



AGENDA MEMORANDUM

Action Item for the City Council Meeting of September 8, 2020

DATE: July 21, 2020
TO: Peter Zaroni, City Manager
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Type A Grant for Texas A&M University – Corpus Christi Internship Program

CAPTION:

Motion approving a Small Business Incentives Agreement between the Corpus Christi Business and Job Development Corporation and Texas A&M University – Corpus Christi to provide grant up to \$150,000.00 for their internship program to assist small businesses.

SUMMARY:

Provide a grant from the Type A fund to the Texas A&M University – Corpus Christi internship program to assist small businesses. The Type A Grant for Texas A&M University – Corpus Christi's Internship program runs from January 1, 2021 through December 31, 2021

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. With the pandemic, more students will be going to colleges and universities. Small businesses will be working hard to establish their clients again. They will not have money for extra help. By using their program, small business owners can pay minimum wage and get a solid intern working in their major area of study. The agreement can be renewed for one additional term.

Below is a list of the employers.

Adamson & Company
Bangle & Babe
The Childrens Center of Corpus Christi
Corpus Christi Downtown Management District
Corpus Christi Stamp Works
Ed Cantu Insurance
Ensemble Group
Gowland, Strealy, Morales

Gulfway Merchants Assoc.
HMB Enterprises
Innovaum LLC
Ironwood Finance
Kleberg Bank
Mestena
Milestones
Mr. Fancy Pants Carwash

QSROnline
 Smart World Innovative Marketers
 Santos McBain Management & Planning
 MDR Advertising
 Mestena
 The Kid Doc CC

Palacios & Palacios
 13 & Market
 Your Personal Best Training Studio
 Scoop Shack
 Waddell & Reed
 Wild Veggie Bouquet

Year	Interns Placed	# of Employers	F/T Jobs Created	P/T Jobs Created	Funds
2014-2015	93	29	23	24	\$ 134,541
2015-2016	93	39	24	20	138,085
2016-2017	93	20	26	0	89,832
2018	42	28	14	0	83,599
2019	47	31	17	0	58,735
2020 YTD	32	22	TBD	TBD	19,222
Totals	400	169	104	44	\$ 524,013

ALTERNATIVES:

If Council does not fund the program or fund it at a lesser amount, this program will be cut back or may be discontinued without this grant.

FISCAL IMPACT:

This Type A grant has been approved by the Type A Board and is in their 2020-2021 budget. This will use economic development funds of \$150,000 of the small business budget of \$903,500.

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 approval of the Small Business Incentive agreement with Texas A&M University – Corpus Christi for internship program in the amount of \$150,000 from January 1, 2021 through December 31, 2021.

LIST OF SUPPORTING DOCUMENTS:

Agreement TAMU-CC Intern