

# Comparisons of City of Austin and Travis County Economic Development Policies



e.g.r.s.o.

economic growth  
& redevelopment  
services office

# Targeted Industries

	City of Austin	Travis County
Convergence Technologies	✓	✓
Creative Media	✓	✓
Green Industries	✓	✓
Corporate or Professional HQ	✓	✓
Health Care & Life Sciences	✓	✓
Businesses providing substantial opportunities for economically disadvantaged	✓	✓
Advanced Manufacturing	✓	
Multi-media Technologies	✓	
Regional Live Entertainment or Fine Arts Facilities		✓
Research and Development Facilities		✓
Businesses Located in “Reinvestment Zone”		✓



# Investment Thresholds

	City of Austin	Travis County
Minimum Investment	None	\$25M
Minimum Job Creation	None	50 new full-time jobs



# Requirements for Incentives

## City of Austin

- Must obtain a minimum matrix score of 60
- Location of investment must be within the Desired Development Zone
- Must comply with City of Austin Code and water regulations on all projects during term of the agreement
- Work with local organizations to expand pool of diverse candidates in hiring recruitment efforts
- Adopt and adhere to a supplier diversity policy
- Comply with applicable standards and principles of City's M/WBE Program Ordinance for all construction associated with the project
- Agree to not knowingly employ any individual not lawfully admitted into the United States
- [Adhere to Equal Employment Opportunity Policy](#)

## Travis County

- Project does not transfer employment from within the County
- Be competitively-sited
- Must provide comprehensive benefits, including domestic partner benefits
- [Adhere to Equal Employment Opportunity Policy](#)

# Incentive Determination

## City of Austin

### Matrix Score

Less than 60 points	No additional consideration
60 – 80 points	Eligible for up to 30% of present value of sales and property tax for 10 years
81 + points	Eligible for up to 50% of the present value of sales and property tax for 10 years

\* Any project being considered for an incentive *must* demonstrate a positive net benefit according to WebLOCI.

### Extraordinary Economic Impact

A firm that meets the threshold for extraordinary economic impact may **qualify** for an investment of up to 100% of the present value of the total estimated tax liability for up to 10 years. Threshold for extraordinary economic impact are as follows:

- ✓ The firm is in a targeted industry
- ✓ The firm is involved in leading edge technology
- ✓ State economic development funds are available to the firm
- ✓ The firm will generate 500 or more jobs



# Incentive Determination

## Travis County

Investment Amount	Level of Incentive
\$25 million - \$100 million	25% property tax based incentive
\$100 million - \$200 million	33.5% property tax based incentive
\$200 million +	45% property tax based incentive

New Jobs Created	Additional Incentive
51 – 100 new jobs	6%
101 – 200 new jobs	10%
201 + new jobs	15%



# Incentive Determination

## Travis County

*(Continued)*

LEED Certification	Additional Incentive
Basic	2%
Silver	3%
Gold	4%
Platinum	5%
Location	Additional Incentive
Within Desired Development Zone	5%
Activity Center as Identified in Travis County Comprehensive Plan	5%
<b>Maximum Incentive Based on Above Criteria</b>	<b>75%</b>

# Recurring Issues Related to ED Policy

## **Corporate Incentive Recipient**

- Hiring of disadvantaged workers
- Residency requirements for new hires
- Creation of a bonus structure for incentives





# Indirect Issues

- Prevailing wage for temporary construction jobs
- Wage floor for temporary construction jobs
- OSHA training for temporary construction jobs

