

## RESOLUTION

**Approving a Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and LiftFund, Inc. (LiftFund) to provide grant up to \$250,000 for their loan buy-down program to assist small businesses and authorizing the City Manager, or designee, to execute a Project Support Agreement with the Corpus Christi Business and Job Development Corporation to administer the Small Business Incentives Agreement.**

**WHEREAS**, the Corpus Christi Business and Job Development Corporation ("Type A Corporation") has budgeted funds to assist businesses create or retain jobs in the City of Corpus Christi, Texas ("City").

**WHEREAS**, the Type A Corporation has requested proposals from businesses that will create or retain jobs within the City, and determined that the proposal from LiftFund for a loan buy-down program within the City will best satisfy this goal;

**WHEREAS**, City Council deems that it is the best interest of the City and citizens to approve the business incentives agreement for a loan buy-down program between the Type A Corporation and LiftFund;

**WHEREAS**, there is a need for a business incentive project support agreement between the City and the Type A Corporation for the implementation and administration of the business incentives agreement to assist small businesses between the Type A Corporation and LiftFund.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:**

**SECTION 1.** That the business incentives agreement for business development between the Type A Corporation and LiftFund for a loan buy-down program within the City of Corpus Christi, which agreement is attached to this resolution, is approved.

**SECTION 2.** That the City Manager, or designee, is authorized to execute a project support agreement between the City and Type A Corporation, in the form attached to this resolution, for the implementation and administration of the business incentives agreement with LiftFund.

This resolution takes effect upon City Council approval on this the \_\_\_\_ day of \_\_\_\_\_, 2015.

**ATTEST: THE CITY OF CORPUS CHRISTI**

\_\_\_\_\_  
Rebecca Huerta  
City Secretary

\_\_\_\_\_  
Nelda Martinez  
Mayor

**APPROVED:** \_\_\_\_ day of \_\_\_\_\_, 2015.

Corpus Christi, Texas

\_\_\_\_\_ of \_\_\_\_\_, 2015

The above resolution was passed by the following vote:

Nelda Martinez	_____	Brian Rosas	_____
Carolyn Vaughn	_____	Colleen McIntyre	_____
Rudy Garza	_____	Lillian Riojas	_____
Lucy Rubio	_____	Mark Scott	_____
Chad Magill	_____		

**SMALL BUSINESS INCENTIVES AGREEMENT BETWEEN THE CORPUS CHRISTI  
BUSINESS AND JOB DEVELOPMENT CORPORATION AND LIFTFUND, INC. FOR AN  
INTEREST BUY DOWN PROGRAM FOR SMALL BUSINESSES**

This Small Businesses Incentives Agreement for an Interest Buy Down Program for Small Businesses ("Agreement") is entered into between the Corpus Christi Business and Job Development Corporation ("Corporation") and LiftFund, Inc., a Texas nonprofit corporation ("LiftFund").

WHEREAS, the Texas Legislature in Section 4A of Article 5190.6, Vernon's Texas Revised Civil Statutes (Development Corporation Act of 1979), now codified as Subtitle C1, Title 12, Texas Local Government Code, Section 504.002 et seq, ("the Act"), empowered local communities with the ability to adopt an optional local sales and use tax as a means of improving the economic health and prosperity of their citizens;

WHEREAS, on November 5, 2002, residents of the City of Corpus Christi ("City") passed Proposition 2, New and Expanded Business Enterprises, which authorized the adoption of a sales and use tax for the promotion and development of new and expanded business enterprises at the rate of one-eighth of one percent to be imposed for 15 years;

WHEREAS, the 1/8th cent sales tax authorized by passage of Proposition 2 was subsequently enacted by the City Council and filed with the State Comptroller of Texas, effective April 1, 2003, to be administered by the Corpus Christi Business and Job Development Corporation Board;

WHEREAS, the Corpus Christi Business and Job Development Corporation exists for the purposes of encouraging and assisting entities in the creation of jobs for the citizens of Corpus Christi, Texas;

