



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 13, 2016
Action Item for the City Council Meeting of September 20, 2016

DATE: August 22, 2016
TO: Margie C. Rose, City Manager
FROM: Mike Culbertson, Chief Operating Officer - CCREDC
(361) 882-7448
mculbertson@ccredc.com

Grant for LiftFund, Inc.

CAPTION:

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.

PURPOSE:

Approve a Type A Grant for LiftFund for their 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.

The Board of Directors of the Corpus Christi Regional Economic Development Corporation recommended approval during their August 11, 2016 meeting. The Type A Board approved the grant at their August 15, 2016 meeting.

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: 1140 Type A Small Projects

Comments: This item was approved in the Type A Small Business budget for fiscal year 2017.

RECOMMENDATION:

Staff recommends approval of a grant of \$250,000 for LiftFund for the fiscal year 2017.

LIST OF SUPPORTING DOCUMENTS:

Resolution – FY 17 LiftFund

Agreement – FY 17 LiftFund

Project Support Agreement – FY 17 LiftFund