegant design, offers perfectly made cocktails, wines and beers, and a thoughtfully curated menu of small bites ordered at the AC Bar.



HAMPTON INN PARKER

Location:
Parker, AZ

Cost:
\$8M

Estimated Project Value:
\$10M

Role:
Master Developer

Square Footage:
49,000

Guestrooms:
80

Greens developed the new construction Hampton Inn by Hilton in Parker, AZ. The Hampton by Hilton is about celebration and diversity – embracing local culture and giving guests a true experience during their stay. The hotel features brand new guest rooms, fitness center, outdoor pool, spa, plus complimentary amenities like free hot breakfast and free Wi-Fi.



Greens employed a third-party contractor to construct the hotel, and played an active role in procurement, safety, and execution of the project. Greens Development, Inc delivered the project under budget, with zero



reportable injuries, and two months sooner than scheduled, over to Greens Operations, Inc which opened the hotel for business on August 24th, 2017.



After two years of operation, Greens Operations is proud to announce that it has received national recognition for being ranked top 10 in the Hampton brand national service/guest satisfaction scores out of 2500+ hotels worldwide. It is also top rated on Trip Advisor and other social media. Greens also owns and developed other hotels in Parker, AZ, the Best Western & Quality Inn and plans to hold the Hampton Inn long term as well



HAMPTON INN MARCH AIR FORCE BASE

Location:
Riverside, CA

Projected Cost:
\$10M

Estimated Project Value:
\$15M

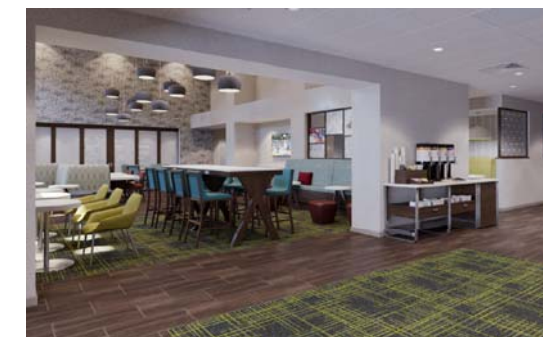
Role:
Master Developer

Square Footage:
49,000

Guestrooms:
75

The Hampton Inn March Air Force Base is a 75-unit hotel under construction as part of a larger 14-acre shopping center development that Greens is developing with a variety of uses including restaurant, retail, fuel, and hotel(s). It will be one of few “dual-brand” products which will feature the hotel connected to a share front desk and back of house, and other amenities.

Hampton by Hilton has 2,400+ properties worldwide with 243,000 rooms and is one of the most well-recognized brands within the global hospitality space. With free hot breakfast, a fitness center, free Wi-Fi, worldwide consistency, and a 100% Hampton Guarantee, Hampton Inn offers tremendous value to their guests.



Brand Consistency has been a top priority since day one. Hampton has always been an industry leader, and that was reinforced with the Make it Hampton initiative in 2004. Make it Hampton helped the Brand connect with guests throughout the hotel, bolstered by our unique brand of guest service we call Hamptonality.



Greens plans to develop, own and operate this property long term.



HOME 2 SUITES MARCH AIR FORCE BASE

Location:
Riverside, CA

Projected Cost:
\$10M

Projected Project Value:
\$15M

Role:
Master Developer

Square Footage:
65,000

Guestrooms:
82

The Home 2 Suites March Air Force Base is an 82-unit hotel under construction as part of a larger 14-acre shopping center development that Greens is developing with a variety of uses including restaurant, retail, fuel, and hotel(s). It will be one of few “dual-brand” products which will feature the hotel connected to a share front desk and back of house, and other amenities.

This hotel will provide guests with the flexibility of a short term or long term stay within the same building.



It features lifestyle focused amenities that provide a full complement of services and flexibility for a customized guest experience such as suites with fully accessorized kitchen includes place settings for six with a refrigerator, freezer, dual function dining table, dishwasher, microwave, & coffee maker. The lobby is a community space that

provides common areas for social gathering as well as communal and individual work.



With many amenities, it’s hard to beat the value for extended stay travelers while still staying within the prestigious Hilton family of hotels.



Greens expects this hotel to perform at a highly profitable level due to the nature of cost efficiency with shared fixed expenses and labor costs throughout the hotel.



HAMPTON INN NEEDLES

Location:
Needles, CA

Projected Cost:
\$10M

Projected Value:
\$12M

Role:
Master Developer

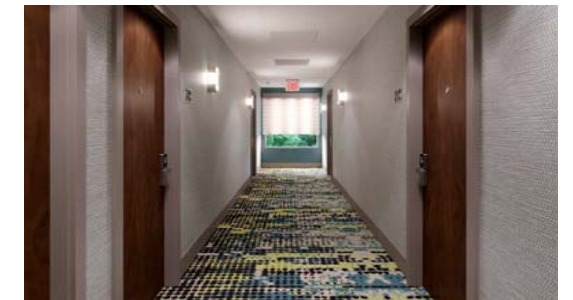
Square Footage:
45,000

Guestrooms:
81

Greens has acquired a city owned property to develop a prototypical 81 key Hampton Inn. Greens currently owns two hotels in this market and has identified a need to fill the upper midscale value-oriented business and leisure traveler.

