



Legislation Details (With Text)

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Title: Consider a resolution nominating Dell Inc. at its Building 5 of the Round Rock campus as a qualified Enterprise Project to be eligible to participate in the Enterprise Zone Program.

Sponsors:

Indexes:

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Date	Ver.	Action By	Action	Result
8/24/2017	1	City Council	approve	Pass

Consider a resolution nominating Dell Inc. at its Building 5 of the Round Rock campus as a qualified Enterprise Project to be eligible to participate in the Enterprise Zone Program.

Dell has asked Round Rock to nominate two of their buildings as Texas Enterprise Zone Project Designees. Below is information on the Enterprise Zone Project from the State Comptroller’s office:

Enterprise Zone Program

Program Objective

The Texas Enterprise Zone Program is an economic development tool for local communities to partner with the State of Texas to promote job creation and capital investment in economically distressed areas of the state.

Participation

Local communities must nominate a company as an Enterprise Project to be eligible to participate in the Enterprise Zone Program. Legislation limits allocations to the state and local communities per biennium. The state accepts applications quarterly with deadlines on the first working day of March, June, September and December.

Benefits to Participation

Designated projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The level and amount of refund is related to the capital investment and jobs created or retained at the qualified business site.

Participation Requirements

Communities may nominate projects, for a designation period up to five years, non-inclusive of a 90-day window prior to the application deadline. Employment and capital investment commitments must be incurred and met within this timeframe.

Projects may be physically located in or outside of an Enterprise Zone.

If located within a zone, the company commits that at least 25% of their new employees will meet economically disadvantaged or enterprise zone residence requirements.

If located outside of a zone, the company commits that at least 35% of their new employees will meet economically disadvantaged or enterprise zone residency requirements.

As stated above, communities can nominate any project that creates jobs and capital investment for this designation. In the past Round Rock has nominated Dell, Dresser Wayne and ProPortion Foods. This is a State Incentive and would not affect the City financially. Staff recommends Council recommending the Dell Projects for the Texas Enterprise Zone Program.

There is no cost to adopt this resolution as it simply nominates the projects for participation in the program.