

# Austin, Texas



## Business Information Form

Office of Economic Development  
*"Investing in Austin's Future"*

Date Received: 09/04/13  
Project: Dropbox



## Instructions

The Business Information Form is intended for internal City of Austin economic development analysis and efforts will be made to restrict circulation of the information included on the form to appropriate members of the City of Austin Office of Economic Development. However, please note that the Texas Open Records Act provides that information collected, assembled, or maintained by the City under a law or ordinance or in connection with the transaction of official business is generally considered to be public information. However, the Texas Public Information Act does provide that information relating to economic development negotiations with a business prospect is withheld from disclosure unless and until an agreement is reached. If an agreement has been reached and is ready for City Council consideration, this document will be posted to the City of Austin's website for public disclosure.

### Questions or Comments

Please contact

Ben Ramirez

Acting Economic Development Manager

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## Company Information

Company Name: Dropbox, Inc.

Headquarters Location: City: San Francisco State: California

Contact Name: First Name: Bradley Last Name: Silicani

Contact Title: Corporate Controller

Mailing Address: 185 Berry Street, Suite 400

City: San Francisco State: California Zip: 94107

Phone: 415-986-7057 Fax: 415-789-4548 Mobile: \_\_\_\_\_ Other Phone: \_\_\_\_\_

Email Address: brad@dropbox.com Website: www.dropbox.com

**Business Description:**

Designed for both businesses and consumers, Dropbox is a service that allows its users to easily access and share documents, photos and videos from anywhere in the world. Founded in 2007 and headquartered in San Francisco, Dropbox has over 350 employees. More than 175 million users in over 200 countries utilize Dropbox's services.

NAICS: 518210 SIC: N/A

Company Age: 6 years

Business Structure: ☒ Private ☐ Public Ticker Symbol n/a

Number of Austin Locations: 0 U.S. Locations: 1 Global Locations: 1



## Project Information

Is the company and the Project located in the Desired Development Zone: ☒ Yes ☐ No

Will the company comply with current City of Austin water quality regulations for the Project and during the term of an incentive agreement: ☒ Yes ☐ No

Please describe the Project:

As part of its rapid growth, Dropbox recently announced plans to open an office in Dublin, Ireland and is now considering expanding within the United States.

Dropbox Inc. recently opened a small office in Austin and is currently in the process of hiring approximately 30 employees. If the office proves successful and Dropbox, Inc. receives support at both the State and local level, the Company would consider expanding into a larger, long-term facility and creating up to 200 total positions in Austin. The average salary of the various positions is approximately \$55,000 to 60,000 per year.

Dropbox has a small core team in Austin already, drawn from its headquarters in San Francisco. Dropbox is confident that these employees can bring the culture of Dropbox to Austin, hire the most talented individuals, and continue to build a great service for years. Dropbox plans to recruit for the remainder of the positions from the local area.

Dropbox Inc. is searching for office space in the range of 30,000 to 40,000 square feet.

Is the company considering other Texas Locations? ☐ Yes ☒ No

Is the company considering other U.S. Locations? ☒ Yes ☐ No

Is the company considering other Global Locations? ☒ Yes ☐ No

Market for Product of Activity: ☐ Local ☐ State ☐ U.S. ☒ Global  
Location of Planned Investment:

Downtown Austin



## Project Timeline

Expected Start Date: February, 2014

Expected Complete Date: December, 2015

## Project Capital Investment (U.S. Dollars)

Leasing Plans: ☒ Yes ☐ No

Land: n/a Total Acres: n/a

Building: ~\$50/foot Square Feet: up to 40,000

## Investment Schedule

(Please provide a 10-year list of the following items.)

<u>Year</u>	<u>Land</u>	<u>Building</u>	<u>F&amp;F</u>	<u>Computers</u>	<u>Office Equipment</u>	<u>Labor</u>	<u>Total</u>
2014	0	\$2,666,667	\$500,000	\$333,000	\$167,000		\$3,666,667
2015	0	\$1,333,333	\$250,000	\$167,000	\$83,000		\$1,833,333
TOTALS		<u>\$4,000,000</u>	<u>\$750,000</u>	<u>\$500,000</u>	<u>\$250,000</u>		<u>\$5,500,000</u>

PROJECT TOTAL \$5,500,000

For M&E and FF&E, please indicate how much (if any) of the amounts indicated above will be purchased locally, and therefore subject to sales tax.