WHEREAS, the Board of Directors of the Corporation ("Board"), on August 17, 2015, amended the Corporation's Guidelines and Criteria for Granting Business Incentives ("Type A Guidelines"), which the City Council approved on September 15, 2015;

WHEREAS, Section 501.073 of The Act requires the City Council to approve all programs and expenditures of the Corporation;

WHEREAS, LiftFund is a Texas nonprofit corporation whose principal mission is to provide loans to small business owners lacking access to commercial credit;

WHEREAS, LiftFund anticipates, over the next twelve months, providing interest buy down to 5.5% for approximately 60 loans with an average value of \$25,000 to low and moderate income micro and small business owners in Corpus Christi to generate 20 new permanent full-time jobs;

WHEREAS, the Board has determined that it is in the best interests of the citizens of Corpus Christi, Texas that business development funds be provided to LiftFund, through this contract with LiftFund, to be used by LiftFund to buy down the interest on commercial loans to 5.5% interest for small businesses and establish a small business grant program, both of which will result in creation of new full-time permanent jobs in the city of Corpus Christi.

In consideration of the covenants, promises, and conditions stated in this Agreement, Corporation 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 for one year from October 1, 2015, through September 30, 2016. This Agreement may be extended at the option of the Corporation for up to two additional one year terms, contingent upon annual appropriation of funds and approval of the City Council. Per the guidelines, LiftFund must reapply every year for the grant.

3. **Loan Loss Reserve Program.**

a. The Corporation has previously provided \$75,000 for the Loan Loss Reserve Program.

b. The Loan Loss Reserve Program funds will be used to allow LiftFund to leverage additional capital for small business loans.

c. "Small business" is defined in the Corpus Christi Business & Job Development Corporation Guidelines & Criteria for Granting Business Incentives ("Corporation Guidelines").

d. LiftFund anticipates that it will have one million dollars available on an annual basis to be lent to qualifying small businesses in Corpus Christi.

e. For every \$50,000 in loans that LiftFund provides to a small business in Corpus Christi, LiftFund shall ensure that the loan will result in the creation of one new full-time permanent job in the city of Corpus Christi.

f. Businesses assisted must be located in or locating within the city limits of Corpus Christi, Texas.

g. Businesses assisted must be unable to obtain a loan from traditional lending institutions.

h. Loan amounts shall be within the range of \$5,000 to \$75,000.

i. LiftFund shall provide the Corporation with quarterly reports to identify the loans made, name and address of business receiving loan, jobs created, and other reports as requested by the Corporation.

j. LiftFund shall provide the corporation with quarterly reports of capital available for loans to qualified Corpus Christi small businesses or qualified small businesses locating to Corpus Christi.

k. LiftFund will provide funds for operations and loan capital to implement and sustain the program.

4. **Interest Buy Down Program.**

a. In consideration for creation and maintenance of new jobs as provided in this Agreement, the Corporation agrees to pay LiftFund up to \$200,000 for the Interest Buy-Down Program as follows:

i. LiftFund must first receive a request for a loan from a small business or start-up company that has the ability to produce jobs in the future and is located in Corpus Christi or will be locating in Corpus Christi ("Business").

ii. The request from the applicant must include a notarized affidavit stating that they have applied for normal financing from a bank, or similar lending institution, and have been denied a loan.

iii. LiftFund shall review the request for a loan from the Business.

iv. Upon LiftFund approval of a loan, and prior to the closing of the loan, LiftFund shall submit Attachment "A" to the Corporation requesting funds to buy down the interest rate from the interest rate allowable per the underwriting criteria to 5.5%. The Corporation authorizes an interest buy down up to 7% of the interest rate to finance the loan. Payment by Corporation shall not exceed \$17,500 per loan and shall be calculated using the following formula:

$$(\text{Loan amount} \times \text{interest rate to buy down to } 5.5\%) / 12 = N$$

