

**CHAPTER 380 ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT  
BETWEEN THE CITY OF CORPUS CHRISTI AND LIFTFUND INC. FOR A  
JOB RETENTION GRANT PROGRAM FOR SMALL BUSINESSES  
NEGATIVELY IMPACT BY STAGE 3 WATER RESTRICTIONS**

This Chapter 380 Economic Development Incentive Agreement for a Job Retention Grant Program for Small Businesses ("Agreement") is entered into between the City of Corpus Christi ("City") and LiftFund Inc. ("LiftFund"), a Texas nonprofit corporation (collectively, "the Parties").

WHEREAS, pursuant to Texas Local Government Code § 380.002, a home-rule municipality with a population of more than 100,000 may create programs for the grant of public money to any organization exempt from taxation under Section 501(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of that code for the public purposes of development and diversification of the economy of the state, elimination of unemployment or underemployment in the state, and development or expansion of commerce in the state;

WHEREAS, LiftFund is a nonprofit 501(c)(3) organization whose principal mission is to provide capital to small business owners lacking access to commercial credit;

WHEREAS, on December 16, 2024, the City Manager announced that Stage 3 water restrictions are in effect;

WHEREAS, on January 22, 2025, the Governor of Texas renewed a disaster proclamation for Nueces County based on the existence of serious drought conditions that pose an imminent threat of widespread or severe damage, injury, or loss of life or property, and pursuant to § 418.017 of the Texas Government Code, Governor Abbott authorized the use of all available resources of state government and of political subdivisions that are reasonably necessary to cope with this disaster;

WHEREAS, LiftFund anticipates administering grants on behalf of the City to aid small business owners located within the city limits of Corpus Christi and affected by the declared disaster, with the anticipation of generating or retaining jobs;

WHEREAS, the City has concluded and hereby finds that this Agreement promotes economic development in the City of Corpus Christi and, as such, meets the requirements under Chapter 380 and the City's established economic development program, and, further, is in the best interests of the City;

WHEREAS, the City recognizes the positive economic impact that the Project will bring to the City through the elimination of unemployment or underemployment in the state; and

WHEREAS, to ensure that the benefits the City provides under this Agreement are utilized

in a manner consistent with Article III, Section 52-a of the Texas Constitution, Chapter 380 of the Texas Local Government Code and other law, the Nonprofit has agreed to comply with specific conditions to the payment of those benefits;

In consideration of the covenants, promises, and conditions stated in this Agreement, City and LiftFund agree as follows:

1. **Effective Date.** The effective date of this Agreement ("Effective Date") is the latest date that either party executes this Agreement.
2. **Term.** The term of this Agreement is from February 11, 2025 through December 31, 2025, or until all funds have been deployed.
3. **City is providing Contractor with funding in an amount not to exceed \$2,380,000.00 ("Program Funding") to undertake and complete the Program in accordance with the terms and conditions of this Contract, of which \$2,000,000.00 ("Grant Funds") shall be used solely for the award of Program Grants, and an amount not to exceed \$380,000.00 ("Compensation") shall be allocated for compensation to Contractor.**

<b>Purpose</b>	<b>Amount</b>
Program Grant Funds	\$2,000,000.00
Compensation to Contractor	\$380,000.00
<b>Total Funding</b>	<b>\$2,380,000.00</b>

4. **Program Description.** Details of this program are described below and in the attached Exhibit A.

- a. This program's aspirational goal is to result in the projected retention or creation of at least one full-time job for any grant of up to \$50,000.

- b. LiftFund shall provide the City with weekly reports, to identify the number of grants made, industries of recipients, distribution of grants by zip code, and jobs retained or created under this grant program. A full list of recipients, including business/organization name and business address, will be provided once all funds have been disbursed.

5. **Job Qualification.**

- a. LiftFund agrees to provide City with a sworn certificate by an authorized representative of each small business assisted under this Agreement certifying the number of full-time (or full time equivalent) regular employees, contractors, consultants, or leased employees employed by the small business.

