



# CITY OF MCKINNEY, TEXAS

## Legislation Details (With Text)

**File #:** 20-0625      **Name:** Tri-City Small Business Grant Program  
**Type:** Resolution      **Status:** Approved  
**In control:** City Council Regular Meeting  
**On agenda:** 7/21/2020      **Final action:** 7/21/2020  
**Title:** Consider/Discuss/Act on a Resolution Increasing the Program Budget for the Tri-City Collin County Small Business Grant Program in an Amount not to Exceed \$5,600,000 of Collin County Direct Allocation Cares Act Funds; and Providing for an Effective Date

**Indexes:**

**Attachments:** 1. Resolution

Date	Ver.	Action By	Action	Result
7/21/2020	1	City Council Regular Meeting		

Consider/Discuss/Act on a Resolution Increasing the Program Budget for the Tri-City Collin County Small Business Grant Program in an Amount not to Exceed \$5,600,000 of Collin County Direct Allocation Cares Act Funds; and Providing for an Effective Date

**COUNCIL GOAL:** Direction for Strategic & Economic Growth

**MEETING DATE:** July 21, 2020

**DEPARTMENTS:** City Manager’s Office  
McKinney Economic Development Corporation (MEDC)

**CONTACT:** Kim Flom, Assistant City Manager  
Peter Tokar, MEDC Executive Director

**REQUESTED ACTION:**

- Resolution approval.

**ITEM SUMMARY:**

- Consider a resolution increasing the program budget for the Tri-City Small Business Grant Program.
- The budget amendment proposes adding \$600,000 of the Direct Cost Program allocation of CARES Act funding from Collin County to the Tri-City Business Grant Program.
- If approved, Business Grant Program would utilize up to \$5,600,000 of the \$10,098,347.55 Collin County CARES Act Direct Allocation funds.

**BACKGROUND INFORMATION:**

- The City Council authorized the Tri-City Small Business Grant Program on June 23, 2020.
- 231 applications were received, requesting a total amount in excess of program funds.
- Rather than deny some applications based on scoring, the program budget can be increased

in order to fund all eligible applications.

- Application reviews are still in process, but the third-party administrator estimates that eligible funding requests would not exceed \$5,209,000. Associated administrative costs are estimated at \$390,630, resulting in a total funding requirement of \$5,599,630.
- The budget amendment has been drafted as a not to exceed of \$5,600,000. Because the reviews are not finalized, it is possible that the total funding needed will be less than the proposed amount.
- If the program budget remains at \$5,000,000, the third-party administrator will continue to review. Funding will be awarded to the most eligible applicants based on score, per the program guidelines.

**FINANCIAL SUMMARY:**

- As proposed, this program would utilize \$5,600,000 (55%) of the Direct Cost Program allocation of CARES Act funding from Collin County. The \$5,600,000 will fund awarded business grants and associated administrative fees (7% plus a fixed fee of \$26,000) per the TPA contract.
- Funding is available from the CARES Act Direct Cost Program to cover this request.

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**PROPOSED MOTION**

I move to approve the Resolution increasing the program budget for the Tri-City Collin County Small Business Grant Program in an amount not to exceed \$5,600,000 of Collin County Direct Allocation Cares Act Funds; and providing for an effective date.