$N \times \text{number of payments} = \text{interest buy down reimbursement to LiftFund for business loan.}$  (The number of monthly payments shall not exceed sixty (60).)

$$\text{Example: } (\$10,000 \times 7\%) / 12 = 58.33$$

$$58.33 \times 36 = \$2,100 = \text{amount to be reimbursed to LiftFund for business loan.}$$

v. The Corporation shall provide a response to approve or deny the reimbursement for the Interest Buy Down Program funds to LiftFund within 2 business days of receipt of Attachment "A." The Corporation shall reimburse funds within 30 days after evidence of closing the loan is submitted.

vi. The total funds available on an annual basis under the Interest Buy Down Program under this agreement are \$200,000.

b. The loans assisted with the program must be within the range of \$5,000 to \$75,000.

c. This program must result in the creation of one permanent full-time job per every loan of at least \$50,000 assisted with the Interest Buy Down Program. LiftFund shall ensure that the loan will result in the creation of one new full-time permanent job in the city of Corpus Christi.

d. Businesses assisted through this program must be:

i. A start-up or existing small business that is unable to obtain a loan from a traditional financial institution or unable to qualify for the total needed for a business loan through a bank or credit union, in which case LiftFund can loan the remaining amount with the buy down interest rate program in conjunction with the bank\credit union.

- ii. An existing small business that needs assistance to expand.
- iii. Any business assisted under the provisions of paragraphs i or ii of this subsection, must be:
  - A. Located in or locating in Corpus Christi city limits.
  - B. Current on payment of all sales taxes.
  - C. Current on payment of all ad valorem taxes in the City of Corpus Christi.
- e. The following projects are ineligible for this program:
  - i. Refinancing of existing loans or debt
  - ii. Businesses located outside the Corpus Christi city limits
  - iii. Home-based businesses
  - iv. Loans to existing businesses which are not planning on expanding
  - v. Business retention.
- f. LiftFund may use up to \$200,000 to assist start-up and existing small businesses that have little or no access to traditional credit.
- g. LiftFund shall provide the Corporation with quarterly reports as provided in Attachment "B" to identify the loans made, name and address of the business receiving the loan, jobs created under the Interest Buy Down Program, and other reports as requested by the Corporation.
- h. LiftFund shall provide funds for operations and loan capital to implement and sustain the program.
- i. LiftFund shall develop loan underwriting criteria and payment terms and conditions for its loan program and provide to the Corporation.
- j. At the termination of this agreement and after repayment or other conclusion of all loans assisted by Interest Buy Down Program, LiftFund will return to the Corporation any unexpended funds remaining from the Loan Loss Reserve Program.

#### 5. Small Business Grant Program.

- a. In consideration for creation and maintenance of new jobs as provided in this Agreement, the Corporation agrees to pay LiftFund up to \$50,000 for the Small Business Grant Program as follows:
  - i. Grants to loan applicants who do not meet standard underwriting criteria, either because of capacity, cash flow, or credit, who could benefit from a grant to boost their ability to become successful. The grant amount may not exceed \$2,500 or 10% of the principal amount requested, whichever is less.

