ROUND ROCK TEXAS

Economic Development Agreements Annual Compliance Review

City Council

January 20, 2026

Kevin Klosterboer, CFO

Overview

- 24 active agreements
  - Includes chapters 380 and 501 agreements
- Incentives offered with a return expected
  - Taxable value or other fiscal returns
  - High quality jobs in target sectors

ROUND ROCK TEXAS

Overview (continued)

- Cash Performance Incentives
  - Property Tax incentives
  - Sales tax incentives
  - HOT tax incentives
  - Economic incentive payments

- Performance Requirements
  - Capital investment (taxable property value)
  - New employees within agreed upon salary minimums
  - Other project specific requirements
  - Reporting requirements
  - Clawback provisions in event of non-compliance

Compliance Monitoring

- Close coordination among City Manager, Chamber, Finance, and City Attorney during agreement development process
- Regular internal review of all existing and pending agreements
- Monitor for one-time thresholds, e.g., issuance of CO
- Annually verify taxable value, employees or other items
  - Generally, in January – March timeframe
- Report to the City Manager each April/May on compliance status
- Compliance with all current agreements

Economic Development Summary as of 9/30/25

- Net direct impact to City tax revenue only
  - No indirect or induced benefits included in calculation
  - Fee waivers not included in incentives paid
- Report includes
  - All approved agreements in effect
  - Major agreements since 2005
  - Plus, Dell

Company Name	Term	Type	Summary	# of EEs Req.	Actual # of EEs Added	Sales Tax Paid or Abated	Prop Tax Paid or Abated	Other Rebates	EIPs Paid	Total Paid or Abated to Date[1]	2023 Taxable Value	Net Property Tax Paid to City Since Contract Inception	Net Sales Tax Paid to City Since Contract Inception
APPROVED & ACTIVE AGREEMENTS													
Ametrine, Inc.	2021-2030	501	Lease and occupy Facility at 900 E Old Settlers Blvd., Bldg 3, Suite #100 for at least 10 years. Invest $3.35 million for Real Property improvements and purchase new/relocate existing equipment with appraisal value of $5.3 million for Business Personal Property. Relocate/Create at least 140 jobs with average salary of $75,000 plus benefits. EIP of $345,000 over 5 years.	34	35				207,000	207,000	2,784,287	25,283	N/A
Bass Pro Outdoor World, LLC	2013-2023	380	Build 100,000 sq. ft. bldg.; Reimb. $500,000 for improvements & 100% of 1 cent sales tax.	N/A	N/A				500,000	500,000	23,814,450	637,002	confidentia
BGE, Inc.	2019-2026	380	Lease facility at 101 W. Louis Henna Blvd.; invest at least $975,000 in real property improvements and $950,000 in business personal property; employ at least 80 FTE's with average salary of at least $80,000; EIP's of $100,000 according to schedule.	73	107				100,000	100,000	904,590	9,051	N/A
Cargill Meat Solutions Corp.	2015-2023	380	Distribution & warehouse facility; min. $13,000,000 in improvements; 400 jobs by 2021; $400,000 in EIP's over 3 yrs.; 50% Property Tax rebate for 2017-2023.	400	491		131,889		400,000	531,889	28,073,229	637,922	confidentia
Chatsworth Products	2018-2025	380	Lease facility for 7 years; invest at least $1,200,000 to construct and/or install improvements; employ 40 FTE's; EIP of $50,000 over 2 years.	40	65				50,000	50,000	10,210,614	27,558	N/A
East Group Properties, LP	2023-2026	380	Demolish an existing building by 3/31/2024 and construct replacement buildings by 12/31/2026; City to make EIP of $125K upon demolition.	N/A	N/A				125,000	125,000	4,250,000	14,535	N/A
EastGroup Properties Phase I	2017-2024	380	Construct 2 buildings, invest minimum of $7,000,000. EIP's of $91,000 according to schedule.	N/A	N/A				91,000	91,000	55,610,040	491,843	N/A
EastGroup Properties Phase 2	2019-2026	380	Construct 2 buildings (Bldg 3 & 4). Expend at least $9 million in Real Property improvements. EIP of $96,000 according to schedule.	N/A	N/A				64,000	64,000	1,249,928	8,214	N/A
Boardwalk Technology LLC (East/West Manufacturing)	2020-2026	501	Construct facility approximately 43,000 sq ft. Expend at least $5 million in Real Property improvements and $650,000 in Business Personal property. Retain 30 primary jobs and create 30 new primary jobs according to schedule. EIP of $225,000 according to schedule.	43	60				225,000	225,000	729,376	5,238	confidentia

*Reminder: Most sales tax data is confidential

ROUND ROCK TEXAS

Summary as of 9/30/25, continued

- Total Employees
  - Excluding Dell ➡ Minimum – 3,322
    Actual – 8,265

- Total Taxable Property Value
  - Excluding Dell - $1.535 billion
  - TOTAL - $2.200 billion

Net Return on City Taxes

	All Other	Total with Dell
Total Taxes	$ 212,390,626	$ 972,906,426
Less Incentives	(75,519,132)	(312,406,767)
Net Taxes	$ 136,871,495	$ 660,499,660
% Return	181%	211%

*Indirect, induced or other economic benefits *not* included in calculation

Questions?