



AGENDA MEMORANDUM

Future Item for the City Council Meeting of December 13, 2016
Action Item for the City Council Meeting of December 20, 2016

DATE: November 15, 2016
TO: Margie C. Rose, City Manager
FROM: Mike Culbertson
(361) 882-7448
mculbertson@ccredc.com

Grant for Texas A&M University – Corpus Christi Internship Program

CAPTION:

Resolution approving a Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and Texas A&M University - Corpus Christi (TAMU-CC) to provide grant up to \$150,000 for their internship program to assist small businesses.

PURPOSE:

Award a Type A Grant for Texas A&M University's Internship Program for Small Business Assistance until December 31, 2017

BACKGROUND AND FINDINGS:

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 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 Type A Board has funded this program since 2007.

The Board requested staff to look at other alternatives. As such the staff looked at average intern wages and the concerns that were reviewed at the TYPE A Workshop held on April 7, 2015. The agreement addressed those concerns and also allows the use of the intern program for companies that hire those skills that the Type A Board has supported in the past such as the aviation and the process and instrumentation programs.

This agreement would run until December 31st which is the end of a semester to better manage the program.

The Board of Directors of the Corpus Christi Regional Economic Development Corporation recommended approval during their August 11, 2016 meeting. The Type A Board approved the grant at their November 14, 2016 meeting.

Texas A&M University Internship Progress Report 2008-2016

Year	# of F/T Jobs Created	# of P/T Interns Placed	# of Interns Placed	# of Employers unduplicated
2008-2009	10	1	66	25
2009-2010	6	0	84	20
2010-2011	15	9	102	27
2011-2012	8	19	111	28
2012-2013	8	5	115	28
2013-2014	28	12	85	36
2014-2015	15	15	87	30
2015-2016 YTD	7	8	88	30

Total number from 2008-2016

Of F/T Jobs = 97

Of P/T Jobs = 69

Of Interns Placed = 738

Of Employers = 224

ALTERNATIVES:

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

OTHER CONSIDERATIONS:

Not applicable

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: 2016-2017	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		150,000		150,000
Encumbered / Expended Amount				
This item		150,000		150,000
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 \$150,000 for the internship program.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Agreement