



## AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of October 14, 2014  
Second Reading Ordinance for the City Council Meeting October 21, 2014

**DATE:** September 22, 2014  
**TO:** Ronald L. Olson, City Manager  
**FROM:** Mike Culbertson  
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### Type A Grant for Conexia Inc

#### **CAPTION:**

Ordinance approving a Business Incentive Agreement between the Corpus Christi Business and Job Development Corporation ("Type A Corporation") and Conexia Inc ("Conexia") to provide a grant of up to \$160,000, for the creation of jobs 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 Conexia Business Incentive Agreement for the creation of jobs; and appropriating \$160,000 from the unreserved fund balance in the No. 1140 Business/Job Development Fund for said business incentive grant from the Type A Corporation to Conexia; and changing the FY 2014-2015 operating budget, adopted by Ordinance No. 030294, by increasing proposed expenditures by \$160,000.

#### **PURPOSE:**

Conexia will create jobs in Corpus Christi. They will create 80 full-time employees with an annual payroll of \$5,840,000.

#### **BACKGROUND AND FINDINGS:**

Conexia plans to lease space in downtown Corpus Christi and operate their specialized information technology design, development, maintenance and transaction processing services to health payers (e.g., health plans, Medicaid programs, workers compensation carriers, etc.). They will service clients in Texas and in the United States ramping up to 80 head office personnel within five years.

#### **ALTERNATIVES:**

The company is not eligible for any other incentives.

#### **OTHER CONSIDERATIONS:**

Conexia brings a different industry into our economy and great wages. This grant will be used for the creation of jobs.

**CONFORMITY TO CITY POLICY:**

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

**EMERGENCY / NON-EMERGENCY:**

Non-emergency

**DEPARTMENTAL CLEARANCES:**

Engineering

**FINANCIAL IMPACT:**

Operating       Revenue       Capital       Not applicable

<b>Fiscal Year: 2014-2015</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		160,000		160,000
Encumbered / Expended Amount				
This item		160,000		160,000
BALANCE		0		0

Fund: Type A 1140

**RECOMMENDATION:**

Staff recommends approval of the Type A Grant to Conexia Inc in the amount of \$160,000 for the creation of jobs.

**LIST OF SUPPORTING DOCUMENTS:**

Ordinance - Conexia  
Agreement - Conexia  
Business Service Agreement - Conexia