Hampton by Hilton has 2,400+ properties worldwide with 243,000 rooms and is one of the most well-recognized brands within the global hospitality space. With free hot breakfast, a fitness center, free Wi-Fi, worldwide consistency, and a 100% Hampton Guarantee, Hampton Inn offers tremendous value to their guests.

The hotel will have the latest Hilton design as the Hampton Inn prototype has been recently refreshed and will have a sleek and modern complimentary breakfast area shown below.



The hotel will also have the new interiors package with modernized hotel hallways and carpeting.

Greens intends to finance this project with a USDA loan on a 30-year construction rollover to permanent loan, with 25% down, utilizing high leverage, but managing the project cost with a strong emphasis on cost control and subcontractor bid management.

Greens also owns two other hotels in the market. With intentions to own this hotel long term, Greens plans to trust Hilton with the design and develop a true prototype hotel.

Needles, CA home to the 40 Freeway, Route 66, and the gateway to Bullhead City & Laughlin. It is on the Colorado River and borders CA / AZ



FINANCIAL CAPACITY

APPROACH

Greens has both the experience and financial strength to develop this project. Our approach to development projects is long-term and we structure our deals with an indefinite hold in perspective. We focus on deal fundamentals and long-term macro-factors over short-term economic cycles and market timing. Our balance sheet strength affords us the ability to eliminate as much project specific and market specific risk for our debt and equity capital partners, which in turn lowers our weighted average cost of capital. We do this in several ways:

1. We avoid all debt and equity partner involvement during the riskiest portions of the project: entitlement, pre-development, franchise fees, construction documents, land acquisition, and permit fees. All predevelopment activities are funded solely by our balance sheet. This reduces overall project risk as all pre-construction activity is done in cash without leverage or outside equity partners, allowing Greens to commit to our development pipeline and push them forward regardless of credit cycles.
2. We lock in both equity and debt 60 to 90 days from start of construction, which eliminates all entitlement, timing, and most market risk for our capital partners. This in turn allows us to raise capital at more favorable terms helping further ensure the long-term economic viability of the development.
3. We have skin in the game. We commit a significant portion of the equity of any project typically, 10%-50% of the equity stack aligning our interest with our limited partners
4. We are comfortable with recourse construction financing allowing us to lower project borrowing costs and close financing even in tough credit conditions.
5. We work with partners that have similar long-term views as us insuring our holding periods, vision, and return expectations are aligned.

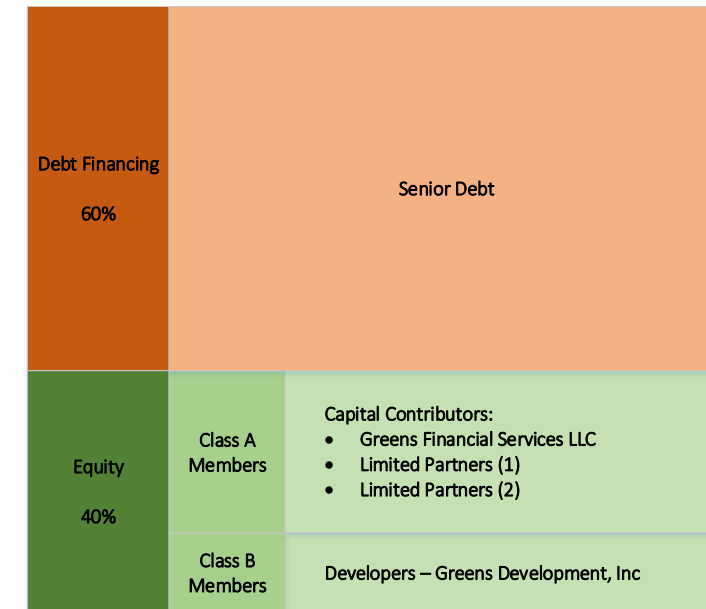
PROOF OF FUNDS

Maintaining a strong cash position is paramount to Greens investment philosophy. Included in the confidential envelope accompanying this RFP are letter/statements from various depository institutions showing cash position as of December 31st, 2020. Principals of Greens have additional separate personal stocks/bond holdings that can be readily liquidated to fund development as needed.

Unrestricted Cash as of December 31st, 2020

Chase Bank	\$5,826,804
Fidelity Investments	\$4,228,598
BNY Mellon	\$6,049,849
Total	\$16,105,251

REDEVELOPMENT CAPITAL STACK



The only equity invested in the project pre-development is solely Greens or its affiliates capital.

GREENS BALANCE SHEET

We philosophically do not leverage our assets higher than 65% loan to value (LTV). Based on current market values of our real estate assets, we have the capacity to borrow an additional \$50M+/- without exceeding our maximum LTV philosophy.

We have more than adequate cash and availability of credit to see this project from concept to completion. A consolidated balance sheet of our company is available for review upon request.

