



City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: JANUARY 2, 2025

RE: APPROVAL OF RESOLUTION 25-05: AMENDING THE FY 2024/25 ECONOMIC DEVELOPMENT FUND BUDGET, ESTABLISHING THE FY 2024/25 NEW GRANTS FUND BUDGET AND PROVIDING AN UPDATE ON THE TARGETED INDUSTRY AND SMART GROWTH STUDY

Background

At the December 13, 2023 Commission meeting, Staff made a presentation providing information about a grant opportunity that required matching funds equal to or exceeding \$50,000. As a part of the presentation, staff gave a range of possible match percentages that would be required by the City if awarded the grant. That range was from 20-50 percent.

Commission approved Staff's request and an application was submitted to the Economic Development Administration (EDA), Public Works and Economic Adjustment Assistance Program (CFDA 11.307) to conduct a Target Industry and Smart Growth Analysis Study.

Grant Overview

The EDA awarded the City \$72,000, which is to be matched \$48,000 by the City for a total project cost of \$120,000. The EDA's award is 60% of the total cost and the City's contribution is 40%.

Under the Targeted Industry and Smart Growth Study Grant, a consultant will be hired to conduct a comprehensive look at this area's assets, supportive resources, and the ecosystem compatibility with the long-term growth needs and match them with industries that could thrive in Eustis. The outcome of this analysis will provide the City with data to expand and diversify its industry base, attract new business, support the expansion of existing companies, create more jobs, and overall establish a more resilient and sustainable economic foundation for our community.

Budget Impact Analysis

A portion of the \$48,000 needed for the EDA match was included in the FY 2023/24 budget. Because of the timing of the award, late in the fiscal year, those funds have been carried forward into the FY24/25 Budget. Additionally, the FY 2024/25 includes \$37,500 for grant matches for a total of \$75,000 available for grant matches. At the recommendation of the Finance Director, the City is creating a new Grants Fund in order to better track the fiscal activities of the City's grants. The City's matching contribution of \$48,000 will be transferred to this new Grants Fund.

Timeline

Targeted Industry and Smart Growth Analysis will be conducted over 12 months, which is estimated to begin in January and end in December of 2025.

Action Required

This report provides the requested update Commission asked for it when it originally approved Staff's request to apply for an EDA grant for a Targeted Industry and Smart Growth Analysis Study. As previously stated, EDA/ City funding split on this project would be 60/40, or \$72,000 and \$48,000.

Staff is recommending approval of Resolution 25-05 amending the FY 2024/25 budget for the Economic Development Fund and establishing a budget in the newly created Grants Fund to accommodate a U.S. Department of Commerce/Economic Development Administration Office requirement to provide matching funds for a targeted industry and smart growth analysis study.

Prepared by:

Al Latimer, Economic Development Director