
CITY OF PORT LAVACA

COUNCIL MEETING: NOVEMBER 18, 2024

AGENDA ITEM: 6

DATE: 11.15.2024

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: CONSIDER APPROVAL OF RESOLUTION TO AUTHORIZE SUBMITTAL OF A 2025-26 TEXAS DEPT. OF AGRICULTURE TXCDBG GRANT DUE DEC. 9

Each year, the US Department of Housing and Urban Development provides federal Community Development Block Grant (CDBG) funds directly to states, which, in turn, provide the funds to small, rural cities with populations less than 50,000, and to counties that have a non-metropolitan population under 200,000 and are not eligible for direct funding from HUD. These small communities are called "non-entitlement" areas because they must apply for CDBG dollars through the Texas CDBG program. Larger cities like Victoria, Dallas and Houston receive CDBG monies directly from HUD, and are called "entitlement" areas.

The "non-entitlement" funds are available through a competition in each of the 24 state planning regions. The City of Port Lavaca is part of the Golden Crescent Regional Planning Commission (GCRPC). Applications are due every other year to fund two years' worth of projects. The City of Port Lavaca last was awarded a 2024 grant as a result of the application we submitted in 2022. This 2024 project will be replacing/or pipe bursting sewer lines on LaSalle St (Live Oak to Main) and Trinity St. (Main to Center). The CDBG funds must be shown to directly benefit primarily Low-to-Moderate Income persons.

Applications for the next round of funding (2025-26) are due on December 9. For this initial application, we are not required to identify a specific project, only the category of the project, which we are proposing **water and/or sewer improvements within a LMI area**, which is a Tier 1 Priority. Since we recently were awarded a grant, we will lose 10 points in the scoring, so we must apply for a Tier 1 Priority project or there is little chance we would score well enough for funding.

If awarded, the grant program requires a 15% match. The eligible grant dollars are \$750,000, so the match is \$112,500.00. If we are fortunate enough to receive a grant the earliest we would need funds would be in FY 2025-26 and more realistically FY 26-27.

The proposed resolution must be adopted and be submitted with the initial grant application due on December 9.