LIMITED PARTNERS

Our limited partners are comprised of accredited investors, family offices, and institutional capital sources. When a project is shovel ready to start vertical construction, Greens will secure bank financing, and raise limited partner capital.

Greens will typically contribute 10-50% of the equity required through our internal holding company Greens Financial Services LLC, and our limited partners will contribute 50-90% of the remaining equity. We have an investor list of 244 individuals and firms, who have either participated in our past projects or expressed an interest in participating. Our past several capital raises have fully subscribed within six weeks from circulation of the offering memorandum.

We have different models depending on the project and the risk profile, but our typical model is a preferred return to all capital providers, 100% return of capital first through cash flow through operations or refinance, and then a 50/50 split between Greens Development as sponsor and the limited partners. Our structure is setup, so all investments are non-recourse to limited investors, and the maximum potential loss to our limited partners is what they invest in the deal (initial equity).

Being fiduciaries of our partners capital is not a responsibility we take lightly. We are proud to report none of our LPs have suffered a capital loss – nor has Greens ever lost money on a hotel project in its 23-year history.

LENDER RELATIONSHIPS

We have relationships with diverse lending institutions. Some of the lenders we have worked with on recent projects include but are not limited to the following: Pacific Western Bank, National Bank of Arizona, Zions Bank, Farmer & Merchant's Bank of Long Beach, California Bank and Trust, HDFC Bank, Axis Bank, JP Morgan Chase Bank, Horizon Community Bank, Bank of Oklahoma, Mission Bank, and Mag Mile Capital. Some of these lenders have reviewed the project and provided preliminary letters of interest which are included on subsequent pages.

MAINTENANCE RESERVES

Greens has an operating policy which states that 3% of annual gross sales are deposited into a savings/escrow account, which shall be used solely for capital improvements outside of general day-to-day maintenance which is covered through operating cash flow.

CAPITAL STRATEGY

Our funding strategy for this project is as follows. We plan to fund all predevelopment, entitlement, construction drawings, and land acquisition in cash from our balance sheet

and resources. As discussed earlier, the riskiest portions of the project are done in cash solely by Greens without any external capital.

Upon the project being "shovel" ready and our tentative parcel map being approved, we would transfer various parcels for each of the component of the project to individual limited liability companies which would be all be managed by our development company, Greens Development, Inc.

Each of the companies would then raise both equity and debt separately. We structure each component of the development separately to accommodate varying investment objectives of our limited partners – some maybe need to increase investment exposure in multi-family, while others may need to increase their exposure in hospitality, and so forth. Further, this gives us the most flexibility when it comes to debt financing and allows us to target different lenders suited for different components of the project.

HOTEL RECENT LOAN AMOUNTS FINANCED IN LAST 12 MONTHS

The following are hotel projects we have gotten recently financed in the last 12 months.

- Hampton Riverside - \$16,750,000
- Hampton/Home2 Riverside - \$21,000,000
- Hampton Needles - \$9,000,000



The following are anticipated loan closings for 2021 based on the current in-progress loans.

- Home2 Suites Lake Havasu City - \$9,000,000
- Hampton Inn Brawley - \$8,700,000
- Home2 Suites San Bernardino - \$11,200,000

*These are only some examples for illustrative purposes and not inclusive of all loans executed in the last 12-24 months.

HOTEL OPERATING PLAN

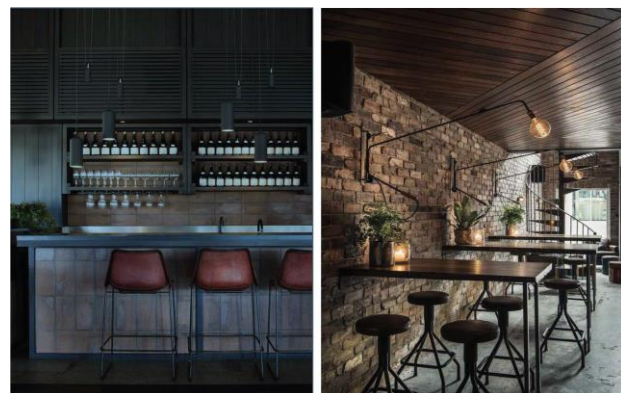
GREENS PHILOSOPHY

Greens Hotels manages all their assets & hotels. The operations credo of Greens Hotels is to manage outstanding hotels with exceptional Associates, for ecstatic guests and to deliver defined optimum results in profitability to our owners and investors.

At the core of our philosophy is our Values. Greens holds true to a set of 6 core values, building to the cornerstone of our value structure, the WIN-WIN.

Taking care of people with respect and fairness.	We CARE
Making transparent fact-based decisions.	We COMMIT
Owning outcomes with accountability.	We EXPECT
Honoring ethical business practices.	We MANDATE
Giving back to our communities.	We SHARE
Making decisions fair to all.	WIN - WIN

At Greens Hotels all operational decisions are given credence to our core operational values. Through CARING for our people, COMMITTING to fact-based decisions, EXPECTING accountability from all parties, MANDATING ethical business practices, and SHARING with every community we are involved in, everyone prospers as a WIN-WIN.