6. Warranties. LiftFund warrants and represents to City the following:

- a. LiftFund is a corporation duly organized, validly existing, and in good standing under the laws of the State of Texas and further has all corporate power and authority to carry on its business as presently conducted in Corpus Christi, Texas.
- b. LiftFund has the authority to enter into and perform, and will perform, the terms of this Agreement.
- c. LiftFund has timely filed and will timely file all local, State, and Federal tax reports and returns required by laws to be filed and all Texas, assessments, fees, and other governmental charges, including applicable ad valorem taxes, have been timely paid, and will be timely paid, during the term of this Agreement.
- d. LiftFund acknowledges that the funds granted in this Agreement must be utilized solely for purposes authorized under State law and by the terms of this Agreement.
- e. If an audit determines that the funds were not used for authorized purposes, LiftFund agrees to reimburse City for the sums of money spent for purposes not authorized by law within 30 days written notice requesting reimbursement.
- f. The parties executing this Agreement on behalf of LiftFund are duly authorized to execute this Agreement on behalf of LiftFund.
- g. LiftFund does not and agrees that it will not knowingly employ an undocumented worker. If, after receiving payments under this Agreement, LiftFund is convicted of a violation under 8 U.S.C. Section 1324a(e), LiftFund shall repay the payments at the rate and according to the terms as specified by City Ordinance, as amended, not later than the 120<sup>th</sup> day after the date LiftFund has been notified of the violation. This repayment obligation applies only to funds designated for LiftFund's retention and does not extend to funds intended for distribution as grants to small businesses.

7. Compliance with Laws. LiftFund shall observe and obey all applicable laws, ordinances, regulations, and rules of the Federal, State, county, and city governments.

8. Non-Discrimination. LiftFund covenants and agrees that LiftFund will not unlawfully discriminate nor permit unlawful discrimination against any person or group of persons, with regard to employment and the provision of services at, on, or in the its

facilities, on the grounds of race, religion, national origin, marital status, sex, age, disability, or in any manner prohibited by the laws of the United States or the State of Texas.

9. Force Majeure. If the City or LiftFund is prevented, wholly or in part, from fulfilling its obligations under this Agreement by reason of any act of God, unavoidable accident, acts of enemies, fires, floods, governmental restraint or regulation, other causes of force majeure, or by reason of circumstances beyond its control, then the obligations of the City or LiftFund shall be temporarily suspended during continuation of the force majeure. If either party's obligation is affected by any of the causes of force majeure, the party affected shall promptly notify the other party in writing, giving full particulars of the force majeure as soon as possible after the occurrence of the cause or causes relied upon.

10. Assignment. LiftFund may not assign all or any part of its rights, privileges, or duties under this Agreement without the prior written approval of the City. Any attempted assignment without approval is void and constitutes a breach of this Agreement.

***11. Indemnity. LiftFund covenants to fully indemnify, save, and hold harmless the City, their respective officers, employees, and agents {"indemnitees"} against all liability, damage, loss, claims demands, and actions of any kind on account of personal injuries (including, without limiting the foregoing, workers' compensation and death claims), or property loss or damage of any kind, which arise out of solely and exclusively from LiftFund's activities conducted under this Agreement. With respect to the claims and other matters described in the foregoing sentence, LiftFund must, at its own expense, investigate all of the foregoing claims and demands, attend to their settlement or other disposition, defend all actions based on those claims and demands with counsel satisfactory to indemnitees, and pay all charges of attorneys and all other cost and expenses of any kind arising from the liability, damage, loss, claims, demands, or actions described in the foregoing. The foregoing indemnification shall not apply and shall be void as to any settlement, final judgment or award rendered in connection with a claim, demand, loss, request for relief, damages, suit, action, or proceeding in which the final judgment or award, or for purposes of settlement the available evidence established by the preponderance of the evidence, that any indemnitee is liable in whole or in part for the claims, liabilities, demands, claims for relief, losses, damages, actions, or causes of action asserted by a third party. Additionally, the foregoing indemnification shall not apply and shall be void as to any allegations, demand, proceeding, lawsuit, or cause of action that alleges or otherwise asserts that any indemnitee is liable in whole or in part for the claims, liabilities, demands, losses, damages, or other relief.***

