



AGENDA MEMORANDUM

Corpus Christi Business and Job Development Meeting August 19, 2019

DATE: July 19, 2019

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

FROM: Mike Culbertson, COO
Corpus Christi Regional Economic Development Corporation
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Extend Grant for Texas A&M University – Corpus Christi Internship Program
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CAPTION:

Motion authorizing Renewal No. 2 of the 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, 2020 through December 31, 2020

PURPOSE:

Award a Type A Grant for Texas A&M University – Corpus Christi Internship Program for Small Business Assistance from January 1, 2020 until December 31, 2020

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. This agreement would run until December 31st which is the end of a semester to better manage the program. The Board approved the Small Business Assistance budget on July 15, 2019 and is pending City Council approval. The current agreement allows for the Board to extend this agreement for up to two additional years. The number of businesses has slowed since the hurricane, but the university believes that it will pick up this next year. The university still has the fall semester to go through the current grant funds.

Texas A&M University Internship Progress Report 2008-2019

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	7	8	88	30
2016-2017	0	0	75	22
2017-2018	6	6	92	31
2018-2019 ytd	*	*	89	32
2008-2019	103	75	994	309
Est. 2019-2020	9	7	89	34

List of companies using interns:

QSROnline.com

Ensemble Group

LGW Fitness

Mr. Fancy Pants

Wild Veggie Bouquet

Ed Cantu Insurance

Santos McBain Management

Morehead Dotts Rybak

Mestena Operating

Ironwood Financial

Scoop Shack

Bangle & Babe

Palacios & Palacios PC

Scoop Shack

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:

X Operating

☐ Revenue

☐ Capital

☐ Not applicable

Fiscal Year: 2019-2020	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget			603,500	603,500
Encumbered / Expended Amount				
This item			150,000	150,000
BALANCE			453,500	453,500

Fund: 1140 Business and Job Development Fund

Comments: This item was approved by the Type A Board in the Type A Small Business Proposed FY20 Budget.

Funding Detail:

Fund: 1140 Business and Job Development Fund

Organization/Activity: 15020 Small Business Projects

Mission Element: 707 Economic Development

Project # **(CIP Only):**

Account: 530000 Professional Services

RECOMMENDATION:

Staff recommends approving the renewal of the grant for \$150,000 for the internship program.

LIST OF SUPPORTING DOCUMENTS:

Letter Requesting Renewal of Program

Small Business Incentive Agreement – TAMU-CC Intern