

BUSINESS & JOB DEVELOPMENT CORPORATION



Policy Description:

Described in Chapter 504 of the Texas Local Government Code, www.statutes.legis.state.tx.us/Docs/LG/pdf/LG.504.pdf, the Corpus Christi Business & Job Development Corporation (CCBJDC) gives local communities the ability to adopt optional local sales and use tax as a means of improving the economic health and prosperity of their citizens. On November 5, 2002, residents of the City of Corpus Christi overwhelmingly passed Proposition 2: New and Expanded Business Enterprises, which authorize the adoption of a sales and use tax for the promotion and development of new and expanded business enterprises at the rate of one-eighth of one percent (1/8th cent) to be imposed for 15 years. *The City Council reserves the right to waive or modify this policy*

Eligibility Criteria:

- Under Proposition 2 and as required by Ordinance 024952, funds approved for the promotion and development of new and expanded business enterprises can only be used for the following projects and not others:
 - (1) Education/Skills Development. These funds will be used to make grants to companies and organizations to provide training, retraining and education to insure the knowledge and skills required for the jobs of the future are in place.
 - (2) Business Development/Incubation. These funds will be used to develop programs and facilities that assist small and start-up companies that have the ability to produce jobs for the future.
 - (3) Jobs. These funds will be used to assist companies in the creation of meaningful, wealth producing jobs (jobs that bring in dollars from outside of the community) in Corpus Christi. Funds will be available to both existing and new companies.
- Business Incentives Authorized
 - (1) Incentives authorized for Large Employers:
 - A. Land, facilities, equipment & infrastructure grants;
 - B. Loan participation/guarantees;
 - C. Direct low interest loans;

- D. Rent subsidies;
- E. Relocation and moving expense grants;
- F. Job training grants/loans; and
- G. Business incubation activities.

(2) Incentives authorized for Small Business:

- A. Small Business start up grants/loans;
- B. Business Incubation grants/loans; and
- C. Business Incubator development.

- o Wage Requirement: In order to count as a job under an Agreement, the job shall pay at least a "living wage." For the purposes of this provision, living wage shall mean that annual amount determined by the U.S. Department of Health and Human Services for the Lower 48 States being at the poverty level for a family of four, divided by 2,080 hours per year (<http://aspe.hhs.gov/poverty/09poverty.shtml>). In determining if this requirement is met, the Board may also consider other compensation factors or employee benefits that enhance the employees' compensation packages as a whole. Accordingly, the Corporation, through its Project Agreement with the City, may adjust the living wage target under these Guidelines and Criteria and insert a specific target in each Agreement to govern the incentive offered. With regard to job training, a job shall pay at least an amount determined by the Act in order to count as a job under the Agreement. In determining an incentive based on new jobs, the following matrix shall be considered.

New Gross Payroll	Incentive per New Job
<\$30,000 per new job	Up to \$750 per new job for training
\$30,000 to \$40,000 per new job	\$751 to \$5,000 per new job
\$40,001 to \$50,000 per new job	\$5,001 to \$10,000 per new job
>\$50,000 per new job	\$10,001 + per new job

How to Apply:

Applicants seeking incentives must file an application for Economic Incentives before the request can be considered.

Please contact the City of Corpus Christi's Economic Development Office at (361) 826-3850 to request the application or visit www.cctexas.com/economicdevelopment to download the application.

The City shall not grant any incentive unless the business submits a full and complete application and provides additional information as may be requested. The accuracy of the information in the application is the sole responsibility of the applicant. Upon request, the applicant shall provide supporting documentation. Any misstatement of or error in fact may render an application null and void and may be cause for repeal of any ordinance adopted in reliance of said information.

If it is determined that the application meets these guidelines, a full and financial programmatic review will be conducted. This review may be done by City Staff, an outside agency or consultant and will ensure conformance with these guidelines.

An application fee of \$100 – Small Businesses and \$1,000 – Large (Primary) Businesses will be submitted at the same time the application for economic incentives is submitted. The fee must be paid in the form of a check or money order and made payable to the City of Corpus Christi, Texas.

Additional Resources:

Development Services
www.cctexas.com/developmentservices

Corpus Christi Regional Economic Development Corporation
www.ccredc.com