12. Events of Default. The following events constitute a default of this Agreement:

- a. Failure of LiftFund to timely, fully, and completely comply with any one or more of the material requirements, obligations, duties, terms, conditions, or warranties of this Agreement.
- b. The City determines that any representation or warranty on behalf of LiftFund contained in this Agreement or in any financial statement, certificate, report, or opinion submitted to the City in connection with this Agreement was intentionally incorrect or intentionally misleading in any material respect when made.
- c. Any final judgment is assessed against LiftFund or any attachment or other levy against the property of LiftFund with respect to a claim remains unpaid, undischarged, or not dismissed for a period of 30 days unless LiftFund is taking legal action or an appeal to seek relief from said judgment, attachment, or levy.
- d. LiftFund makes an assignment for the benefit of creditors.
- e. LiftFund files a petition in bankruptcy or is adjudicated insolvent or bankrupt.
- f. If taxes owed by LiftFund become delinquent, LiftFund fails to timely and properly follow the legal procedures for protest or contest.
- g. LiftFund changes the general character of business as conducted on the date this Agreement is approved by the City.

13. Notice of Default. Should the City determine that LiftFund is in default according to the terms of this Agreement, the City shall notify LiftFund in writing of the event of default and provide 60 days from the date of the notice ("Cure Period") for LiftFund to cure the event of default or initiate substantial action to cure the default. The undertaking of such substantial action by LiftFund shall operate as an extension of the 60 day Cure Period until such time as it is reasonably determined that cure is not possible.

14. Results of Uncured Default. After exhausting good faith attempts to address any default during the cure Period and taking into account any extenuating circumstances that might have occurred through no fault of LiftFund, as determined by the City, the following actions must be taken for any default that remains uncured after the Cure Period.

- a. LiftFund shall immediately repay all funds paid by City under this Agreement that have not been expended, allocated, or committed in connection with the Program.

- b. LiftFund shall pay City reasonable attorney fees and costs of court to collect amounts due to City, if any.
- c. The City shall have no further obligations to LiftFund under this Agreement.
- d. Neither the City may be held liable for any consequential damages.
- e. The City may pursue all remedies available under law.

15. No Waiver.

- a. No waiver of any covenant or condition, or the breach of any covenant or condition of this Agreement, constitutes a waiver of any subsequent breach of the covenant or condition of the Agreement.
- b. No waiver of any covenant or condition, or the breach of any covenant or condition of this Agreement, justifies or authorizes the nonobservance on any other occasion of the covenant or condition or any other covenant or condition of this Agreement.
- c. Any waiver or indulgence of LiftFund's default may not be considered an estoppel against the City.
- d. It is expressly understood that if at any time LiftFund is in default in any of its conditions or covenants of this Agreement, the failure on the part of the City to promptly avail itself of the rights and remedies that the City may have, will not be considered a waiver on the part of the City, but City may at any time avail itself of the rights or remedies or elect to terminate this Agreement on account of the default.

16. LiftFund specifically agrees that City shall only be liable to LiftFund for the actual amount of the funds to be conveyed to LiftFund, and City shall not be liable to LiftFund for any actual or consequential damages, direct or indirect, interest, attorney fees, or cost of court for any act of default by City under the terms of this agreement. Payment by City is strictly limited to those funds so allocated, budgeted, and collected solely during the grant term of this agreement, March 1, 2025, through December 31, 2025. City shall use its best efforts to anticipate economic conditions and to budget accordingly. City shall provide LiftFund with timely advance notice of any anticipated shortage of funds to be distributed to LiftFund. However, it is further understood and agreed that, should the actual total sales tax revenue collected for any one year be less than the total amount of grants to be paid to all contracting parties with City for that year, then in that event, all contracting parties shall receive only their pro rata share of the available sales tax revenue for that year, less City's customary and usual costs and expenses, as compared to each contracting parties' grant amount for that year, and City shall not be liable for any deficiency at that time or at any time in the

future. In this event, City will provide all supporting documentation, as requested. Payments to be made shall also require a written request from LiftFund to be accompanied by all necessary supporting documentation. THIS SECTION DOES NOT APPLY WHERE LOSSES RESULT FROM BREACH OF CONFIDENTIALITY, REFUSAL TO PERFORM, DEATH, BODILY INJURY, DAMAGE TO PERSONAL PROPERTY, VIOLATION OF APPLICABLE LAW, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

