



Legislation Text

File #: 20-0187, **Version:** 1

Consider and possible act to create an economic recovery program for hotels located in League City (Mayor Hallisey)

Mayor Hallisey was contacted by a League City hotel owner with a request for financial assistance for all local hotels commensurate with the amount of Hotel Occupancy Taxes due to the City on April 30, 2020 from each hotel, for the period beginning January 1, 2020 through March 31, 2020.

If approved, this financial assistance would be made available to all League City Hotels via a mechanism (such as a 380 agreement) and with conditions as the Council may adopt, for the first quarter of calendar year 2020. League City currently has four operating hotels: Scottish Inn and Suites, Hampton Inn, Candlewood Suites, and South Shore Harbor Resort.

Letters of request for this assistance from Kalpesh Patel, representing Hampton Inn and Candlewood Suites, and from Nick Patel, representing Scottish Inn and Suites, are attached. At the time of this posting, staff has not received from South Shore Harbor Resort a written request for assistance with a specific amount due on April 30, 2020.

The written requests received by the City indicated the total Hotel Occupancy Tax payments for each hotel as shown below with South Shore estimated based on the previous year and reduced by one sixth, as they closed mid-March. The total of the four hotels is estimated \$108,622.74.

Scottish Inn and Suites	\$5,044.13
Hampton Inn and Suites	\$31,455.00
Candlewood Inn and Suites	\$15,822.00
South Shore Harbor Resort	\$56,301.61

Staff has prepared a forecast of expected Hotel Occupancy Tax revenues and expenses for the remainder of FY 2020 using conservative factoring.

Attachments:

1. Data Sheet
2. Letter from Kalpesh Patel
3. Letter from Nick Patel
4. Staff Forecast of H.O.T. Revenue and Expenses

FUNDING

{ X } NOT APPLICABLE

STRATEGIC PLANNING

{ X } NOT APPLICABLE