

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	7814	Agenda Number	6.
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Meeting Date:	8/4/2011	Department:	Economic Growth and Redevelopment
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Subject

Approve a resolution nominating Gila, LLC for designation by the Governor's Office of Economic Development and Tourism as a single Texas Enterprise Project in accordance with Texas Government Code Chapter 2303 ("Texas Enterprise Zone Act"). The qualifying project consists of a renovation and expansion of its new facility located at 8325 Tuscany Way, Building 4, Austin, Texas.

Amount and Source of Funding

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Johns, Director / 974-7802; Dusty McCormick, Economic & Business Development Liaison / 974-6381
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

This resolution would nominate Gila, LLC as a single Enterprise Project under the Texas Enterprise Zone Act. Gila, LLC offers outsourced collections, payment processing and call center services to governmental entities, financial and higher education institutions nationwide. The Economic Growth and Redevelopment Services Office (EGRSO) has determined that the company qualifies for designation because of a planned renovation and expansion project at a business site located within the City of Austin. If so designated, an enterprise project is eligible for a refund of State sales and use tax based on employment criteria and the amount of capital spent at the qualified business site. City EGRSO staff, along with Ryan, LLC, an international tax consulting firm, are coordinating with Gila, LLC on this project.

Texas legislation authorizes 105 State designations each biennium. The City of Austin, by program statute, is granted nine Enterprise Project designations every two years. Gila, LLC has a projected investment of over \$5 million, which qualifies it for a single Enterprise Project nomination. Gila, LLC is also committing to retain all existing jobs (an estimated 309 jobs) and anticipates adding 150 new full time jobs. If the designation is granted it will be counted by the State as one Enterprise Project designation.

