

Enterprise Zone

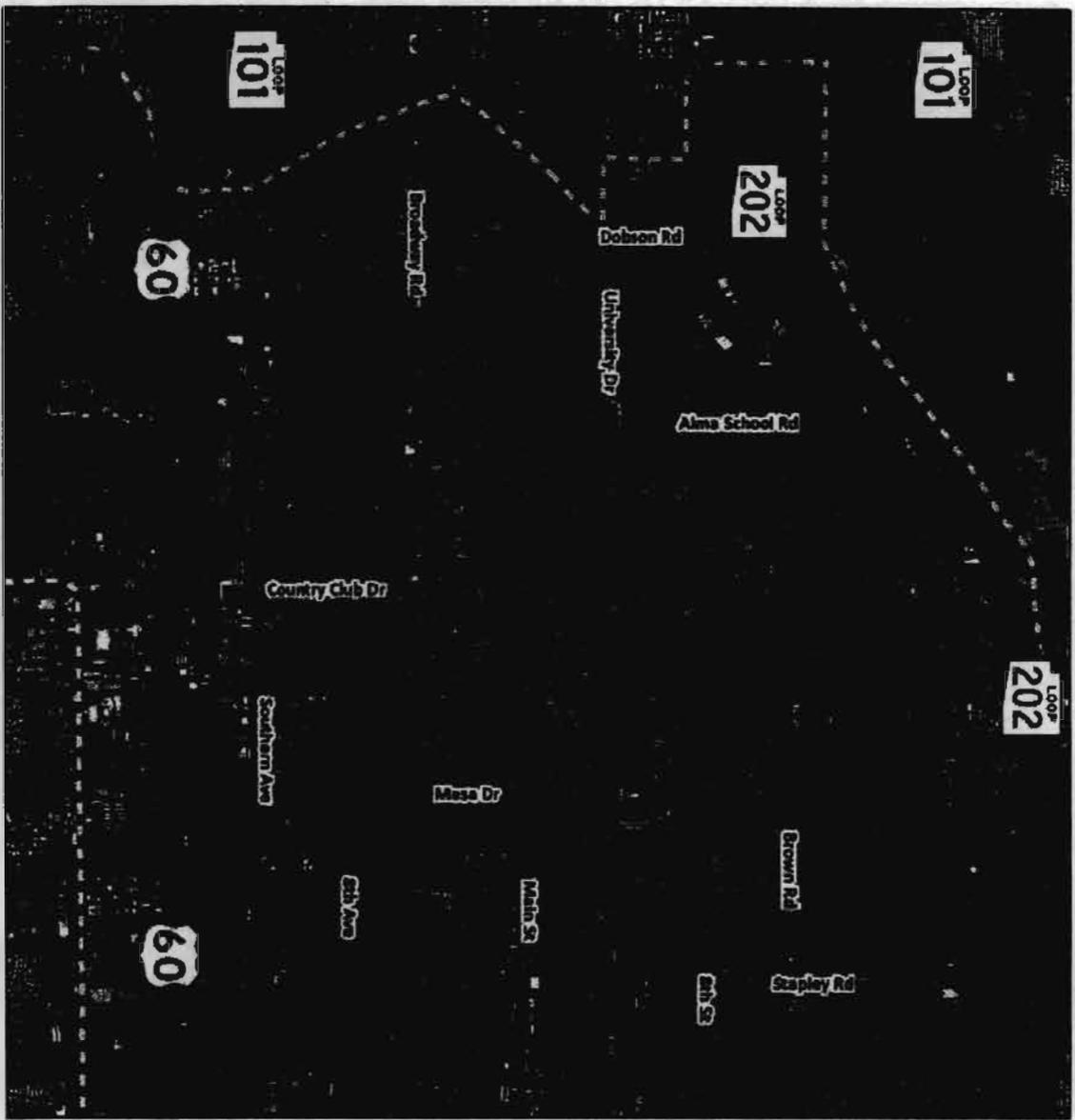
Presentation to the Mesa Enterprise Zone Commission

July 8, 2010



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MESA'S ENTERPRISE ZONE



**Mesa
 Enterprise
 Zone**

- Legend**
- Freeways
 - Mesa City Limits
 - Mesa Enterprise Zone



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Benefits to the City

- A tool that we can utilize to attract new business to the City.
- Some GPEC leads want to be located in an Enterprise Zone.
 - An Enterprise Zone allows us to stay in contention for possible recruitments
- Assist our efforts to revitalize West Mesa.

Requirements of the City

- Staff time
- Conduct at least two meetings a year to discuss the Enterprise Zone
- Promote the Zone
- Annual report to the Arizona Department of Commerce

Benefits to a Business Located within a Enterprise Zone

- **Job Tax Credits**
 - Over a 3-year period tax credits may total up to \$3,000 per qualified employee for a maximum of 200 employees in any given tax year.
- **Property Tax Benefits**
 - These benefits can result in approximately 40-60% overall savings on the business' State property tax bill.

Requirements of the Business

- For Income Tax Credits
 - Must be a for profit non-retail business
 - Pay the full-time employee at least \$10.52/hr
 - Pay at least 50% of the employee's health insurance costs
 - File an Annual Enterprise Zone Tax Report

Requirements of the Business

- For the Property Tax Benefit
 - Must be a qualified manufacturing business or commercial printing business
- Either minority-owned, women-owned, or small business (fewer than 100 employees); and
- Independently owned
- Make an investment in fixed assets of at least \$2,000,000
- File an Annual Enterprise Zone Tax Report

Annual Report Synopsis

- General information regarding recent activity in the Enterprise Zone
- Business Activity
 - Current number of businesses located with the Zone
2,329
 - Total number of new businesses locating in the Zone
205
- Over \$16,000,000 in Public Investment

Next Steps

- Enterprise Zone Commission directs staff to submit the Annual Report to the State
- Enterprise Zone Commission elects a Chair and Vice Chair
- Continue to market the Enterprise Zone

QUESTIONS?



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