



AGENDA MEMORANDUM

Future item for the City Council meeting of November 10, 2015
Action Item for the City Council meeting of November 17, 2015

DATE: September 30, 2015
TO: Ronald L. Olson, City Manager
FROM: Tom Tagliabue, Director,
Intergovernmental Relations
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Authorizing the City Manager, or designee, to submit a grant application in the amount of up to five million dollars (\$5,000,000) to the Office of the Governor for funding from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant (DEAAG) Program.

CAPTION:

Resolution authorizing the City Manager, or designee, to submit a grant application in the amount of up to five million dollars (\$5,000,000) to the Office of the Governor for funding from the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant Program.

PURPOSE:

The purpose of this item is to receive authorization to submit the grant application to the State of Texas, Office of the Governor for the Texas Military Preparedness Commission's Defense Economic Adjustment Assistance Grant Program. The application is due November 20, 2015. The City can only submit one application per cycle.

BACKGROUND AND FINDINGS:

The Defense Economic Adjustment Assistance Grant (DEAAG) program is administered by the Texas Military Preparedness Commission (TMPC) within the Office of the Governor. DEAAG is codified in Government Code, Chapter 436, and the program administrative rules are in Subchapter B, Title 1, Chapter 4, Texas Administrative Code. The purpose of the program is to provide state funding for any of the following:

- Acquiring federal grant assistance;
- For sharing in the cost of redevelopment of communities that have been adversely or positively affected by the Base Realignment and Closure Act or Department of Defense reduction or loss of funding; or
- In the case of infrastructure, adds military value to the military installation.

The 84th Texas Legislature appropriated \$30 million (\$15 million in Fiscal Year 2016 and \$15 million in Fiscal Year 2017) to assist defense communities that have been, or may potentially be, impacted by a past or future Base Realignment and Closure (BRAC) action,

to obtain economic assistance to mitigate or prevent or otherwise positively affect their local economy through funded projects.

The 84th Texas Legislature also amended the DEAAG statute to increase the maximum grant awards from \$2 million to \$5 million. So the possibility exists that a minimum of only three \$5 million grant awards could be made each round. The DEAAG program generally requires a 50% match, but the TMPC may reduce that to a 20% match or 100% grant with no match, if the local government can demonstrate that resources are not available because of limited local budgets. The match can be either cash or in-kind services. The TMPC will score and award the grants. The second route of grant applications is anticipated in Spring 2016.

All awarded funds must be spent by August 31, 2017.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Conforms to all city policies.

EMERGENCY / NON-EMERGENCY:

Non-emergency

DEPARTMENTAL CLEARANCES:

Finance
Legal

FINANCIAL IMPACT:

X Operating Revenue Capital Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

RECOMMENDATION:

Staff recommends submitting the application.

LIST OF SUPPORTING DOCUMENTS:

Resolution
DEAAG Administrative Rules