

## 2 companies consider Hutto megasite for \$3B in investment, 1,600 jobs



Enlarge Hutto has seen its population balloon in the past decade, rising 88% to 27,577 in 2020, according to the U.S. Census Bureau. ARNOLD WELLS/ABJ

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A pair of high-tech manufacturing projects that could create more than 1,600 jobs and nearly \$3 billion in capital investment may be on their way to Hutto.

While officials from the fast-growing suburb northeast of Austin did not reveal the names of any companies, they indicated during a [Jan. 31 special called board meeting](#) of the Hutto Economic Development Corp. that they are negotiating incentives agreement for the two projects. Because nothing is finalized, details including job and investment totals are subject to change.

But should the unnamed companies – labeled “Project Acropolis” and “Project D12” in city documents – select Hutto, they would occupy roughly 600 acres at the city’s “megasite,” [located along U.S. Route 79](#), a short drive from where Samsung Electronics Co. Ltd. is building a \$17 billion next-generation semiconductor plant.

[Bob Farley](#), Hutto's economic development director, cautioned during a Jan. 31 interview that nothing is finalized. He expects decisions to be made by the middle of the year.

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But he otherwise expressed excitement for the projects, adding that as a result of Samsung and other large tech companies locating to the region, his organization is getting interest in what he called the “applied technology” sector, where there is engineering production and new product development.

“This is very exciting for the community to have these kinds of shots,” Farley said.



Enlarge The Hutto megasite is located off U.S. Route 79, east of Hutto High School. ARNOLD WELLS/ABJ

The special meeting included a pair of public hearings notifying the public that Hutto could use public funds to develop incentives agreements for the projects. No members of the public spoke during the hearings.

Farley shared rough details of both projects during the meeting, cautioning that the terms and numbers were preliminary and subject to change. City officials noted during the meeting that the projects are still confidential and therefore did not provide any company names.

Project Acropolis was described as a high-tech manufacturer in design and fabrication of components for microchips and is said to be eyeing 450 acres in the megasite. The initial capital investment would start at \$340 million and ramp up to \$2 billion over a decade and include the costs of land, machinery and more. It would create more than 800 jobs in fields such as operations, robotics, engineering, computer science and administration, with an average salary more than \$100,000 plus benefits.

Hutto would negotiate a Chapter 380 agreement that would provide roughly \$80 million in incentives over a 10-year period that would include reimbursement for infrastructure, including water, wastewater and road construction, a potential tax abatement, the creation of a tax increment reinvestment zone and a sales tax sharing agreement.

A Project Acropolis has also been listed on the agenda of the Williamson County Commissioners Court in executive session under economic development negotiations since Jan. 18.

Project D12 was described as high-tech electric vehicle manufacturer and is said to be eyeing roughly 140 acres next to the other project in the megasite. The initial capital investment would start at \$118 million and increase to \$967 million at the end of 2028 and include the costs of land, machinery and more. It would initially create 47 jobs and eventually create more than 800 by 2028, from assembly workers to administration, with an average salary of \$85,000 plus benefits.

Hutto would negotiate a Chapter 380 agreement that would provide between \$36 million and \$40 million in incentives over the seven-year period that would include reimbursement for infrastructure, including water, wastewater and road construction, a potential tax abatement,

the creation of a tax increment reinvestment zone and a sales tax sharing agreement.

Farley added during the meeting that both projects, should they choose Hutto, would create even more indirect jobs, including for facility construction, since the megasite is a “greenfield” site with no existing development.

Should one or both projects choose Hutto – which saw its population grow from 14,698 in 2010 to 27,577 in 2020, according to U.S. Census Bureau figures – they would add to the sense that the Austin area is becoming the “new center of gravity” for critical tech in the country.

In addition to Samsung’s selection of Taylor, Tesla Inc. recently [began manufacturing](#) at its \$1.1 billion plant in eastern Travis County. Business and government leaders have indicated many more electric vehicle and semiconductor companies are eyeing space on the outskirts of Austin.

Hutto in recent months has become a hub of sorts for [tech manufacturers](#), courting the likes of Kval Inc., which makes machines and software to manufacture doors, and Ovivo Inc., which will manufacture parts for its water filtration technology, with plans to create upward of 150 jobs by 2028.

But the 1,400-acre Hutto megasite has remained empty, despite interest from a number of companies, including Tesla, which eyed the site as far back as 2014 for a battery plant.

Farley told Austin Business Journal in December that there were a couple letters of intent circulating for potential users at the megasite, which has access to both the Union Pacific rail line and one owned by BNSF Railway Company, and that the city was “actively pursuing two or three very specific things.”

Even without Samsung, he said prospect activity had been steady in the second half of 2021. Interested businesses “run the gamut,” but he said there was a lot of interest from companies related to

semiconductor support and electric vehicles, as well as some in life sciences.

Because of Samsung, he previously said, “we’re going to see more prospects, there’s no doubt about it.”

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