



Staff Report

AGENDA ITEM REPORT

DATE: April 13, 2026

SUBMITTED BY: Courtney Sladek, Administration

ITEM TYPE: Agenda Item

AGENDA SECTION: CONSIDERATION OF AND ACTION ON

SUBJECT: Consideration and Possible Action to Approve City Development Corporation (CDC) Funding for a Site Improvement Grant for Project Cottage of 10%, not to Exceed \$50,000 – El Campo Lost Lagoon

BACKGROUND: The City Development Corporation (CDC) of El Campo, at its March 23, 2026, meeting, unanimously approved a Site Improvement Grant for Project Cottage – El Campo Lost Lagoon and is requesting City Council approval as required for grants exceeding \$25,000.

The proposed project includes the expansion of lodging accommodations through the addition of cottages to serve visitors who do not have travel trailers, along with enhancements to on-site amenities. The total project investment is estimated at over \$507,000, representing continued reinvestment in one of the community's primary tourism destinations.

El Campo Lost Lagoon currently employs 14 full-time and 28 part-time employees and anticipates increasing staffing levels to approximately 20 full-time and 60 part-time employees upon completion of the project. The facility attracted more than 100,000 visitors in the previous year, and the proposed expansion is expected to further increase visitation and associated economic activity.

The project is also anticipated to increase the taxable value of the property, currently valued at approximately \$6.9 million by the Wharton County Appraisal District, while generating additional Hotel Occupancy Tax, sales tax, and related local revenues.

The CDC grant is structured as reimbursement of 10% of eligible project costs, not to exceed \$50,000. Payment will be made only after submission of all invoices and proof of payment, ensuring that all project costs are incurred prior to CDC reimbursement

This project builds on prior CDC investment in infrastructure improvements at the

site and aligns with the CDC's mission to support tourism, expand local economic activity, and enhance destination amenities within the City of El Campo.

Fiscal Impact: Up to \$50,000 funded through the City Development Corporation. No impact to the City's General Fund.

SUGGESTED ACTION:

Approve CDC funding for a Site Improvement Grant for Project Cottage – El Campo Lost Lagoon in an amount equal to 10% of eligible project costs, not to exceed \$50,000.

ATTACHMENTS:

[ECLostLagoon_Agenda Request_City Council_24MAR2026.pdf](#)