

**RESOLUTION NO. 22-06**

**A Resolution to Approve a Memorandum of Understanding for the Option to Purchase and Development of Property**

**WHEREAS**, City of Alexander City, Alabama, has an opportunity to grow our hospitality sector by selling a parcel known as the Russell Parcel 29 to develop a national brand hotel; and

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Alexander City, Alabama, be and hereby authorizes the Mayor to execute and Memorandum of Understanding for the option to purchase and develop property to develop a hotel; and

**ADOPTED AND APPROVED** this 21<sup>st</sup> day of October 2021.

**ATTEST:**

Amanda F. Thomas  
Amanda F. Thomas, City Clerk

Audrey "Buffy" Colvin  
Audrey "Buffy" Colvin, Council President

Curtis "Woody" Baird  
Curtis "Woody" Baird, Mayor

**CERTIFICATION OF CITY CLERK**

The undersigned, as City Clerk of the City of Alexander City, Alabama, hereby certifies that the foregoing is a true, correct and complete copy of **Resolution No. 22-06** which was adopted by the City Council on this 21<sup>st</sup> day of October 2021.

**WITNESS MY SIGNATURE**, as City Clerk of the City Alexander City, Alabama, under the seal thereof, this 21<sup>st</sup> day of October 2021.

Amanda F. Thomas  
City Clerk of the  
City of Alexander City, Alabama



SEAL

Yeas: Colvin, Hardy, E. Brown, C. Brown, Keel

Nays: None

STATE OF ALABAMA )

COUNTY OF TALLAPOOSA )

**MEMORANDUM OF UNDERSTANDING  
FOR OPTION TO PURCHASE AND  
DEVELOPMENT OF PROPERTY**

THIS **MEMORANDUM OF UNDERSTANDING** (the "MOU") entered into on the 2<sup>nd</sup> day of November, 2021 by and between the **CITY OF ALEXANDER CITY, ALABAMA**, an Alabama municipal corporation (the "City"), and **JAY PATEL AND PARUL PATEL**, or their legal entity which shall be owned by the Patels ("Purchaser/Developer").

**AGREEMENT**

**WHEREAS**, the City owns a parcel of land known as Russell Parcel 29, and the Purchaser/Developer are desirous of purchasing and developing a national brand hotel on approximately four (4) acres from said parcel; and

**WHEREAS**, the parties desire to enter into an exclusive Purchase Option Agreement whereby if certain conditions are met as stated herein, the City will convey to the Purchaser/Developer approximately four (4) acres within Russell Parcel #29 for the purpose of developing and causing to be constructed a national brand hotel with a minimum of seventy (70) rooms for the sum of One Hundred & 00/100 Dollars (\$100.00) and other good and valuable consideration as stated herein, said Purchase Option being for a term of one (1) year from date of execution of this MOU unless extended by mutual agreement; and

**WHEREAS**, Amendment No. 739/772 to the Constitution of Alabama (1901) of the Recompiled Constitution of Alabama and hereinafter referred to as "Amendment No. 739/772", authorizes the City to enter into agreements for the purpose of promoting economic development projects such as this proposed project; and

**WHEREAS**, the governing body of the City has determined that entry into the agreements and transactions described herein, including, without limitation, the City's grant of the property to the Purchaser/Developer, will promote the economic development of the City and will increase the tax base in and around the City, and improve the quality of life for citizens in and around the City; and the City's governing body has further determined that the grant of public property for the purposes specified herein will serve a valid and sufficient public purpose, notwithstanding any incidental benefits accruing to any private entity or entities, including the Purchaser/Developer, and has further determined that undertaking the agreements and transactions described herein is in the best interest of the economic benefit and welfare of the citizens in and around the City; and

**WHEREAS**, the parties hereto are desirous of entering into this MOU which shall be followed by a valid, binding, executed and duly enforceable Project Development Agreement and to set forth the framework for establishing the terms and conditions under which the national brand hotel and the related infrastructure will be acquired and constructed.

