



**CITY OF BANDERA
CITY COUNCIL AGENDA REQUEST FORM
MEETING DATE: January 9, 2024**

AGENDA ITEM: Public Hearing for the USDA Rural Development Community Facilities Direct Loan & Grant Program.

SUBMITTED BY: Susan Hutcherson

APPROVED FOR AGENDA: Stan Farmer

BACKGROUND:

The USDA's Rural Development Community Facilities Direct Loan & Grant Program provides affordable funding to develop essential community facilities in rural areas. The Grant and Loan program priorities small communities with a population of 5,500 or less with low-income communities having a median household income below 80% of the state nonmetropolitan median household income.

On April 18, 2023, City Council approved Resolution 2023-008 approving the submission of an application to the USDA Facilities Direct Loan & Grant Program for the purchase of two (2) new Marshal vehicles. The program offers low interest loans at a rate of 3.75% and/or no-match grant funding up to \$50,000. The grant application requires a public hearing to acquaint all interested parties with economic and environmental impact, service area, and alternatives. City Staff requests to hold a public hearing on January 9, 2024, prior to the regularly scheduled City Council meeting to satisfy the USDA grant application requirement.

FISCAL ANALYSIS:

Potential \$50,000 in grant funding and/or \$100,000 in low interest/long term loan.

RECOMMENDATION:

City Staff recommends a public hearing to be held on January 9, 2023 to satisfy the requirements of the USDA Rural Development Community Facilities Direct Loan & Grant application.