Agenda

SPECIAL CALLED MEETING OF THE CITY COUNCIL OF THE CITY OF MADISON, ALABAMA

6:00 PM
Council Chambers
July 29, 2026

AGENDA NO. 2026-002-SP

I. ROLL CALL OF ELECTED GOVERNING OFFICIALS

II. WAIVER OF NOTICE SIGNED BY ALL COUNCIL MEMBERS IN ATTENDANCE

III. Public Comments

IV. DISCUSSION

Resolution No. 2026-257-R: Authorizing a Development Agreement by and among The City of Madison, Madison Hotels VI, LLC, and Old Town Investments, LLC (Notice published July 22, 2026, in the Madison Record)

Ordinance No. 2026-247: Amending Section 10-224 of the *City of Madison Code of Ordinances* to provide for a lodging tax rate of ten percent (10%) (First Reading July 27, 2026)

V. ADJOURNMENT

Agenda Note: It should be noted that there are times when circumstances arise that require items be added to or deleted from the agenda at time of the Council meeting. Also all attached documents are to be considered a draft until approved by Council.

All attendees are advised that Council meetings are televised and that their statements and actions are therefore viewed by more than just those attending the meetings.

RESOLUTION NO. 2026-257-R

AUTHORIZING A DEVELOPMENT AGREEMENT WITH MADISON HOTELS VI, LLC, AND OLD TOWN INVESTMENTS, LLC

BE IT HEREBY RESOLVED by the City Council of the City of Madison, Alabama, as follows:

1. The City has heretofore, upon evidence duly presented to and considered by it, found and determined, and does hereby find, determine, and declare that:

(a) Madison Hotels VI, LLC, an Alabama limited liability company (the "Developer"), proposes to develop, own, maintain, and operate a hotel facility (the "Hotel Project"), and Old Town Investments, LLC, a Delaware limited liability company (the "Property Owner"), proposes to develop a nationally branded mini-golf recreational facility (the "Recreation Project," and together with the Hotel Project, the "Project"), both of which are to be developed and located on approximately five acres of property located along Town Madison Boulevard within the municipal limits of the City, as outlined in the Development Agreement attached to this Resolution.

(b) The City has authority under Section 94.01 of the Constitution of Alabama of 2022 (the "Economic Development Amendment") to promote economic development in the City and to promote commercial development in the location of new businesses in the City and to lend its credit and grant public money to any person whatsoever.

(c) The City, Developer, and Property Owner propose to enter into a development agreement (the "Development Agreement") relating to the Project. The Development Agreement provides for, among other things, certain cash payments (the "Payments"), as described and subject to the terms of the Development Agreement. The Development Agreement will evidence the City's obligations to pay to the Developer the Payments, and the Payments will be general obligations of the City for the payment of which the full faith and credit of the City will be irrevocably pledged.

(d) In furtherance of the objective of the Economic Development Amendment to create new jobs in the City, to generate additional tax revenues for the City, to increase commerce in the City, and generally to promote the economic development of the City, the City has agreed to enter into the Development Agreement and to make the Payments.

(e) For the purpose of keeping the taxpayers and citizens of the City informed of the City's consideration of entering into the Development Agreement and making the Payments, a notice of the time, location and agenda of this meeting and the economic advantages sought to be achieved by the City's entering into the Development Agreement was published in The Madison Record on July 22, 2026, which, in accordance with the Economic Development Amendment, constitutes publication of notice at least seven (7) days prior to the date hereof in a newspaper or newspapers in circulation in the City.

(f) The City has determined that entering into the Development Agreement and making the Payments are necessary and desirable and in the best interests of the taxpayers and citizens of the City to accommodate and provide for increases in economic activity in the City and to provide for increases in tax revenues for the City.

(g) The City acknowledges and agrees the Project will increase the tax and revenue base of the City.

(h) Entering into the Development Agreement and making the Payments will benefit the Developer, the Property Owner, Marriott International, Inc., and companies affiliated with the Developer and the Property Owner. Pursuant to the Economic Development Amendment, the City Council does hereby find, determine, and declare that the expenditure of public funds in connection with entering into the Development Agreement and making the Payments will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to the Developer, the Property Owner, Marriott International, Inc., companies affiliated with the Developer and the Property Owner, or any other private entity or entities.

