



Travis County Commissioners Court Agenda Request

Meeting Date: 11/18/2014, 9:00 AM, Voting Session

Prepared By/Phone Number: Katie Petersen Gipson Planning and Budget Office,
854-9346

Elected/Appointed Official/Dept. Head: Leroy Nellis, Acting County Executive,
Planning and Budget

Commissioners Court Sponsor: Judge Samuel T. Biscoe

Alle R. for Leroy Nellis

AGENDA LANGUAGE:

Receive public comments regarding:

- 1.) Adoption of an order to nominate ARM, Inc. as an Enterprise Project
- 2.) Adoption of an order to identify and summarize available local incentives.

BACKGROUND/SUMMARY OF REQUEST AND ATTACHMENTS:

Travis County has been asked to nominate ARM Inc. as an Enterprise Project under the Office of the Governor's Enterprise Zone program. This agenda item is a statutorily required public hearing in order to nominate ARM, Inc. as an enterprise project. This public hearing was advertised in the November 11, 2014 edition of the Austin American Statesman. Attached is a summary of the project as well as a PowerPoint presentation describing the company and project. The final orders will be placed on the November 25, 2014 voting session for Commissioners Court consideration. There is also a fact sheet on the requirements and benefits of the Enterprise Zone program.

STAFF RECOMMENDATIONS:

Applications to the Enterprise Zone programs are outside the bounds of the Travis County Economic Development policy, since the company is not requesting a Ch. 381 agreement for tax incentives. PBO recommends nominating ARM, Inc. for the Enterprise Zone program due to the level of capital investment as well as the job creation and retention levels. Travis County also has supported programs and companies that hire economically disadvantaged residents.

ISSUES AND OPPORTUNITIES:

ARM, Inc. is planning to invest \$12 million in a new facility located off Southwest Parkway in Precinct Three. In addition they will invest \$44 million in new data center equipment. The company expects to create 150 jobs over 10 years. The company will also retain 342 existing jobs in Travis County. The expected average salary is \$88,000. The company will hire 35% of their new hires as "economically disadvantaged" as defined by the Enterprise Zone program.

It should be noted that this project is located in an Edwards Aquifer recharge zone. However this project has already gone through the City of Austin planning and zoning process and the project is adhering to the necessary development restrictions of that area.

FISCAL IMPACT AND SOURCE OF FUNDING:

The Enterprise Zone program is a state program. The County is not expected to offer any incentives. The County will receive ad valorem property taxes on the new real property and new business personal property value created by this program. Estimates on new property taxes for this project are estimated from \$500,000 to \$600,000 over a ten year period for the new facility.

Under the Enterprise Zone program, ARM, Inc. will have the maximum expected incentive of \$1,250,000 in rebate state sales tax. The sales tax rendered to the City of Austin and Capital Metro will be unaffected.

REQUIRED AUTHORIZATIONS:

Planning and Budget Office
County Judge's Office

Jessica Rio
Melissa Velasquez

ARM

ARM, Inc. Travis County Expansion Project

COMPANY OVERVIEW:

ARM, Inc. ("ARM"), headquartered in San Jose, California, designs scalable, energy efficient-processors and related technologies to deliver the intelligence in applications ranging from sensors to servers, including smartphones, tablets, enterprise infrastructure and the Internet of Things. ARM's innovative technology is licensed by ARM Partners who have shipped more than 50 billion Systems on Chip ("SoCs") containing the company's intellectual property since the company began in 1990. The ARM business model involves the designing and licensing of IP rather than the manufacturing and selling of actual semiconductor chips.

PROJECT SUMMARY:

ARM currently employs approximately 342 employees in Travis County and 396 employees in the State of Texas. As a result of the company's tremendous growth and success, ARM is planning to spend approximately \$12 million to construct, build out, and furnish a four-story, 120,000 square foot "corporate campus" type facility, located at 5707 Southwest Parkway, Austin, Texas 78735, that will accommodate ARM's current and future Travis County business operations needs. The new facility, known as the Encino Trace Building, is expected to be ready for occupation in August 2015. Additionally, ARM leases a data center facility in Travis County that houses the company's IT network and data storage operations, at which the company plans to invest an additional \$44 million in hardware and software. In total, ARM anticipates spending over \$56 million in capital related projects in Travis County over the next five years.

As a result of the proposed capital investment, ARM expects to retain all full-time employees and anticipates creating 150 new full-time jobs at its Travis County facilities over the next five years.

ESTIMATED PROJECT COST BREAKOUT:

- Building Construction and Finish-Out	\$12 million
- <u>IT Software & Hardware:</u>	<u>\$44 million</u>
- <i>Total Project Budget/Cost:</i>	<i>\$56 million</i>

TIMELINE:

- Begin Building Construction	Q2 2014
- Complete Building Construction	Q2 2015
- Begin Finish-Out Work	Q2 2015
- Move-In and Begin Operations	August 2015

ASSISTANCE REQUEST:

- Texas Enterprise Project nomination from Travis County

Texas Enterprise Zone Nomination

Commissioners Court Public Hearing
November 18, 2014

CONFIDENTIAL

The Architecture for the Digital World®

ARM

Public Hearing

- Public notice & hearing required by statute
 - ✓ Advertised in November 11, 2014 Austin American Statesman
- Overview of Enterprise Zone Program
- Economically Disadvantaged / Enterprise Zone Resident Hiring
- Company/Project Overview
- Community Involvement

Texas Enterprise Zone Program

- State incentive program overseen by the Office of the Governor Economic Development & Tourism
- 12 Project designations allocated for each quarterly Application round
- The governing jurisdiction nominates a qualified business to OOGEDT for consideration and summarizes all local incentives via nominating order that are available to ARM
- Project qualifiers:
 - Capital investment
 - 35% Hiring Requirement of Economically Disadvantaged and/or Enterprise Zone Residents
- ARM would qualify for up to \$1.25M in state sales tax refunds over five year designation period

Economically Disadvantaged / Enterprise Zone Resident Hiring

- ARM will be required and is committed to hiring 35% of their 150-200 new employees based on the following hiring and recruiting practices:
 - ARM will use a proprietary, voluntary questionnaire to actively track and determine if new employees are considered “economically disadvantaged” based on the following criteria:
 - Unemployed for more than 90 days prior to ARM
 - Received public assistance benefits prior to ARM’s employment
 - Meeting income thresholds, i.e. one person family with total income below \$42,250
 - Enterprise Zone Residents
 - ARM will geo-code new hires to identify employees that reside in state enterprise zones (i.e. census tract block group with >20% poverty level)
 - Recruiting Strategy
 - ARM will actively recruit and advertise open job positions through various local universities, chambers of commerce, Texas Workforce Commission, etc.

