



## AGENDA MEMORANDUM

First Reading Ordinance the City Council Meeting of September 13, 2016  
Second Reading Ordinance for the City Council Meeting of September 20, 2016

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**DATE:** August 17, 2016

**TO:** Margie C. Rose, City Manager

**FROM:** Mike Culbertson, Chief Operating Officer- CCREDC  
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Type A Grant for Texas A&M University – Corpus Christi

### **CAPTION:**

Ordinance approving a Business Incentive Agreement between the Corpus Christi Business and Job Development Corporation (“Type A Corporation”) and Texas A&M University - Corpus Christi to provide a grant of \$2,000,000 to expand its undergraduate degrees in civil and industrial engineering and authorizing the City Manager, or designee, to execute a Business Incentive Project Service Agreement with the Type A Corporation regarding implementation and administration of the Texas A&M University - Corpus Christi Business Incentive Agreement; and appropriating \$2,000,000 from the unreserved fund balance in the No. 1140 Business/Job Development Fund for said business incentive grant from the Type A Corporation to Texas A&M University - Corpus Christi and changing the FY 2015-2016 operating budget, adopted by Ordinance No. 030620, by increasing proposed expenditures by \$2,000,000.

### **PURPOSE:**

Provide a grant from the Type A fund to Texas A&M University – Corpus Christi (TAMU-CC) to expand their undergraduate degrees in civil and industrial engineering by reimbursing TAMU-CC to purchase laboratory equipment for their civil and industrial engineering programs and construction and/or retrofitting existing labs for civil and industrial engineering as needed.

### **BACKGROUND AND FINDINGS:**

The City previously approved a grant of \$1 million for the Mechanical Engineering program and \$1 million for the Electrical Engineering program at TAMU-CC. The enrollment numbers have exceeded projections and ABET accreditation was achieved earlier than anticipated. The need for additional engineers statewide and locally remains high today, as evidenced by a wide range of data from State and industry sources.

The establishment of the Civil and Industrial Engineering degrees at TAMU-CC will benefit the City in many ways, including but not limited to:

- Will be aligned with projected workforce needs-for example, civil engineering will serve the workforce need of construction industry and industrial engineering will support the Port of Corpus Christi and related industries as students are trained to become first-line supervisors of production and operation;
- Will support the University and A&M System's autonomous systems initiatives, specifically the UAS program, which is a four-billion-dollar energy industry;
- Will take advantage of the FAA designation of Lone Star UAS Center of Excellence and Innovation (LSUASC) to provide unique education and research opportunities to engineering students. LSUASC is one of six FAA designated sites in the U.S. and one of three sites led by academic institutions of higher learning;
- Will emphasize recruitment of underrepresented students and faculty, including Hispanics, African-Americans, and females;
- Will be built from the ground up to ensure transfer student success, by including early and consistent collaboration with our main transfer partner, Del Mar College, and by following relevant Texas High Education Coordinating Board enabled transfer compacts in the specific engineering disciplines;
- Will include a strong effort to recruit Texas and U.S. students into these programs building on local and regional initiatives;
- Will include initiatives to increase high school student's inherent interest in engineering as occupation and major, to be part of an effort to increase the level of student attainment of college and career readiness.

Texas A&M University-Corpus Christi will supply matching funds in the Civil and Industrial Engineering programs for purchase of laboratory equipment and constructing and/or retro-fitting labs for their civil and industrial engineering programs and retrofit existing labs for civil and industrial engineering as needed.

The \$2 million requested from the Type A Board will be paid out over time as the laboratories are being built and equipped.

**ALTERNATIVES:**

This is the only incentive for this project.

**OTHER CONSIDERATIONS:**

None

**CONFORMITY TO CITY POLICY:**

This project is consistent with the City's stated goals of promoting economic development and incentivizing business to locate and thrive in Corpus Christi

**EMERGENCY / NON-EMERGENCY:**

NON-EMERGENCY

**DEPARTMENTAL CLEARANCES:**

None

**FINANCIAL IMPACT:**

- Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2015-2016</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget				
Encumbered / Expended Amount				
This item		2,000,000		2,000,000
BALANCE		2,000,000		2,000,000

Fund: Type A Fund

**RECOMMENDATION:**

Staff recommends approving of this \$2 million grant to Texas A&M University – Corpus Christi for the lab equipment and retro-fitting for their civil and industrial engineering programs.

**LIST OF SUPPORTING DOCUMENTS:**

- Ordinance – TAMU-CC Civil and Industrial Engineering
- Business Incentive Agreement – TAMU-CC Civil and Industrial Engineering
- Business Support Agreement – TAMU-CC Civil and Industrial Engineering