- ii. Grants to loan applicants who want to use part of loan proceeds to reduce energy consumption or transition into green retail products. The grant amount may not exceed \$2,500 or 25% of the upgrades presented in the loan file.
  - iii. Grants to loan applicants who provide services for working families (e.g. both children and adult day care centers) to improve their facilities to be compliant with state/federal standards. The grant amount may not exceed \$2,500.
  - iv. Grants to loan applicants that are veteran owned businesses. The grant amount may not exceed \$500.
  - v. Working capital grants to holders of existing loans with LiftFund. If the loans that have paid routinely on time for a period of 24 months, the maximum grant amount may not exceed \$1,000. If the loans have been paid routinely on time for a period of 12 months on time payments, the maximum grant amount may not exceed \$500 grant.
- b. The loans assisted with the program must be within the range of \$500 to \$25,000.
- c. This program must result in the creation of one permanent full-time job per every related loan of at least \$50,000 assisted through the Interest Buy Down Program. LiftFund shall ensure that the loans will result in the creation of one new full-time permanent job in the city of Corpus Christi.
- d. Businesses assisted through this program must be:
  - i. A start-up or existing small business that is unable to obtain a loan from a traditional financial institution or unable to qualify for the total needed for a business loan through a bank or credit union, in which case LiftFund can loan the remaining amount with the Buy Down interest rate program in conjunction with the bank\credit union.
  - ii. An existing small business that needs assistance to expand.
  - iii. Any business assisted under the provisions of paragraphs i or ii of this subsection, must be:
    - A. Located in or locating in Corpus Christi city limits.
    - B. Current on payment of all sales taxes.
    - C. Current on payment of all ad valorem taxes in the City of Corpus Christi.
- e. The following projects are ineligible for this program:
  - i. Businesses located outside the Corpus Christi city limits
  - ii. Home-based businesses located outside the Corpus Christi city limits
  - iii. Grants to existing businesses which are not planning on expanding

f. LiftFund shall provide the Corporation with quarterly reports as provided in Attachment "B" to identify the grants made, name and address of the business receiving the grant, jobs created under the related Interest Buy Down Program, and other reports as requested by the Corporation.

g. LiftFund shall provide funds to implement and sustain the program.

h. LiftFund shall develop grant award criteria and payment terms and conditions for the grant loan program, and must provide copies of the criteria, terms, and conditions to the Corporation.

i. At the termination of this agreement or other conclusion of the Small Business Grant Program, LiftFund shall return to the Corporation any unexpended funds remaining from the Small Business Grant Program.

#### 6. Job Creation Qualification.

a. In order to count as a created job under this Agreement, the job must pay wages at least as high as the median wage of the occupation in the Corpus Christi MSA as determined by Texas Workforce Commission's Texas Industry Profiles report.

b. A "job" is defined in the Type A Guidelines as a full-time employee, contractor, consultant, or leased employee who has a home address in the Corpus Christi MSA.

c. LiftFund agrees to confirm and document to the Corporation that each job created as a result of funding provided by this Agreement is maintained throughout the term of the loan to the Business.

d. LiftFund agrees to provide Corporation with a sworn certificate by authorized representative of each small business assisted under this Agreement certifying the number of full-time permanent employees employed by the small business.

e. LiftFund shall ensure that the Corporation is allowed reasonable access to personnel records of the small businesses assisted under this Agreement.

#### 7. Buy Local Provision.

a. LiftFund agrees to use its best efforts to give preference and priority to local manufacturers, suppliers, contractors, and labor, except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operating efficiency.

b. For the purposes of this section, the term "local" as used to describe manufacturers, suppliers, contractors, and labor includes firms, businesses, and persons who reside in or maintain an office within a 50 mile radius of Nueces County.

8. Local Offices. Two staff persons of LiftFund offices shall be located in Corporation designated offices or a mutually agreeable location.

9. Representation on LiftFund governing board. LiftFund agrees to appoint a person designated by the Corporation as a member of LiftFund governing board.



10. Warranties. LiftFund warrants and represents to Corporation 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 has received a copy of the Act and 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 Corporation 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 §U.S.C. Section 1324a(f), 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.

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

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

13. Force Majeure. If the Corporation or LiftFund are 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 Corporation or LiftFund are 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.

14. 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 Corporation and City. Any attempted assignment without approval is void, and constitutes a breach of this Agreement.

**15. Indemnity. LiftFund covenants to fully indemnify, save, and hold harmless the Corporation, 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 or are in any manner connected with, or are claimed to arise out of or be in any manner connected with LiftFund activities conducted under or incidental to this Agreement, including any injury, loss or damage caused by the sole or contributory negligence of any or all of the Indemnitees. LiftFund must, at its own expense, investigate all those 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.**

16. 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 requirements, obligations, duties, terms, conditions, or warranties of this Agreement.
- b. The Corporation or 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 Corporation in connection with this Agreement was incorrect or misleading in any material respect when made.
- c. Any 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.
- 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, and LiftFund fails to timely and properly follow the legal procedures for protest or contest.
- g. LiftFund changes the general character of business as conducted of the date this Agreement is approved by the Corporation.