Company/Project Overview

- Headquartered in San Jose, California
- Designs scalable, energy efficient-processors and related technologies to deliver the intelligence in applications ranging from sensors to servers, including smartphones, tablets, enterprise infrastructure and the Internet of Things
- ARM is spending \$12 million to construct, build out, and furnish a four-story, 120,000 square foot “corporate campus” type facility, located at 5707 Southwest Parkway. The new facility, known as the Encino Trace Building, is expected to be ready for occupation in August 2015.
- ARM leases a data center facility in Travis County that houses the company’s IT network and data storage operations, at which the company plans to invest an additional \$44 million in hardware and software.
- Create 150-200 new jobs with annual wages averaging \$88K; Retain 342 existing jobs at the Travis County facilities

In the Community...

- **ARM University Program:**
 - Enables educational use of ARM technology by providing teaching materials, hardware platforms, software development tools, programming workshops, IP, and other resources for educators, students, and researchers
- **Environmental Practices:**
 - Gold level CEEDA Design-Operate certification with new Encino Trace and data center buildings
 - Green initiatives in Travis County such as tree planting, composting, etc.
- **Community Involvement:**
 - STEM robotic program and competitions
 - Austin Energy Regional Science Fair and Job Expos
 - On-site OTJ training
 - Volunteering and Charitable Donations – Silver Oak Educational Partnership, Wounded Warriors, UT, IEEE Computer Society, Design Verification Trade Association, First Tech Challenge, Dell Children's Medical Center, Capital Area Food Bank of Texas

hobby-hutch-a-tiny-and-magical-wor-
ers-getaway! \$6850

Restaurant Equip/ Supplies

BBO TRAILER 16' LG pit, 3 sinks, clean & gray water, full size refrigerator. Propane 2 eye cook top w/ 4 burners. Water ready for permit. Cash only: \$10,500. 512-508-0261



Pets

Cats Supplies/Services

Savannah Kittens - We have F5 kittens available. TICA registered. \$800. 512-820-5917

Dogs Supplies/Services

BLOOD HOUND PUPS AKC reg, born 7/4/2014. 1 male, 2 females, all shots, dewormed. \$400. 512-750-4302

Boston Terriers AKC - 3 Males & 1 Female Serious Inquiries Only 1! Thanks \$600. 512-452-1332, 512-620-1472

Boxer Puppies - Full AKC Registration, 1st and 2nd Vaccinations, micro-chipped, and health guarantee. Go to www.hillcountryboxers.com for more info. \$800. 325-347-7506

DOBERMAN AKC - 1 female puppy 7 weeks \$600, 1 male red 2 years, 1 female black 2 years. Shots up to date. Call for prices. 512-923-3190

GOLDEN RETRIEVER - AKC Precious, sweet, puppies. Gorgeous blondes, Champ blood. SW. Pick of the litter. 20 yrs exp. www.styrtongoldens.weebly.com. 512-601-2022

GOLDEN RETRIEVER - Adorable AKC puppies. Males & Females. Parents on site. Shots/Wormings. Light in color. Ready Now. \$800. 830-708-4755

GREAT DANE PUPPIES - AKC 2 female harlequin, blue eyes, beautiful, 6 weeks. \$1000 ea. wrightdanes.com 830-391-5058

GREYHOUND ADOPTION Open House, Sat 1-3-30, 2805 W Fresno, Near Mopac 45th. 512-453-7737. Tick disease tested. www.greyhoundrescueaustin.com

Lab - 4 month old, pure-breed, white female lab puppy with papers. Some obedience training. Crate trained. \$1,500. 512-431-7137

LAB PUPS: AKC OFA. Yellow, black, Dickedallies. Wormed, shots, dew-clawed, vet checked. Ready 11/17 & 12/15 \$850. 830-796-8667

LABRADOODLE - Sale! \$400.00. Ft. 3 chocolate (males), 1 white (female). Born on the 4th of July. Up to date on shots. Vet checked. CKC eligible. www.woodcreek-labradorretriever.com

Great location. North Central, off 183 Beautiful 1st floor, 2 bdrm, 2 bath cond. Swimming pool, 1 blk from Balcones Dr. \$115,000. 512-337-7281

Farms/Land/ Acreage

SCHULLENBURG 10 acres. Corner Lot On Highway 77, commercial, industrial or residential. Owner finance \$35,000 an acre. 713-249-1514

30 - 70 AC. SOUTHERN VAL VERDE COUNTY HUNTING RECREATIONAL RETIREMENT PROPERTY. GOOD COVER. DEER, TURKEY, WILSON QUAIL. NEAR LAKE AMISTAD STARTING AT \$1592 DOWN. \$280/MO. 800-876-9720 ranchentersite@aol.com

Stonewall 50-270 acres on Pedre males River near LBJ Park at Stonewall. Great for horses, big yard, investment. Fields & trees. \$10,950 per acre. Greg Tom, Broker. 830-796-0320

75 ac +/- of Junction inside high fenced prime preserve. Excellent year round black, spotted, whitetail, turkeys, etc. Excellent internal road. Owner terms. 830-739-3486

81 Acres in Bertram (Burnet County) 1300 ft along the South Fork of San Gabriel River, approx 40 acres used for Coastal Ray Production, the rest of the property is varied topography with numerous trees and cover for many kinds of wildlife. A recreation-already owned! Electricity, Well and Septic on property This land has been in the family for more than 130 years - all minerals to go for per owner. Listed at \$499,900. Call for more information. Kelly Williams Realty (512) 966-7481

ACREAGE FOR SALE
US Hwy 183 S and Lava Hill RD
2.5 and 2.82 acres with no restrictions or zoning, 4 miles from Formula Race track. Multiple uses in this industrial area.
Call Jeannie at 512-844-8888

BLANCO Luxury living at Rockin J Ranch. Resort style, design your new home. Texas hill country. N of San Antonio, W of Austin. Wooded 1/3 acre, city water & sewer, paid \$47,900. Sell for \$55K. Golf mem. incl. 817-269-2568

GENTLEMAN RANCHER 1500 acres, Sonora, TX w/income from saltwater disposal well, minerals, hunting & cat. Quality home, barn, pipe pens. 18 acres field w/irrigation well. Excellent hunting. \$2,950,000. 830-739-0256. wvsham-realestate.com.

