

ORDINANCE NO. 20140220-002

AN ORDINANCE AUTHORIZING THE CREATION OF AN ECONOMIC DEVELOPMENT PROGRAM AND THE NEGOTIATION AND EXECUTION OF AN ECONOMIC DEVELOPMENT AGREEMENT WITH DROPBOX, INC.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council finds that:

- (A) Chapter 380 of the Texas Local Government Code authorizes the City to establish local economic development programs;
- (B) Dropbox, Inc. (“Dropbox”) has requested that the city council consider establishing and administering an economic development program in the City of Austin as allowed under Texas Local Government Code, Chapter 380, in exchange for expanding its business unit within the City’s Desired Development Zone in the Central Business District, making an investment of a minimum of \$4,000,000 in real property and \$1,500,000 in business personal property, and creating at least 170 jobs within the City;
- (C) The City has reviewed and evaluated an economic incentive proposal in accordance with Ordinance No. 20091001-011 relating to the review of economic incentive proposals;
- (D) Dropbox qualifies for the proposed incentives under the standards set forth in the Firm Based Incentive Matrix, which City Council approved by Resolution No. 20041028-003 and subsequently amended by Resolution No. 20131024-056;
- (E) An economic development program with Dropbox is justified because it will promote local economic development and stimulate business and commercial activity in the municipality.

PART 2. An economic development program for Dropbox is created under Chapter 380 of the Local Government Code. The economic development program provides for a grant amount equal to \$150 for each new job created and retained by the project for a period of up to ten years, up to a maximum amount of \$244,500, subject to the terms of

an economic development agreement to be negotiated and executed with the City of Austin.

PART 3. The City Manager is authorized to negotiate and execute an economic development agreement with Dropbox, consistent with the terms and conditions of the economic development program established in Part 2 of this ordinance.

PART 4. This ordinance takes effect on March, 2014.

PASSED AND APPROVED

_____ February 20 _____, 2014

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Lee Leffingwell
Mayor

APPROVED: _____
Karen M. Kennard
City Attorney

ATTEST: _____
Jannette S. Goodall
City Clerk