



AGENDA MEMORANDUM
Type B Corporation Meeting April 3, 2020

DATE: March 31, 2020

TO: President and Honorable Board Members,
Type B Corporation

FROM: Mike Culbertson
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| Initiatives for Small Business Recovery |
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CAPTION:

Discussion and possible action regarding a small business recovery initiative for businesses within the City of Corpus Christi.

SUMMARY:

The purpose of this agenda item is to utilize Type B funds to help small businesses weather the current slow-down in the economy due to the COVID-19 pandemic.

BACKGROUND AND FINDINGS:

Due to the current “stay-at-home orders” from federal, state and local authorities resulting from the COVID-19 pandemic, most small businesses have had to reduce their staff and their hours of operation or have closed completely. This has put a tremendous strain on those businesses and has resulted in many layoffs. It is estimated that unemployment may rise to 30% in April. In an effort to help these businesses either continue in business or to ensure that they can reopen once the orders are lifted, these companies need a grant and/or loan program to get through this downturn.

ALTERNATIVES:

The United States Congress has passed the CARES Act and the Small Business Administration have implemented programs that can help businesses in need. These programs take time and most companies cannot wait.

FINANCIAL IMPACT:

This item is intended to obligate \$2,000,000 of the unreserved fund balance in the Fund 1145 Type B Fund. These funds will need to be appropriated and the Fiscal Year 2020 budget will need to be amended if this action is approved.

Funding Detail:

Fund: 1145 Type B Fund
Organization/Activity: 15040 BJD – Incentive Economic Development
Mission Element: 707 Economic Development
Project # **(CIP Only)**:
Account: 530000 Professional Services

RECOMMENDATION:

Staff recommends approval of a program for small business recovery of up to \$2,000,000 to help small businesses within the City of Corpus Christi's city limits recover from the negative impact resulting from the COVID-19 pandemic.

LIST OF SUPPORTING DOCUMENTS:

List of Coronavirus (COVID-19) Small Business Relief Programs