

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

****All fields must be completed.****

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: 4/17/2015

Please mark one: Bill Request or Resolution Request

1. Has your agency submitted this request in the last 12 months?

Yes No

If yes, please explain:

2. **Title:** *(Include a concise, one sentence description – please include name of company or contractor and contract control number - that clearly indicates the type of request: grant acceptance, contract execution, amendment, municipal code change, supplemental request, etc.)*

The Office of Economic Development requests approval of a contract to provide a \$1,350,000 Business Incentive Fund (BIF) reimbursable grant to Panasonic Energy Solutions Company (PEPSCO) for the purposes of creating 250 jobs.

3. **Requesting Agency:** Office of Economic Development

4. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution.)*

- **Name:** Jeff Romine
- **Phone:** 720-913-1526
- **Email:** Jeff.Romine@DenverGov.org

5. **Contact Person:** *(With actual knowledge of proposed ordinance/resolution who will present the item at Mayor-Council and who will be available for first and second reading, if necessary.)*

- **Name:** Seneca Holmes
- **Phone:** 720-913-1533
- **Email:** Seneca.Holmes@DenverGov.org

6. **General description of proposed ordinance including contract scope of work if applicable:**

The City County of Denver, through the Office of Economic Development, is proposing to contract with Panasonic Enterprise Solutions Company (PEPSCO) to provide \$1,350,000 in Business Incentive Funds for the creation of up to 250 jobs. The funds will be reimbursed to PEPSCO for jobs created over a 5 year period. The average estimated annual salary of the jobs are \$90,000 per year (please see executive summary for additional information).

****Please complete the following fields:** *(Incomplete fields may result in a delay in processing. If a field is not applicable, please enter N/A for that field.)*

- a. **Contract Control Number:** TBD
- b. **Duration:** 5 years
- c. **Location:** Pena Boulevard Station (61st and Pena)
- d. **Affected Council District:** Council District 11
- e. **Benefits:** 250 jobs
- f. **Costs:** Up to \$1,350,000 in Business Incentive Funds (BIF)

7. **Is there any controversy surrounding this ordinance?** None know.

(Groups or individuals who may have concerns about it?) Please explain

To be completed by Mayor's Legislative Team:

SIRE Tracking Number: _____

Date Entered: _____

EXECUTIVE SUMMARY

Panasonic Energy Solution Company

Overview

In December of 2014, Panasonic Energy Solutions Company (PEPSCO) announced the creation of a business solutions, operations and technology center adjacent to the Denver International Airport. The center is anticipated to consist of a 100,000 sq. ft built to suit structure located in the Pena Boulevard Station Transit Oriented Development, along the east rail line at 61st and Pena Blvd.

The new operation will focus on the development, sales, and implementation of large scale audio/visual and “eco-solutions” products. The business and facility is estimated to create more than 300 jobs in midterm business plan. OED requests to provide a job creation incentive for up to 250 of those jobs once they are created. The BIF job creation incentive is part of larger incentive package assembled by Xcel Energy, Denver International Airport, and the State of Colorado.

PEPSCO evaluated approximately 20 potential cities and sites for their new center before finally deciding on Denver.

OED determined to commit this proposed business support due to the multiple outcomes and impacts from the company’s decision. These outcomes include the catalytic nature of the location decision, the direct fiscal benefits, the HQ, brand awareness promoting Denver’s role in a global market place, innovation of the product line, and the shared vision and approach for the 61st/Pena Station area (Smart city / sustainable community) .

Contract amount(s)

\$1,350,000

Source of funds

Business Incentive Funds (BIF), capitalized with City General Funds

Term

Benefits

The BIF will incent the creation of 250+ jobs. The entire project is estimated provide a 10 year direct fiscal benefit of \$2.65M and an indirect benefit of \$2.7M, not including PEPSCO’s capital investment of \$40M for the construction of the facility.

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