



June 9, 2025

Matthew Steer; Development Services Administrator
Community Development/Planning
City of Coppel
265 E Parkway Blvd
Coppel, TX 75019
972-304-3675 O

Re: TownePlace Suites - Coppel Hotel PD Amendment Justification for additional Hotel development in the City of Coppel

Dear Mr. Steer:

We are excited to bring a Marriott-branded hotel to the City of Coppel and would like to formally outline the strategic justification for this development based on strong regional growth, market demand, and proven hospitality patterns observed nationwide.

1. DFW International Airport – \$4 Billion Expansion Driving Demand

DFW International Airport, one of the busiest airports in the world, is currently undergoing a transformative **\$4 billion expansion**, including a brand-new **Terminal F with 31 gates**, and substantial upgrades to **Terminal C**. This investment is not only expected to increase annual passenger capacity by millions but will also attract additional airlines, international travelers, and business traffic. Hotels in close proximity to major airports like DFW benefit directly from this growth, serving as essential infrastructure to support rising demand for overnight accommodations, flight crews, corporate travel, and tourism.

2. Proximity to Cypress Waters – A Rapidly Expanding Corporate Hub

Adjacent to our proposed site is **Cypress Waters**, one of the most dynamic mixed-use developments in North Texas. With hundreds of acres of Class A office space, thousands of residential units, and an expanding roster of Fortune 500 companies, this development has become a magnet for daily business activity and corporate events. As Cypress Waters continues to grow, so does the need for high-quality lodging that can support visiting executives, consultants, vendors, and project teams. A Marriott-branded property will meet the expectations of this professional demographic while complementing Coppel's long-term economic development goals.

3. Hotel Clustering – A Proven Model Across Cities

Across the country, successful hotel developments **thrive in clusters**. From airport corridors in Atlanta and Chicago to suburban business parks in Phoenix and Charlotte, hotels are consistently located in tight pockets that create destination appeal, operational synergy, and guest convenience. This clustering benefits guests with choice, encourages healthy competition, and increases visibility and viability for all operators. The Coppel/DFW Airport corridor is one of the few remaining gaps in this proven model—especially as demand surges from airport expansion and Cypress Waters growth.

4. Alignment with Coppel's Growth and Infrastructure

The City of Coppel is already benefiting from regional investment and connectivity, and this hotel project will support that momentum. Our development brings more than just rooms—it generates sales tax, hotel occupancy tax, new jobs, and repeat visitors who spend in the local economy. Additionally, Marriott's reputation for quality and consistency enhances the City's brand and appeal for future business and leisure travelers.

In summary, this hotel is not speculative—it is **strategically positioned** in response to real, quantifiable growth in airport activity and corporate expansion. It follows a nationally proven model of clustered hotel development and will serve as a critical amenity for the City of Coppel as the region enters its next phase of growth.

We appreciate your consideration and are excited about the opportunity to contribute to Coppel's future.

Sincerely,

Hiren Desai
Managing Partner

Economic Impact Projections – TownePlace Suites by Marriott Hotel Development (131 Rooms)

The proposed TownePlace Suites by Marriott hotel will not only fill a critical lodging need in the City of Coppell but also serve as a long-term economic engine for the community. Based on industry benchmarks and market-specific data, the projected economic impact is outlined below:

1. Hotel Occupancy Tax (HOT) Revenue

Coppell's current hotel occupancy tax rate is 7%. Based on conservative performance estimates:

- **Average Daily Rate (ADR):** \$130
- **Occupancy Rate:** 70%
- **Annual Room Nights:** 131 rooms × 365 days × 70% = **33,432 nights**
- **Gross Room Revenue:** 33,432 × \$130 = **\$4,346,160 annually**
- **Annual HOT Revenue to City:** \$4,346,160 × 7% = **\$304,231 per year**

*Over 10 years, this represents more than **\$3 million** in hotel tax revenue to the City of Coppell.*

2. Sales Tax Revenue from Guest Spending

Guests typically spend additional dollars on dining, shopping, transportation, and services in the immediate area. Based on national averages for business travelers:

- **Estimated Local Spend per Guest per Night:** \$55
- **Annual Local Spend by Guests:** 33,432 nights × \$55 = **\$1,838,760**
- **Estimated Sales Tax Contribution to City (2% local rate):** **\$36,774 annually**

This creates a recurring stream of taxable economic activity for Coppell businesses.

3. Job Creation and Payroll Impact

The hotel is expected to create approximately:

- **25-35 permanent jobs**, including front desk, housekeeping, management, and maintenance
- **Total Annual Payroll:** ~\$1.2 million
- **Temporary Construction Jobs During Development Phase:** 75–100 jobs

These jobs provide steady employment opportunities for Coppell residents and increase the city's economic base.

4. Indirect and Induced Economic Activity

Beyond direct spending, the hotel stimulates **indirect economic impact** (local suppliers, service vendors) and **induced impact** (employee spending in the community):

- **Estimated Multiplier Effect (3x to 4x):**
Total direct and indirect economic output: **\$10M–\$12M annually**

5. Increased Property Value and Tax Base

Upon completion, the hotel will represent a **\$20–\$22 million** improvement to the local tax roll.

- **Annual Property Tax Contribution (est.):** \$300,000–\$400,000 (based on mill rate)

Conclusion

The Marriott hotel project presents Coppell with a **high-value, low-impact development** that:

- Generates **millions in tax revenue** over its lifetime
- Attracts corporate and airport-related business
- Creates meaningful **local employment**
- Adds lasting value to the City's tax base and infrastructure

This development is aligned with Coppell's economic development strategy and complements the regional growth driven by DFW Airport and Cypress Waters.