

# Mayor and Council Communication

DATE: 02/18/20

M&C FILE NUMBER: M&C 20-0081

LOG NAME: 17BANKOFAMERICA\_TEZ

## **SUBJECT**

Adopt Resolution Nominating the Bank of America Corporate Facility at 4200 Amon Carter Blvd. as an Enterprise Project Pursuant to the Texas Enterprise Zone Act, Chapter 2303 of the Texas Government Code (COUNCIL DISTRICT 5)

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## **RECOMMENDATION:**

It is recommended that the City Council adopt the attached Resolution nominating the Bank of America Corporate Facility at 4200 Amon Carter Blvd. as an Enterprise Project, pursuant to the Texas Enterprise Zone Act, Chapter 2303 of the Texas Government Code.

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## **DISCUSSION:**

The City Council of the City of Fort Worth (City) has previously passed Ordinance No. 15733 electing to participate in the Texas Enterprise Zone Program. On May 12, 2015 the City Council adopted Ordinance No. 21743-05-2015, amending Ordinance No. 15733 by adding additional potential local incentives that could be made available to qualified businesses under the Texas Enterprise Zone Program. The Office of the Governor Economic Development and Tourism through the Economic Development Bank will consider Bank of America as an enterprise project pursuant to a nomination and an application made by the City.

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. An enterprise project is defined as a business that is nominated by a municipality or county and then approved for state benefits. 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 at the qualified business site.

Bank of America owns an approximately 294,000 sqft office building at 4200 Amon Carter Blvd., Fort Worth, TX 76155 (outside an enterprise zone), where they employ approximately 1,550 global tech and operations, and customer support representatives. Bank of America plans to invest approximately \$6.1 million over the next five years for building improvements, furniture, fixtures, and equipment at 4200 Amon Carter Blvd. This investment is part of a company initiative to modernize its workspaces in an effort to improve employee experiences, provide modern technological upgrades, and increase office space efficiencies. In addition to these proposed capital investments, Bank of America expects to retain its current level of employment (with 490 to be retained "for benefit" under an enterprise project designation), and create 10 or more new jobs. The average annual wage of these 500 jobs "for benefit" under an enterprise project designation is expected to be in excess of \$68,000.

The single project designation allows for a state sales and use tax refund on qualified expenditures of \$2,500 per job, for up to 500 jobs, with a maximum benefit of \$1.25 million over a five-year period. Under the Texas Enterprise Zone Act at least twenty-five percent of the business' new or retained employees will be residents of an enterprise zone, economically disadvantaged individuals or veterans. In addition, the jobs will be provided through the end of the designation period or at least three years after the date on which a state benefit is received, whichever is later.

This project is located in Council District 5.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

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## **FISCAL INFORMATION / CERTIFICATION:**

The Director of Finance certifies that approval of the above recommendation will have no material effect on City funds.

**Submitted for City Manager's Office by:** Jay Chapa 5804

**Originating Business Unit Head:** Robert Sturns 2663

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