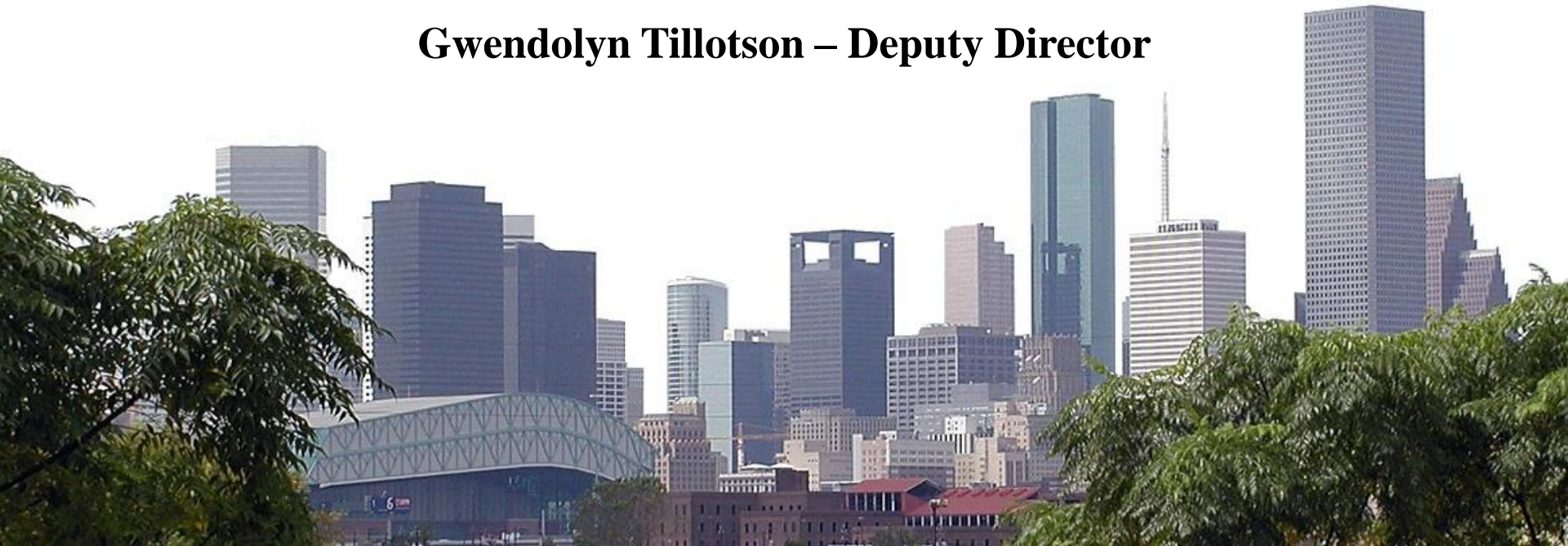




# Economic Development Proposals

*Economic Development Committee*

**Gwendolyn Tillotson – Deputy Director**





# Economic Development Presentation

## Texas Enterprise Zone Program Proposal



# Texas Enterprise Zone

## -General Information-

- State of Texas Economic Development Program
- Reimbursement of state sales/use tax for qualifying projects
- Local municipalities are allotted nine (9) nominations per biennium (*Sept. 1, 2019 – Jun. 1, 2021*)
- Unused nominations are forfeited by the municipality
- Nominations do not require any funding from the local municipality



# Texas Enterprise Zone -Economic Development Evaluation Process-

Priorities	Site Location	Competitive Industry	City Development Priorities	Public Benefits	Incentives	Tax Status	Salary (City Priority)	Salary (State Priority)	Job Creation	Job Retention	Capital Investment
Criteria	The project is located within, or in close proximity to an enterprise zone.	The company is one of Houston's top industry clusters.	The project aligns with the city's development priorities (See Exhibit A).	The project aligns with current City of Houston policy priorities and mayoral initiatives (See Exhibit B).	The project will receive other local incentives (See Exhibit C).	The project is a medical, educational, or tax-exempt entity.	The project will include both high and medium-salary jobs (Exhibit D).	The project's Average Weekly Wages (AWW) will exceed the county it is located in.	The project will result in a substantial number of new jobs.	The project will result in a substantial number of retained jobs.	The project will make a significant capital investment (\$MM).

