



FOR IMMEDIATE RELEASE

DATE: June 21, 2017

Media Contact: The City of Shenandoah
Debbie Pilcher, Communications Specialist
832-585-8109
dpilcher@shenandoahtx.us

LEGISLATION PASSES FOR SPECIAL EVENT CENTER

SHENANDOAH, TEXAS. June 21, 2017. Shenandoah city officials officially received word Tuesday, June 13, that SB 2166 was passed without Governor's signature and effective immediately, allowing the city to further pursue a special events center. The bill, sponsored by Senator Charles Creighton and Representative Mark Keough, allows the city the right to use Hotel Occupancy Tax (HOT) revenue to construct a multi-use facility with a sports component.

Last year the city submitted proposed special legislation that would allow them to build a special events center that could be used to accommodate large-scale events such as conferences and sporting events. The special legislation was required to amend Chapter 351 of the Tax Code which did not allow municipalities the right to use HOT taxes to construct a sports-related component.

Shenandoah Mayor Ritch Wheeler said the need for the facility is great in the Shenandoah area. "There's a huge need for a facility like this because we really don't have this type of event center anywhere in south Montgomery County. It won't just benefit Shenandoah either, it will benefit the entire south Montgomery

County community because it would draw in a lot of outside tourism to our area from all over the country.”

“The majority of the facility could be funded under hotel/motel tax,” City Administrator Greg Smith said. “The part that could not be funded by hotel/motel tax without legislation was the sports aspect of the center and that’s what we are trying to get the special legislation to allow.”

On the day of the vote, Representative Keough spoke to the bill’s passage, special legislation he does not usually support because of the expansion of HOT taxes. “This particular bill addresses a unique situation within my district. The City of Shenandoah has for years had more hotel rooms than houses within their small city. The city has become a major host for the NCAA and UIL championship events and would like to expand their ability to host additional events by constructing a multi-use sports complex. The use of their HOT taxes will limit bond indebtedness on the property owners and residents of the city for such a project. The city is in exceptional financial condition with strong transparent governance.”

SB 2166 now gives any city under 6,500 with at least 800 hotel rooms and which is located adjacent to a county with over 3 million residents the authority to use HOT funds for a center which will promote tourism and the convention and hotel industry.

“The passing of SB 2166 sets forth the ability for the City of Shenandoah to fund a special events center, which will be utilized to enhance and increase tourism in not only Shenandoah, but also in South Montgomery County,” said Smith. “Our desire is to produce a world class facility that would host all forms of conventions and sports-related events such as UIL tournaments and championships as well as continue with hosting NCAA championships.”

###

Note: Some quotes are from an earlier *Community Impact Newspaper* article by Hannah Zedaker.