



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Meeting August 15, 2016

DATE: July 18, 2016

TO: President and Honorable Board Members,
Corpus Christi Business and Job Development Corporation

THROUGH: Margie Rose, City Manager

FROM: Mike Culbertson, COO
Corpus Christi Regional Economic Development Corporation
mculbertson@ccredc.com
(361) 882-7448

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

Motion approving the renewal of the amended Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and Texas A&M University – Corpus Christi for an internship program to support small businesses in the amount of \$150,000 from January 1, 2017 through December 31, 2017.

PURPOSE:

Award a Type A Grant for Texas A&M University – Corpus Christi 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 approved the Small Business Assistance budget in June that included this program.

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. They have placed students at 24 different small businesses such as QSROnline which received an Type A grant, Buckley Associates, and Ensemble Group.

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 letter of recommendation is attached.

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
2015-2016			39	24

ALTERNATIVES:

The Board could decide not to continue the program.

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:

Letter from TAMUCC

Small Business Agreement – TAMUCC Internship Program