FOUR OPERATIONAL PILLARS



OUTSTANDING HOTEL ASSETS

We define our hotel assets as those that:

- Consistently maintain a top 10% Brand ranking
- Consistently achieve a minimum market share index of 100%
- Are clean, comfortable, contemporary and competitive
- Consistently maintain the top 5% positioning in their market segment in their local market.



EXCEPTIONAL ASSOCIATES

We define our Associates as assets that:

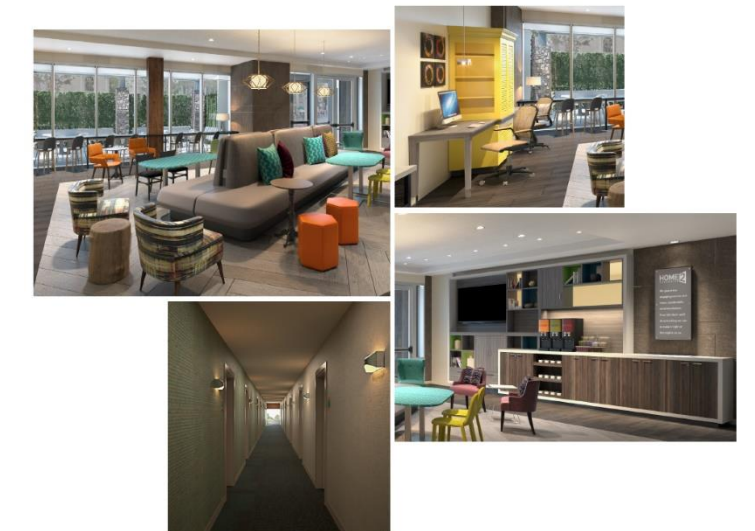
- Are recruited and hired right
- Are treated with respect, firmness and fairness
- Are our partners in all property outcomes

- Are a team in culture and spirit
- Always have and enjoy personal advancement in every way
- Own the responsibility and authority to affect all our mission outcomes
- Own and demonstrate a CAN-DO attitude in all activities and interactions

ESTATIC GUESTS

We define our Guests as assets that:

- Make our livelihood possible
- Have a choice and we always want to be the first on their list
- Thrive on attention and acknowledgement – love to hear their name
- Want to hear YES, MAYBE but never a NO
- Are demanding but understanding
- Are always right or always need to be right
- Would rather be home than any other place in the world



PROFITABILITY

We define satisfied owners who define profitability as:

- Predefined and attainable levels of financial performance
- Clear, tracked and openly communicated
- Delivered through optimum operations that embrace transparency, global responsibility, accountability and authority



A HIGHER STANDARD

At Greens Hotels, we pride ourselves on having a beautifully appointed hotel that is immaculately maintained. That’s why the task of maintaining properties is a top priority in the day-to-day operations. The role of Maintenance is crucial to upholding the hotels reputation.

Greens follows a strict guideline of Greens developed, written Standard Operating Procedures (SOP’s) for ensuring a high level of quality at all properties. A corporate Greens representative follows a step-by-step inspection to ensure all standards of quality, cleanliness, and service are met on a bi-weekly basis. This represents a standard unlike any other brand led industry standard, which ranges from 4-6-month inspections.

This is at the core of how all Greens Hotels are maintained well above industry standards, including a comprehensive 4-step preventive maintenance program that focuses on training all staff on identifying, notifying, repairing, & inspecting all work done on property.



Greens believes in an intense focus on all areas of the hotel, and that all hotels should be maintained to exceed all industry standards. This why our standard operating procedures for maintenance outlines detailed specifications for all areas, both in the front of house and back of house. In addition, our preventative maintenance schedules are always based on a quarterly rotation schedule, compared to the industry standard of annual preventative measures.

As an almost entirely paperless company, Greens Hotels relies on several cloud based streamlined tools in our operations, including maintenance. Utilizing software such as Quore’s property management system, allows us to both

streamline our maintenance program and our paperless Green initiative.



STAFFING

With over 30+ years of operating experience, Greens relies on its corporate management team of industry veterans to successfully execute Greens vision. Understanding and evaluating the complex range of decisions that must be considered as a hotel operator requires experience and intuitive reasoning with a dedicated focus on an owner’s investment goals and needs. It also requires the ability to recommend solutions based on the substantial depth of services and experience that Greens Hotels provides. The Greens operational team provides the range and versatility that a growing company needs to continue successfully operations.

Leading the operations team is the Vice President, who oversees the operations of all portfolio properties.

-Corporate Controller: Oversees the financial and accounting functions of every hotel, including billing, accounts payable & receivables, and budgeting.

