

COUNCIL AGENDA ITEM BRIEFING DATA



AGENDA ITEM

Discuss and Consider an Ordinance Authorizing the City's Participation in the Texas Enterprise Zone Program, Nominating BYK USA, Inc. to the Office of the Governor Economic Development and Tourism through the Economic Development Bank as a Half Enterprise Project, Providing an Effective Date and Designating the City Manager as Liaison for Communication with the interested parties

DATE: November 14, 2017

TYPE AGENDA ITEM:

Ordinance

BACKGROUND:

During the October 10, 2017 Joint Meeting of the City Council and the GEDC Board, the City Council voted to approve 2- 380 Agreements with BYK USA, Inc. The approval of this Ordinance will allow the City to move forward with their obligation to work with the Office of the Governor towards the designation of a Texas Enterprise Zone, as noted in the Agreements.

POLICY CONSIDERATIONS:

Approval of an ordinance authorizing the City's participation the Texas Enterprise Zone Program is consistent with previous City Council actions

FISCAL IMPACT:

Approval of the Ordinance will allow the City to move forward with their commitment to work with the Office of the Governor to apply for designation of a Texas Enterprise Zone

STAFF RECOMMENDATION:

Staff respectfully requests Council action deemed appropriate

Review:

Jackie Williamson
Kristina Vega
City Council

Pending
Completed
Pending

11/07/2017 11:17 AM
11/14/2017 6:00 PM

ORDINANCE NO. 2017-23

AN ORDINANCE OF THE CITY OF GONZALES, TEXAS, AUTHORIZING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE. BY PROVIDING POTENTIAL LOCAL INCENTIVES FOR THE INVESTMENT OF PRIVATE RESOURCES IN PRODUCTIVE BUSINESS ENTERPRISES LOCATED IN AREAS OF THE CITY OR ITS EXTRA-TERRITORIAL JURISDICTION; ESTABLISHING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE. THIS ORDINANCE NOMINATES BYK USA, INC. ("BYK") TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM ("EDT") THROUGH THE ECONOMIC DEVELOPMENT BANK ("BANK") AS A HALF ENTERPRISE PROJECT ("PROJECT"), AND DESIGNATES THE CITY MANAGER AS THE LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES.

WHEREAS, the City Council of the City of Gonzales, Texas (the "City") desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises and to provide employment to residents from an enterprise zone, veterans or economically disadvantaged individuals; and

WHEREAS, the Project or activity is located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, BYK has applied to the City for designation as a half enterprise project; and

WHEREAS, the City finds that BYK meets the criteria for tax relief and other incentives adopted by the City on the grounds that it will be located at the qualified business site, will create a higher level of employment, economic activity, and stability, and

WHEREAS, a public hearing to consider this Ordinance was held by the City Council on November 14, 017;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GONZALES, TEXAS THAT;

SECTION 1. The City nominated BYK for half enterprise project status.

SECTION 2. That the local incentives identified and summarized on the attached Exhibit A, at the election of the governing body, may be made available to the nominated enterprise projects or activities of qualified businesses.

SECTION 3. That any enterprise zone areas designated by the Decennial Census within the City are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.

SECTION 4. That the City Council directs and designates the City Manager, as the City's liaison to communicate and negotiate with the Governor of Economic Development and Tourism (EDT) through the Economic Development Bank and enterprise projects(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

SECTION 5. The City finds that BYK meets the criteria for designation as an enterprise project under Chapter 2302, Subchapter F of the Act on the following grounds:

- (a.) BYK is a “qualified business” under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body’s jurisdiction, located inside of an enterprise zone and at least twenty-five percent (25%) of the business’ new employees will be residents of an enterprise zone, veterans, or economically disadvantaged individuals; and
- (b.) There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
- (c.) The designation of BYK as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

SECTION 6. That this ordinance shall take effect from and after its passage as the law and charter in such case provides and terminate five years after designation by the Office of the Governor Economic Development and Tourism.

Severability. If any word, phrase, clause, sentence, or paragraph of this ordinance is held to be unconstitutional or invalid by a court of competent jurisdiction, the other provisions of this ordinance will continue in force if they can be given effect without the invalid portion.

All ordinances and resolutions or parts of ordinances or resolutions in conflict with the ordinance are repealed.

PASSED, ADOPTED, AND APPROVED this 14th day of November, 2017.

Mayor, Connie L. Kacir

ATTEST:

Kristina Vega, City Secretary

APPROVED AS TO FORM:

Jackie Williamson, City Attorney