Dropbox is still working through the procurement process as it relates to the new test office in Austin. While it is still to be determined what percentage of the capital investment will be made locally in the Austin area, it is likely that whichever suppliers are chosen, they will have a viable presence in the Austin area given the city's strength in the technology industry.



## Depreciation Schedule

<u>Item</u>	<u>Years</u>	<u>Percent per Year</u>	<u>Item</u>	<u>Years</u>	<u>Percent per Year</u>
Computers	<u>3</u>	<u>straight-line</u>	Building	<u>n/a</u>	<u>straight-line</u>
Office Equip.	<u>5</u>	<u>straight-line</u>	Furniture	<u>10</u>	<u>straight-line</u>

## Job Categories and Wage Distributions

<b>Job Category</b>	<b>Number of Jobs (employed by company)</b>	<b>Number of Jobs (vendor or contract)</b>	<b>Average Annual Wages</b>	<b>Percent to be Locally Hired</b>
Executive	1		155,000	TBD
Manager	24		100,000	Up to 100%
Supervisor				
Staff				
Entry Level	145		52,500	Up to 100%

What is the expected average wage for the lowest paid 10% of local workers? \$45,000 – 50,000

## Job Creation Schedule

(Please provide a 10-year list of new jobs created and wage information – EXCLUDE BENEFITS)

<u>Year</u>	<u>Existing Jobs</u>	<u>New Jobs</u>	<u>Total Jobs</u>	<u>Average Annual Wage</u>	<u>Median Annual Wage</u>
2014	30*	100	130	59,000	54,000
2015	130	70	200	59,000	54,000

\* Dropbox, Inc. is in the process of hiring these 30 employees in 2013.



## Service Requirements

### Electric

Peak Monthly Demand in Kilowatts (KW): standard office usage

Average Monthly Usage in Kilowatt Hours (kWh): 78,840 kWh

Average Monthly Load Factor: 60%

Dual Feed Required: ☐ Yes ☒ No

Current Rate (cents per kWh): standard rate

### Water

Average Monthly Usage: 210,000 gallons per month

Meter Size: standard office size

### Waste Water

Average Monthly Discharge: 73,500 gallons per month

### Miscellaneous

Building Size: TBD Manufacturing Space: n/a

Office Space: up to 40,000 Ceiling Heights: standard office height

Acres: n/a Docks/Type: n/a

Parking Requirements: TBD

Rail: ☐ Yes ☒ No Interstate: ☐ Yes ☒ No

Commercial Airport: ☐ Yes ☒ No Fiber: ☐ Yes

Does the company intend to locate near transit developments or transportation hubs, such as bus stops, rail stations, or park & rides?

☒ Yes ☐ No

If the company answered no to the question above, would the company be interested in learning more about transit developments and transportation hubs in and around the City of Austin?

☐ Yes ☐ No



## Economic Impact of Project

### Will the Project Generate:

#### Property Tax:

Land:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Building:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
M&E:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Inventory:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Local Sales Tax: ☒ Yes ☐ No

State Sales Tax: ☒ Yes ☐ No

Total annual company purchases subject to local sales tax: approx. \$2,000,000 annually  
(For example: office supply purchases, operating expenses, and taxable professional services)

Indirect Local Revenue: ☒ Yes ☐ No

Describe:

Hotels for visiting employees and guests; related travel expenses and airport usage, local suppliers (janitorial, catering, entertainment, etc.); professional services (legal, accounting, advertising, marketing); customer outreach programs

Other Local Revenue: ☐ Yes ☒ No

Describe:

Please see above

Does the company have either of the following: (1) Historical data that demonstrates that the company has been successful in achieving diversity in vendor contracting through its existing programs or policies, or (2) A policy or plan for establishing goals for diversity in vendor contracting: ☐ Yes ☒ No

If so, please describe the historical data or policy/plan and attach the historical data or policy/plan:

Dropbox is currently reviewing the supplier diversity template provided by the City and is exploring using either the City provided format or developing a supplier diversity policy in house. Dropbox understands the requirement to have supplier diversity policy in place within 90 days of the effective date of the incentive agreement.





