

Incentive Agreement

Between
The City of San Antonio
And
SAT Houston St., LLC



Aloft

(Project #336 Incentive Scorecard System)

February 21, 2008

Incentive Agreement Purpose

In May 2003, the City of San Antonio created the Incentive Scorecard System and Project Scorecard to determine a Total Project Score based on a development project's (the "Project") ability to meet the goals and priorities established by the San Antonio City Council and other desired development criteria that reflect best practices.

In consideration for meeting the goals and priorities of the City as reflected in this Agreement, the Total Project Score may qualify a Project to receive specific incentives based on the criteria established for each respective incentive, subject to appropriation. The possible level of incentive (e.g., fee reductions or waivers) would be "scalable" based on the Total Project Score (i.e., 25% fee reduction for score between X & Y). One purpose of this Incentive Agreement is to certify the Total Project Score for this specific project. Once the Total Project Score has been certified, the Developer may use this document to request specified fee waivers and/or reductions from the respective City department(s) administering the incentive(s).

The other purpose of the Incentive Agreement is to document the Developer's agreement to reimburse the City for any awarded, or forfeit any approved, incentives if the City determines that the Developer's Project has deviated from the scope, outlined below, or if incentives are awarded or approved based on any intentional or unintentional misrepresentation of information by Developer on the application or scorecard, which is restated below in this Agreement. The Developer also agrees herein to provide the City with any documentation of performance of obligations to support the information contained in this Agreement.

Project Information

Name of Project:	Aloft
Project Address:	410 E. Houston, San Antonio, TX 78205
Project Description:	Motel
Estimated Start Date:	9/1/2008
Estimated Completion Date:	3/1/2009

Project Developer

Project Contact: Mr. Chintan Patel

Organization Name: SAT Houston St., LLC

Organization Type: For-Profit Business-Corporation

Contact Address: 7300 Blanco Road, Ste. 701, San Antonio, TX
78216

Contact Phone: (210) 336-1271

Contact Fax: (210) 340-9580

Contact E-Mail: cpatel@baywoodhotels.com

Project Scorecard

(As verified by EDD Staff)

SCORECARD ELEMENT	POINTS
<u>Capital Investment</u>	
\$1-\$10 Million (\$4 million)	5
<u>Development Type:</u>	
Targeted Industry Developments located within the City's 10 year tax abatement areas	50
<u>Permanent Jobs:</u>	
26-100 FTE (27)	10

Public Enhancement

New Development or Substantial Improvement in which the boundary of the development is within 1,000 feet (about 2 blocks) of a transit station or VIA bus stop	10
New Development or Substantial Improvement within a designated Reinvestment Zone (<u>Federal Empowerment</u> , State Enterprise, or Defense Economic Readjustment Zone)	10
New Development or Substantial Improvement within a Tax Increment Reinvestment Zone (TIRZ)	10
Total Project Score:	95

Project Incentives:

Based on the total project score of 95 points and the designation of a Targeted Industry, Aloft has met the applicable threshold score to qualify for the following incentives (please refer to the attached incentive summary sheets for more information on each program):

- **100% Waiver in License Fees For Use of Public Right-of-Way;**
- **100% Waiver in Closure of Public Right-of-Way Fees;**
- **50% Reduction in Per Square Foot Fee of Barricade Permit;**
- **50% Reduction in Temporary Street Closure Fees;**
- **100% Waiver of Preliminary Review Fees;**
- **100% Waiver of Plan Review by Appointment Fees and**

Incentive Agreement Certification and Terms

The undersigned Developer certifies that all information in this Agreement and all information furnished in support of this Agreement are true and complete to the best of the Developer's knowledge and belief. Further, the undersigned Developer agrees to furnish to the City of San Antonio additional information in support of this Agreement and agrees that the City may contact any and all sources named for the purposes of evaluation, clarification and verification of the information or performance by Developer of any obligations in relation to this Agreement and Project Scorecard.

The undersigned Developer agrees to reimburse the City of San Antonio or SAWS for any awarded incentives and/or rebates received, or forfeit any awards approved, as a result of this Agreement if the City of San Antonio determines that: (1) the project has deviated from the provided scope; or (2) the applicant has failed to furnish information related to the performance of any obligations; or (3) awarded or approved incentives were based on any misrepresentation by the Developer, intentional or unintentional, of information provided in this Agreement or furnished in support of the Project Scorecard. If the City is not reimbursed within a reasonable period of time for awarded incentives, the City at its sole option may refuse to issue any building permits, issue any certificate of occupancy, accept any development application, or accept any infrastructure improvements from such applicant. Nothing in this Agreement shall exclude any and all remedies otherwise provided by law.

The undersigned Developer agrees to comply with all provisions of the City's Tree Ordinance as required by Chapter 35, Article 5, Section 35-523 (a)(1)(D) which requires that all regulations shall apply to any projects receiving any federal, state, and/or local financial assistance.

The undersigned Developer understands that this Agreement may only be officially approved by the City of San Antonio in writing by a duly authorized representative of the City of San Antonio, Economic Development Department.

The undersigned Developer further certifies that it shall not, in the provision of services, or in any other manner, discriminate against any person on the basis of race, creed, color, religion, national origin, sex, age, familial status or handicap.

The undersigned Developer certifies that he/she has the authority to legally bind the named Developer/Firm/Organization to the terms and conditions associated with this Agreement.

(signatures on the next page)