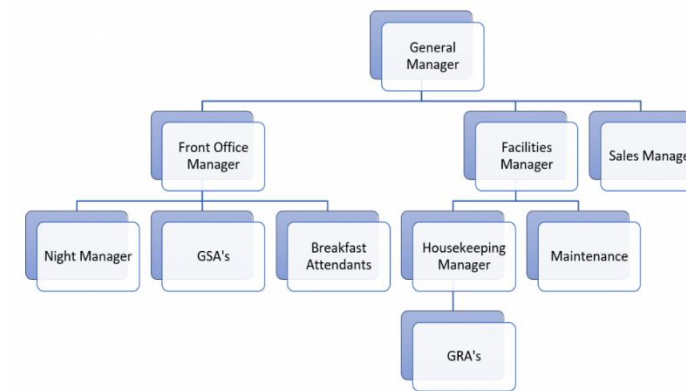
-Director of Purchasing: Responsible for developing and executing standard operating procedures for all aspects of purchasing and sourcing, including specials projects and renovations.

-Senior Director of Operations: Oversees the General Manager at each Greens Hotel. Supervises the Directors of Revenue, Sales, and Facilities to successfully execute the Greens Vision.

-Director of People & Culture: Collaborates with the VP and Senior Director of Operations to successfully drive the culture of Greens. Oversees all Human Resources activity.

-Director of Marketing: Oversees the sales & marketing team as well as public relations for Greens corporate and hotels.

HOTEL ORGANIZATION CHART



Each Greens hotel is headed by the General Manager, or the Coach. The hotel’s operation is broken into 3 departments:

FRONT OFFICE

The front office is the nerve center for the first customer contact, all Guest accounting activity, Guest complaints and satisfaction, all maintenance requests and status monitoring activity, and the Property Log book.

Every guest shall be acknowledged immediately, served with courtesy and respect, and checked in efficiently. Guests with reservations shall be pre-checked.

A courtesy call shall be made to all Guest checked in within 10 minutes of check-in. The call purpose and procedures shall be in accordance with the Greens Hotels courtesy call standards. A daily call log shall be maintained with notes of specific Guest needs or comments.

FACILITIES

The Facilities Manager shall be the department head/supervisor of the Housekeeping, Laundry and Maintenance departments.

Responsible and accountable for all ordering, storing, maintaining and inventorying all linens, amenities, chemicals and cleaning supplies, equipment, tools and parts. Ensure regular repairs and maintenance and preventative maintenance procedures. Be responsible and accountable for the Brand and Greens Hotels Quality Assurance processes and rankings.

SALES

The Sales Manager shall be the “new” business and revenue producer for the hotel and shall be focused and committed to making sales calls and securing incremental room nights





HOME2 MKT™.

The HOME2 market is an open retail area for snack and sundry items operated by Front Desk Associates. Its location adjacent to the FRONT DESK allows for transactions to occur at the desk.



FRONT DESK.

The FRONT DESK is where Home2 guests are welcomed and given their first glimpse of the Brand's personality. Striated board panels, and environmentally friendly reuse for wood, creates a broad band running across the wall behind the FRONT DESK. This band also incorporates a punch of bright color provided by a signature green glass window with the Home2 logo. The glass window provides team members key visual access to the OASIS from the back office.



An important step in creating a Brand experience is identifying and clarifying the Brand icons. The Prototype was developed by creating several Signature Design Elements that become iconic to the Home2 Brand.

INSPIRED TABLE. The Home2 Inspired Table breakfast is a key part of the Home2 Brand experience. The goal of the Inspired Table presentation is to feature the food offering, create an overall sense of choice, and facilitate convenient self-service from the guest perspective.



WORK AREA & MEDIA ROOM.

The cleverly designed WORK AREA includes ample counter space and cubbie storage, a signature ergonomically designed task chair with a high level of recycled content, a task light, and an oversized work surface. The desktop surface is on aluminum legs with casters making it mobile and easy to move about the suite as desired. Power and data connections accessible from the desktop make it easy to plug in a laptop or other electronic devices, while divider drapery separates the Work Area & Media Room from the Sleeping Area.



BATHROOM.

