

EDC, City Ink Hotel Deal with Midland Developers

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An \$6 million capital investment could soon address a need the Seminole community been in need of for years -- available hotel rooms.

In unanimous 6-0-1 votes of both the Seminole Economic Development Corporation's Board of Directors and Seminole City Council, the entities agreed to approve of an incentives deal not to exceed \$750,000 over a term not to exceed seven years with Somerset Hospitality Management, Inc.

According to City of Seminole officials following Monday's Seminole City Council meeting, the development group is looking to bring in a Wingate by Wyndham hotel facility to the Seminole community.

The project, which is being developed by Somerset Hospitality Management, Inc. of Midland, is expected be located on a 1.75 acre tract of land located in the 1100 block of Hobbs Hwy., directly west of an Allsup's Convenience Store, on the eastern grounds of the former Texas Equipment yard.

"We are very excited about coming to and being a part of the Seminole community," said Keith Dial, a representative with Somerset Hospitality Management, Inc. in a Tuesday morning telephone interview.

"Seminole, we feel, is an aggressively growing community with an interesting demographic. And, we feel we have a great opportunity to do business in, and, create business partnerships within the community as well."

SEDC Executive Director Donna Johnson, on Tuesday morning, stated she was pleased the incentives deal was struck between the corporation and hotel developers, but reminded a "lot of work" is still left on the project.

"We are glad to see this deal approved by all the parties and look forward to working with (Somerset Hospitality Management, Inc.) in seeing this project through," said Johnson. "There is still quite a bit of work left on the development of this project, but after a lengthy search of developers, we (SEDC) are optimistic we have found the right group to see a new hotel development through."

In a "letter of intent" obtained by the Seminole Sentinel through City of Seminole officials on the project, Somerset Hospitality Management, Inc. will have the option to purchase the 1.75 acre site from the SEDC at a price of \$101,568 upon the securing of financing for the project, which is expected to bring up to 80 rooms, but no less than 65, to the Seminole community.

Other amenities for the project, according to the "letter of intent," include "a business class lobby with some multi-use areas for conducting daily business

interaction, additional meeting space adjacent to the hotel, a holding kitchen, and possibly a private club."

The SEDC, in the incentives package, has agreed to the following payment schedule:

- \$50,000 upon ground breaking for Wingate by Wyndham;
- \$200,000 upon opening the Wingate by Wyndham;
- Up to \$100,000 on each anniversary of opening for a term not to exceed seven years or a total disbursement of \$500,000 based upon the following occupancy levels:
 - * Under 55 percent occupancy -- \$100,000;
 - * Over 55 percent but under 65 percent occupancy -- \$75,000;
 - * Over 65 percent but under 78 percent occupancy -- \$50,000; and
 - * Over 78 percent occupancy -- \$25,000.

Johnson stated the development would help the Seminole community in addressing it's need for more hotel rooms.

"This project will not be taking away from those existing hotel/motel facilities we currently have in place," said Johnson. "This will add more rooms to our community, so in turn, more out of town visitors will be able to stay in Seminole and conduct their business and visits, rather than having to travel from hotels in Andrews, Lamesa, Brownfield and Hobbs (N.M.) to do so."

Dial, on Tuesday morning, stated the projected start time for the development of the project was indefinite, but expected developments for the projects to "happen very soon."

"I expect for us (Somerset Hospitality Management, Inc.) to begin working (with the SEDC) on acquiring the property site and begin to see some different aspects of the project to happen very soon."

Dial added the group -- which owns various hotel properties in Midland, along the Texas Gulf Coast, and in West Texas -- was expected to begin working on development drawings for the hotel project within the next several days.

"I anticipate we will begin to work with our architects on the design of the hotel some time later this week," said Dial.

Dial added the group's concept of the Seminole development would be "unique" for the community, with their plans to construct an additional meeting space adjacent to the hotel facility, which would be available to the community for use.

"With Seminole being a community on the grow and with a lot of business opportunities taking place here, we feel (the meeting room) would be a great addition to both the property and community," said Dial.

In both votes Monday evening, SEDC Board President and District 3 Councilwoman Michel Powers opted to abstain from voting.

Wingate by Wyndham is a brand overseen by Wyndham Worldwide, according to the company's website -- www.wyndhamworldwide.com.

According to a mission statement on the Corporation's website, Wyndham Worldwide offers individual consumers and business-to-business customers a broad suite of hospitality services and products across various accommodation alternatives and price ranges through its premier portfolio of world-renowned brands.

Wyndham Worldwide encompasses approximately 7,360 franchised hotels and vacation ownership resorts with approximately 632,000 rooms worldwide. Wyndham Exchange & Rentals offers leisure travelers, including its 3.7 million members, access to approximately 99,000 vacation properties located in approximately 100 countries. Wyndham Vacation Ownership develops, markets and sells vacation ownership interests and provides consumer financing to owners through its network of vacation ownership resorts serving nearly 815,000 owners throughout North America, the Caribbean and the South Pacific.

Wyndham Worldwide, headquartered in Parsippany, N.J., employs approximately 26,000 employees globally.

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