

EXHIBIT 3

Statesman

Documents: Apple has created over 2,000 Austin jobs since 2012

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Technology giant Apple Inc. has created more than 2,000 new jobs in Austin since 2012 and remains on track to meet the Central Texas hiring goals it promised in exchange for millions of dollars in public incentives, according to documents filed with the city of Austin.

Apple, which disappointed investors last week with troubling financial information, is set to receive \$35 million in tax incentives over the next several years from the city of Austin, Travis County and the state of Texas for an expansion of its operations in Central Texas.

The expansion is expected to generate a \$304 million capital investment in the Northwest Austin campus, which will include seven new office buildings with 1 million or more square feet of space.

Under the terms of the incentives package, which was signed in March 2012, Apple agreed to create more than 3,600 new full-time jobs in Austin in 10 years while retaining at least 3,100 existing full-time jobs year over year. The average wage for those new jobs is to be \$54,000 a year in the first year of the expansion and will stretch to \$73,500 in the 10th year, according to the incentives agreement.

In 2012, the Austin City Council approved \$8.6 million in tax breaks for Apple in exchange for establishing its Americas Operations Center here. Apple also is in line for between \$5 million and \$6 million from Travis County.

Apple, the world's largest consumer electronics company, said last year that it was well ahead of hiring projections. A more recent report — filed March 10 by Terry Ryan, Apple's senior tax manager — indicates that the company continues to outpace the requirements.

As of Dec. 31, the total number of full-time Apple jobs in Austin was 5,102, according to the company's report. That includes 2,089 new jobs that been created since 2012, according to the report — an average of more than 550 a year. (The agreement calls for Apple to create 300 new jobs by the end of 2016.)

In addition, there were 904 contract employees as of the last day of 2015, the report said.

If Apple ultimately reaches its hiring goals, it will become the second-largest technology employer in Central Texas, behind only Dell Inc.

The Apple campus in Northwest Austin off Parmer Lane will eventually consist of 1.1 million square feet of office space covering 38 acres.

RALPH BARRERA/ AMERICAN-STATESMAN

In a written statement, Apple said: "We're incredibly proud that Apple's innovation supports tens of thousands of jobs across a wide range of industries in Texas. Apple started in Austin 24 years ago and we've grown to support over 6,000 employees in a variety of roles from sales, operations and finance to our online store, engineering and the best customer support organization in the world. We also partner with a number of companies in Texas to source materials and components for our products, including the manufacturing and assembly of Mac Pro just down the road. Austin is a special community and we look forward to continuing to grow and invest here."

Apple's new Austin campus, at West Palmer Lane and Delcour Drive, is responsible for running the company's business operations for the entire Western Hemisphere. In addition to the limestone-and-glass office buildings, the 38-acre site includes restaurants; smoothie and coffee bars; a full-scale gym with saunas and a wellness center with services including medical, dental and eye care along with acupuncture and massage.

The campus, which is scheduled to be completed this year, employs workers in finance, human resources, corporate sales, customer support, information systems, accounting and other administrative roles.

The new campus is just part of Apple's growth plan in Austin. Last year, the company bought the nearby Riata Crossing complex, which has four buildings with 350,000 square feet of space, which the company had been leasing.

It also signed a lease for the entire 216,000-square-foot Capital Ridge office building under construction in Southwest Austin. The company isn't saying what work will be done at the various locations.

Apple already has accepted two sizable payments from the Texas Enterprise Fund, which was created in 2003 to attract new jobs and investment to the state. The state gave the company \$5.25 million in September 2012 and another payment of the same amount in December 2015. The total award from the Texas Enterprise Fund will reach \$21 million over a decade.

Jon Hockenyos, an Austin economist, said the types of jobs Apple is creating at the campus are a key component to the region's economy.

"These are the equivalent of manufacturing jobs in the old days — they're jobs that pay a solid wage," he said. "They provide solid middle-class incomes that sustain families. They're the kind of jobs any city wants to see being created."

Hockenyos said Apple's recent woes — the company last week posted its first quarterly revenue decline in 13 years — are unlikely to affect its Austin operations.

"They're facing some challenges, but a lot of what Apple does here is core to its business — things they have to do to continue to stay in business," he said. "Because of that, the issues they face probably won't be felt here as much as they might in other places."

In fact, Austin economist Brian Kelsey said, Apple could provide stability to Austin's economy if the technology industry were to experience a downturn.

"We're in the longest streak of economic expansion since the late 1990s, but Austin is still primarily a startup town," Kelsey said. "That's important to keep in mind because entrepreneurship can be a shaky foundation for economic development when the business cycle starts to turn."

Large players operating like Apple aren't immune to a global slowdown, Kelsey said. "But they can provide some stability, making Austin more resilient to changing conditions," he said.

Government officials shouldn't be too concerned with Apple's recent earnings report, said Patrick Moorhead, president and principal analyst at Moor Insights and Strategy.

Apple might have frustrated investors, but it's "way too early to be concerned" in Austin, Moorhead said.

"Apple, unlike other companies, didn't invest too far forward related to its commitments in Austin. In fact, given their profitability and revenue base, they may not have enough space for everything they need to do," Moorhead said.

If profits are most important, Moorhead said, then "Apple should consider moving even more functions to Austin from expensive California."