

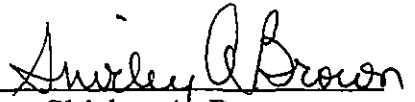
**RESOLUTION NO. 041028-3**

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

That the Firm Based Incentive Matrix for use with firms that meet Council approved criteria for economic development incentives, attached as Exhibit A, is approved.

**ADOPTED:** October 28, 2004

**ATTEST:**

  
Shirley A. Brown  
City Clerk

## **EXHIBIT A**

| MINIMUM PROJECT REQUIREMENT                                                                                                                                                    |                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| The Firm is located in the Desired Development Zone.                                                                                                                           |                                           |
| The Firm conducts its business in compliance with environmental regulations.                                                                                                   |                                           |
| EVALUATION CRITERIA                                                                                                                                                            |                                           |
| Overall Economic and Fiscal Impact                                                                                                                                             | AVAILABLE POINTS                          |
|                                                                                                                                                                                | Small Medium Large                        |
|                                                                                                                                                                                | 10 20 30                                  |
| Relative to its industry, what is the absolute size of the net benefit as measured by: jobs and income, level of desirable public benefits, and net fiscal impact to the City? |                                           |
| Linkages to the Local Economy                                                                                                                                                  | AVAILABLE POINTS                          |
|                                                                                                                                                                                | Poor Acceptable Excellent                 |
|                                                                                                                                                                                | 0 15 25                                   |
| Does the firm fit with one of the strategic targets identified?                                                                                                                |                                           |
| Is the firm a headquarters operation? Does it represent the "headquarters" of a new product line or service for the firm?                                                      |                                           |
| Is the firm growing? Is the firm in a growing industry? How stable is the firm?                                                                                                |                                           |
| Does the project make use of an especially underutilized asset such as certain segments of the labor force or current office space?                                            |                                           |
| Will the project create significant contracting opportunities for local firms including small and disadvantaged businesses?                                                    |                                           |
| Does the project fill a hole in the Austin economic base?                                                                                                                      |                                           |
| Does the project have the potential to either seed a new cluster or bring additional firms to Austin?                                                                          |                                           |
| Will the firm directly compete for resources with existing firms?                                                                                                              |                                           |
| Infrastructure Impact                                                                                                                                                          | AVAILABLE POINTS                          |
|                                                                                                                                                                                | Disproportionate Proportionate Low Impact |
|                                                                                                                                                                                | 0 5 10                                    |
| Will the firm make a disproportionate demand on the community's infrastructure?                                                                                                |                                           |
| Character of Jobs/Labor Force Practices                                                                                                                                        | AVAILABLE POINTS                          |
|                                                                                                                                                                                | Unacceptable Acceptable Excellent         |
|                                                                                                                                                                                | 0 15 25                                   |
| Will the bulk of new hires be local or imported?                                                                                                                               |                                           |
| What is the average wage paid? How does it compare to the local or national industry average?                                                                                  |                                           |
| What is the median wage paid? How are job categories and wages distributed within the overall structure?                                                                       |                                           |
| What training is provided? Opportunities for advancement? Are there funds for additional education?                                                                            |                                           |
| Does the firm actively promote diversity in hiring and promotion?                                                                                                              |                                           |

## Firm-Based Evaluation Criteria

| EVALUATION CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                         | AVAILABLE POINTS |            |           | TOTAL |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|------------------|------------|-----------|-------|
| Quality of Life/Cultural Vitality                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                         | Unacceptable     | Acceptable | Excellent |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                         | 0                | 5          | 10        |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Does the firm have a proactive cultural outreach program?               |                  |            |           |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Does the firm actively encourage employee volunteer/charitable efforts? |                  |            |           |       |
| Threshold for Extraordinary Economic Impact (only one required)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The firm is in a targeted industry.                                     | Yes              |            | No        |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The firm is involved in leading edge technology.                        |                  |            |           |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | State economic development funds are available for the firm.            |                  |            |           |       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | The firm will generate 500 jobs or more.                                |                  |            |           |       |
| <b>TOTAL POSSIBLE POINTS</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                         |                  |            |           | 100   |
| <b>TOTAL SCORE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                         |                  |            |           |       |
| <b>Investment Threshold Levels</b><br>Total combined investments shall not exceed 50% of the present value of the total estimated tax liability over 10 years and investments shall not exceed 80% of the total estimated tax liability in any single year.<br><br>Less than 60 points = No additional consideration.<br>61 to 80 points = Eligible for up to 30% of the present value of sales and property tax for 10 years.<br>81 points or more = Eligible for up to 50% of the present value of sales and property tax for 10 years.<br><br>A firm that meets the threshold for extraordinary economic impact may qualify for an investment of 100% of the present value of the total estimated tax liability over 10 years. |                                                                         |                  |            |           |       |