



CITY OF ARANSAS PASS

AGENDA MEMORANDUM
Special Meeting of July 26, 2018

Date: July 23, 2018

To: Mayor and City Council

From: Sandra Garcia, Director of Finance

Title: Community Development Loan

BACKGROUND AND FINDINGS:

The City has applied and qualified for a Community Development Loan (CDL) from FEMA. The loan amount that we qualify for is \$3,547,574. The intent of this loan program is to assist cities that have been affected by a disaster and are facing budgetary shortfalls due to the loss of revenues.

FEMA shall cancel repayment of all or part of the CDL to the extent that the revenues of the local government during the full three fiscal year period following the disaster are insufficient, as a result of the disaster, to meet the operating budget for the local government, including additional unreimbursed disaster related expenses for a municipal operating government.

The money will be drawn-down as needed and interest will only be paid on money that is draw-down. The interest rate will be set at the time that FEMA signs the documents.

ALTERNATIVES:

Not approving the CDL.

RECOMMENDATION:

Staff recommends approving the CDL