



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of November 13, 2018  
Action Item for the City Council Meeting of November 27, 2018

**DATE:** October 16, 2018  
**TO:** Keith Selman, Interim City Manager  
**FROM:** Mike Culbertson  
(361) 882-7448  
mculbertson@ccredc.com

### **Renewal of Type A Grant for LiftFund, Inc.**

#### **CAPTION:**

Resolution 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 up to \$250,000.

#### **PURPOSE:**

Approve a Type A Grant for LiftFund for their loan buy-down program for fiscal year 2019

#### **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 September 11, 2018 meeting. The Type A Board approved the grant at their September 17, 2018 meeting.

The current agreement will buy down the interest to 5.5%. LiftFund asked that the interest could be bought down to 0% for those businesses that take out loans to deal with Hurricane Harvey damage.

#### **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

<b>Fiscal Year: 2018-2019</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		703,500		703,500
Encumbered / Expended Amount		0		0
This item		250,000		250,000
BALANCE		453,500		453,500

Fund: 1140 Business Job Development (Type A)

**Comments:** Org 15020 Small Business Projects

**RECOMMENDATION:**

Staff recommends approval of an agreement for LiftFund for \$250,000 for the fiscal year 2019.

**LIST OF SUPPORTING DOCUMENTS:**

Resolution  
Agreement