

## North Texas 2050 Action Package

<b>Issue</b>		<b>Economic Development Incentives, Burns Development</b>	
Action Tool Title		Enterprise Zones	
<b>Description of the tool:</b>		These are zones established to create permanent jobs and promote capital	
How Well Does It Work?			
<b>How valuable is this tool? How important is its contribution to achieving North Texas' vision for the future?</b>			
Enterprise Zones are important because they link together local economic effort with state			
<b>How does it actually work?</b>			
In the state of Texas, companies are nominated by local communities, where upon they received state and local tax incentives. The state legislature has outlined guidelines of two-year limits on			
<b>What are the costs and who will they affect?</b>		<b>What are the benefits and who will they help?</b>	
<ul style="list-style-type: none"> <li>• A one-time state sales tax refund of up to \$5,000 of taxes paid for machinery and equipment to be used in the enterprise zone may be available to a qualified business that has operated in a state designated enterprise zone for at least three years and retains at least 10 jobs</li> <li>• A one-time franchise tax refund of up to \$5,000 based upon \$500 for each new job created may be available to a qualified business in a state designated enterprise zone when at least 10 new jobs have been created</li> </ul> Both of these effect tax payers		<ul style="list-style-type: none"> <li>• Tax Increment Financing, one-stop permits and tax abatements all help growing businesses</li> <li>• Job creation and retention, this benefits the 20% of citizens in the area that are below the poverty line, according to Census.</li> </ul>	
<b>What are the biggest stumbling blocks?</b>		<b>How can they be addressed?</b>	
<ul style="list-style-type: none"> <li>• Stumbling block 1 discussion</li> <li>• Stumbling block 2 discussion</li> </ul> add additional items as appropriate		<ul style="list-style-type: none"> <li>• Action to address</li> <li>• Action to address</li> </ul>	
Who Would be Responsible?			
<b>Primary (lead) responsibility</b>		Contact your local municipality/government to nominate business	
<b>Secondary responsibility</b>		Texas Comptrollers' Office, Economic Development Bank (512) 936- 0100	
<b>Need for coordination</b>		Clarence Goins, Enterprise Program Administrator (512) 305-9902	
How Should it be Funded?			
<b>Primary (lead) responsibility</b>		This is funded by state benefits and incentives which include: state sales and use tax refunds	
<b>Secondary responsibility</b>		It can also be funded by transferring of public building at below market cost to companies, low interest loans, waving certain fees for qualifying enterprise zones	

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How Does It Connect?		
<b>What other VNT issues are helped by this tool?</b>	Increase in jobs for the economically disadvantaged	
<b>What other VNT issues could be hurt by this tool?</b>	Competing companies and issues within a municipality	
How Should It Be Implemented?		
<b>What will be done?</b>	<b>When will it happen?</b>	
• First step for action	indicate the timing for start and completion of this step	
• Following steps for action	indicate the timing for start and completion of this step	
add additional steps as appropriate	indicate the timing for start and completion of this step	
What Examples Can We Follow?		
North Texas Case Studies		
Other Texas Case Studies	A book written about an Enterprise Zone outside of San Antonio. Enterprise zones: spotlight on San Antonio : a preliminary evaluation of the "Westside" zone. Authors: J. Ed Cantu, Nick Dauster, Todd Nichols	
Other U.S. Case Studies	This is a link to a HUD report that analyzes case studies on Enterprise Zones from various part of the United States. This gives feed back on the future direction of Enterprise Zones in the communities and how they produces results. <a href="http://www.huduser.org/publications/polleg/ez_bib/ez_bib3.html">http://www.huduser.org/publications/polleg/ez_bib/ez_bib3.html</a>	
Supporting Research	Here is a link to the Texas Enterprise Zone Program FY2008-2009 <a href="http://www.texaswideopenforbusiness.com/assets/documents/Enterprise-Zone-Project-Man.pdf">http://www.texaswideopenforbusiness.com/assets/documents/Enterprise-Zone-Project-Man.pdf</a>	
Related Information	State Enterprise Zone Programs: Have they worked? <a href="http://books.google.com/books?hl=en&amp;lr=&amp;id=QZ5JEy58Q8cC&amp;oi=fnd&amp;pg=PR11&amp;dq=+texas+enterprise+zones&amp;ots=PEg_B00vgA&amp;sig=YRaUI2I2IDeT0qCeuA_S0DJp-4c#v=onepage&amp;q=texas%20enterprise%20zone&amp;f=false">http://books.google.com/books?hl=en&amp;lr=&amp;id=QZ5JEy58Q8cC&amp;oi=fnd&amp;pg=PR11&amp;dq=+texas+enterprise+zones&amp;ots=PEg_B00vgA&amp;sig=YRaUI2I2IDeT0qCeuA_S0DJp-4c#v=onepage&amp;q=texas%20enterprise%20zone&amp;f=false</a>	
Acknowledgements		
Recognize the people who have provided assistance to VNT for this tool	Burns Development Group	