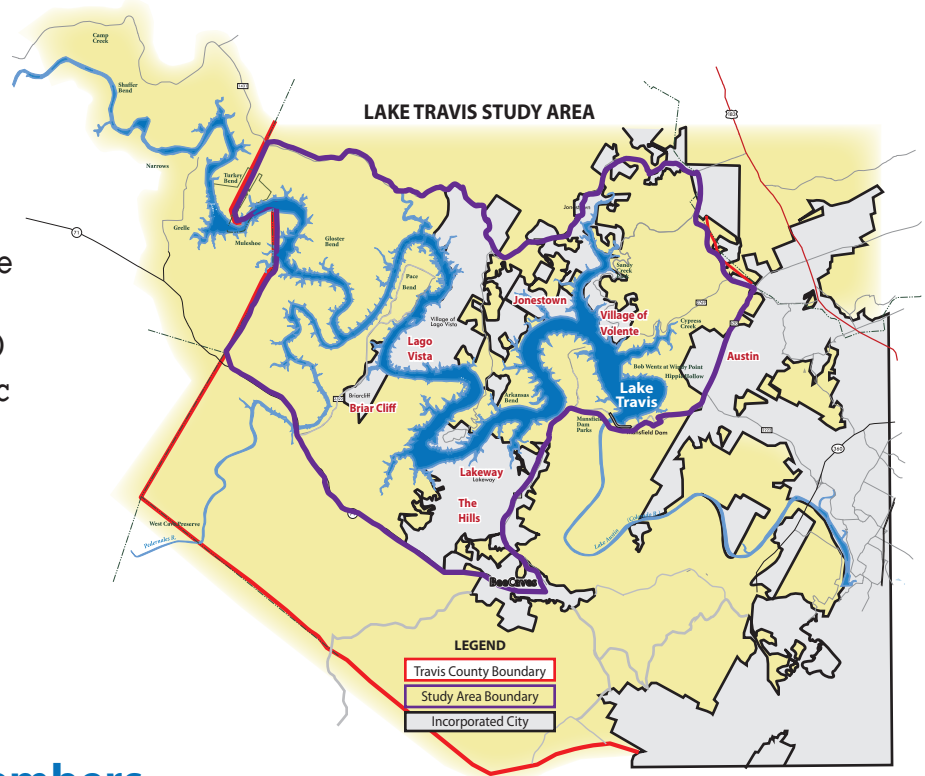


Lake Travis Economic Impact Report

Overview

Origins of Report

A coalition of governments, non-profits and businesses commissioned a study to calculate a baseline economic and fiscal value to the area surrounding Lake Travis. The study by consulting firm RCLCO used historical data and econometric models to assess the financial impact low lake levels or poor water quality have on the region.



Lake Travis Coalition Members

City of Austin, City of Jones Town, City of Lago Vista, City of Lakeway, Hurst Creek Municipal District, Lago Vista/Jonestown Chamber of Commerce, Lago Vista Economic Development Alliance, Lake Travis Chamber of Commerce, Lakeway Municipal Utility District, Samsung, Travis County, Village of Briarcliff, Village of Point Venture, Village of The Hills, Village of Volente, Water Control & Improvement District 17, Water Control & Improvement District Point Venture

Establishes a Baseline

A full Lake Travis generates revenue from property, sales, hotel and mixed beverage taxes that buys ambulances, maintains schools and provides state government with needed funding.

Lake Travis = A Significant Economic Engine

- \$207.2 million in revenue for state and local governments
- \$8.4 billion in assessed property value
- \$3.6 million in hotel and mixed beverage taxes
- 3,900 commercial businesses in study area contribute \$45.2 million in sales tax

| Lake Related Activity | Employment Effects | Total Value Added |
|------------------------|--------------------|-------------------|
| | Indirect Total | Indirect Total |
| Total Visitor Spending | 1,607 | \$90,497,000 |
| Boat Sales | 309 | \$22,135,000 |
| Total | 1,916 | \$112,632,000 |

Assesses Impact of Low Lake Levels

Economic Impact

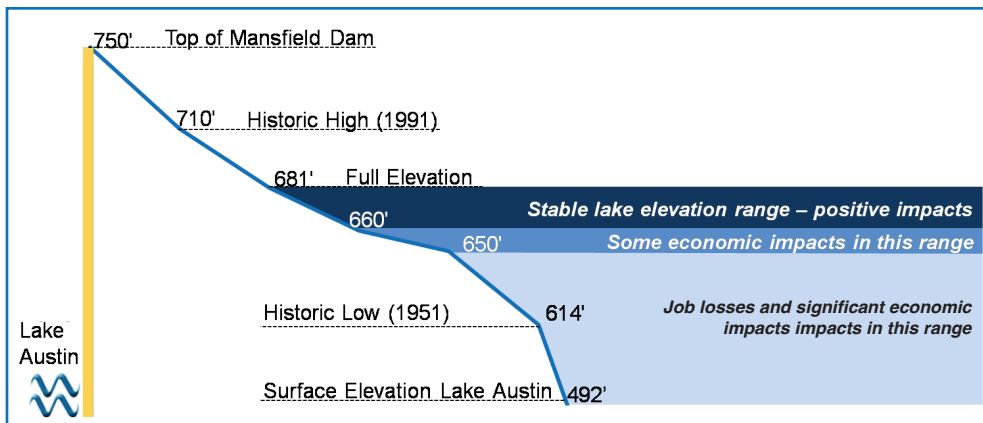
When lake levels remain below 660 feet, visitations decline and businesses contract. Low lake levels lead to:

- 350,000 – 375,000 fewer park visits
- 29 lost jobs for each 10% drop in park visits
- \$23.6 million to \$33.8 million reductions in visitor spending
- Up to 241 lost jobs and \$6.1 million in wages

Fiscal Impact

Low lake levels decrease visitors and value and can impact government revenues substantially. When levels are low, governments could lose up to:

- \$21.9 million in total fiscal revenues
- \$1.7 million lost sales tax revenue
- \$45,000 from decreased hotel receipts
- \$120,000 from less visitors ordering mixed drinks



Lake Travis Water Levels (Feet Above Sea Level)

Assesses Impact of Water Quality

Interviews and studies reveal water quality is the feature locals like best about Lake Travis. Increased chlorophyll-a and nutrients correlates with impairment to recreational use, and leads to declines in boating. Studies on other lakes indicate lakefront land values drop 10% for each meter drop in water clarity. Were this to occur on Lake Travis the property losses would be between \$27 million to \$53 million.

What You Can Do

Speak to your state legislators, county commissioners, local officials and chamber of commerce to see how you or your business can help preserve the value of Lake Travis.

Visit: www.laketraviscoalition.com to download a copy of the report.