



MEMORANDUM

To: Ald. Tom McNamara
From: Angela L. Hammer, City Attorney
Date: 3/20/2017
Re: Amendments to the Committee Report to approve the Amended and Restated Agreement for the Development of the Amerock Embassy Suites Hotel, Rockford Conference Center, Davis Park, and Associated Parking Improvements

After the Committee Report to approve the Amended and Restated Agreement for the Development of the Amerock Embassy Suites Hotel, Rockford Conference Center, Davis Park, and Associated Parking Improvements is read by Ald. Durkee, move to amend the item as follows:

“I move to amend the Committee Report under Unfinished Business Committee Reports, Roman Numeral V, A., Item 1., Amended and Restated Agreement for the Development of the Amerock Embassy Suites Hotel, Rockford Conference Center, Davis Park, and Associated Parking Improvements to reflect the following changes:

- (1) **In Section B. Project Scope and Funding, subsection 2 (page 4), modify the estimated total cost for the Rockford Conference Center from 13,100,000 to approximately \$12,500,000.**
- (2) **In Section C. Duties of the City, subsection 2.i. Davis Park Improvements (page 5), modify to read as follows:**

The City has completed a Davis Park Master Plan with input from the community and Gorman, a copy of which is attached hereto as Exhibit B. In the event that a revised plan is created, Gorman shall have the opportunity to provide comment on such plan.

- (3) **In Section C. Duties of the City, subsection 2.i. Davis Park Improvements (page 5), strike the following sentence:**

Such approval shall not be unreasonably withheld.

- (4) **In Section C. Duties of the City, subsection 2.i. Davis Park Improvements (page 5), modify to read as follows:**

In the event that the attached plan, or a substitute plan is not constructed, or likely to be constructed, by the time of completion of the Project, Gorman, at its own cost, shall have the right to demolish the Lorden building and repair the area with appropriate landscaping and preserve access to power connections and replace the existing public bathroom facilities currently located within the Lorden Building or provide alternative acceptable to the City which support Davis Park activities.

- (5) In Section C. Duties of the City, subsection 2.ii. Davis Park Operating Agreement (page 5), amend the first sentence to read as follows:**

The City shall enter into an operating agreement with the Rockford Area Venues & Entertainment Authority (“RAVE”) and the Rockford Park District, the City’s managing partners of Davis Park, and RLDC to provide Gorman with reasonable access to Davis Park, at no charge, in order to erect temporary tents and related structures in connection with outdoor events (such as weddings, banquets, and the like) being hosted at the Hotel and Rockford Conference Center developed by Gorman.

- (6) In Section C. Duties of the City, subsection 4.iv. Room Taxes (page 9), change the rate at which the City shall refund the hotel operator’s occupation tax from five percent (5%) to four percent (4%) of the gross rental receipt from such renting, leasing or letting of rooms generated and collected by the City from the Project to the Developer.**

- (7) In Section C. Duties of the City, subsection 4. iv. Room Taxes (page 9-10), include the following:**

The remaining one percent (1%) may be directed by the City to the Rockford Area Convention and Visitor’s Bureau under separate contract between the City and RACVB consistent with terms of the existing City / RACVB agreement and shall be used to provide coordinated marketing with the conference center, hotel, other downtown venues (BMO Harris Center, Coronado Theatre, UW Health Sports Factory, etc.) for the purpose of promoting tourism and conventions within the City or to otherwise attract nonresident overnight visitors to the City.

- (8) In Section D. Duties of Gorman, subsection 2. Federal & State Historic Tax Credits, EB-5 funding (page 10), include the following:**

Any financial savings gained for the Project through the extension of the State historic tax credit shall benefit both Gorman and the City with the City directly benefitting at a rate of fifty percent (50%) of the savings from the extension of the State historic tax credits on the Project, to be applied by Gorman to the City or RLDC (as directed by the City)

through lease payment or debt/bond issuance reduction for the Conference Center.

- (9) In Section D. Duties of Gorman, subsection 8. Rockford Conference Center (page 12), change the fixed price from \$13,100,000 to \$12,500,000.**
- (10) In Section F. Miscellaneous Provisions, subsection 1. New Markets Tax Credits (page 14), amend to read as follows:**

The City intends to finance the construction of the Rockford Conference Center and parking improvements through the utilization of federal new market tax credits as a public private partnership with RLDC by a general obligation bond or direct bank financing, but reserves the option of funding by a general obligation bond or direct bank financing pursuing federal new markets tax credits. In the event that the City decides to utilize new markets tax credits, Gorman and RLDC shall cooperate fully in the effort to utilize new market tax credits, including but not limited to the execution of additional agreements, assisting in obtaining access to new market tax credits, timing of construction, and tax credit eligibility components of the project such as; low income job training, local retail store, local foods connection, etc.

The motion requires a second. The item may be laid over before a vote is taken on your Motion to Amend per Robert's Rules. If discussion is completed and the vote is taken, a majority is required to approve the amendment. Ald. Beck will then move to lay over the amended committee report pursuant to Council Rule 11 (2).