

**ORDINANCE NO.**

**AN ORDINANCE NOMINATING A PROPOSED OTIS SPUNKMEYER PRODUCTION EXPANSION TO THE ECONOMIC DEVELOPMENT & TOURISM DIVISION OF THE GOVERNOR'S OFFICE AS AN ENTERPRISE PROJECT UNDER THE TEXAS ENTERPRISE ZONE ACT; IDENTIFYING POSSIBLE LOCAL INCENTIVES; AND DESIGNATING A CITY LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** The city council finds that:

- (A) Otis Spunkmeyer has requested that the city council nominate a proposed production expansion for designation by the Office of the Governor's Enterprise and Tourism as an enterprise project under Chapter 2303, Subchapter F (*Qualified Businesses and Enterprise Projects*) of the Texas Government Code.
- (B) The proposed project is not located in an area designated as an enterprise zone.
- (C) The proposed Otis Spunkmeyer production expansion meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F (*Qualified Businesses and Enterprise Projects*) of the Texas Government Code because:
  - (1) Otis Spunkmeyer is a "qualified business" under Section 2303.402 because it will be engaged in the active conduct of a trade or business at a qualified business site within the City's jurisdiction, located outside of an enterprise zone, and at least 35 percent of the business' new employees will be residents of qualifying census block groups or economically disadvantaged individuals.
  - (2) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area.
  - (3) The designation of the proposed Otis Spunkmeyer production expansion as an enterprise project will contribute significantly to the achievement of the City's plans for development and revitalization of the area.

1 (D) The expedited permitting and construction inspection offered by the City for  
2 the Otis Spunkmeyer production expansion is justified on the grounds that it  
3 will create a higher level of employment, economic activity, and stability.

4 (E) A public hearing to consider designation of the Otis Spunkmeyer production  
5 expansion as an enterprise project was held by the city council on August 9,  
6 2007.

7 **PART 2.** The city council nominates the Otis Spunkmeyer production expansion to the  
8 Governor's Office of Economic Development and Tourism for designation as an  
9 enterprise project. The City will provide expedited permitting and construction  
10 inspection for the project.

11 **PART 3.** The city council may elect to make the following local incentives and  
12 economic development tools available to qualifying enterprise projects:

- 13 (A) Economic development grants and loans;  
14 (B) Tax Increment Financing;  
15 (C) Development Fee Waivers;  
16 (D) Public Improvement Districts;  
17 (E) Assistance with electrical equipment upgrades;  
18 (F) Special electric utility rates for large users;  
19 (G) Expedited permitting and construction inspection;  
20 (H) Zoning changes or density bonuses;  
21 (I) Water, sewer and transportation capital improvements;  
22 (J) Low-interest loans, including a low-interest business loan program available  
23 only in East Austin; and  
24 (K) Job training through subcontractors.

25 **PART 4.** The Council may nominate future enterprise projects by adopting a resolution  
26 of the city council and may elect to offer any of the incentives in PART 3 to the projects.

27 **PART 5.** The city council designates the director of Economic Growth and  
28 Redevelopment Services as the City's liaison, with the authority to:

- 1 (A) communicate and negotiate with the Office of the Governor's Economic  
2 Development and Tourism through the Texas Economic Development Bank  
3 and the Otis Spunkmeyer production expansion; and  
4 (B) oversee communications with qualified businesses and other entities affected  
5 by the enterprise project.

6 **PART 4.** The enterprise project shall begin on the date that the Otis Spunkmeyer  
7 production expansion is designated as an enterprise project by the Governor's Office and  
8 terminate five years from that date.

9 **PART 5.** This ordinance takes effect on \_\_\_\_\_, 2007.

10 **PASSED AND APPROVED**

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12 §  
13 §  
14 \_\_\_\_\_, 2007 § \_\_\_\_\_  
15 Will Wynn  
16 Mayor

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19 **APPROVED:** \_\_\_\_\_  
20 David Allan Smith  
21 City Attorney

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**ATTEST:** \_\_\_\_\_  
Shirley A. Gentry  
City Clerk