**NOW, THEREFORE**, upon and in consideration for the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, the parties hereby agree and enter into this MOU for the purpose of pursuing the development of the national brand hotel and agree as follows:

1. Purchaser/Developer shall have the exclusive right to purchase approximately four (4) acres as identified as Exhibit A attached hereto and made a part hereof. The option to purchase shall be for one (1) year from the date of execution of this MOU. The option date may be extended by mutual agreement of the parties. If the option is not exercised within the time period allotted, the option shall expire.

2. This Option Agreement is not assignable by the Purchaser/Developer without the express written consent of the City.

3. If Purchaser/Developer is successful in obtaining the construction commitment for the target hotel chain within the option term, the Purchaser/Developer shall have the right to purchase the identified parcel for the sum of One Hundred & 00/100 Dollars (\$100.00) evidenced by a mutually agreeable Purchase Agreement which shall further detail the terms of purchase as to the survey and easement rights. The Purchase Agreement shall have a reversion clause if the Project Concept Plan is not developed.

4. The parties agree that the Project Concept Plan as attached as Exhibit A, provides a general framework for the property to be conveyed. The project plan shall be for the construction of a national brand target hotel consisting of a minimum of seventy (70) rooms.

5. Upon an approved construction commitment, the City shall request that the Lake Martin Area Economic Development Alliance assist the Purchaser/Developer with two (2) year's abatement of ad valorem property tax.

6. This MOU may be executed in multiple counterparts, each of which shall be deemed to be an original but when taken together shall be deemed to be a single instrument.

7. This MOU contains all of the agreements between the Parties hereto and may not be modified in any manner other than by agreement in writing signed by the Parties hereto and their permitted successors or assigns.

8. This MOU is binding as to the Option Agreement with the conditions stated herein.

**IN WITNESS WHEREOF**, each party hereto has caused this Agreement to be duly executed as of the date first above written.

Jay N. Patel  
Print Name: **JAY PATEL**

Date: 11/2/21

Parul J Patel  
Print Name: **PARUL PATEL**

Date: 11/2/21

CITY OF ALEXANDER CITY, ALABAMA

By: 

