



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/29/2024

District B

Item Creation Date: 10/17/2024

MYR - TEZ Integra Mission Critical LLC

Agenda Item#: 5.

### **Background:**

A resolution to nominate Integra Mission Critical LLC located at 15550 Milner Rd, Houston, TX 77032 as an Enterprise Project.

**RECOMMENDATION:** Council approves a resolution to nominate Integra Mission Critical LLC located at 15550 Milner Rd, Houston, TX 77032 as an Enterprise Project

### **SPECIFIC EXPLANATION:**

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. A State Enterprise Zone is any census tract block group that has a 20% or higher poverty rate, as determined by the U.S. Census Bureau during each decennial census.

State law requires a municipality or county to nominate a project of a qualified business for designation as an Enterprise Project to participate in the Enterprise Zone Program. Legislation limits allocations to the state and local communities per biennium; the City is limited to a maximum of 9 project designations. Chapter 2303 of the Texas Government Code grants municipalities the authority to nominate projects located within their extraterritorial jurisdiction (ETJ). A municipality must certify that it is in compliance with Chapter 2303 of the Texas Government Code prior to the nomination.

Enterprise Projects are eligible to apply for state sales and use tax refunds on qualified expenditures. The level and amount of a refund are based on the capital investment and jobs created or retained at the qualified business site. Depending on the investment amount, the refund to the company is between \$2,500 and \$7,500 per job.

City Council adopted Ordinance No. 2015-515 authorizing the City to nominate projects for this state-funded incentive. The Administration is nominating Integra Mission Critical, LLC as its fourth TEZ project in the FY24-FY25 biennium with a planned capital investment of \$10 million and the creation of 72 jobs. The amount of investment for this project will produce a maximum reimbursement of \$2,500 for up to 500 jobs or \$1,250,000 over a five-year term, at an annual rate not to exceed \$250,000. The project site is not located within a Texas Enterprise Zone and therefore 35% of new jobs must be filled by residents of an enterprise zone or individuals who are economically disadvantaged. This project was presented to the Economic Development Committee on October 16, 2024.

Integra Mission Critical LLC is a designer, engineer, and manufacturer of turn-key data centers and vital data center infrastructure.

Integra Mission Critical LLC plans to spend \$10 million to conduct tenant improvements and install manufacturing machinery and equipment at 15550 Milner Rd.

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A handwritten signature in blue ink that reads "Gwendolyn Tillotson-Bell".

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Gwendolyn Tillotson-Bell  
Chief Economic Development Officer

### **Prior Council Action:**

Ord. 2015-0515, 6/3/2015

### **Contact Information:**

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