17. Notice of Default. Should the Corporation or City determine that LiftFund is in default according to the terms of this Agreement, the Corporation or 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.

18. 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 Board of Directors of the

Corporation, 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 Corporation under this Agreement.
- b. LiftFund shall pay Corporation reasonable attorney fees and costs of court to collect amounts due to Corporation.
- c. The Corporation shall have no further obligations to LiftFund under this Agreement.
- d. Neither the City nor the Corporation may be held liable for any consequential damages.
- e. The Corporation may pursue all remedies available under law.

19. 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' default may not be considered an estoppel against the Corporation.
- 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 Corporation to promptly avail itself of the rights and remedies that the Corporation may have, will not be considered a waiver on the part of the Corporation, but Corporation may at any time avail itself of the rights or remedies or elect to terminate this Agreement on account of the default.

20. LiftFund specifically agrees that Corporation shall only be liable to LiftFund for the actual amount of the money grants to be conveyed to LiftFund, and 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 Corporation under the terms of this agreement. Payment by Corporation is strictly limited to those funds so allocated, budgeted, and collected solely during the grant term of this agreement, being October 1, 2015, through September 30, 2016. Corporation shall use its best efforts to anticipate economic conditions and to budget accordingly. 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 Corporation 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 Corporation's customary and usual costs and expenses, as compared to each contracting parties' grant amount for that year, and Corporation shall not be liable to for any deficiency at that time or at any time in the future. In this event, Corporation 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.

**21. Notices.**

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

**LiftFund:**

LiftFund, Inc.  
Attn.: Janie Barrera  
2014 Hackberry  
San Antonio, Texas 78210

**Corporation:**

City of Corpus Christi  
Business and Job Development Corporation  
Attn.: Executive Director  
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.

**22. Incorporation of other documents.** The Corpus Christi Business and Job Development Corporation Guidelines and Criteria for Granting Business Incentives ("Corporation Guidelines"), as amended, are incorporated into this Agreement.

**23. 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.

**24. Relationship of Parties.** In performing this Agreement, both the Corporation and LiftFund will act in an individual capacity, and not as agents, representatives, employees, employers, partners, joint-venturers, 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.

**25. 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.

**26. 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 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 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.

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

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

29. Survival of terms of agreement and obligations of parties. The terms of this agreement and the obligation of the parties relating to the Loan Loss Reserve Program and the Interest Buy Down Program shall survive the termination of this agreement.

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APPROVED AS TO FORM: \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
\_\_\_\_\_  
Assistant City Attorney  
For City Attorney

**Corpus Christi Business & Job Development Corporation**

By: \_\_\_\_\_  
Dr. Bryan Gulley  
President

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

**Attest:**

By: \_\_\_\_\_  
Rebecca Huerta  
Assistant Secretary

**LiftFund, Inc.**

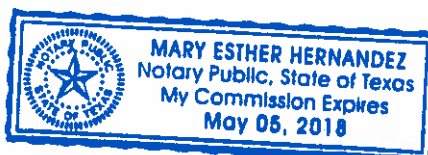
By:   
Janie Barrera  
President and Chief Executive Officer

Date: 9/25/15

THE STATE OF TEXAS     §  
  §  
COUNTY OF BEXAR     §

This instrument was acknowledged before me on September 25, 2015, by Janie Barrera, President and Chief Executive Officer for LiftFund, Inc., a Texas non-profit corporation, on behalf of the corporation.

  
Notary Public  
State of Texas



## **BUSINESS INCENTIVE PROJECT SERVICE AGREEMENT**

This Business Incentives Project Service Agreement ("Project Service Agreement") is entered into between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and the City of Corpus Christi, Texas ("City").