LLANO CO 10 acres, covered with oak trees, wet weather creek, tall native grass, W/E. Great location. Near 3 area lakes. Owner Finance. 325-247-5883, 325-423-1186

15-20 AC. CONCHO COUNTY, SW OF EDEN, LIVE OAK, MESQUITE COV. OF. NATIVE, EXOTIC GAME, TURKEY, HOGS. STARTING AT \$2,475 DOWN. \$451/MO. 800-876-9720 ranchentersite@aol.com

SOUTH TEXAS BRUSH COUNTRY. 10-20 AC. S. OF GEORGE WEST. HEAVY COV. ER, DEER & HOGS. STARTING AT \$2,240

as Alcoholic Beverage Commission for a Mixed Beverage Permit and Mixed Beverage and Late Hours Permit by El Leon's East LLC, dba Stay Gold, 1910 E Cesar Chavez Street, Austin, Travis County, Texas. Nathan R Hill, Managing Member; William H Tanner Jr Managing Member

Application has been made with the Texas Alcoholic Beverage Commission for a Wine and Beer Retailer's Off Premise Permit by Big Diamond, LLC dba Corner Store #3958, 12307 Dessau Road, Austin, Travis County, Texas. Kimberly S. Bowers, Manager/Pres/CEO; Anthony P. Barty, Sr. VP; Clayton E. Killinger, Sr. VP/CFO; Jeremy L. Bergeron, VP/Treas; Paul C. Clark, VP; Douglas M. Miller, VP/Manager

Application has been made with the Texas Alcoholic Beverage Commission for a Wine and Beer Retailer's Off-Premise permit by Quality Licensing Corp. d/b/a Quality Licensing Corp. (Store #3169) located at 11821 Highway 290 E, Manor, Travis County, Texas 78653. Officers of said company are Phyllis P. Harris, President; Andrea M. Lazenby, Assistant Secretary; Kimberly Frost, Assistant Secretary; Amy Y. Thrash, Assistant Secretary; Claire Babineaux-Fontenot, Senior VP; and James Renfrow, Assistant Secretary.

SUBJECT TO REVERSE VENDOR'S COPY OF PLAINTEXT FROM Room, Dodge and CMD.

IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT
2013-CP-10-3355
SUMMONS
(Jury Trial Demanded)

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON
JOHN LACY STURDIVANT, JOSEPH F. HORES, MARGARET F. HORES, THAD-DEUS J. LASEK, STEPHANIE M. LASEK, JOHN JASON MARK, ASHLEY NICOLE MARN, AMY E. RAINES, FRANKLIN M. SMITH, FREDA M. SMITH, PAUL J. BECKLEY,
Plaintiffs,

VS.
GULF STREAM CONSTRUCTION CO., INC., THE RETREAT AT ETWAN POINTE, LLC, JANE DOE #1-S, AND JOHN DOE #1-S, OPUS DEVELOPMENT COMPANY, JOSE H. VALDIVINOS D/B/A MODERN MASONRY, SPECIALTY, SILVINO ROMAN LUDOVINO, INDIVIDUALLY, BRIME SONDY BUILDERS, INC., A MINCH AND E. MACHREW D/B/A PRIME SOUTH BUILDERS, ADVANCED ROOFING INC., ARG CALLUM CON-TRACTORS, INC., CARB CAPROM CON-TRACTORS, INC., TOMMY LAWRENCE D/B/A LAWRENCE SERVICES, CUSON INTERIORS, INC., VNS CORPORATION D/B/A WHOLESALE BUILDING PROD-UCC & ASSOCIATES, INC., MI WIN-DOWS AND DOORS 1, INC., AND MI HOME PRODUCTS, INC., Defendants.
YOU ARE HEREBY SUMMONED and are required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your Answer upon the subscribers, at Segui Law Firm, at 864 Lowcountry Blvd., Ste. A, Mt. Pleasant, South Carolina 29464, within thirty (30) days after the service thereof, exclusive of the day of such service, and if you fail to answer the Complaint within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Complaint.

SEGUI LAW FIRM, PC
/s/By: Phillip W. Segui, Jr.
Hunter Higginson
864 Lowcountry Blvd., Ste. A
Mount Pleasant, SC 29465
(843) 884-1865
psegui@seguilawfirm.com
hhigginson@seguilawfirm.com

THE CHAKERIS LAW FIRM
/s/By: John T. Chakeris
P.O. Box 397
Charleston, SC 29402
(843) 853-5678
john@chakerislawfirm.com

AND
JUSTIN OTTOOLE LUCEY, P.A.
/s/By: Justin Ottoole Lucey
115 Will Street
Mount Pleasant, SC 29464
(843) 849-8400
jlucey@lucy.com
Attorneys for Plaintiff

Charleston, South Carolina
Dated August 26, 2013

IN THE CIRCUIT COURT FOR THE NINTH JUDICIAL CIRCUIT
2013-CP-10-4372

ITEM(S)
815-043 Wrecker Service;
Closing 11/20/14
815-041 Telecom Cabling Supplies;
Closing 11/21/14

Please visit our website for bid information: <http://www.austinsid.org>
Interested contractors/proposalors should submit bids to Procurement Services, 1111 West 6th Street, A-330 Austin, Texas 78703.

THE AUSTIN AMERICAN-STATESMAN LEGAL NOTICE DEPARTMENT WILL BE CLOSED IN OBSERVANCE OF THANKSGIVING

Thursday, November 27, 2014
Friday, November 28, 2014
Early deadlines are in effect.

