

Hughes Property & Western International Agenda Bill 4253

Council Study Session
March 22, 2016



Hughes Property



History

- Purchased 4.52 acres (196,520 square feet) in 1997 for \$2.8 million, or \$14.25 sq ft
- Potential site for the new City Hall
- Recognized by City Council as a prime location for multiple uses including “tourist service facilities”
- Request for Proposals invited in 2001
- Major objectives of: “public access and uses of the waterfront” ...and the “desire to have quality development.”
- Two proposals submitted but not approved by City Council

History cont'd

- Council briefing and discussion July, 2012
- Appraisal completed August, 2012
- Appraised at \$41 per square foot for entire site
- Mid-scale hotel determined as highest and best use
- Recruited Texas Western International in early 2015
- Executed Purchase and Sale Agreement in June, 2015

Transaction

- Western International acquired western 2.64 acres of site for \$37 sq ft for a total of \$4,247,267
- City retained 1.88 acres of site closest to Angle Lake for public use
- Access agreement with easement for pedestrian pathway and maintenance from International Boulevard to public open space and Angle Lake Park
- Western International will Develop and Operate a 166-Room Marriott Residence Inn with a development cost of approximately \$30 million

Hughes Property & Vicinity









Economic Development: Benefits of Project*

● Permits and Fees	\$268,000
● Construction Sales Tax	304,000
● Annual Property Tax	110,000
● Real Estate Excise Tax	21,250
● Annual Lodging Tax	65,000
● Property Sale	4,250,000
● Annual Tourism Promotion Assessment	96,000

*estimated



Questions?