

2017-2018 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Economic Development

REQUEST NO.: 71

REQUESTED BY: Pool

DATE REQUESTED: 8/9/17

DATE POSTED: 9/5/17

REQUEST: Please provide a description of the active Chapter 380 agreements and include the following for each agreement: the remaining duration, the value of incentives to date, and the projected value of incentives left.

RESPONSE: The companies with active Chapter 380 agreements are part of the targeted industries Advanced Manufacturing, Creative & Digital Media Technology, Clean Energy & Power Technology, Life Sciences, Data Management, Space Technology and Corporate HQs and Regional Offices by the City to create jobs and diversify the economy after the 2000 dot.com bust.

In 2010 EDD began using the WebLOCI tool to calculate the costs and benefits associated with the companies recruited to Austin. This tool considers the costs to provide services to the additional individuals (such as parks and libraries) as well as the revenue from additional sales and property taxes and provides a means to ensure that providing incentives to the project results in a net benefit to Austin.

<i>Project</i>	<i>Date Approved</i>	<i>Term (Performance Year 1 - Final Performance Year)</i>	<i>Incentive Basis</i>	<i>Total Estimated Incentive at Council Approval</i>	<i>Total Payments Issued</i>	<i>Estimated Incentives Remaining**</i>
Merck IT Hub	4/13/2017	2017-2026	\$200 per job per year	856,000	0.00	856,000
Visa Global IT Center	12/6/2012	2013-2022	\$250 per job per year	1,560,000	252,500.00	1,307,500
HID Global Manufacturing and Distribution Center	9/27/2012	2014-2023	60% property tax rebate	920,576	150,425.56	
Apple Americas Operations Center	3/22/2012	2016-2025	100% property tax rebate	8,600,000	0.00	
Advisory Board Company Software Center	6/23/2011	2011-2020	\$190 per job per year	372,590	169,480.00	203,110
Hanger Headquarters	1/28/2010	2010-2019	\$50,000 per year	500,000	300,000.00	200,000

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Samsung* 300 mm Fabrication Plant	8/18/2005	2007-2026	100% property tax rebate Years 1-10, 75% Years 11-20	62,875,194	66,983,191.87	
Domain Mixed-Use Development	5/15/2003	2007-2027***	25% property tax rebate; 80% sales tax rebate Years 1-5, 50% sales tax rebate Years 6-20	37,545,000	14,764,648.36	

**Samsung Total Estimated Incentive=Estimation before expansion*

*** The City does not have sufficient information to calculate future reimbursements of property taxes paid for any company's improvements.*

**** Sales tax incentives were triggered in 2007; Property tax incentives were triggered in 2008*