



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Meeting August 15, 2016

DATE: July 19, 2016

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Margie Rose, City Manager

FROM: Mike Culbertson, COO
Corpus Christi Regional Economic Development Corporation
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Grant for LiftFund

CAPTION:

Motion approving the renewal of the Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and LiftFund, Inc. to provide a grant of up to \$250,000 in FY17 for a loan Buy-down program.

PURPOSE:

Approve a Type A Grant for LiftFund for a loan buy-down program for Fiscal Year 2017

BACKGROUND AND FINDINGS:

LiftFund, 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. LiftFund has loaned over \$7 million of their own funds and has assisted over 250 small businesses in the city since the inception of this program. In 2016 LiftFund has made loans to 32 different businesses. These businesses have created 34 new jobs and retained 108 jobs. The Board approved the Small Business Assistance budget in June that included this program.

The Board of Directors of the Corpus Christi Regional Economic Development Corporation recommended approval during their August 11, 2016 meeting. The letter of recommendation is attached.

ALTERNATIVES:

Enlist local banks to lend to small businesses. However 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 helping 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:

Legal

FINANCIAL IMPACT:

☐ Operating ☐ Revenue ☐ Capital ☐ Not applicable

Fiscal Year: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
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: This item was approved in the Type A Small Business budget

RECOMMENDATION:

Staff recommends approving the grant for one year for \$250,000 for their small business loan buy-down program.

LIST OF SUPPORTING DOCUMENTS:

Letter from LiftFund
Small Business Agreement - LiftFund