

MEMORANDUM

To: Honorable Mayor & City Council

From: Stephanie Biggs, Administrative Assistant and Toni Kunz, City Administrator

Date: October 6, 2026

Agenda Item: Authorizing the City's 2027 and 2028 TxCDBGP-CD TDA grants

Action Requested: Discussion and action

Overview and Background:

The TDA's biennial CDBG Community Development Fund Grant for '27-'28 opportunity was first discussed in the budget workshop on August 17, 2026 meeting (see *2026Aug17_Grant Opportunity Streets Memo* for details). If this \$750,000 grant is awarded to us, we could use existing Street fund balance for the match obligation and remaining balance, we could complete Year 1 (\$381,225) and Year 2 (\$444,816) of the Street Assessment plan.

Per next discussed steps, we published a notice of RFP for Grant Administration Services in the August 23, 2026 issue of the newspaper and on our website with a submissions due date of September 9th and we received 3 submissions. The selection committee scored the submitted proposals and recommended the highest scoring contractor. In the September 22nd meeting, Council tabled to discuss and take action on the resolution to determine if the City shall move forward. In the September 29th meeting, Council approved the resolution to award the contract to Traylor and Associates and allow the Mayor to enter into an agreement with the chosen contractor.

Traylor and Associates is preparing our formal application and requires Council's approval to submit on our behalf.

If the City is selected through Phase I, TDA invites the City to apply for Phase II. In Phase II, we will develop the full application, including the detailed project scope, budget, and other required information. This is also when the City would move forward with procurement for engineering services to assist with the application. We estimate \$25K for engineering services for Phase II which could be paid out of the Street Right of Way funds. This is paid whether we are awarded the grant or not. These engineering services are needed for the street project and are paid, whether we are awarded the grant or not. At that point, we essentially "back into" an eligible project/application based on the \$750,000 award amount and TDA's program requirements. TDA will then review the full application, and if the project is determined to be eligible, TDA will move forward with the award.

Due on Bandera's population our match amount will be only 1% (\$7,500). If TDA does vote to make this an annual grant, we will only be able to apply for 2028 if we are **not** awarded in 2027. Therefore, we will need to seek other funding sources for the remainder of the repairs outlined in the Street Assessment.

Staff Recommendations:

Council approve authorizing the submission of an application for the 2027-2028 TX CDBG Community Block Grant.

Council to consider reinstating the utility bill fee to build up the fund's balance, to prepare for Year 3. This should be requested as an agenda item and considered for action.