Print Name: CURTIS W. BAIRD

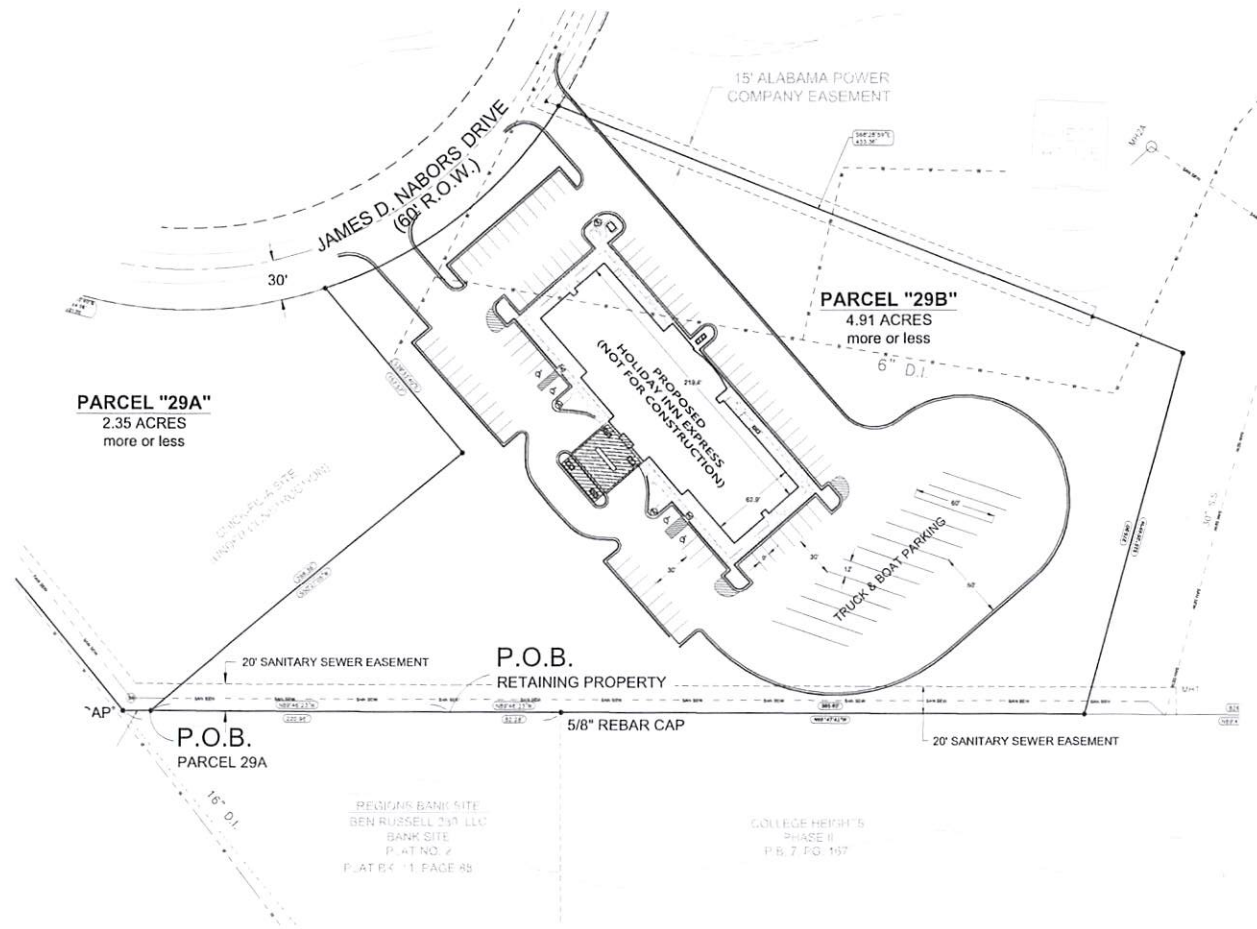
Its: Mayor

Date: 11/02/2021

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# CONCEPTUAL PLAN

FOR  
PROPOSED HOLIDAY INN EXPRESS  
ALEXANDER CITY, ALABAMA



STATE PLANE GRID NORTH



## LEGEND

- CONCRETE
- ASPHALT
- STONE MANHOLE
- WATER METER
- TELEPHONE BOX
- CAMERA
- MONITORING WELL
- ELECTRICAL BOX
- SANITARY SEWER MANHOLE
- LIGHT POLE
- CLEARCUT
- SANITARY SEWER, P.S.E.
- WATER LINE
- GAS LINE
- FIBER OPTIC CABLE
- FIRE PROTECTION WATER LINE
- SET MAG NAIL
- SET IRON PIN (SPLIT HEAD CAPPED)
- IRIG CA-000174.5
- FOUND IRON PIN (SPLIT HEAD CAPPED)
- 5/8" REBAR CAPPED
- PRE-CALCULATED POINT
- UNLESS NOTED OTHERWISE
- CALCULATED POINT
- FOUND CONCRETE MARKER
- CONCRETE POINT - SURV
- FENCE CORNER
- INLET
- EXISTING FIRE HYDRANT
- EXISTING WATER VALVE
- SUN
- STOP SIGN

NOTE: ALL BUILDINGS, DRIVES, PARKING AND UNDERGROUND UTILITIES SHOWN ACCORDING TO RUSSELL CONY UTILITY MAPS NOT FIELD LOCATED.

NOTE: ALL IMPROVEMENTS ARE NOT SHOWN.

CONCEPTUAL PLAN, NOT FOR CONSTRUCTION

DATE: 10/6/2021

LARRY E. SPEARS  
ASSOCIATES, INC.  
C  
CIVIL ENGINEER  
AND SURVEYOR

THIS SURVEY IS NOT VALID WITHOUT AN EMBOSSED SEAL AFFIXED HEREON OF THE REGISTERED LAND SURVEYOR WHO SIGNED THE SURVEY.

518 VINCENN STREET  
MONTICELLO, AL 36170  
TEL: 205-835-1301