



# STAFF REPORT

**MEETING DATE:** February 1, 2024

**AGENDA ITEM:** 5D

**TITLE:**

Consider and act on support for a venue tax as a revenue source for a possible sports complex.

**AGENDA ITEM SUBMITTED BY:**

Terry Moore, Parks and Recreation Director

**BACKGROUND/HISTORY:**

At the Bastrop Economic Development Corporation (BEDC) monthly meeting on January 22, 2024 City Manager Carrillo presented a concept for a multi field sports complex along with a pool and recreation center to be built on land owned by the BEDC. The project is a new concept being developed by the city manager to meet the needs of the community, responses from the Park & Recreation Masterplan and the 2019 Garner Study conducted by the BEDC. The project serves as a catalyst for economic development in the area of sports tourism, one of the fastest segments of tourism in the world. <sup>1</sup> An added benefit is the addition of a recreation center that would serve as an anchor point for the development.

During the presentation, one possible source of revenue for the project would be a venue tax. A Venue Tax is a 2% Hotel Occupancy Tax added to the bill on a hotel stay or other short-term rental; like the existing Hotel Occupancy Tax, it is added onto a traveler's hotel bill and collected by the hotel then paid to the city.

This tax can only be added if approved by the voters in a possible November election. Council will consider the item in future meetings, however, a show of support for a possible revenue source would assist in the decision making. Further, other opportunities for partnership were presented to assist with operational programming and staffing. The parks board will be involved in some of those discussions as cost/benefit analysis is reviewed.

**FISCAL IMPACT:**

Cost of election.

**RECOMMENDATION:**

Staff recommends the advisory board consider the impact of adding a venue tax for Bastrop. If the advisory board supports the measure, to issue a letter of recommendation to take the idea to the voters.

**ATTACHMENTS:** Exhibit A: Conceptual Renderings, Exhibit B: 2019 Garner Economic Study