



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 19, 2023

DATE: August 23, 2023
TO: Peter Zanoni, City Manager
FROM: Randy Almaguer, CCREDC
ralmaguer@ccredc.com
(361) 882-7448

Texas A&M University – Corpus Christi Internship Program

CAPTION:

One-reading ordinance authorizing an amendment to a Small Business Incentives Agreement between the Corpus Christi B Corporation and Texas A&M University – Corpus Christi, which increases the funding by \$25,000.00 for a total amount not to exceed \$125,000.00 for the 2023 internship program; appropriating \$25,000 from the unreserved fund balance of the Type B fund; and amending the budget.

SUMMARY:

This ordinance allocates additional funds of \$25,000.00 for the Texas A&M University – Corpus Christi Internship Program. The program is having great success with the \$7.25 match with participating small businesses and anticipates an increase in participation for the fall semester, 2023.

BACKGROUND AND FINDINGS:

During the September 18, 2023, meeting, the Type B board passed an amendment with Texas A&M University – Corpus Christi internship program to increase the FY2023 budget by \$25,000.00 for a total amount not to exceed of \$125,000.00.

Texas A&M University – Corpus Christi requests an increase of funding for FY23 of \$25,000.00. With the increase in pay to \$14.50, there has been an increase in the number of positions that could be filled with the additional funding. The program for this calendar year has spent \$51,407.49; funding 31 interns at 20 different businesses across Corpus Christ, with three interns converted to full-time positions. This past year 45 different businesses across Corpus Christi hosted interns: ranging from accounting, engineering & construction, healthcare, advertising & marketing, financial services, banking, education, insurance, and hospitality.

Type B board approved the FY'24 TAMUCC internship program budget amount of \$150,000.00 during the July 17, 2023 meeting.

Texas A&M University – Corpus Christi has a program where students can work for a local company as an intern. The local company will pay minimum wage while the Type B grant will match the wage up to \$7.25 per hour plus FICA. This encourages companies to hire interns, it

allows the student to get real work experience, and has a goal to create new jobs. The Type A and now B Board has funded this program since 2007. This agreement would run until December 31st which is the end of a semester to better manage the program.

ALTERNATIVES:

The City Council may choose not to increase the additional funding or choose a lesser amount.

FISCAL IMPACT:

This item will add \$25,000.00 from the Type B Sales Tax for a total amount not to exceed of \$125,000.00 for the 2023 internship program.

FUNDING DETAIL:

Fund: 1146 B Corporation Fund
Organization/Activity: 15020 Small Business Projects
Mission Element: 707
Project # (CIP Only):
Account: 530000 Professional Services

RECOMMENDATION:

Staff recommend approving the funding increase.

LIST OF SUPPORTING DOCUMENTS:

Letter Requesting Type B Funding Increase
Amended Agreement