2. The City does hereby approve, adopt, authorize, direct, ratify, and confirm the terms and provisions of, and the transactions to be undertaken pursuant to, the following documents:

(a) The Development Agreement in form and content as attached to this Resolution.

(b) All agreements, contracts, documents, instruments and notices as shall be required by the terms of, or otherwise necessary or desirable to carry out the provisions and purposes of, the Development Agreement.

3. The documents described in this resolution (herein collectively the "Documents") are approved in substantially the form and of substantially the content as the Documents presented to and considered by the City Council, with such changes or additions thereto or deletions therefrom as the officer of the City executing those of the Documents to which the City is a party signatory thereto (herein collectively the "City Documents") shall approve, which approval shall be conclusively evidenced by execution of the City Documents by such officer as hereinafter provided.

4. The Documents presented to, considered, and adopted by the City Council shall be filed in the permanent records of the City.

5. The Mayor is hereby authorized and directed to execute, acknowledge, and deliver the City Documents for and on behalf of and in the name of the City. The City Clerk is hereby authorized and directed to attest the same.

6. The officers of the City, or any one or more of them, are hereby authorized and directed to do and perform or cause to be done or performed in the name and on behalf of the City such other acts, and execute, deliver, file and record such other instruments, documents, certificates, notifications and related documents, all as shall be required by law or necessary or desirable to carry out the provisions and purposes of this resolution and the Documents.

7. The officers of the City and any person or persons designated and authorized by any officer of the City to act in the name and on behalf of the City, or any one or more of them, are authorized to do and perform or cause to be done and performed in the name and on behalf of the City such other acts, to pay or cause to be paid on behalf of the City such related costs and expenses, and to execute and deliver or cause to be executed and delivered in the name and on behalf of the City such other notices, requests, demands, directions, consents, approvals, orders, applications, certificates, agreements, amendments, further assurances, or other instruments or communications, under the corporate seal of the City, or otherwise, as they or any of them may deem necessary, advisable, or appropriate in order to carry into effect the intent of the provisions of this resolution.

8. Each act of any officer or officers of the City or any person or persons designated and authorized to act by any officer of the City, which act would have been authorized by the foregoing provisions of this resolution except that such action was taken prior to the adoption of this resolution, is hereby ratified, confirmed, approved and adopted.

9. This resolution shall take effect immediately and all ordinances, resolutions, orders, or parts thereof in conflict or inconsistent with any provision herein hereby are, to the extent of such conflict or inconsistency, repealed.

READ, PASSED, AND ADOPTED at a special called meeting of the City Council of the City of Madison, Alabama, on this 29th day of July, 2026.

____
Maura Wroblewski, Council President
City of Madison, Alabama

ATTEST:

____
Lisa D. Thomas, City Clerk-Treasurer
City of Madison, Alabama

APPROVED this ________ day of July 2026.

____
Ranae Bartlett, Mayor
City of Madison, Alabama

LEGAL NOTICE

NOTICE IS HEREBY GIVEN, pursuant to Section 94.01 of the Constitution of Alabama of 2022, that the City Council of the City of Madison (the "City Council"), which is the governing body of the City of Madison, an Alabama municipal corporation (the "City"), will consider a resolution (the "Resolution") in connection with the economic development project described below at a special called meeting on July 29, 2026, at 6:00 p.m. local time. The City Council will receive public comments on the Resolution at the meeting. The City Council will meet at Madison City Hall located at 100 Hughes Road, Madison, Alabama 35758.

The economic development project relates to Madison Hotels VI, LLC, an Alabama limited liability company (the "Developer"), which proposes to develop, own, maintain, and operate an Aloft Hotel by Marriott consisting of approximately one hundred eight (108) hotel rooms and associated parking, lighting, landscaping, and related improvements (the "Hotel Project"), as well as Old Town Investments, LLC, a Delaware limited liability company (the "Property Owner"), which proposes to develop a nationally branded mini-golf recreational facility (the "Recreation Project," and together with the Hotel Project, the "Project"), which is to be developed and located on approximately five acres of property located along Town Madison Boulevard within the municipal limits of the City, as outlined in the Development Agreement referred to below.

