

AECOM Technical Services, Inc.

Enterprise Zone Project Summary

Company Overview

AECOM Technical Services, Inc. (“AECOM Tech”), is a wholly owned subsidiary of AECOM. Founded in 1990, AECOM is the world’s premier infrastructure consulting firm, delivering professional services throughout the project lifecycle – from planning, design and engineering to program and construction management. The company is driven by a common purpose to deliver a better world through unrivaled technical expertise and innovation, a culture of equity, diversity and inclusion, and a commitment to environmental, social and governance priorities. AECOM, headquartered in Los Angeles, California, is a publicly traded company that ranks 189 on the list of Fortune 500 companies.

AECOM Tech currently leases office space within the City of Austin extraterritorial jurisdiction located in the office campus at 9400 Amberglen Boulevard. Within the same office campus, AECOM Tech is currently in the process of renovating approximately 42,000 square feet of office space located at 13640 Briarwick Drive. The Austin office campus houses space for construction management, engineering, and project management teams that are an integral part of the services that AECOM Tech provides. Additional addresses included in the Application are 9300 Amberglen, 13630 Briarwick Drive, and 13620 Briarwick Drive, which serve as additional office space for AECOM Tech.

Project Description

Over the next five (5) years, AECOM Tech anticipates investing more than \$5 million to extensively renovate and build out office space within the Austin campus. This investment will include more than \$3.5M in construction costs as well as \$1.5M in furniture, fixtures, IT and Audio/Visual equipment. The new office will position AECOM Tech with the ability to expand their operations and better support their growing customer base.

Enterprise Zone Definition

Any block group within the State of Texas that has a poverty rate of 20% or more, as determined by the U. S. Census Bureau during each decennial census is a state enterprise zone.

Requirements for Hiring Disadvantaged Workers

Projects may be physically located in or outside of the Enterprise Zone. If located within a zone, the company commits that at least 25% of their new employees will meet economically disadvantaged, enterprise zone residence or veteran requirements. If located outside of the zone, the company commits that at least 35% of their new employees will meet economically disadvantaged, enterprise zone residency or veteran requirements. Since the site location is not within a zone, the company would be required to commit that at least **35%** of their new employees will meet economically disadvantaged, enterprise zone residence or veteran requirements.

Project Parameters

Facility Locations

- 13640 Briarwick Drive, Austin, Tx 78729
- 13630 Briarwick Drive, Austin, Tx 78729
- 13620 Briarwick Drive, Austin, Tx 78729
- 9400 Amberglen Boulevard, Austin, Tx 78729
- 9300 Amberglen Boulevard, Austin, Tx 78729

Capital Investment (Total New: Approx. \$5 mil)

- Building Construction = \$3,500,000.00
- Furniture, Fixtures, & Equipment = \$1,500,000.00
- Total Cost = \$5,000,000.00

Timeline

- Begin Construction 4/22/2021
- Construction Complete 9/1/2026

Job Categories/Employee Wages

- Total Number of Full-Time Jobs at the site. 332
- Total Number of Full-Time Jobs to be Retained for Program Benefit. 332
- Total Number of Full-Time Jobs to be Created for Program Benefit. 10

Job Category	Number of Jobs (employed by company)	Number of Jobs (vendor or contract)	Average Annual Wages	Percent to be Locally Hired
Executive	12	0	\$207,594.68	N/A
Manager	45	0	\$136,056.59	N/A
Supervisor	16	0	\$116,301.18	N/A
Staff	197	0	\$104,508.32	N/A
Entry Level	62	0	\$78,997.35	N/A
Total	332	0	\$108,314.69	N/A

Note:

1. Employee benefits received are as follows:
Employee benefits received are as follows: Heath Insurance, Dental Insurance, Retirement Plan, 401(k), Paid Leave, Counseling, Life Insurance, Prescription Drug Plan, Vision, Flexible Spending Accounts, Tuition Reimbursement, Disability and Wellness/Behavior Health Benefits.

Maximum Estimated State Sales & Use Tax Refund/ Computation

- \$1,250,000

- The State of Texas computes its Maximum Potential Refund based upon a company's Capital Investment, Number of Jobs Created and/or Retained up to 500, and the Maximum Refund per Job Allocation (\$2,500 per job for a Single Enterprise Project Designation).

Sales and Use Tax (State and Local)

The Texas state sales and use tax rate is 6.25%, but the local taxing jurisdictions (cities, counties and special purpose districts, and transit authorities) may also impose sales and use tax up to 2% for a total maximum combined rate of 8.25%. For purposes of this program, it is the 6.25% portion of the tax that is used to provide a refund to corporations that apply for the Enterprise Zone program. The 2.0 % local tax is not affected, therefore there is no fiscal impact on the City.

Tax Structure

- Overall Tax = 8.25%
- State Portion = 6.25%
- Local Portion = 2.00%*

Prior Council Action

- Chapter 380 Agreement: The City of Austin has never entered into a Chapter 380 Agreement with AECOM Technical Services, Inc.
- Enterprise Zone Project Application: The City of Austin has not nominated AECOM Technical Services to the State of Texas as a Texas Enterprise Zone project prior to now.

Enterprise Zone Designation Period

5 Years

Enterprise Zone Designations

9 New Designations (Effective September 1, 2021)

The Public Benefit (if approved)

1. The City of Austin would join our corporate partners in battling poverty, and in this case, this would assist the disadvantaged in or near a zone suffering from 4.02% poverty according to the state's data of the last decennial census.
2. The City of Austin would send a signal that we appreciate all corporate partners who take advantage of this program to help our citizens who meet economically disadvantaged, enterprise zone residence or veteran requirements.
3. The City of Austin would support a program that requires no fiscal impact to the City.
4. The City of Austin would support major capital investment at the qualified business site which is within the Austin city limits.
5. The City of Austin would maximize local efforts to return state sales and use tax to the City of Austin, rather than allow those dollars to be sent to other cities in support of their corporations and/or local economies.