WHEREAS, the Texas Legislature in Section 4A of Article 5190.6, Vernon's Texas Revised Civil Statutes (Development Corporation Act of 1979), now codified as Subtitle C1, Title 12, Texas Local Government Code Section 504.002 et seq, ("the Act"), empowered local communities with the ability to adopt an optional local sales and use tax as a means of improving the economic health and prosperity of their citizens;

WHEREAS, on November 5, 2002, residents of the City passed Proposition 2, New and Expanded Business Enterprises, which authorized the adoption of a sales and use tax for the promotion and development of new and expanded business enterprises at the rate of one-eighth of one percent to be imposed for 15 years;

WHEREAS, the 1/8 cent sales tax authorized by passage of Proposition 2 was subsequently enacted by the City Council and filed with the State Comptroller of Texas, effective April 1, 2003, to be administered by the Type A Corporation's Board of Directors ("Board");

WHEREAS, the Type A Corporation exists for the purposes of encouraging and assisting entities in the creation of jobs for the citizens of Corpus Christi, Texas;

WHEREAS, the City Council approved the Corporation's amended Guidelines and Criteria for Granting Business Incentives on September 15, 2015;

WHEREAS, Section 501.073 of the Act requires the City Council to approve all programs and expenditures of the Type A Corporation;

WHEREAS, LiftFund, Inc. ("LiftFund") has submitted a proposal to the Type A Corporation requesting business development funds from the Board to assist small businesses by providing a loan buy-down program;

WHEREAS, the Board has determined that it is in the best interests of the citizens of Corpus Christi, Texas, to fund LiftFund's loan buy-down program; and

WHEREAS, the Type A Corporation and LiftFund have executed a small business incentive agreement for a loan buy-down program to support small businesses.

In consideration of the covenants, promises, and conditions stated in this Project Service Agreement, the Type A Corporation and the City agree as follows:

**1. Project Service Agreement to Implement Business Incentives Agreement.** This Project Service Agreement between the City and the Type A Corporation is executed to implement the Small Business Incentive Agreement between the Type A Corporation and LiftFund related to LiftFund's loan buy-down program to support small businesses in Corpus Christi ("Business Incentive Agreement").

**2. Term.** The term of this Project Service Agreement runs concurrently with the term of the Business Incentive Agreement.

**3. Services to be Provided by City.**

- a. The City Manager or designee shall administer funding on behalf of the Type A Corporation.
- b. The City Manager or designee shall perform contract administration responsibilities outlined in the Business Incentive Agreement for the Type A Corporation.

**4. Appropriation of Funds.** Any future payments by the City are subject to appropriation of funds by City Council.

**5. Effective Date.** The effective date of this Project Service Agreement is the same date as the Business Incentive agreement.

**6. Amendments or Modifications.** No amendments or modifications to this Project Service 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.

**7. Severability.**

a. If for any reason, any section, paragraph, subdivision, clause, provision, phrase or word of this Project Service Agreement or the application of this Project Service Agreement to any person or circumstance is, to any extent, held 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 Project Service 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 Project Service Agreement that every section, paragraph, subdivision, clause, provision, phrase, or word of this Project Service Agreement be given full force and effect for its purpose.

b. To the extent that any clause or provision is held illegal, invalid, or unenforceable under present or future law effective during the term of this Project Service Agreement, then the remainder of this Project Service 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 Project Service Agreement automatically.

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



APPROVED AS TO FORM: \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
\_\_\_\_\_

Assistant City Attorney  
For City Attorney

**The City of Corpus Christi**

**Corpus Christi Business &  
Job Development Corporation**

\_\_\_\_\_  
Ronald L. Olson  
City Manager  
Date: \_\_\_\_\_

\_\_\_\_\_  
Dr. Bryan Gulley  
President  
Date: \_\_\_\_\_

Attest

\_\_\_\_\_  
Rebecca Huerta  
City Secretary