



STAFF REPORT

MEETING DATE: July 24, 2023

AGENDA ITEM: 3.D

TITLE:

Hold a Public Hearing for the purpose of providing the general public with information concerning a proposed economic development project being considered by the BEDC, and for receiving public input regarding same, as follows: Pursuant to LGC Section 505.158, the BEDC is proposing to expend Type B economic development funds to undertake and to fund a Revolving Loan Fund Program in the amount of \$30,000 per fiscal year.

AGENDA ITEM SUBMITTED BY:

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

BACKGROUND/HISTORY:

At the BEDC board meeting of June 26, 2023, the Board approved the guidelines for a Revolving Loan Fund Program and the expenditure of \$30,000 per fiscal year in matching funds.

Texas Local Government Code (LGC) 505.158 allows a Type B corporation created by a municipality with a population of 20,000 or less to fund a project (including land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements) which are found by the corporation's board of directors to promote new or expanded business development.

If the expenditure is more than \$10,000, the corporation must obtain project approval from the authorizing municipality through the adoption of a resolution on two separate readings.

Furthermore, per LGC Section 505.159, a Public Hearing is required to undertake the project prior to expending funds on said project unless it meets the definition of a project under Subchapter C, Chapter 501.

The Revolving Loan Fund Program does not fall under the list of exceptions, and therefore a Public Hearing is required.

FISCAL IMPACT:

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

RECOMMENDATION:

Open the Public Hearing, receive input from the public on the project, and then close the Public Hearing.

ATTACHMENTS:

Revolving Loan Fund Program guidelines are included under the next agenda item, a resolution approving the Revolving Loan Fund Program.