LINE ADS
Pub: Wednesday, Nov. 26
Deadline: Monday, Nov. 24 by 4pm

Pub: Thursday, Nov. 27
Deadline: Tuesday, Nov. 25 by 4pm

Pub: Friday, Nov. 28
Deadline: Tuesday, Nov. 25 by 4pm

Pub: Saturday, Nov. 29
Deadline: Wed., Nov. 26 by 10am

Pub: Sunday, Nov. 30
Deadline: Wed., Nov. 26 by 10am

Pub: Monday, Nov. 30
Deadline: Wed., Nov. 26 by 10am

Pub: Tuesday, Nov. 29
Deadline: Wednesday, Nov. 26 by 4pm

DISPLAY ADS
Pub: Wednesday, Nov. 26
Deadline: Thursday, Nov. 20 by noon

Pub: Thursday, Nov. 27
Deadline: Thursday, Nov. 20 by noon

Pub: Friday, Nov. 28
Deadline: Friday, Nov. 21 by noon

Pub: Saturday, Nov. 29
Deadline: Monday, Nov. 24 by noon

Pub: Sunday, Nov. 30
Deadline: Tuesday, Nov. 25 by noon

Pub: Monday, Nov. 30
Deadline: Tuesday, Nov. 25 by noon

Pub: Tuesday, Nov. 29
Deadline: Wednesday, Nov. 25 by 4pm

To place a legal notice, please email your notice to legals@statesman.com

**NEW ADS
APPEARING DAILY**
Statesman Classifieds
statesman.com/classifieds

Public Hearing Notice

The Travis County Commissioners Court will conduct a public hearing on November 18, 2014, at 9:00 A.M. at the Commissioners Courtroom, on the first floor of the Travis County Administration Building at 700 Lavaca St. Austin, Texas, to consider comments concerning the adoption of an order, to nominate ARM, Inc. as an Enterprise Project, and an order to identify and summarize available local incentives. ARM, Inc. is requesting approval of their request for nomination under the state-provision and capital investment. The hearing will include discussion of any tax or other incentives which might be available to the Texas Enterprise Zone Program under existing Travis County provisions, but which are not currently provided for the ARM, Inc. project, and consideration of the nomination of ARM, Inc. located at 3711 S. Mopac Expressway, Austin, Texas, to the Office of the Governor, Texas, as a Texas Enterprise Project. All interested parties are encouraged to attend and present their views. For additional information, contact the office of the Honorable Judge Samuel T. Biscoe (512-854-9555).

PUBLIC NOTICE OF FORECLOSURE SALE

Because of a default by Regent Park Capital, LLC (the "Debtor") under the terms of certain loan and security agreements executed by the Debtor, PlainsCapital Bank (the "Bank"), the holder of the note and security agreements executed by the Debtor, will sell at public auction in one or more units at 10:00 a.m. Austin, Texas, on November 24, 2014, in the Bank's offices at 919 Congress Avenue, Suite 600, Austin, Texas, up to 20 promissory notes pledged to it by the Debtor or the total face amount of which exceeds \$7,000,000.

The sale and disposition will be without representation or warranty, except as to the title. The Bank reserves the right to bid at the sale and the right to pay by credit against the indebtedness of the Debtor to the Bank.

The Bank requires at the time of the auction a minimum down payment of 25 percent of the accepted bid in either cash, a certified check, or a cashier's check with the balance due within twenty-four hours thereafter.

Interested persons may contact David M. Stewart at the Bank (512.457.7517) for further information.

ORDER NOMINATING
ARM, Incorporated
AS AN ENTERPRISE PROJECT

WHEREAS, Travis County has the authority to make this nomination pursuant to Texas Government Code, Chapter 2303, "The Texas Enterprise Zone Act" ("the Act"), specifically Section 2303.004(b) whereby the governing body of a county with a population of one million or more may nominate for designation as an enterprise project a qualified business that is located within the jurisdiction of a municipality located in the county.

WHEREAS, Travis County desires to assist businesses in severely distressed areas of the County and provide incentives to induce private investment.

WHEREAS, the project proposed is located in an area that is not designated as an Enterprise Zone pursuant to the Act.

WHEREAS, ARM, Inc. meets the requirements as a Qualified Business under the Act being engaged in or providing substantial commitment to initiate active conduct of business outside an Enterprise Zone where at least 35% of the new employees will be residents of an Enterprise Zone or economically disadvantaged (as defined by the Act)

WHEREAS, ARM, Inc. ("Company") has requested that Travis County nominate the proposed business as an Enterprise Project.

WHEREAS, the Company will participate as an expansion or relocation from out-of-state; an expansion, renovation or new construction; or other property to be undertaken.

WHEREAS, Travis County hereby designates Leroy Nellis (or his successor) as the liaison to oversee enterprise projects and to communicate and negotiate with the bank, the enterprise project and other entities in the Enterprise Zone pursuant to Section 2303.204 of the Act; and notes the following information regarding the liaison pursuant to Section 2303.4052(3) of the Act:

Name:	Leroy Nellis (or his successor)
Title:	County Executive for Planning & Budget
Address:	700 Lavaca St. Ste 1560, Austin, TX 78701
Telephone Number:	(512) 854-9106
Electronic Mail Address:	leroy.nellis@traviscountytx.gov

WHEREAS, pursuant to applicable terms of the Act, Travis County:

1. Agrees to submit an annual report no later than October 1 of each year containing the information required by the statute and the bank, pursuant to Section 2303.205 of the Act;¹ and
2. Hereby approves the request made by ARM, Inc. for application to the bank for designation of a project or activity as an enterprise project based on expansion and renovation and creation of 150 new permanent jobs and retention of 342 employees; and
3. Approves the request by ARM, Inc. to apply to the bank for designation of the project as an Enterprise Project pursuant to Section 2303.405 of the Act; and
4. Includes as a part of this Order the following which are attached to this Order the following:
Exhibit 1 - Economic Analysis of the plans for expansion, revitalization or other activity including the information required under 2303.405(b);³ and
Exhibit 2 - Identification and summarization of local incentives available within Travis County (but not promised to Company by Travis County) pursuant to Sections 2303.4051(b) and 2303.4051(c) (2) of the Act; and
Exhibit 3 - Copies of the public notices from the newspaper and as posted at the courthouse, and the letter to the bank with the notice; and

- Exhibit 4 - Certified copy of Order identifying and summarizing local incentives. 2303.0452(1); and
- Exhibit 5 - Transcript of public hearing(s) with respect to local incentives available pursuant to Section 2303.0452(2) of the Act; and
- Exhibit 6 - Documentation showing the number of employment positions at the qualified business site pursuant to Section 2303.4052(4) of the Act; and
- Exhibit 7 - Official census map with location of business; and
- Exhibit 8 - Description of effort of Travis County to achieve development and revitalization of the area; and how the designation of this Enterprise Project will contribute to that effort.

- 5. States that the project is not located in an area designated as an Enterprise Zone pursuant to the Act.
- 6. States that, to the best of its knowledge, Travis County has read and is in compliance with Texas Government Code, Chapter 2303, and other applicable statutes as to this nomination.

