

Notice of Intent

NOTICE OF INTENT OF THE CITY COUNCIL OF THE
CITY OF TEMPE TO ENTER INTO A RETAIL
DEVELOPMENT TAX INCENTIVE AGREEMENT.

Pursuant to Section 9-500.11(K) of the Arizona Revised Statutes, as amended, the City of Tempe, Arizona (“City”), hereby gives notice of its intent to enter into a “retail development tax incentive agreement”, on a date that will be at least 14 days from the date of this Notice.

Specifically, Tempe intends to enter an agreement with the ARIZONA BOARD OF REGENTS (“ABOR”), a body corporate, for and on behalf of Arizona State University (“ASU”), and USAPlace, LLC or their assignee (the “CC Lessee”), in which the City agrees for a period of 20 years to pay an amount of the unrestricted portion of the transaction privilege (sales) tax and an amount of the additional tax on transient lodging levied by City pursuant to Sections 16-444 and 16-447 of the Tempe City Code, respectively, and actually collected by the City with respect to the hotel and conference center to be constructed at the southeast corner of University Drive and Mill Avenue on property owned by ABOR. The City will not be obligated to pay any amount that exceeds the collected tax revenue. As of the date hereof, the unrestricted portion of the transaction privilege (sales) tax is 1.2% and the discriminatory tax on transient lodging is 5.0%. The City will not be required to pay any amount in excess of the actual revenues collected during the relevant year.

Adopted by the City Council of the City of Tempe, this ____, day of August, 2013.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk

APPROVED AS TO FORM:

Judith R. Baumann, City Attorney