

Staff Summary Report

City Council Meeting Date: 6/16/2011

Agenda Item Number: _____

SUBJECT: Convene City of Tempe Enterprise Zone Commission to review the fiscal year 2010 – 2011 City of Tempe Enterprise Zone Annual Report.

DOCUMENT NAME: 20110616mmcd02 ENTERPRISE ZONE (0111-03-01)

COMMENTS: The Arizona Revised Statute 41-1522 requires that the City of Tempe Enterprise Zone Commission meet at least semiannually to receive an update of the effectiveness of the Enterprise Zone (EZ) program.

Per the Fiscal year 2010 report prepared by the Arizona Department of Commerce the Tempe Enterprise Zone received the following benefits:

- 25 business locations within the zone received tax credits.
- 176 new jobs created in the City of Tempe EZ claimed income tax credits, representing 4% of the statewide total.
- 392 2nd year jobs in the City of Tempe EZ continued to claim income tax credits, representing 11% of the statewide total.
- 458 3rd year jobs in the City of Tempe EZ continued to claim income tax credits, representing 12% of the statewide total.
- Eleven business within the zone received property tax reclassification.
- \$22,091,127 was invested by business participating in the Tempe EZ program.

PREPARED BY: Micah Miranda, Economic Development Specialist (858-2218)

REVIEWED BY: Chris Anaradian, Community Development Director (858-2204)

LEGAL REVIEW BY: N/A

DEPARTMENT REVIEW BY: Chris Anaradian, Community Development Director (858-2204)

FISCAL NOTE: Operation, maintenance and ongoing expenses related to the Enterprise Zone program are currently in the Economic Development budget.

RECOMMENDATION: Approve the Tempe Enterprise Zone Annual Report.

ADDITIONAL INFO: The Arizona Enterprise Program is scheduled for statewide sunset July 31, 2011.