WHEREAS, Travis County acknowledges that:

- 1. The County has received information that ARM, Inc. has been certified as a "qualified business;" and
- 2. The enterprise project designation is for the expansion and renovation of the property pursuant to Section 2303.404(b) of the Act, and for
the creation of 150 new jobs and
the retention of 342 existing jobs; and
- 3. The designation period for the enterprise project begins December 1, 2014, and ends December 1, 2019 pursuant to Section 2303.404(c) of the Act; and
- 4. Travis County held a public hearing November 18, 2014, pursuant to Section 2302.4051(e) of the Act; and
- 5. ARM, Inc. has represented that it will make an investment of over fifty-six million dollars (\$56,000,000.00) during the designation period.

NOW THEREFORE, TRAVIS COUNTY, as of this 25th day of November, 2014, hereby:

- 1. Nominates ARM, Inc. as an Enterprise Project pursuant to Texas Government Code, Section 2303.4051(c) (3); and
- 2. Finds that ARM, Inc. meets the criteria of the Act to be designated as an Enterprise Project; and
- 3. Finds that ARM, Inc. meets the requirements of the Act to be a qualified business; and
- 4. Finds that there has been and will continue to be a high level of cooperation between public, private and neighborhood entities in the area in furthering economic development in the area; and
- 5. Finds that the designation of ARM, Inc. as an Enterprise Project will contribute significantly to the achievement of the plans of Travis County for development and revitalization of the area; and
- 6. Submits this Nomination with the required nonrefundable \$750 application fee; and
- 7. Certifies that the contents of this Order are, to the best of its knowledge, true and correct.

TRAVIS COUNTY COMMISSIONERS COURT

Samuel T. Biscoe
Travis County Judge

Ron Davis
Commissioner, Pct. 1

Bruce Todd
Commissioner, Pct. 2

Gerald Daugherty
Commissioner, Pct. 3

Margaret Gómez
Commissioner, Pct. 4

EXHIBIT 1
ECONOMIC ANALYSIS OF PLANS

1. Number of employment positions in existence at ARM, Inc. on the 91st day before the application deadline: 342

2. Number of new permanent jobs ARM, Inc. commits to create during the designation period: 150

3. Number of permanent jobs ARM, Inc. commits to retain during the designation period:

Job Category	Positions	Base Wage Range
Executive	75	\$130K - \$300K
Manager	30	\$50K - \$225K
Supervisor	15	\$150 - \$250K
Staff	205	\$30K - \$300K
Entry Level	17	\$40K - \$110K

4. Amount of investment to be made by ARM, Inc. \$56 Million

5. Description of the projected schedule for activity:
ARM, Inc. commits to make capital investment in Travis County on the following schedule:

2014	\$8,500,000.00
2015	\$12,800,000.00
2016	\$4,300,000.00
2017	\$15,600,000.00
<u>2018</u>	<u>\$14,900,000.00</u>
*Total	\$56,100,000.00

*Amount of capital may fluctuate each year; however, total capital expenditures are expected to be \$56 Million over the next five years.

6. Description of local effort by County, ARM, Inc. and other affected entities to develop and revitalize the jurisdiction of the County:

Both Travis County and the City of Austin have procedures in place to provide services, incentives and regulatory relief authorized by law and to negotiate with ARM, Inc. and with other local groups or businesses to achieve the public purposes of the Texas Enterprise Zone Act, Texas Government Code, Chapter 2303 ("Act"). County policies are more fully described in Exhibit 2 of this Order.

EXHIBIT 2
IDENTIFICATION AND SUMMARIZATION OF
LOCAL INCENTIVES

	Name of Incentive	Description of Incentive
1	Tax Increment Financing	Travis County has and may offer incentives under the Tax Increment Financing Act for redevelopment and community projects.
2	Freeport Exemption	The Constitution allows Travis County to exempt certain types of tangible personal property from ad valorem taxes.
3	Homestead Exemption	Travis County does provide for the maximum homestead exemption allowed by law
4	Building Code Exemptions	Certain building code exemptions may be allowed to expedite the development process through Travis County Transportation and Natural Resources Department (TNR)
5	Streamlined Permitting	The County may allow permit applications and supporting materials to be tendered to one department for distribution to the appropriate County departments
6	Fire and Police Protection	Safety and protection of County residents is provided through the Travis County Sheriff's Department, the Austin Fire Department and local Emergency Services Districts, and the Austin/Travis County Emergency Services Department.
7	Community Crime Prevention Programs	The Travis County Sheriff's Department and Austin Police Department provide various crime prevention programs in conjunction with other local entities
8	Capital Improvements in Water and Sewer Facilities	Travis County can provide resources for capital improvement plans related to water and sewer services through Travis County TNR
9	Road Repair	Travis County provides road and bridge maintenance in rural Travis County through TNR; the City of Austin provides these services within the City of Austin
10	Housing Rehabilitation and Purchase Programs	Travis County, through the County or various County Corporations, provides programs including funding for home purchase and weatherization repairs
11	Dispute Resolution	The County has contract(s) with non-profit(s) to provide certain dispute resolution services
12	Promotion and Marketing	Travis County benefits from the promotion and marketing services provided through the Greater Austin Chamber of Commerce and the Austin Economic Growth and Redevelopment Services Office
13	Job Training and Employment Services	Travis County participates with the Workforce Solutions - Capital Area Workforce Board and other non-profit agencies to provide workforce training and employment services, retraining programs and literacy programs.
14	Creation or Improvement of Parks	Creation, improvement and maintenance of County parks is provided through TNR
15	Special Public Transportation	Travis County contracts with non-profits to provide certain transportation to eligible county residents
16	Tax Incentives	Travis County has and may offer incentives under the Chapter 381, Texas Local Government Code, for redevelopment and community projects.

Travis County and ARM Inc. agree that no incentives have been granted or promised to ARM Inc. related to this nomination as an Enterprise Zone Project.