## Employee Benefits and Labor Force Practices

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Health Insurance | <input checked="" type="checkbox"/> Life Insurance  |
| <input checked="" type="checkbox"/> Dental Insurance | <input checked="" type="checkbox"/> Prescription Drug Plan  |
| <input type="checkbox"/> Retirement Plan             | <input checked="" type="checkbox"/> Vision  |
| <input checked="" type="checkbox"/> 401(k)           | <input checked="" type="checkbox"/> Flexible Spending Accounts  |
| <input checked="" type="checkbox"/> Paid Leave       | <input type="checkbox"/> Tuition Reimbursements   |
| <input type="checkbox"/> Pension                     | <input checked="" type="checkbox"/> Disability  |
| <input type="checkbox"/> Counseling                  | <input checked="" type="checkbox"/> Other: Commuter benefits; Employee Assistance Program; Accidental Death and Dismemberment Insurance |

Please describe training provided to employees:

Dropbox has hired a Learning and Development person in house to help develop training and resources for all Dropbox employees to help them develop in their careers. Newly developed training programs and sessions include a 6-week program for all New Leads (across all Dropbox offices), and trainings for all Dropbox employees on how to give and receive constructive feedback. Dropbox employees also have access to a speaker series hosted by Dropbox called Droptalks. Former speakers include: Condoleeza Rice, Robert Gates, Mark Zuckerberg and Gary Cohn.

Does the company provide opportunities for employee advancement: ☒ Yes ☐ No  
Describe:

Austin employees will have the opportunity to advance in salary and job title and remain located in Austin.

Are there funds for additional employee education (tuition match, etc.): ☐ Yes ☒ No  
Describe:

Dropbox does not currently offer tuition reimbursement to employees, but this is something Dropbox plans to review in the future.



Does the company actively promote diversity in hiring and promotion: ☒ Yes ☐ No

Describe:

Dropbox is committed to hiring and retaining diverse employees. Although Dropbox does not have a formal Diversity Plan, the company is taking numerous concrete steps to advance this goal. Dropbox has created a Diversity Committee, which is currently focused on hiring women. In support of this goal, Dropbox sponsored Grace Hopper, which is a conference that celebrates women in computing and focuses on women of all ages, including high school students. Dropbox is also reviewing internal recruiting and interviewing processes to be more diversity friendly. In addition to the Diversity Committee, Dropbox recently hired an employee devoted to People Ops analytics. This person is tasked with tracking and analyzing data around diverse employee hiring, retention and satisfaction.



Does the company provide non-discrimination policies that include both sexual orientation and gender identity: ☒ Yes ☐ No

If so, please describe and attach the company policy(ies):

Dropbox prohibits harassment based on race, color, religion, sex (including gender identity, pregnancy, childbirth, or related medical conditions), sexual orientation, national origin, ancestry, age, physical or mental disability, marital or registered domestic partnership status, veteran status, or any other characteristic protected under law. It encourages the reporting of harassment and prohibits retaliation based on a report of harassment.

Does the company provide domestic partner benefits to their lesbian, gay, bisexual, and transgender employees and their families: ☒ Yes ☐ No

If so, please describe and attach the company policy(ies):

Dropbox does provide domestic partner benefits to its lesbian, gay, bisexual, and transgender employees and their families.

Does the company have either of the following: (1) Historical data that demonstrates that the company has been successful in achieving diversity in hiring through its existing programs or policies, or (2) A policy or plan for establishing goals for diversity in hiring: ☐ Yes ☒ No

If so, please describe the historical data or policy/plan and attach the historical data or policy/plan:

Please see comments above regarding Dropbox's initiatives promoting diversity in hiring.

### Cultural/Quality of Life Considerations

Does the company have a cultural outreach program: ☒ Yes ☐ No  
Describe:

Sharing your Impact and Engaging with the Community is one of our areas of focus in Dropbox's benefits philosophy. Currently, every Dropbox employee is encouraged to sponsor one non-profit of their choice for a free Teams account (good for up to 50 licenses on that account). As part of our health fairs, Dropbox has also sponsored events where employees put together 100 backpacks filled with supplies that are sent to local schools. Dropbox is also exploring organizations to sponsor to help promote women in technology.



Does the company actively encourage volunteer/charitable efforts:

☒ Yes

☐ No

Describe:

Please see comments above regarding Dropbox's cultural outreach program. Also, Dropbox encourages employees to volunteer or otherwise support other charitable efforts and has a volunteer directory describing the type of charitable organization, contact information for interested employees to become volunteers, and other applicable information (time commitment, requirements, etc).

Does the company provide assistance to employees to utilize alternative transportation (subsidized bus passes, bike parking, incentives, etc.): ☒ Yes ☐ No

Describe:

Dropbox provides transportation benefits to all employees in San Francisco which will carry over to an office in Austin as well. Currently, Dropbox provides employees both with access to a free Dropbox shuttle and subsidizes the cost of a bus pass through a program that also allows employees to enjoy this benefit tax-free.

