

**AN ORDINANCE APPROVING AN AMENDMENT TO A REDEVELOPMENT
AGREEMENT**

(Icon Hospitality LLC - Urbana Landmark Hotel)

WHEREAS, the City of Urbana, an Illinois municipal corporation (the “City”), is a home rule unit of local government pursuant to Article 7, Section 6 of the Illinois Constitution of 1970 and 65 ILCS 5/1-1-10; and

WHEREAS, the City Council approved a Redevelopment Agreement with Marksons Affiliates, LLC (the “Agreement”), on July 1, 2019, to renovate and operate the former Urbana Landmark Hotel as a Tapestry Collection by Hilton brand property; and

WHEREAS, the City Council later approved an amendment to the Agreement (“First Amendment”), on November 2, 2020, that extended the Project Commencement Date (as defined by the Agreement) from July 1, 2020 to July 1, 2021; and

WHEREAS, the first Amendment also acknowledged an approved assignment of the Agreement and Marksons Affiliates’ interest in the hotel to Icon Hospitality, LLC; and

WHEREAS, construction on the hotel did commence on or about July 1, 2021; and

WHEREAS, the on-going effects of the COVID-19 global pandemic impacted lead times and materials availability even after construction commencement; and

WHEREAS, the City Council later approved an amendment to the Agreement (“Second Amendment”), on November 21, 2022, that extended the Project Occupancy Date (as defined by the Agreement) for an additional eight (8) months, thereby extending the Project Occupancy Date from December 31, 2022 to August 31, 2023; and

WHEREAS, Icon Hospitality has requested an extension of the Project Occupancy Date (as defined by the Agreement) for an additional six (6) months, thereby extending the Project Occupancy Date from August 31, 2023 to February 29, 2024; and

WHEREAS, the City Council, after due consideration, finds that approval of the extension request is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Illinois, as follows:

Section 1.

The City Council approves amending the Agreement to extend the Project Occupancy Date as defined and used in the Agreement for an additional six (6) months from August 31, 2023 to February 29, 2024 as reflected in the Third Amendment attached hereto.

Section 2.

The Mayor of the City of Urbana, Illinois, shall be and is hereby authorized to execute and deliver such documents required to reflect the extension granted in Section 1, and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said documents as so authorized and approved for and on behalf of the City of Urbana, Illinois.

Section 3.

This Ordinance shall be in full force and effect from and after its passage.


This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

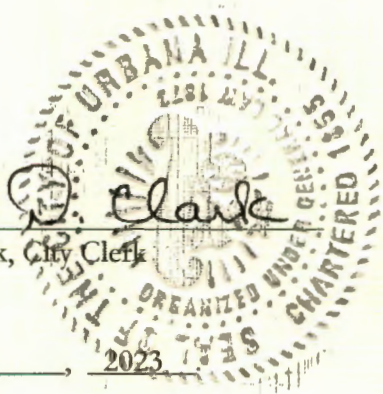
PASSED BY THE CITY COUNCIL this 31st day of July, 2023.

AYES: Wu, Evans, Hursey, Kolisetty, Bishop, Quisenberry

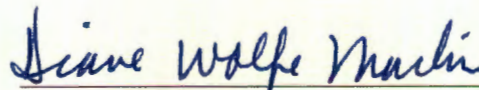
NAYS: None

ABSTENTIONS: None


Phyllis D. Clark, City Clerk



APPROVED BY THE MAYOR this 10th day of August, 2023


Diane Wolfe Marlin, Mayor

**THIRD AMENDMENT TO A REDEVELOPMENT AGREEMENT BY AND BETWEEN
CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS AND ICON HOSPITALITY,
LLC**

This Third Amendment (hereinafter, “Third Amendment”) to a Redevelopment Agreement by and between City of Urbana, Champaign County, Illinois and Icon Hospitality, LLC (an affiliate and assignee of Marksons Affiliates, LLC) dated June 1, 2019 is entered into this ____ Day of _____, 2023 by and between the City of Urbana, Illinois and Icon Hospitality, LLC (collectively, the “Parties” and individually and generically, a “Party”).

WHEREAS, the City of Urbana, Illinois (hereinafter the “City”) and Marksons Affiliates, LLC (hereinafter, “Marksons”) entered into a Redevelopment Agreement dated June 1, 2019 (hereinafter, “Agreement”); and

WHEREAS, at the request of Marksons, the City approved of Marksons’ assignment of its rights and obligations to an affiliated entity owned by Marksons known as Icon Hospitality, LLC on or about January 23, 2020; and

WHEREAS, the Agreement was amended (“First Amendment”) on November 2, 2020 to redefine the “Project Commencement Date” as defined in Section 1.1 of the Agreement to be July 1, 2021; and

WHEREAS, the impacts of the COVID-19 pandemic that led to the extension of the Project Commencement Date in the First Amendment have continued to impact the timeline for construction due to long lead times and limited availability of building materials and components; and

WHEREAS, Icon Hospitality commenced construction by July 1, 2021 but was unable to achieve completion and commence operations by the “Project Occupancy Date” (as defined in Section 1.1 of the Agreement) due to the COVID-19 pandemic; and

WHEREAS, Icon Hospitality requested an extension of the Project Occupancy Date for an additional eight (8) months; and the Agreement was amended (“Second Amendment”) on November 21, 2022 to redefine the “Project Occupancy Date” (as defined by Section 1.1. of the Agreement) to August 31, 2023; and

WHEREAS, Icon Hospitality has requested an extension of the Project Occupancy Date for an additional (6) months; to redefine the “Project Occupancy Date” (as defined by Section 1.1 of the Agreement) to February 29, 2024; and

WHEREAS, the City is willing to grant Icon Hospitality’s aforesaid request, with the additional provision that if the redefined Project Occupancy Date is not met, the Reimbursement

Amount (as defined by Section 4.1(a) of the Agreement) will be reduced incrementally for each month of delay.

NOW, THEREFORE, for good, valuable, and mutual consideration that each Party acknowledges as having in hand received, and for the exchange of the terms, conditions, and covenants contained in this Amendment, the Parties agree as follows:

Section 1: Section 1.1 of the Agreement is hereby amended to extend the “Project Occupancy Date” from eighteen (18) months following the Project Commencement Date to thirty two (32) months following the Project Commencement Date.

Section 2: Section 4.1(a) of the Agreement is hereby amended to add the following at the end of the Section: “For any portion of each month beyond February 29, 2024 that the Project Occupancy Date occurs, the Reimbursement Amount shall be reduced by \$xxx per month.”

Section 3: Each Party to this Amendment represents and acknowledges that the person who has executed this Amendment is duly authorized to do so on behalf of the Party for whom that person is executing this Amendment.

Section 4: Except as otherwise expressly provided in this Amendment, all other terms, conditions and covenants contained in the Agreement (including previous amendments) shall remain in full force and effect.

[END OF AMENDMENT. SIGNATURES FOLLOW.]

For the City of Urbana, Illinois

For Icon Hospitality, LLC

Diane Wolfe Marlin, Mayor

Haaris Pervaiz

Attest: _____
City Clerk

Witness: _____

Date: _____

Date: _____