EXHIBIT 3

COPIES OF PUBLIC NOTICES

The Travis County Commissioners Court will conduct a public hearing on November 18, 2014, at 9:00 A.M. at the Commissioners Courtroom, on the first floor of the Travis County Administration Building at 700 Lavaca St, Austin, Texas, to consider comments concerning the adoption of an order, to nominate ARM, Inc. as an Enterprise Project, and an order to identify and summarize available local incentives. ARM, Inc. is requesting approval of their request for nomination under the statutory provisions related to job retention and capital investment. The hearing will include discussion of any tax or other incentives which might be available to the Texas Enterprise Zone Program under existing Travis County policy, but which are not currently proposed for the ARM, Inc. project, and consideration of the nomination of ARM Inc., located at 3711 S. Mopac Expressway Austin, Texas, to the Office of the Governor as a Texas Enterprise Project. All interested parties are encouraged to attend and present their views. For additional information, contact the office of the Honorable Judge Samuel T. Biscoe (512-854-9555).

EXHIBIT 4

**CERTIFIED COPY OF ORDER IDENTIFYING AND SUMMARIZING
LOCAL INCENTIVES**

(to be provided upon availability)

EXHIBIT 5

TRANSCRIPT OF PUBLIC HEARING

(to be provided upon availability)

EXHIBIT 6

DOCUMENTATION OF EMPLOYMENT

Existing Jobs at ARM, Inc. at the Travis County site:

Job Category	Positions	Base Wage Range
Executive	75	\$130K - \$300K
Manager	30	\$50K - \$225K
Supervisor	15	\$150 - \$250K
Staff	205	\$30K - \$300K
Entry Level	17	\$40K - \$110K

**Demographics of ARM, Inc. Employees at the Qualified Business Site in Travis County:
[optional]**

Subject	Percent
White	
Hispanic or Latino	
Black or African American	
Asian	
Some other race	
Two or more races	
American Indian and Alaska Native	

Existing Jobs at Other Texas Locations:

City	Number of Jobs
Plano	11

EXHIBIT 7

**OFFICIAL CENSUS MAP
WITH LOCATION OF ARM Inc.**

Address: 5707 Southwest Pkwy.
Austin, TX 78735-6219

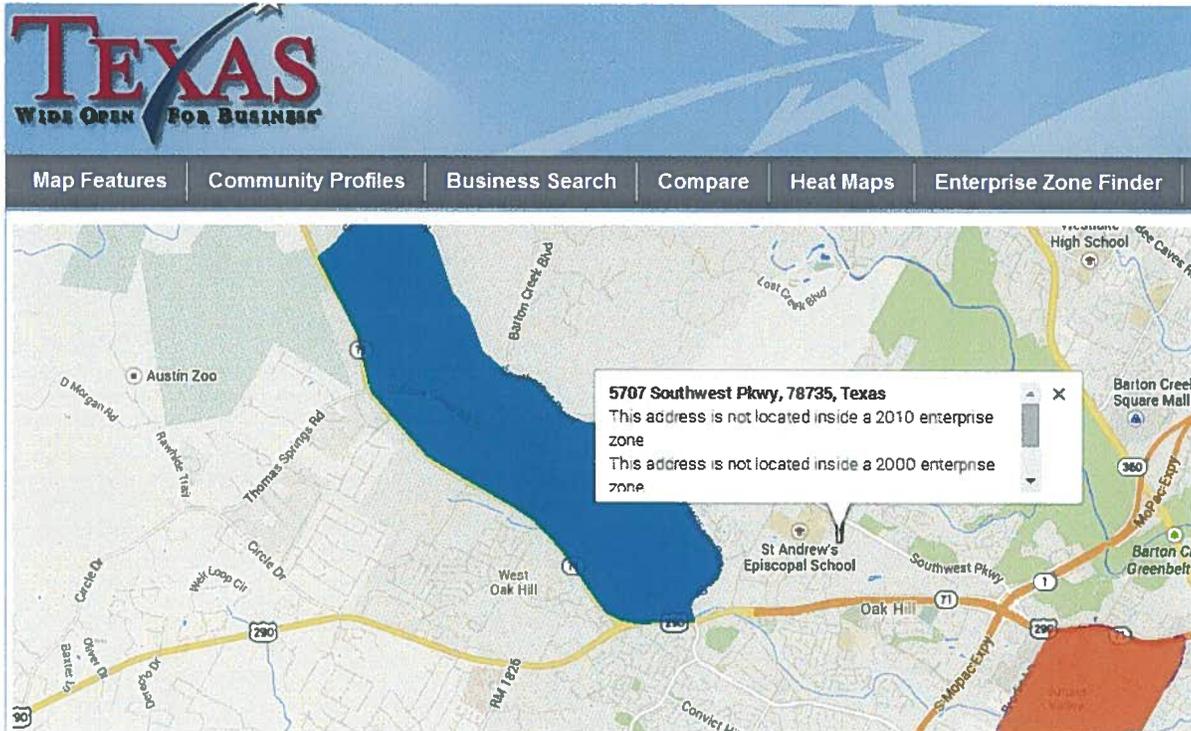


EXHIBIT 8

**DESCRIPTION OF EFFORT OF TRAVIS COUNTY TO
ACHIEVE DEVELOPMENT AND REVITALIZATION OF AREA AND
IMPACT OF ENTERPRISE PROJECT ON EFFORT**

Travis County provides incentives and programs as described in Exhibit 2 in order to encourage and assist in the development and revitalization of areas of Travis County which include economically disadvantaged residents and/or which include severely distressed areas of the County.

By making the planned capital investment in the business, ARM, Inc. will continue to provide a valuable tax base for the County. By retaining the 342 jobs now existing at ARM Inc.'s Travis County site, and creating 150 new jobs, employment will be provided and those employees will be able to continue to contribute to the economy of Travis County.

ORDER IDENTIFYING AND SUMMARIZING
LOCAL INCENTIVES RELATED TO
THE TEXAS ENTERPRISE ACT

WHEREAS, Travis County has the authority to nominate qualified businesses for status as a Texas Enterprise Zone project pursuant to Texas Government Code, Chapter 2303 ("the Act");

WHEREAS, the Act requires Travis County, before nominating the project or activity of a qualified business for designation as an enterprise project, to, by ordinance or order, identify and summarize briefly any local incentives available;

WHEREAS, Travis County, in its desire to assist businesses in severely distressed areas of the County and provide incentives to induce private investment, and to assist Travis County residents, has developed a variety of programs and incentives to support those efforts.

NOW THEREFORE, this _____ day of _____, 20____, the Travis County Commissioners Court issues this Order recognizing the local incentive programs available as listed in Exhibit 1 to this Order.