The City is considering entering into a development agreement (the "Development Agreement") with the Developer and the Property Owner relating to the Project. The Development Agreement provides for, among other things, a payment (the "Development Incentive Payment") to the Developer, for a certain period of time. The City Council will consider the adoption of the Resolution, which would authorize the City to enter into the Development Agreement.

Pursuant to the Agreement, the City will pay the Development Incentive Payment to Developer not to exceed two million dollars ($2,000,000) cumulatively during the Agreement's maximum term of five (5) years. The Development Incentive Payment is the amount equal to one hundred percent (100%) of Applicable Lodging Tax Proceeds, as defined in the Agreement, received by City from the Hotel Project for a term up to the first five (5) years of the Project. The Development Incentive Payment will be a general obligation of the City for the payment of which the full faith and credit of the City will be irrevocably pledged.

The City believes that the proposed economic development project will create new jobs in the City, will generate additional lodging, sales, and property tax revenues for the City, will increase commerce in the City, will provide additional recreational opportunities for City residents, and will generally promote the economic development of the City. The assistance described herein will encourage said economic development and will constitute an economic development project for the City. The City's granting of public funds or things of value as described herein will benefit the Developer, the Property Owner, Marriott International, Inc., and companies affiliated with such companies.

MADISON CITY COUNCIL

Publication: July 22, 2026

ORDINANCE NO. 2026-247

AN ORDINANCE AMENDING CHAPTER 10, ARTICLE VIII OF THE MADISON CITY CODE TO PROVIDE FOR A LODGING TAX RATE OF TEN PERCENT (10%)

WHEREAS, in anticipation of funding the multi-purpose venue and ballpark, now known as Toyota Field, the City of Madison City Council ("City Council") adopted Ordinance No. 2017-277, which raised the City's lodging tax to 9%, plus $2.00 per room per night and dedicated the increased portion of the lodging tax (the 2% portion plus $1.00 per room per night) to debt service on the ballpark warrants; and

WHEREAS, Ordinance No. 2026-083 amended Section 10-230 regarding the disposition of lodging tax proceeds in anticipation of future improvements to Toyota Field as described in Ordinance Number 2026-082 authorizing an Amended and Restated Venue Lease, License, and Management Agreement with BallCorps, LLC; and

WHEREAS, the City Council desires to further increase the rate of lodging taxes by one percentage point and allocate the resulting increased revenue to the general fund of the City, while preserving existing dedications for the disposition of lodging tax proceeds;

BE IT ORDAINED by the City Council of the City of Madison, Alabama, as follows:

Section 1. That Section 10-224 of the *Code of Ordinances of the City of Madison*, entitled "Levy of lodging tax" is hereby amended in its entirety as follows:

(a) There is hereby levied and imposed, in addition to all other taxes of every kind now imposed by law, a privilege or license tax upon every person engaging in:

(1) The business of renting or furnishing any room to transients in any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms or lodgings or regularly furnished to transients for a consideration, such tax being an amount equal to **ten percent** of the charge for such room or lodging, including the charge for use or rental of personal property and services furnished in such rooms, plus $2.00 per room per night, provided that charges for property sold or services furnished which are required to be included in the computation of the tax levied in Code of Alabama (1975), Title 40, Chapter 23, Article 1, Division 1, such article being commonly referred to as the state sales tax statutes, shall not be included in computing the tax herein levied; or

(2) The business of renting or furnishing space for accommodation of trailers for a consideration, such tax to be in an amount equal to **ten percent** of the charge for such trailer space, plus $2.00 per space per night, provided, however, that charges made by persons in the business of renting trailer space for use of washing machines, electrical power, garbage collection, water supply, and other such charges shall not be included in the measure of such tax, but only the charge for trailer space proper shall so be included.

Section 2. That Section 10-230 of the *Code of Ordinances of the City of Madison*, entitled "Lodging Tax: Disposition of Proceeds" is hereby amended in its entirety as follows:

(a) Except as otherwise provided in this Section 10-230, all lodging taxes received or collected by the city under the provisions of this article shall be deposited in the city's general fund, subject to appropriation by the City Council for any lawful purpose of the city.

