

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	20668	Agenda Number	114.
---------------------	---------	-------	---------------	------

Meeting Date:	12/6/2012	Department:	Economic Growth and Redevelopment
---------------	-----------	-------------	-----------------------------------

Subject

Conduct a public hearing and consider an ordinance creating an economic development program for and authorizing the execution of an Economic Development Agreement with Visa Inc. and Visa U.S.A. Inc.

Amount and Source of Funding

Fiscal Note

There is no unanticipated financial impact.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Johns, Director, EGRSO / 974-7802; Jacqueline Cullom, Attorney, Legal / 974-2918
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The Economic Growth and Redevelopment Services Office recommends approval of the proposed ordinance, which authorizes the execution of an economic development agreement with Visa Inc. and Visa U.S.A. Inc. ("Visa"). Under the proposal, Visa will establish its Global IT Center within Austin's Desired Development Zone, invest \$27.3 million in real and personal property improvements in an existing facility of approximately 175,000 square feet and create at least 794 jobs. For each year the City, and an independent third-party, has verified that Visa has performed according to the terms of the agreement, the City will provide annual economic development grants of \$250 per new job created and retained at Visa's Global IT Center, up to a maximum of \$1,560,000. The total estimated amount of annual economic development grants during the agreement over a 10-year period is \$1,560,000.

The project received the necessary score to be eligible for an economic development grant. Using the WebLOCI fiscal impact software, the net benefits the City of Austin would receive from the project under consideration over the agreement term is \$6,860,665. The net benefits amount is calculated after the total estimated economic development

grant of \$1,560,000 is factored.