TRAVIS COUNTY COMMISSIONERS COURT

Samuel T. Biscoe
Travis County Judge

Ron Davis
Commissioner, Pct. 1

Bruce Todd
Commissioner, Pct. 2

Gerald Daugherty
Commissioner, Pct. 3

Margaret Gómez
Commissioner, Pct. 4

EXHIBIT 1
IDENTIFICATION AND SUMMARIZATION OF
LOCAL INCENTIVES

	Name of Incentive	Description of Incentive
1	Tax Increment Financing	Travis County has and may offer incentives under the Tax Increment Financing Act for redevelopment and community projects.
2	Freeport Exemption	The Constitution allows Travis County to exempt certain types of tangible personal property from ad valorem taxes.
3	Homestead Exemption	Travis County does provide for the maximum homestead exemption allowed by law
4	Building Code Exemptions	Certain building code exemptions may be allowed to expedite the development process through Travis County Transportation and Natural Resources Department (TNR)
5	Streamlined Permitting	The County may allow permit applications and supporting materials to be tendered to one department for distribution to the appropriate County departments
6	Fire and Police Protection	Safety and protection of County residents is provided through the Travis County Sheriff's Department, the Austin Fire Department and local Emergency Services Districts, and the Austin/Travis County Emergency Services Department.
7	Community Crime Prevention Programs	The Travis County Sheriff's Department and Austin Police Department provide various crime prevention programs in conjunction with other local entities
8	Capital Improvements in Water and Sewer Facilities	Travis County can provide resources for capital improvement plans related to water and sewer services through Travis County TNR
9	Road Repair	Travis County provides road and bridge maintenance in rural Travis County through TNR; the City of Austin provides these services within the City of Austin
10	Housing Rehabilitation and Purchase Programs	Travis County, through the County or various County Corporations, provides programs including funding for home purchase and weatherization repairs
11	Dispute Resolution	The County has contract(s) with non-profit(s) to provide certain dispute resolution services
12	Promotion and Marketing	Travis County benefits from the promotion and marketing services provided through the Greater Austin Chamber of Commerce and the Austin Economic Growth and Redevelopment Services Office
13	Job Training and Employment Services	Travis County participates with the Workforce Solutions - Capital Area Workforce Board and other non-profit agencies to provide workforce training and employment services, retraining programs and literacy programs.
14	Creation or Improvement of Parks	Creation, improvement and maintenance of County parks is provided through TNR
15	Special Public Transportation	Travis County contracts with non-profits to provide certain transportation to eligible county residents
16	Tax Incentives	Travis County has and may offer incentives under the Chapter 381, Texas Local Government Code, for redevelopment and community projects.



OFFICE OF THE GOVERNOR
ECONOMIC DEVELOPMENT & TOURISM

RICK PERRY
GOVERNOR

**TEXAS ENTERPRISE ZONE PROGRAM
FREQUENTLY ASKED QUESTIONS**

What is an enterprise zone?

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. The block group will remain an enterprise zone until it no longer qualifies, as a result of a subsequent decennial census.

Any distressed county in Texas is an enterprise zone. A county is considered to be a distressed county if it has a poverty rate above 15.4 percent based on the most recent decennial census; in which at least 25.4 percent of the adult population does not hold a high school diploma or high school equivalency certificate based on the most recent decennial census; and that has an unemployment rate that has remained above 4.9 percent during the preceding five years, based on Texas Workforce Commission data.

Any federally designated empowerment zone, enterprise community or renewal community is also a State enterprise zone, for the duration of the federal designation.

It is the purpose of the Texas Enterprise Zone Act to establish a process that clearly identifies distressed areas and provides incentives by both local and state government to induce private investment in those areas by the provision of tax incentives and economic development program benefits. Under this program, economic development is encouraged by allowing enterprise projects to be designated outside of an enterprise zone, with a higher threshold of hiring economically disadvantaged or enterprise zone residents. The purpose of these sections is to provide standards of eligibility and procedures for designation of applications for qualified businesses as enterprise projects.

Who may participate in the program?

Any municipality or county in the State of Texas may participate in the program, whether they have an enterprise zone within their jurisdiction or not.

How do I determine in what block group I am located?

You can access the U.S. Census Bureau web site to determine what block group a particular address is in. The web address is http://factfinder.census.gov/servlet/ReferenceMapFramesetServlet?_lang=en.



How do I determine if my block group qualifies as an enterprise zone?

The Governor's Office, through the Economic Development Bank (Bank), has published on its website the areas that qualify as an enterprise zone as either a qualifying block group or a distressed county. The website can be accessed at http://www.governor.state.tx.us/divisions/ecodev/ed_bank/enterprise_zone. If your block group is not listed, it does not qualify as an enterprise zone.

How does a municipality or county participate in the program?

The municipality or county must nominate a qualified business as an enterprise project by an ordinance or order as applicable. The ordinance or order must establish the local incentives being offered to the business seeking enterprise project designation. Local incentives may be established for all zone areas separately or individually, as well as areas of the jurisdiction outside of a zone area. The ordinance or order must state by position, who will act as liaison for the local program with the state, and nominate the qualified business for enterprise project status. Subsequent project nominations may be done by resolution, if the local incentives offered are the same as outline in the original ordinance or order.

Can a community offer local incentives without an enterprise zone?

Yes. A community can offer certain incentives as allowed by state law. Enterprise zones, however, are simply a means of packaging a number of state and local incentives together to help revitalize a distressed area.

What local incentives are available in an enterprise zone?

Local incentives that may be offered to an expanding or locating business vary. Examples of local incentives that may be offered include tax abatement, a refund of local sales and use taxes, waiver of permitting fees, tax increment financing, transfer of publicly owned buildings at below market cost, and low interest loans.

What is a qualified business?

A qualified business is a person, including a corporation or other entity, that has been certified by the Bank, for purposes of state benefits under the Act, or a governing body for purposes of local benefits, to have met the following criteria:

- (A) the person is engaged in, or has provided substantial commitment to initiate the active conduct of a trade or business at a qualified business site; and
- (B) at least 25% of the business' new employees are either economically disadvantaged or enterprise zone residents (ED/EZR) if the qualified business site is located in an enterprise zone, or at least 35% of the business' new employees are ED/EZR if the qualified business site is located outside of an enterprise zone; and
- (C) a franchise or subsidiary of a new or existing business may be certified by the governing jurisdiction as a qualified business if the franchise or subsidiary is located entirely at the qualified business site and maintains separate books and records of the business activity conducted at the qualified business site.