17. Notices.

- a. Any required written notices shall be sent mailed, certified mail, postage prepaid, addressed as follows:

LiftFund:

LiftFund Inc.  
Attn.: Amy Hereford, President & CEO  
2014 S. Hackberry St.  
San Antonio, Texas  
78210

City:

City of Corpus Christi  
Attn.: Director of Economic Development  
1201 Leopard Street  
Corpus Christi, Texas 78401

- b. A copy of all notices and correspondence must be sent the City at the following address:

City of Corpus Christi  
Attn.: City Manager  
P.O. Box 9277  
Corpus Christi, Texas 78469-9277

- c. Notice is effective upon deposit in the United States mail in the manner provided above.

18. Amendments or Modifications. No amendments or modifications to this Agreement may be made, nor any provision waived, unless in writing signed by a person duly authorized to sign agreements on behalf of each party.

19. Relationship of Parties. In performing this Agreement, both the City and LiftFund will act in an individual capacity, and not as agents, representatives, employees, employers, partners, joint-ventures, or associates of one another. The employees or

agents of either party may not be, nor be construed to be, the employees or agents of the other party for any purpose.

20. Captions. The captions in this Agreement are for convenience only and are not a part of this Agreement. The captions do not in any way limit or amplify the terms and provisions of this Agreement.

21. Severability.

a. If for any reason, any section, paragraph, subdivision, clause, provision, phrase or word of this Agreement or the application of this Agreement to any person or circumstance is, to any extent, held by a court of competent jurisdiction to be illegal, invalid, or unenforceable under present or future law or by a final judgment of a court of competent jurisdiction, then the remainder of this Agreement, or the application of the term or provision to persons or circumstances other than those as to which it is held illegal, invalid, or unenforceable, will not be affected by the law or judgment, for it is the definite intent of the parties to this Agreement that every section, paragraph, subdivision, clause, provision, phrase, or word of this Agreement be given full force and effect for its purpose.

b. To the extent that any clause or provision is held by a court of competent jurisdiction to be illegal, invalid, or unenforceable under present or future law effective during the term of this Agreement, then the remainder of this Agreement is not affected by the law, and in lieu of any illegal, invalid, or unenforceable clause or provision, a clause or provision, as similar in terms to the illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable, will be added to this Agreement automatically.

22. Venue. Venue for any legal action related to this Agreement is in Nueces County, Texas.

23. Sole Agreement. This Agreement constitutes the sole agreement between City and LiftFund. Any prior agreements, promises, negotiations, or representations, verbal or otherwise, not expressly stated in this Agreement, are of no force and effect.



**LiftFund Inc.**

By: \_\_\_\_\_  
Adam Henson  
Chief Operating Officer

Date: \_\_\_\_\_

**City of Corpus Christi**

By \_\_\_\_\_  
Peter Zanoni  
City Manager

Date: \_\_\_\_\_

APPROVED AS TO LEGAL FORM:

\_\_\_\_\_  
Assistant City Attorney (Date)  
For City Attorney

## **GRANT PROGRAM EXHIBIT “A”**

### **Purpose:**

The goal of the job retention grant program is to alleviate payroll expenses for local businesses and nonprofits within the City of Corpus Christi negatively impacted by Stage 3 Water Restrictions.

The program has dedicated \$2,000,000 to it. Up to \$50,000 in grants will be awarded to eligible small businesses.

The City is solely responsible for determining eligibility criteria, required documents from Beneficiaries, and use of funds awarded by this Agreement.

### **Business Qualifications:**

All applications will be reviewed based on stated and verified business information and business operations. Eligible businesses must:

- Be located within the City of Corpus Christi. Addresses may be verified using this [map](#).
- Have been in operation for at least one year as of the date the application is submitted.
- Be currently operational and able to demonstrate business activity through generated sales deposits on the most recent bank statement.
- Employ at least one full-time employee.
- Demonstrate revenue losses due to Stage 3 Water Restrictions.
- Be in good standing with the Texas Comptroller’s office, if applicable.
- No delinquent property taxes.
- Gambling businesses, speculative real estate investors, government entities and sexually oriented businesses are not eligible. Below is a list of prohibited NAICS codes however non exhaustive :

<b>NAICS code</b>	<b>Industry</b>
522292	Real Estate Credit
522294	Secondary Market Financing
525920	Trusts, Estates, and Agency Accounts
525990	Other Financial Vehicles
551112	Offices of Other Holding Companies
551114	Corporate, Subsidiary, and Regional Managing Offices
713210	Casinos (except Casino Hotels)
713290	Other Gambling Industries
721120	Casino Hotels
921130	Public Finance Activities

### **Scoring Methodology**

The program will be first come, first served, based on application submission time.

