

RESOLUTION NO. R-2021-030

WHEREAS, in 2015, the Texas Legislature passed House Bill 1964, which added the City of Round Rock (“City”) as an eligible municipality allowed to pledge the municipal hotel occupancy tax revenue from hotel projects for the payment of obligations issued to acquire, lease, construct, and equip a convention center, hotel and any facilities ancillary to the hotel; and

WHEREAS, in 2016 the City and the owners of Kalahari Resorts began negotiating an agreement which would ultimately lead to a new Kalahari Resort and Convention Center being built in the City; and

WHEREAS, Kalahari Resorts and Convention Center boasts 975 hotel rooms, 20 food and drink options, and added \$550 million to the city’s tax base; and

WHEREAS, Kalahari Resorts and Convention Center will create over 1,000 jobs in its 200,000 square-foot indoor and outdoor water park, 150,000 square-foot convention center, as well as their many retail and restaurant spaces; and

WHEREAS, Texas Governor Greg Abbott acknowledged Kalahari’s contribution to the City when he said, “Texas is the premier economic destination in America, and that’s because of companies like Kalahari that choose to invest in our top-notch locals, our world-class infrastructure and the thriving business economy that we have;” and

WHEREAS, in spite of the world-wide COVID-19 pandemic, Kalahari opened on time on November 12, 2020 and within budget; and

WHEREAS, because of the pandemic, state and local officials have issued orders limiting Kalahari’s capacity at its hotel, restaurants, bars, and retail spaces, which has significantly impacted revenue streams; and

WHEREAS, because of the pandemic, the governors of other states have instituted travel bans and/or mandatory quarantining upon persons arriving back to their resident states, causing a severe downturn in travel and leisure activities; and

WHEREAS, these capacity limits and other government mandated efforts to curb the infection rate of COVID-19 has caused Kalahari Resorts to lose already confirmed and future convention center business, and to lose anticipated revenue from its water park, retail shops, restaurants, bars, and entertainment areas; and

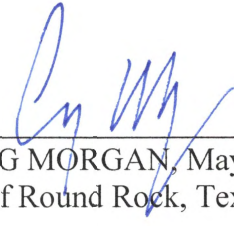
WHEREAS, most hotel and travel industry experts anticipate it will be another three to five years before the hotel and travel industry returns to pre-pandemic levels, and this reduction in revenue to Kalahari Resorts means lost revenue for the City for that duration, Now Therefore

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ROUND ROCK, TEXAS,

That the City Council of the City of Round Rock hereby supports legislative efforts in the 87th legislative session to extend the timeline for the tax revenue program granted by Section 351 Texas Tax Code, for the Kalahari Resorts and Convention Center project, for as many years as necessary to allow it to realize the benefits of the program extended by the Texas Legislature and the State of Texas.

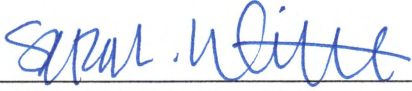
The City Council hereby finds and declares that written notice of the date, hour, place and subject of the meeting at which this Resolution was adopted was posted and that such meeting was open to the public as required by law at all times during which this Resolution and the subject matter hereof were discussed, considered and formally acted upon, all as required by the Open Meetings Act, Chapter 551, Texas Government Code, as amended.

RESOLVED this 11th day of February, 2021.

A handwritten signature in blue ink, appearing to read "Craig Morgan", is positioned above a horizontal line.

CRAIG MORGAN, Mayor
City of Round Rock, Texas

ATTEST:

A handwritten signature in blue ink, appearing to read "Sara L. White", is positioned above a horizontal line.

SARA L. WHITE, City Clerk