



STAFF REPORT

MEETING DATE: August 8, 2023

TITLE:

Consider action to approve the second reading of Resolution No. R-2023-110 of the City Council of the City of Bastrop, Texas, approving a Revolving Loan Fund Program and the expenditure of Bastrop Economic Development Corporation funds in the amount of Thirty Thousand Dollars (\$30,000.00) for the program; repealing all resolutions in conflict; and providing an effective date.

AGENDA ITEM SUBMITTED BY:

Sylvia Carrillo, ICMA-CM, CPM, City Manager & Interim Executive Director Bastrop Economic Development Corporation

BACKGROUND/HISTORY:

In November 2022, Roscoe Bank awarded the BEDC \$20,000, the first of five donations totaling \$100,000 over the course of five years. Roscoe representatives requested these funds be used in a way to assist small businesses. The BEDC staff proposed using the funds for a revolving loan fund program, and Roscoe wholeheartedly agreed.

This program would contribute to the City of Bastrop by assisting small businesses and entrepreneurs in starting or expanding businesses, thereby creating a direct overall improvement/stimulus in the local economy. At the board meeting of February 27, 2023, the BEDC Board approved a Revolving Loan Fund Program using funds donated by Roscoe Bank. At subsequent meetings, the Board approved matching BEDC funds in the amount of \$30,000 per fiscal year.

Local Government Code (LGC) 505.158 authorizes Type B corporations created by a municipality with a population of 20,000 or less to expend funds on projects found by the corporation's board of directors to promote new or expanded business development. Projects approved under LGC 505.158 over \$10,000 require two separate readings of a resolution by the governing body.

FISCAL IMPACT:

\$30,000 of BEDC funds and \$20,000 in donated Roscoe Bank funds per fiscal year.

RECOMMENDATION:

Consider action to approve the second reading of Resolution No. R-2023-110 of the City Council of the City of Bastrop, Texas, approving a Revolving Loan Fund Program and the expenditure of Bastrop Economic Development Corporation funds in the amount of Thirty Thousand Dollars (\$30,000.00) for the program; repealing all resolutions in conflict; and providing an effective date.

ATTACHMENTS:

1. Resolution R-2023-110
2. BEDC Revolving Loan Fund Program Policy