*The following criteria is used to evaluate projects for nomination:*

- Located within a high poverty area
  - 20% or higher poverty
- Inclusion of entry, medium and high salary jobs
- New jobs vs retained jobs
- Capital investment value
- Supports a top industry cluster
- Aligns with City priorities for enhanced community benefits



# Projects Recommended for Council Approval

## Texas Enterprise Zone Nomination

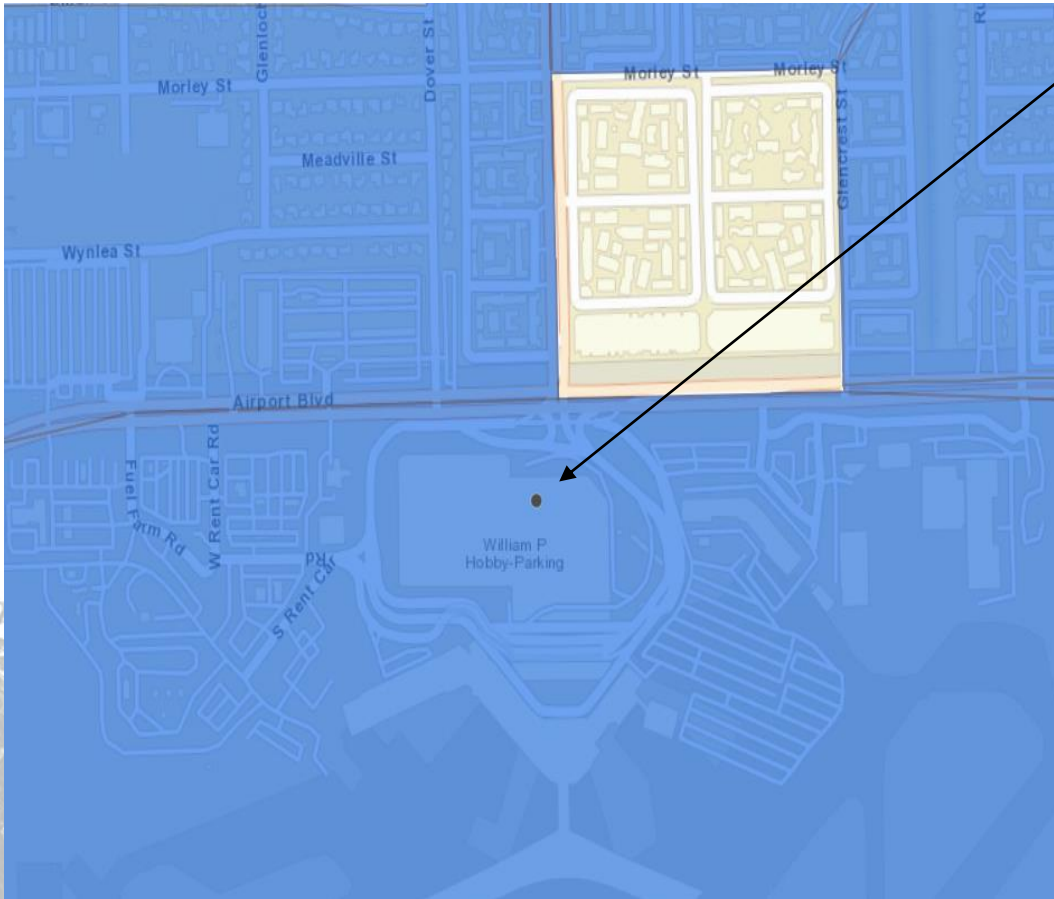
Southwest Airlines Co.

7800 Airport Blvd Houston, TX. 77061





# Texas Enterprise Zone - Southwest Airlines Co -



Project Site

The site area is located inside of an Enterprise zone.

25% of new jobs must be filled by residents of an enterprise zone or who are economically disadvantaged

**Blue = Texas Enterprise Zone  
(greater than 20% poverty)**

**Black dot = Project Site**



# Texas Enterprise Zone - Southwest Airlines Co-

- **Project Description:**
  - Southwest plans to invest in updating technology and equipment for use at the project site.
  - Investment of approximately \$5M
  - Retention of 500 jobs
- **TEZ reimbursement:**
  - Maximum \$1,250,000 over 5 years (500 jobs retained/created)





# Texas Enterprise Zone

**Questions?**

