



Agenda Item Report

Legislative Board: City Council
Date: July 21, 2026
Contact: Lindsey Baker
Agenda Item ID / Number: 2026-569- / I.6

ITEM TITLE: Deliberation and possible action to adopt a Resolution of the City Council of the City of Buda, Texas, upon two readings, approving a project of the Buda Economic Development Corporation to fund three million dollars (\$3,000,000.00) for facility improvements and programming for the Buda Championship Park project and authorizing a performance agreement between the City of Buda and the Buda EDC; complying with Section 505.158, Texas Local Government Code; providing for repeal; providing for severability; and providing an effective date (City Manager Micah Grau and Assistant City Manager Lindsey Baker) [PUBLIC TESTIMONY]

1. EXECUTIVE SUMMARY

The BEDC Board of Directors has approved a project and expenditures for tournament programming for and facility improvements to the Buda Championship Park, consisting generally of softball fields, soccer fields, related recreational facilities, and associated improvements. BEDC had previously contributed \$1,500,000 during Fiscal Year 2025 for the project and approved on May 11, 2026, an additional contribution of \$1,500,000 during Fiscal Year 2026, for a total BEDC contribution of \$3,000,000.

As a condition of the BEDC's funding, the City and the BEDC have negotiated performance measures that establish the City's obligations related to the project's construction, operation, maintenance, reporting, tournament performance, and reimbursement. These requirements are outlined in the Performance and Funding Agreement presented for City Council's consideration.

2. BACKGROUND/HISTORY

Given that the Buda Championship Park project will promote tourism, increase patronage of local businesses, restaurants, hotels, and retail establishments, stimulate business and commercial activity, and otherwise advance the economic development purposes authorized by Section 505.152 of the Texas Local Government Code, the Buda EDC has provided financial support of this City Council priority project. In addition to the \$1.5 million authorized in FY25, the Buda EDC Board of Directors authorized an additional \$1.5 million at their May 11, 2026, meeting for a total contribution of \$3 million toward the expansion of the project.

3. ANALYSIS

The performance agreement, if approved, will remain in effect for eight years, unless terminated by either the City or the BEDC. Performance requirements are included in detail in the agreement in Section 1.3.3. Section 2.14 address reimbursement of the funding. Specifically, if the City fails to achieve the aggregate minimum requirement of sixty-five (65) qualifying tournaments during Years 4 through 8, the City shall reimburse the BEDC on a pro rata basis in the amount of \$23,076.92 for each qualifying tournament below the required aggregate of sixty-five (65) qualifying tournaments. The total reimbursement shall not exceed the total BEDC Contribution of \$1,500,000.

The section also provides the following example: "By way of illustration only, if the BEDC Contribution equals \$1,500,000.00 and the City hosts sixty (60) qualifying tournaments during Years 4 through 8, the City will have failed to achieve five (5) qualifying tournaments. The reimbursement would therefore equal five (5) multiplied by \$23,076.92 ($\$1,500,000.00 \div 65$), for a total reimbursement of \$115,384.60."

4. FINANCIAL IMPACT

\$3,000,000 total contribution of the Buda EDC in FY25 and FY26 in support of the Buda Championship Park expansion project.

The \$1,500,000 contribution in FY 2025 was attributed to design / pre-construction costs of the Buda Championship Park expansion. These costs have been incurred and fully reimbursed by the BEDC.

The \$1,500,000 contribution in FY 2026 will be used to offset construction costs, mitigating the tax rate impact of the associated 2026 CO bonds.

5. STRATEGIC PLAN/GOALS

FUN EXPERIENCES FOR ALL

6. STRATEGIC PLAN OBJECTIVES

Activate and expand Sportsplex, including sports field for recreation and tournament

7. PROS AND CONS

Pro: Provides additional financial support to a City Council priority project.

Con: If performance measures are not achieved, the City would be responsible for reimbursing the EDC on a pro rata basis.

8. ALTERNATIVES

Amend performance measures

Decline funding

Table consideration to a date-certain

9. REQUESTED ACTION / SUGGESTED MOTION / RECOMMENDATION

Approve a resolution approving a project of the Buda Economic Development Corporation to fund three million dollars (\$3,000,000.00) for facility improvements and programming for the Buda Championship Park project and authorizing a performance agreement between the City of Buda and the Buda EDC.

Attachments:

[i6Resolution - Approving Championship Park Funding Agreement.pdf](#)

[i6 Exhibit A - Performance Agreement Buda Championship Park.pdf](#)