

It's real.

MEMORANDUM

TO: Mayor and City Council members
Steve Parker, City Manager

FROM: Kate McCloud, Grants Administrator

DATE: November 21, 2024

RE: Resolution to submit application for Texas Community Development Block Grant

The Texas Department of Agriculture (TDA) is currently accepting applications for the 2025-2026 Texas Community Development Block Grant (TxCDBG) Program. The goals of this program are to develop viable communities by providing decent housing and a suitable living environment, as well as by expanding economic opportunities, principally for persons of low-to-moderate income. For each year of this grant program the state planning region establishes priorities for funding. For this year, the first priority is for Water and Sewer activities, and the second priority is for Flood Drainage and/or Street Improvement Projects.

Applications for this program are accepted by the TDA in a two-step process. The first step is an initial application to determine community eligibility and rank the competitiveness of the grant application. After the initial applications are reviewed, TDA will invite the highest scoring communities to complete the second stage of the application process, which will evaluate the project(s) proposed by the applicant communities. In order to submit the initial application a resolution is required authorizing the submission of the application, identifying the category of funding being requested, and committing to providing matching funds if the grant is awarded and accepted.

City staff would like to submit an application to this program for funding towards the region's top two priority activities and are requesting this resolution to satisfy the application requirements. No project specifics are required for this stage of the application process and will be identified when/if the city's application is selected to apply for the second stage of the application process. The amount of matching funds identified in the resolution is based on the maximum grant award of \$750,000. If the project proposed by the city has a budget less than that amount, the matching funding will be lower. The grant program requires a 15% local match.

Thank you for your consideration.