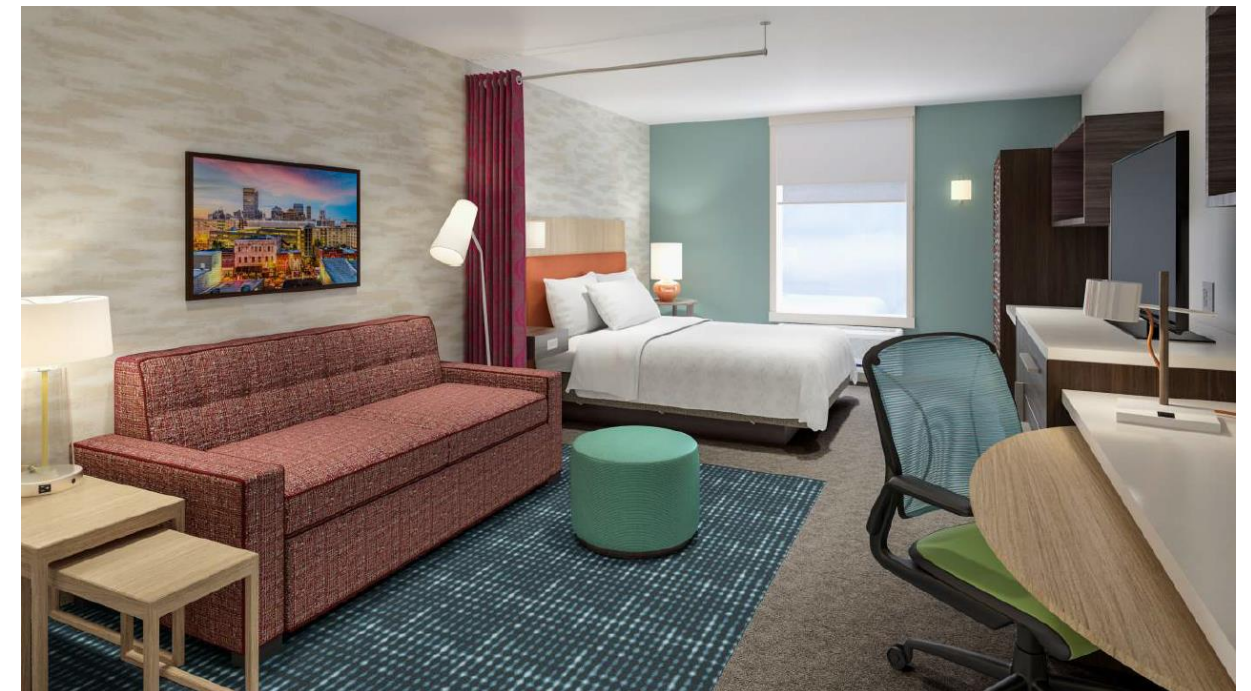
Shampoo and bodywash bulk dispensers replace mini-bottles for a clutter-free, eco-friendly space within the walk-in shower. The low-flow sink faucet, water conserving toilet and sleek cabinetry combine environmental-consciousness with modern design.



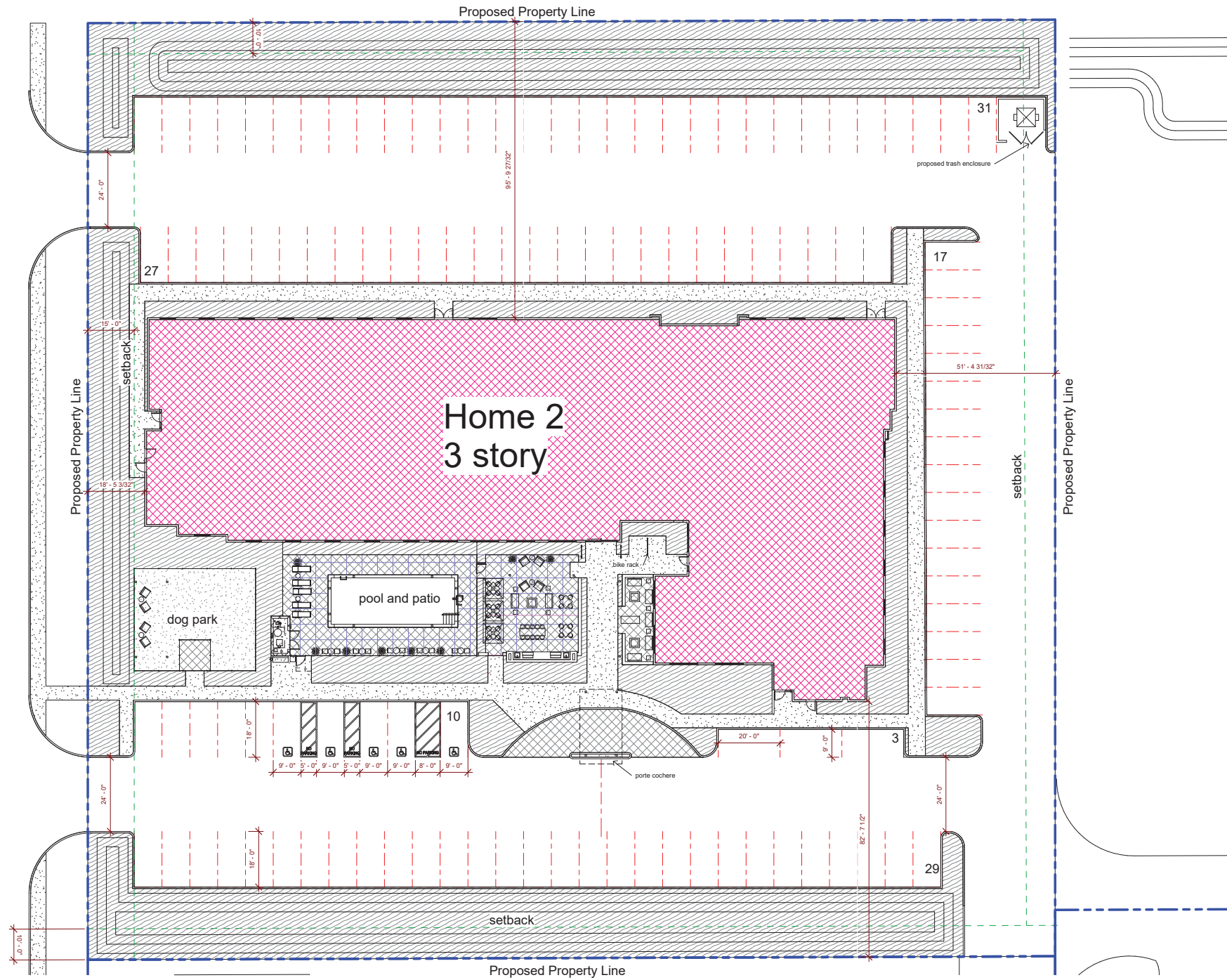
The KITCHEN section of the WORKING WALL contains full-size stainless finish energy-efficient appliances which enable you to prepare anything from a snack to a gourmet meal.