### **Grant Awards & Limitations**

Grants will be for revenue loss from Stage 3 water restrictions, up to \$50,000 to eligible micro and small businesses.

- Funds must be used to cover payroll expenses
- Applicants are only eligible to receive one grant per business at each physical address through this program.
- Applicants with multiple businesses may submit a separate application for each business location.
- Limited to one grant per physical address within the City of Corpus Christi
- Grant recipient must retain the same number of full-time regular employees for 6 months as the small business employed on December 15, 2024.

Grant amount will cover revenue loss from Stage 3 water restrictions up to \$50,000.00.

### **Required documents**

- Current Driver's license or government-issued photo ID
- Most recent payroll report, listing employee/contractor name, wages paid and period covered.
- Proof of business registration with Nueces County or Texas Secretary of State
- Most recent business utility bill (gas, electricity or water). Home based businesses may submit a home bill.
- Most recent business bank statement. (Personal bank statements will be accepted if business activity is clearly identifiable.)
- Grant resolution (LLCs, corporations, partnerships only). Templates will be provided in the application
- Documentation of revenue losses due to Stage 3 water restrictions.

### **Marketing and Outreach.**

- a. Create a free, publicly accessible webpage for the Program, including program eligibility criteria, timeline and link to application.
- b. Send eblast to Corpus Christi small businesses within LiftFund's network announcing the program.
- c. Organize two (2) informational sessions with live translation in Spanish, one (1) prior to application period and one (1) during application period.
- d. Press release prior to application period at the option of the City.
- e. Social media promotion on Contractor networks prior to and during application period.
- f. Provide application assistance, available in English and Spanish, from the application opening date through the duration of the program by phone and email.

### **Application Process:**

#### **Application:**

- Applicants will apply online through LiftFund’s landing page dedicated to the City’s approved program.
- Applicants may receive assistance submitting the application online via phone or email, or in person during two designated application days. A PDF copy of the application will be available on the website for applicants to preview before filling out online.
- Applicants will have the ability to log in and out of their application during the application period. Application portal will be closed to applicants once application period has ended.
- Applicants will receive submission confirmation by email when they submit; and
- Applications must be completed with all verification documents uploaded.

### **Application Assessment:**

Applications will be reviewed on a first-come, first served basis. LiftFund will review application information and automatically remove applications that do not meet the City’s program requirements, duplicate applications, and applications from businesses that are not located within the Corpus Christi city limits.

### **Awards:**

Selected recipients will be notified of approval via a Docusign email with the amount of the grant. The grant agreements will be signed electronically through DocuSign.

### **Reporting:**

LiftFund will provide weekly updates on Fridays while the program is active.

### **Funding:**

Funding of approved applicants occurs within 10 business days after recipient does all of the following: signs the Docusign award agreement, completes a virtual or in-person identity verification, and submits a voided check.

### **Program Timeline:**

February 14, 2025	Eligibility criteria finalized and contract signed
February 17- March 15, 2025	Build online application and website.
March 1- application close*	Program promotion: public virtual info session, social media, eblasts, press release
March 16, 2025	Application Opens
March 1, 2025	Administrative fee + ½ program funds released from City to LiftFund
March 23, 2025	First applicant Analysis Report submitted to City. Weekly pipeline reports are submitted until program concludes.
March 22 - June 15, 2025	Application Review, doc collection
March 29 - June 22, 2025	Award notification via Docusign
April 5, 2025- June 29,	Funding disbursement to awardees

2025	
July 31, 2025	Final Grants Award Analysis Report due to funder

\*Application portal will remain open until funds are exhausted. Deadlines for application review, award notification and funding may be adjusted accordingly.