



STAFF REPORT

MEETING DATE: January 24, 2023

TITLE:

Consider and act to amend the Hotel Occupancy Tax (HOT) fund budget by increasing it by an amount not to exceed \$250,000 to cover emergency repair expenses to the Visitor Center and Museum located at 904 Main, Bastrop, Texas.

AGENDA ITEM SUBMITTED BY:

Submitted by: Sylvia Carrillo, ICMA-CM, CPM, City Manager

BACKGROUND/HISTORY:

The Museum and Visitor center operates out of a city owned facility and pays an annual lease of \$10. The lease is triple net meaning the Museum and Visitor Center pays rent, upkeep, and any property tax associated with the building.

The Visitor Center receives \$187,434 from Hotel Occupancy Funds and the Museum receives \$101,673 and raises other dollars through donation, admissions, and other fees.

The entities both occupy a city owned facility and no additional dollars have been allocated either through the entity or the city for necessary upkeep and repair and as a result, the building needs many repairs totaling over \$505,000 including the addition of a fire suppression system totaling \$120,000 or 24% of the need.

The HOT fund has \$1.9M in restricted fund balance. It is restricted because it can only be used for HOT approved items.

FISCAL IMPACT:

Amend the HOT budget by increasing expenditure by \$250,000 and moving \$250,000 from the unappropriated fund balance.

RECOMMENDATION:

Approve the expenditures and create a capital replacement fund for 904 Main. The remaining \$255,000 in repairs can be covered over the next 3-5 years.

ATTACHMENTS:

1. Lease
2. Budget
3. Maintenance and Repairs (projected)