



AGENDA MEMORANDUM

Future Item for the City Council Meeting of November 13, 2012
Action Item for the City Council Meeting of November 20, 2012

DATE: October 24, 2012

TO: Ronald L. Olson, City Manager

THROUGH: Wes Pierson, Assistant City Manager
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An amendment to the Type A Agreement for Rugged Cycles

CAPTION:

Resolution approving an amended business incentives agreement between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and Plant Bikes LLC ("Rugged Cycles"), to provide a grant of up to \$200,000 to purchase and improve a manufacturing facility in Corpus Christi and the creation and retention of jobs.

PURPOSE:

The amendment would allow Rugged Cycles to move to any facility within the city limits of the city.

BACKGROUND AND FINDINGS:

Rugged Cycles is a home grown small business that offers a chainless and airless tire bicycle for lease to large entities such as colleges or large industrial plants. Rugged Cycles will locate their headquarters here in downtown Corpus Christi. They will purchase their current building and create/retain 24 employees. This was approved by the Type A Board on April 16, 2012. The City Council approved the agreement on May 29, 2012. The original agreement is location specific to their current building. Rugged Cycles has been unable to come to terms with the owner of their current location. The amendment would allow Rugged Cycles to move to any facility within the city limits of the city.

ALTERNATIVES:

Rugged Cycles will relocate to a city where they have a contract.

CONFORMITY TO CITY POLICY:

This project is in line with the City's stated goal of increasing training opportunities for local residents to obtain jobs in local industries.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Type A Board

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: Type A funds have already been appropriated.

RECOMMENDATION:

Staff recommends approval of the amendment for Rugged Cycles to change the agreement to any location in Corpus Christi city limits

LIST OF SUPPORTING DOCUMENTS:

Amended Business Incentive Agreement
Resolution