What is the definition of economically disadvantaged?

An individual who at the time of hire:

- (A) was unemployed for at least three months before obtaining employment with a qualified business;
- (B) receives public assistance benefits, including welfare payments or food stamps, based on need and intended to alleviate poverty;
- (C) is a low-income individual, as defined by Section 101, Workforce Investment Act of 1998 (29 U.S.C. Section 2801(25));
- (D) is an individual with a disability, as defined by 29 U.S.C. Section 705(20)(A);
- (E) is an inmate, as defined by Section 498.001;
- (F) is entering the workplace after being confined in a facility operated by the institutional division of the Texas Department of Criminal Justice or under contract with the Texas Department of Criminal Justice;
- (G) has been released by the Texas Youth Commission and is on parole, if state law provides for such a person to be on parole;

- (H) meets the current low income or moderate income limits developed under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f et seq.); or
- (I) was under the permanent managing conservatorship of the Department of Family and Protective Services on the day preceding the individual's 18th birthday.

What is an enterprise project?

An enterprise project is a business that is nominated by a municipality or county and approved by the bank for state benefits. State incentives include state sales and use tax benefits based on capital investment and jobs created and/or retained during the designation period. The State may designate up to 105 enterprise projects each biennium.

What items purchased are allowable for sales and use tax refund under the Program?

An enterprise project is eligible for a refund of the taxes imposed by the Texas Tax Code on all taxable items purchased for use at the qualified business site related to the project or activity during the designation period.

How many enterprise projects can we have?

Municipalities or counties with a population of 250,000 or more, based on the most recent decennial census, are eligible for up to nine enterprise project designations during a state biennium based upon availability.

Municipalities or counties with a population of less than 250,000 based on the most recent decennial census are eligible for up to six enterprise project designations during a state biennium based upon availability.

How long is an enterprise project designation?

The enterprise project designation is for an expansion or relocation from out-of-state, an expansion, renovation, or new construction, or other property to be undertaken by a qualified business. The designation period is a predetermined period approved by the Bank, with beginning and ending dates for each proposed project or activity. The designation period for an enterprise project may not be for a period of less than one year, nor more than five years from the date on which the designation is made.

What state incentives are available to enterprise projects?

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

Level of Capital Investment	Maximum number of jobs allocated	Maximum potential refund	Maximum refund per job allocated
\$40,000 to \$399,999	10	\$25,000	\$2,500
\$400,000 to \$999,999	25	\$62,500	\$2,500
\$1,000,000 to \$4,999,999	125	\$312,500	\$2,500
\$5,000,000 to \$149,999,999	500	\$1,250,000	\$2,500
Double Jumbo Project \$150,000,000 to \$249,999,999	500	\$2,500,000	\$5,000
Triple Jumbo Project \$250,000,000 or more	500*	\$3,750,000	\$7,500

Each project is limited to a maximum refund of \$250,000 per year for five years for a regular enterprise project designation, \$500,000 per year for five years for a double jumbo enterprise project and \$750,000 per year for five years for a triple jumbo enterprise project. NOTE: a qualified business making a capital investment eligible to apply for a double jumbo enterprise project or a triple jumbo enterprise project must be nominated by the

governing jurisdiction for the elevated designation in the nominating ordinance, order or resolution, as applicable, or the designation will automatically be for a regular enterprise project designation. A double jumbo enterprise project will count as two enterprise project designations against the 105 projects designations allowed statewide and against the four or six allowed for the governing jurisdiction. A triple jumbo enterprise project will count as three project designations for the state as well as the governing jurisdiction.

*A triple jumbo enterprise project must create and/or retain a minimum of 500 jobs.

What constitutes capital investment?

Money paid to purchase capital assets or fixed assets including but not limited to land, buildings, labor used to construct or renovate a capital asset, furniture, manufacturing machinery, computers and software, or other machinery and equipment. Property that is leased under a capitalized lease is considered a qualified capital investment but property that is leased under an operating lease is not considered a qualified capital investment.

NOTE: if using a contractor to construct the facility, a "separated contract" (a contract in which the agreed contract price is divided into separately states prices for materials and labor) must be executed. If a "lump sum" contract is executed, a claim for refund of taxes invoiced to, and paid by a third party, will not qualify for a refund under this Program. Please call the Comptroller of Public Accounts' Office at 1-800-531-5441 ext. 51083 if you have any questions regarding this issue.

What is a qualified employee?

A qualified employee is an employee that works at least 50% of his or her time for the qualified business at the qualified business site.

What is a new permanent job?

A new permanent job is a new employment position created over and above the business' current baseline that provides a qualified employee of a qualified business with employment of at least 1,820 hours of work annually and exists at the qualified business site for at least three years after the date on which a state benefit is received. Seasonal, temporary or part-time jobs are not considered to be new permanent jobs, and therefore are not eligible for state benefit through the program.

What is a retained job?

A retained job is a position that existed with a qualified business on the 91st day prior to the application deadline, that has provided employment to a qualified employee of at least 1,820 hours annually and is retained throughout the designation period, or for at least three years after the date on which a state benefit is received, whichever is longer.

What is a job retention project?

Job retention projects are available under limited circumstances. To qualify for a job retention project, a business must present documentation to the applicant jurisdiction supporting any one of the following circumstances:

- (A) that permanent employees will be permanently laid off;
- (B) the business will permanently close down;
- (C) the business will relocate out of state;
- (D) the business is able to employ individuals in accordance with Section 2303.402; or
- (E) the business facility has been legitimately destroyed or substantially impaired due to fire, flood, tornado, hurricane, or any other natural disaster and that at least 60 percent of the capital investment is being spent to repair damages resulting from the disaster.

All of the retained jobs must be certified by the Comptroller of Public Accounts before any benefits for jobs can be obtained.

What is an existing job?

An existing job is a full-time position that has existed with a qualified business, which does not qualify for benefit. The current number of existing jobs is used to determine the baseline level of employment at the time of project designation. New jobs which are created 90 days prior to the application deadline through the end of the project designation period qualify for benefit if the baseline jobs are maintained.

Do leased, contract or construction employees qualify for benefit?

No. All employees occupying the new or retained jobs for benefit must be under the direct, full-time and permanent employment of the enterprise project that has received the designation.

How long does it take to obtain an enterprise project designation?

Projects are designated typically eight to ten weeks after the project application deadline, depending on the number of applications received in that quarterly round.