WORKING WALL.

Home2's WORKING WALL incorporates the kitchen, flexible working space with movable desk, and adaptable storage options. Everything has its place, yet it's all at your fingertips. Diligent design and detailing have gone into the creation of the WORKING WALL to make it as cost effective, installation friendly, and operationally efficient as possible. Flexibility is built into the closet unit at the end of the run to accommodate variation in the prototypical suite length.



County 22nd Street



SITE STATISTICS:

Hotel site area:	94,906.03 s.f.	
	2.18 acres	
Zone	C-1	
Commercial		
Lot area, net	required 1 acre min	provided 2.18 acres
Lot width	60 feet	313 feet
Building height max	35 feet	35 feet
First Floor building area:	19,951.24 s.f.	
total building area:	59,853.72 s.f.	
Fully Sprinklered	NFPA 13	
Home2		
3 story	99 rooms	
parking required:		
1/room =	99 spaces	
parking provided:		
	117 spaces	
	5 ADA	
setbacks		
front	15'-0"	
street	10'-0"	
rear	10'-0"	
Hotel parking area (paving)	40,020.85 s.f	

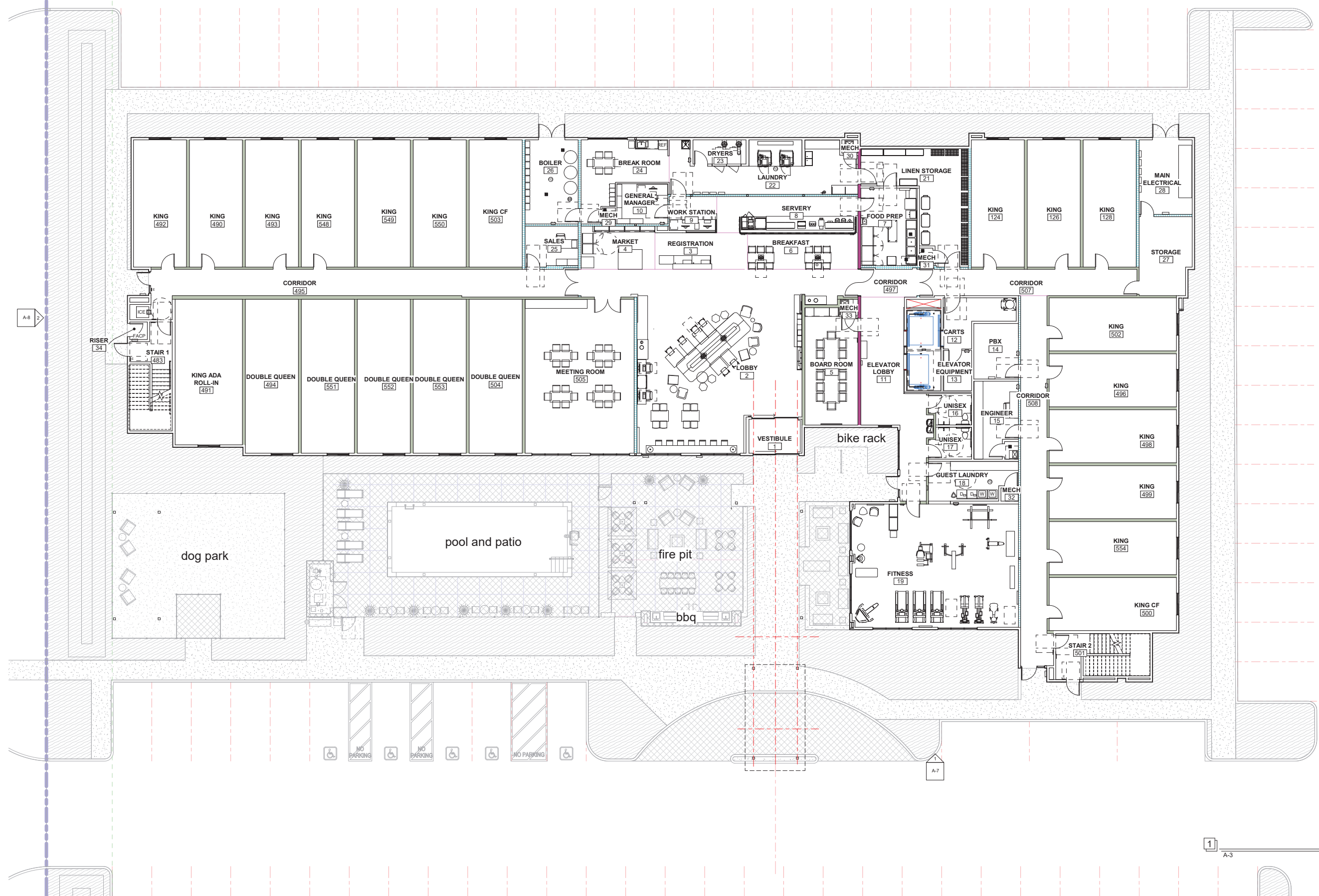


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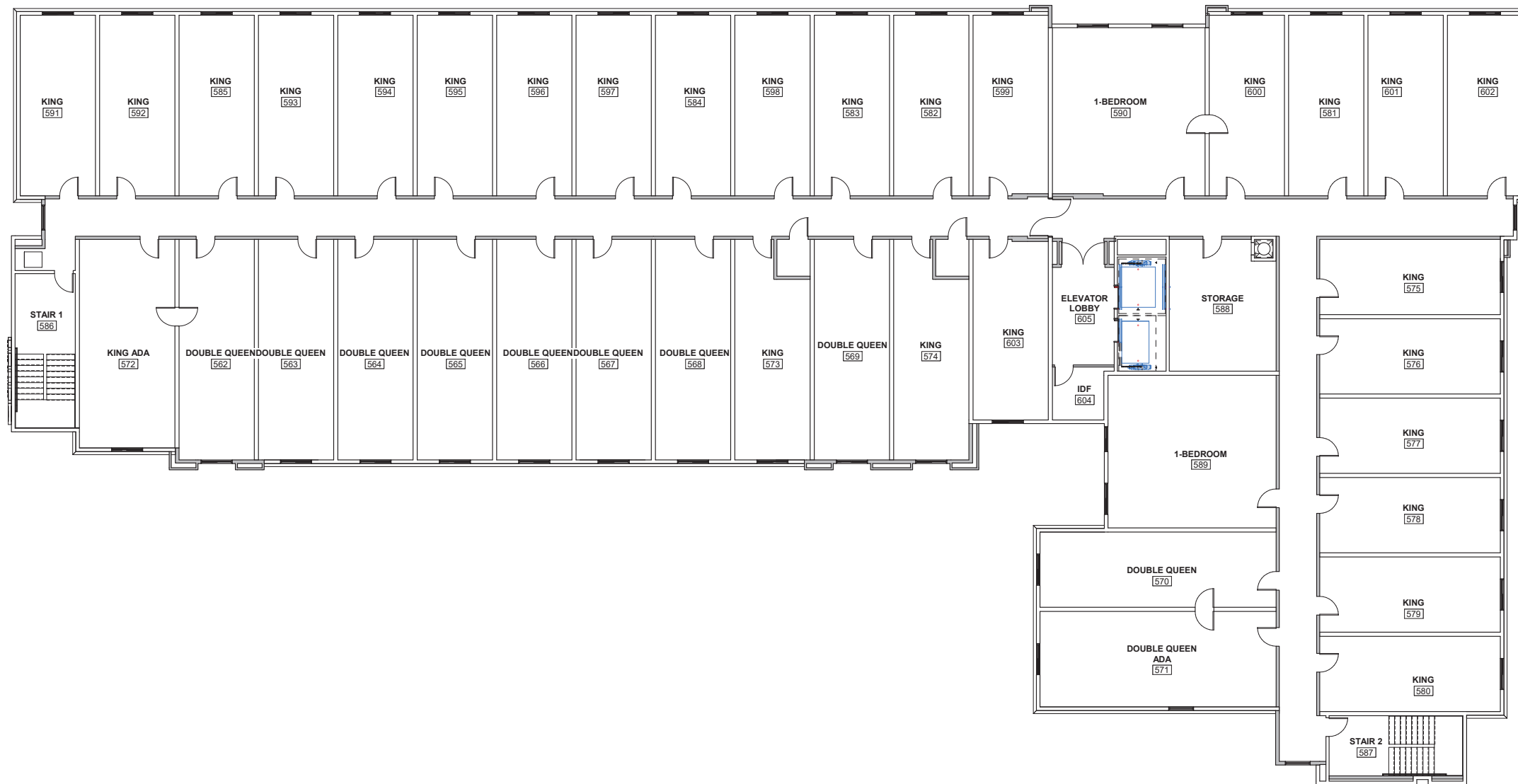
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A-7

A-7



1
A-3
Level 1
1/8" = 1'-0"



A-8

A-8

A-7



1 Level 3
A-5 1/8" = 1'-0"

A-7



1 West Elevation
A-7 1/8" = 1'-0"



2 North Elevation
A-7 1/8" = 1'-0"



1 East Elevation
A-8 1/8" = 1'-0"



2 South Elevation
A-8 1/8" = 1'-0"

Exhibit A
Description of the Project Site



Project Vicinity Map

