



## **AGENDA MEMORANDUM**

Future item for the City Council meeting of February 16, 2016  
Action Item for the City Council meeting of February 23, 2016

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**DATE:** January 14, 2016

**TO:** Ronald L. Olson, City Manager

**FROM:** Tom Tagliabue, Director,  
Intergovernmental Relations  
tomtag@cctexas.com  
361.826.3850

Authorization 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.

### **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 March 4, 2016.

### **BACKGROUND AND FINDINGS:**

The DEAAG program is administered by the Texas Military Preparedness Commission 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 followings:

- 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 84<sup>th</sup> 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 84<sup>th</sup> 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 City was one of 15 applications in the first round, which were awarded on December 10, 2015. The application was ranked tied for fourth with an application from the City of Wichita Falls. The TMPC was able to fully fund the top three scoring applications and the Wichita Falls project with the first allocation of funding. Corpus Christi's application could not have been fully funded along with the top three projects.

The second round of applications opened on January 20, and closes on March 4, 2016. The TMPC will award the second round of funding on March 31, in Austin.

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

<b>Fiscal Year: 2016-2017</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

**Comments:**

**RECOMMENDATION:**

Staff recommends submitting the application.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution