



ACTION ITEM REPORT

Item Title: Consideration and ACTION to approve a resolution by the city council of the City of Los Fresnos to express support for a Multi-Purpose Arena to be constructed in Cameron County.

Recommendation: This item is on the ballot again in the May election. Last time there was controversy on the support for or against and I'm certain there will be similar response this time. Here are a list of pro's and con's that I have found. By no means is it all inclusive. You probably can add more. Some don't agree with the pros and cons and I don't believe there is a good way to prove either way as it seems to be just people's opinions. I do believe County leaders are sincere in the support of the project and feel this is what is best for Cameron County.

Pros: Brings a large venue to this area for entertainment for our residents.

Brings a large venue to this area for our residents to utilized if they have large events.

Will bring other businesses to the area that otherwise would not locate there.

It is very close to home so it will be much easier for our residents to attend events.

Before and after events could be beneficial to our business community depending on the route taken to and from the area by the attendees.

Events brought to the arena could provide a boost to the Los Fresnos business community as the tourist or attendees head to SPI.

It could bring an economic boost to this area.

Funded by Visitor Tax, not current property taxes.

New jobs.

Cons: The arena will be in the city limits of Brownsville, not Los Fresnos.

It will attract business and housing to that area instead of a few miles east to Los Fresnos whereas if it wasn't there they would more likely locate in Los Fresnos.

Los Fresnos will lose property tax that otherwise would be in Los Fresnos.

Los Fresnos will lose sales tax that otherwise would be in Los Fresnos.

The arena could compete with existing venues potentially diverting business and resources causing the existing venues to fail.

Risk of high cost and long term sustainability.

Specific details on costs, percentage of ownership by all parties, who the management team will be, effects of potential losses, etc., is not known or at least questioned.

Cameron County Taxpayers voted this down 2 times before so why is it being brought up again?

Arenas in Hidalgo County are said to be struggling.