(b) For any hotel that opened for business prior to May 1, 2018, outside of the Town Madison Cooperative District boundaries, revenues resulting from the two percentage point (2%) portion of the total lodging taxes collected pursuant to this article, as well as $1.00 of the per-night fee, must be appropriated to pay debt service on the Series 2018-A General Obligation Taxable Warrants or other debt issued to pay for ballpark capital improvements, as provided in the Amended and Restated Venue Lease, License, and Management Agreement with BallCorps, LLC, authorized by Ordinance Number 2026-082. Upon satisfying said debt service requirement, the remainder of the proceeds generated from the lodging tax proceeds dedicated in this Section 10-230(b) may be deposited into the general fund.

(c) For any hotel that has opened or will open for business on or after May 1, 2018, outside of the Town Madison Cooperative District boundaries, **revenues resulting from the nine (9) percentage point portion of the total lodging taxes collected pursuant to this article, as well as $2.00 of the per-night fee,** shall be appropriated to pay debt service on the Series 2018-A General Obligation Taxable Warrants or other debt issued to pay for ballpark capital improvements, as provided in the Amended and Restated Venue Lease, License, and Management Agreement with BallCorps, LLC, authorized by Ordinance Number 2026-082. Upon satisfying said debt service requirement, the remainder of the lodging tax proceeds dedicated in this Section 10-230(c) may be deposited into the general fund.

(d) For any hotel <u>inside</u> the boundaries of the Town Madison Cooperative District, lodging tax revenues shall be appropriated to pay debt services as follows:

a. For the first three (3) hotels that opened inside the boundaries of the Town Madison Cooperative District, **revenues resulting from the nine (9) percentage point portion of the total lodging taxes collected pursuant to this article, as well as $2.00 of the per-night fee,** shall be dedicated to ballpark debt service on the Series 2018-A General Obligation Taxable Warrants or other debt issued to pay for ballpark capital improvements, as provided in the Amended and Restated Venue Lease, License, and Management Agreement with BallCorps, LLC, authorized by Ordinance Number 2026-082.

b. For any other hotels that have opened or will open within the boundaries of the Town Madison Cooperative District after January 1, 2025:

i. Seven (7) percentage points plus $1 per night shall be dedicated to debt service on the General Obligation Economic Development Warrants, Series 2022, authorized by Ordinance No. 2022-334.

ii. Two (2) percentage points and $1 per night of lodging taxes shall be dedicated to ballpark debt service on the Series 2018-A General Obligation Taxable Warrants or other debt issued to pay for Venue improvements, as provided in the Amended and Restated Venue Lease, License, and Management Agreement with BallCorps, LLC, authorized by Ordinance Number 2026-082.

c. Upon satisfying said debt service requirements, the remainder of the lodging tax proceeds dedicated in this Section 10-230(d) may be deposited into the general fund.

(e) Upon the retirement of the debt of the Series 2018-A General Obligation Taxable Warrants, the Series 2022 General Obligation Economic Development Warrants, or any other economic development warrants that the City Council may authorize for ballpark capital improvements, the lodging tax proceeds dedicated in this Section 10-230 shall be deposited in the city's general fund, subject to appropriation by the City Council for any lawful purpose of the city.

<u>Section 3.</u> This Ordinance shall be effective on **October 1, 2026**, following its date of adoption and proper publication once in a newspaper of general circulation in the City of Madison following its adoption.

<u>Section 4.</u> If any clause, phrase, sentence, paragraph, or provision of this ordinance shall be invalidated by a court of competent jurisdiction, it is the intent of the City Council that such invalidation shall not affect the validity of any other clause, phrase, sentence, paragraph, or provision thereof.

<u>Section 5</u>. A certified copy of this Ordinance shall be forwarded to the Alabama Department of Revenue in compliance with Section 11-51-210(e) of the *Code of Alabama* (1975).

READ, PASSED, and ADOPTED this ____ day of _____________, 2026.

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Maura Wroblewski, Council President
City of Madison, Alabama

ATTEST:

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Lisa D. Thomas, City Clerk-Treasurer
City of Madison, Alabama

APPROVED this ____ day of _______________, 2026.

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Ranae Bartlett, Mayor
City of Madison, Alabama