



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
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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 \$238,635 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 TAMU-CC's Internship Program through a Small Business Incentives Agreement ("Agreement") for a period lasting until December 31, 2016.

BACKGROUND AND FINDINGS:

TAMU-CC 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, 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; and
- 3) codifying reporting requirements, specifically whether student received employment in area, also codified in the updated Type A Guidelines.

To ease administration and coordination with TAMU-CC's semester schedule, this Agreement is for a term lasting until December 31, 2016.

Texas A&M University Internship Progress Report 2008-2015

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

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			238,635	238,635
Encumbered / Expended Amount				
This item			238,635	238,635
BALANCE			0	0

Fund: Type A Fund

Comments: This item was approved in the Type A Small Business budget for FY 2016.

RECOMMENDATION:

Staff recommends approving the grant for \$238,635 for the Internship Program.

LIST OF SUPPORTING DOCUMENTS:

Resolution & Agreement – TAMU-CC Internship Program