Is the company willing to work with organizations specializing in the development of a local recruitment strategy for ex-offenders: ☒ Yes ☐ No



### Green Building Initiatives

Does the Project meet Austin Energy Green Building Program 2-Star rating or USGBC LEED

Certified rating:

☒ Yes ☐ No

Describe:

Location still to be determined, but it is our intent to locate in a facility that is compliant with this one of both of these programs.

### Signature

Please provide any additional thoughts or comments related to your project that could be pertinent to the evaluation process.

Dropbox, Inc. is excited about the potential of expanding its US presence into Austin and developing a long-lasting, mutually beneficial relationship with the City.

To the best of my knowledge, the information included in this City of Austin Business Information Form is true and correct, as evidenced by my signature below.

Signature: Bradley Silcari  
Bradley Silcari (Aug 29, 2013)

(Company Representative)

Date: Aug 29, 2013

## **Anti-Harassment and Retaliation Policy**

We strive to be a positive, supportive and discrimination-free place to work. If any Dropboxer is feels anything less, we want to know and help! Please immediately report any incidents of harassment or retaliation, so we can investigate and take action to resolve or stop the conduct as appropriate.

Harassment has no place at Dropbox. We prohibit harassment on the basis of race, color, religion, sex (including gender identity, pregnancy, childbirth, or related medical conditions), sexual orientation, national origin, ancestry, age, physical or mental disability, marital or registered domestic partnership status, veteran status, or any other characteristic protected under law.

Harassment can take many forms and can include:

- Jokes or unwelcome comments;
- Derogatory photos, drawings, or gestures; or
- Physical contact, threats, or leering.

Sexual harassment can also include:

- Demands for sexual contact in exchange for job benefits;
- Threats of losing job benefits unless someone engages in sexual conduct; or
- Creating a hostile or intimidating atmosphere.

The prohibition on harassment applies to everybody working at or with Dropboxers, including co-workers, leads, users and people who do business with Dropbox.

**Reporting.** If you believe that you've been harassed, or you've witnessed harassment, report this to your Lead or People Ops (Ramsey, Elizabeth, or Marcia) immediately. It's best to communicate this in writing, but not mandatory. Leads must report any incidents of harassment and harassment complaints to People Ops promptly. You'll be asked to provide details of the incident, names of individuals involved and names of any witnesses. The harassment allegations will be promptly investigated, and you'll be informed of the findings.

If we determine that someone has violated this policy, we will take remedial action, possibly including termination. Because maintaining a work environment free of hostile or inappropriate conduct is important to Dropbox, we may take disciplinary action against people who exhibit poor judgment or engage in inappropriate behavior, even if it's welcome or falls short of being unlawful harassment.

You also should be aware that you can file a complaint with the Equal Employment Opportunity Commission (EEOC) or the California Department of Fair Employment and Housing (DFEH), which investigate and prosecute complaints of prohibited harassment in employment. Possible remedies include fines, monetary damages, reinstatement or promotion, and changes in company policies. For more information, visit: <http://www.eeoc.gov/> and [www.dfeh.ca.gov](http://www.dfeh.ca.gov).

**Anti-retaliation policy.** We won't tolerate retaliation against a Dropboxer for making a good faith report or for participating in the investigation of harassing conduct. If you believe that you've been retaliated against, you should immediately report this to your Lead

or People Ops (Ramsey, Elizabeth, or Marcia). We will promptly investigate any report of retaliation and will take remedial action if retaliation has occurred, possibly including termination.

**City of Austin – Business Information Form  
Additional Information – Domestic Partner Benefits**

Dropbox provided the following excerpt from its benefits manual regarding its extension of domestic partner benefits to lesbian, gay, bisexual, and transgender employees and their families:

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You may enroll your qualified domestic partner in medical, dental, and vision.

Your partner may qualify as a domestic partner if:

- Neither the employee nor the partner are married or legally separated from any other person
- The employee and partner are each other's sole domestic partner and intend to remain so indefinitely
- Both the employee and partner are at least 18 years of age
- The employee and partner are not related to each other
- The employee and partner have assumed mutual obligations for the welfare of each other, including "basic living expense" and a common residence for a minimum period of time, specified time period based on carrier, and intend to do so indefinitely.

Tax implications for enrolling a domestic partner:

- Domestic partners are not currently recognized as IRS dependents. Therefore, the portion of premiums your employer pays on behalf of your domestic partner must be taxed. This process is called "imputed income". Also, any premiums you pay which are attributable toward the domestic partner coverage must be taxed. These premiums are deducted on a post-tax basis vs. pre-tax.