

# City Council Meeting

## Economic Development Policy Amendments

January 11, 2005

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### Amendment 1:

Clarifies the environmental language so that prospects understand that the policy is requiring incentive recipients to waive grandfathered rights.

Changes:

- i. applicants will be ineligible for incentives if they are not complying with City of Austin current water quality regulations on all current projects, unless the applicant has negotiated or negotiates an agreement with the City in which it complies with current impervious cover limits overall, and agrees to building with currently required water quality controls and waive any claim to grandfathering to prior water quality regulations.

### Amendment 2:

Limits the requirement for recipient's projects to comply with current water quality regulations for the term of the abatement agreement. The current language binds the recipient to all future projects (no end date). The change alters paragraph j. as follows:

Changes:

- j. By accepting incentives as part of an economic development agreement with the City of Austin, recipients agree to comply with City of Austin water quality regulations (as defined in paragraph 2.i. above) on all their future development within Austin's planning jurisdiction, during the term of that economic development agreement.

### Amendment 3:

Eliminates the payback clause for violating environmental regulations. Our economic development packages are performance based -- so as long as the City is providing incentives we are receiving benefits. The language that terminates the agreement if the environmental provisions are violated remains unchanged. The change is to the last sentence of paragraph j.

Changes:

- j. Failure to do so will result in cancellation of the incentive package. And will ~~require the return of all incentive funds already received.~~

### Amendment 4:

Makes incentives for call and data centers site specific. This change recognizes that call and data centers often have a conglomerate of customers that we will not want to bind through incentive agreements (i.e. eBay). The amendment is a new paragraph which reads as follows:

Changes:

- j. Paragraph 2.j. does not apply to an economic development agreement for a data center or call center facility, unless the primary business of the company receiving the incentives is the operation of a data center or call center.

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