



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of September 30, 2014  
Action Item for the City Council Meeting of October 14, 2014

**DATE:** September 18, 2012  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Mike Culbertson (361)  
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### **Type A Grant for Acción Texas Loan Buy Down Program for Fiscal Year 2014-2015**

#### **CAPTION:**

Resolution approving the renewal of a Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and Acción Texas, Inc. ("Acción") to provide grant amount up to \$250,000 for the interest buy down and grant programs for small businesses.

#### **PURPOSE:**

Approve the renewal of a Type A Grant for Acción Texas Loan Buy Down Program for Fiscal Year 2014-2015

#### **BACKGROUND AND FINDINGS:**

Acción Texas Inc. supports small and start-up companies with a loan interest buy-down program when traditional financing is not available. Type A has provided funding since 2004. Acción has assisted over 250 small businesses in the city since the inception of this program.

#### **ALTERNATIVES:**

Enlist local banks to lend to small businesses. To qualify for this program, small businesses must have been turned down for a bank loan. Additionally local banks already participate in the Small Business Administration (SBA) loan program.

#### **OTHER CONSIDERATIONS:**

By assisting small businesses the City is increasing the economic development and growing future jobs.

#### **CONFORMITY TO CITY POLICY:**

This project is consistent with the City's stated goals of promoting economic development and assisting small businesses thrive in Corpus Christi.

**EMERGENCY / NON-EMERGENCY:**

NON-EMERGENCY

**DEPARTMENTAL CLEARANCES:**

**FINANCIAL IMPACT:**

Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2014-2015</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		250,000		250,000
Encumbered / Expended Amount				
This item		250,000		250,000
BALANCE		0		0

Fund: Type A Fund 1140

**Comments:**

**RECOMMENDATION:**

Staff recommends that the City Council authorize the one year renewal of this Type A agreement

**LIST OF SUPPORTING DOCUMENTS:**

Certification of Funds  
Small Business Incentive Agreement Acción