The La Vernia City Council held a Public Hearing on October 11, 2012 at 6:15 p.m. at City Hall, La Vernia, Texas.

Item No. 1. <u>Call to Order</u> Mayor Robert Gregory called the hearing to order at 6:15 p.m. Council members present were D. Bradford Beck, Randy Leonard, Bobby Richter, Eloi Cormier, and John Richter. Staff member present were City Secretary-Treasurer Angela Cantu, Police Chief Bruce Ritchey, and Code Enforcement Officer/Project Coordinator Janet Thelen.

Item No. 2. Public Hearing Mayor Gregory introduced Martha Drake from GrantWorks Inc. who explained the Texas Department of Agriculture's CDBG Program specifically the Texas Capital Fund Grant to benefit Cub Country Child Care Center and Mesquite Bean Coffee Shop. She explained that the grant sought is to assist in the instillation of sewer lines to benefit the child care center and coffee shop. She also explained that the grant is a matching funds program in that the businesses will have to spend an equal amount of money to improve their business. Councilman Leonard asked how long the business receiving the grant has to pay back their share of the funds. Ms. Drake explained that this is a three year grant. Councilman Leonard asked how long it takes to find out if the grant is awarded and Ms. Drake stated that the requestor will know in approximately one week however the legal review may take some time. Mayor Gregory stated that one of the advantages of the City supporting the Cub Country Child Care Center and Mesquite Bean in obtaining this grant would be the ability to annex them into the City once the infrastructure is in place. Ms. Drake explained that there are some new requirements regarding guarantees. She stated in the past a personal guarantee was necessary to be eligible for the grant funds. Now, however, the State is requiring a surety bond or an irrevocable line of credit which is causing a punitive action rather than helping. The public hearing was opened at 6:34 p.m. and with no one to speak it was closed at 6:35 p.m.

Item No. 3. Adjourn With no further business Councilman Beck moved to adjourn. Councilman Cormier seconded the motion. Mayor Gregory adjourned the meeting at 6:35 p.m.

Robert Gregory, Mayor

Angela Cantu, City Secretary-Treasurer