



AGENDA MEMORANDUM

Future Item for the City Council Meeting of October 13, 2015

Action Item for the City Council Meeting of October 20, 2015

DATE: September 23, 2015

TO: Ronald L. Olson, City Manager

FROM: Mike Culbertson, Chief Operating Officer
Corpus Christi Regional Economic Development Corporation
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Grant for Del Mar College Internship Program

CAPTION:

Resolution approving a Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and Del Mar College to provide grant up to \$217,223 for their internship program to assist small businesses and authorizing the City Manager, or designee, to execute a Project Support Agreement with the Corpus Christi Business and Job Development Corporation to administer the Small Business Incentives Agreement.

PURPOSE:

The purpose of this item is to award a Business and Job Development Corporation ("Type A") Grant for Del Mar's Internship Program through a Small Business Incentives Agreement ("Agreement") for a period lasting until December 31, 2016.

BACKGROUND AND FINDINGS:

Del Mar has an Internship program where students can work for a local company as an intern. The local company will pay minimum wage while the Type A Grant will match the wage up to \$5.00 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 Program has received Type A Funding since 2007.

The Type A Board requested CCREDC staff look at ways to improve the administration and return of the Internship Program. Staff looked at average intern wages and the concerns that were discussed at the April 7th Type A Workshop. This updated Agreement addresses those concerns by:

- 1) creating a maximum match of \$5.00 per hour, versus the previous \$7.25 per hour;
- 2) codifying the employment performance requirement;
- 3) codifying reporting requirements, specifically whether student received employment in area, also codified in the updated Type A Guidelines; and
- 4) including skills for the programs the Type A Board has funded, such as Aviation and Process and Instrumentation Programs.

To ease administration and coordination with Del Mar's semester schedule, this Agreement is

for a term lasting until December 31, 2016.

Del Mar College Internship Progress Report 2008-2015

Year	# of F/T Jobs Created	# of P/T Interns Placed	# of Interns Placed	# of Employers unduplicated
2008-2009	8	0	102	27
2009-2010	4	36	71	24
2010-2011	6	16	64	19
2011-2012	6	41	93	22
2012-2013	14	21	85	25
2013-2014	21	24	93	26
2014-2015	23	24	93	29

Total number from 2008-2015

Of F/T Jobs = 82

Of Interns Placed = 601

Of P/T Jobs = 162

Of Employers = 172

ALTERNATIVES:

The Council may choose to not fund the program or to fund it at a lower amount.

OTHER CONSIDERATIONS:

- Recommended for Approval by the CCREDC Board on August 13, 2015.
- Approved by Type A Board on September 21, 2015.

CONFORMITY TO CITY POLICY:

This is in keeping with the stated goal of promoting and retaining businesses.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal

FINANCIAL IMPACT:

- Operating Revenue Capital Not applicable

Fiscal Year: 2015-2016	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget			217,223	217,223
Encumbered / Expended Amount				
This item			217,223	217,223
BALANCE			0	0

Fund: Type A Fund

Comments: This item was approved in the Type A Small Business budget

RECOMMENDATION:

Staff recommends approving the grant for \$217,223 for the internship program.

LIST OF SUPPORTING DOCUMENTS:

Resolution & Agreement – Del Mar Internship Grant