



## Community Development

Jessica Guinn, Director

District 2

Item No. 52.

*Cobb County...Expect the Best!*

**TO:** Rob Hosack, County Manager

**FROM:** Jessica Guinn, Director

**DATE:** September 10, 2019

### **PURPOSE**

To approve an Economic Incentive Commitment Agreement for NF IV-VA ATL Cumberland, LLC.

### **BACKGROUND**

NF IV-VA ATL Cumberland, LLC, also known as Hilton Garden Inn & Home2 Suites by Hilton, has submitted an economic incentive application and other supporting documentation seeking potential incentives available through the County's Economic Incentive Ordinance. The request was pursuant to the Official Code of Cobb County Section 2-172 *Targeted Industry Incentive Program*, as approved by the Board of Commissioners on February 27, 2018. County staff reviewed the application and supporting documentation to determine if this request meets the ordinance criteria. This review resulted in a determination that the request meets the *Targeted Industry Incentive Program* criteria, which allows for the provision of services and business assistance to aid them with the construction of a hotel in Cobb County. In this case, NF IV-VA ATL Cumberland, LLC has been determined to be a company classified as a growth/core cluster as determined by the North American Industrial Classification System (NAICS) Standard Industrial Classification codes as follows:

- i. Travel and tourism

Additionally, staff has determined that the following criteria has been met by this project to be eligible for these incentives as provided in Section 2-172 (b) (1) *Eligibility*:

- 1) The project will create 70 jobs or 45 jobs more than the 25 minimum number of jobs required for this incentive program; and
- 2) A Fiscal Impact Analysis was completed for this project by Georgia Tech's Enterprise Innovation Institute and the determination, given the new revenues (the bulk of which are property and sales taxes), the net present value (NPV) of the net fiscal benefit of this project over the next 10 years is approximately \$1.15 million to Cobb County, which exceeds

the minimum fiscal impact requirement of \$250,000 established for this particular incentive program.

Based on these determinations, staff had recommended that an offer of economic incentives be extended to NF IV-VA ATL Cumberland, LLC. These proposed incentive recommendations were conveyed to the county manager, who has concurred with this recommendation as referenced in a concurrence memorandum dated May 14, 2019. This recommendation has been presented to the Chairman and District Commissioner who were also in agreement with the extension of an offer of economic incentives for this project. A formal conditional offer of incentives was provided to NF IV-VA ATL Cumberland, LLC via letter dated May 20, 2019. Working with the County Attorney's office, staff has developed a draft economic incentive commitment agreement to formally memorialize the terms of this incentive offer by all parties. This draft document is presented for your consideration (See attachment A).

### **IMPACT STATEMENT**

N/A

### **FUNDING**

N/A

### **RECOMMENDATION**

The Board approve the Economic Incentive Commitment Agreement for NF IV-VA ATL Cumberland, LLC and authorize the Chairman to execute all the necessary documents.

### **ATTACHMENTS**

1. NF IV-VA ATL Cumberland, LLC Economic Incentive Commitment Agreement - Final