



Legislation Details (With Text)

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Title: Resolution Authorizing an Economic Development Incentive to Systems Sunlight S.A. in an Amount Not to Exceed \$159,819.91

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Attachments: 1. Systems Sunlight S A_9_17_.pdf, 2. 19-0638 Systems Sunlight.pdf

Date	Ver.	Action By	Action	Result
9/17/2019	1	City Council	adopt	Pass

Resolution Authorizing an Economic Development Incentive to Systems Sunlight S.A. in an Amount Not to Exceed \$159,819.91

Council Priority: Create an Environment to Promote Economic Development Opportunities and Job Creation

Department: Planning

Council District: 1

Public Hearing: September 17, 2019

Advertising Date/By: September 6, 2019, News & Record

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PURPOSE:

The City of Greensboro has been requested to consider an economic development incentive grant in an amount not to exceed \$159,819.91 for Systems Sunlight S.A and its new US subsidiary to be formed. The grant is for the purposes of purchasing new machinery and equipment, and creating new jobs.

BACKGROUND:

Systems Sunlight S.A. specializes in the development and production of batteries and energy storage systems for industrial and advanced technology applications. Headquartered in Greece, Systems Sunlight has developed a robust worldwide sales and partners network. In its third decade of sustained growth, the company ranks among the world's top providers of energy storage manufacturers. The company's consistent global outlook has made it a major international player in the energy storage sector with 93% of its production exported to more than 100 countries. With the company's customer-oriented approach, the company is exploring establishing a new facility in the U.S. to assemble products for its clients located in North America. The company is

considering locating in a facility located in the City of Greensboro within a designated Impact Zone.

The company is also considering other facilities in North Carolina as well as Virginia, South Carolina and Georgia. The new investment will consist of approximately \$6,570,000 in real property and personal property (including machinery and equipment) and creation of up to 46 new jobs with an average wage of \$47,987 per year and additional benefits. The project is expected to generate public benefit to the City of Greensboro by positively impacting the property and sales tax revenues in addition to increasing business prospects for the City and surrounding area. This project is subject to the City's Minority/Women Business Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals.

BUDGET IMPACT:

Eight installments of \$19,977.49 for a total of \$159,819.91 to be paid to the company in eight consecutive installments beginning in 2021 when project benchmarks with respect to job creation and investment are confirmed by the City. The company expects to create 46 new jobs on or before December 31, 2023. The incentive will expire if the new jobs are not created and the investment is not made by December 31, 2023.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that the City Council approve the request for an economic development grant and authorize the City Manager and City Clerk to execute a performance agreement between the City of Greensboro and Systems Sunlight S.A. as guarantor and the new US subsidiary formed by Systems Sunlight S.A. as grantee.