

ORDINANCE O-2025-

A BILL FOR AN ORDINANCE APPROVING AN ECONOMIC INCENTIVE AGREEMENT
WITH STORED ENERGY SYSTEMS, A LIMITED LIABILITY COMPANY

WHEREAS section 4.72.045.A of the Longmont Municipal Code (Code) authorizes the Longmont City Council to provide economic incentives to businesses that locate a new facility, or expands an existing business, within the City of Longmont (City), and create at least 10 higher paying primary jobs within 2 years; and

WHEREAS the City Council has received an application from Stored Energy Systems, a Limited Liability Company, a Colorado Corporation (“Company”), to rebate development fees, the unrestricted portion of all City sales/use tax imposed on building materials, and business personal property tax, and provide other corporate incentives; and

WHEREAS Company currently operates at 1840 Industrial Circle, Longmont, Colorado, which consists of approximately 50,000 square feet of developed office and manufacturing space across two facilities; and

WEHREAS Company has expressed to the City a desire to develop approximately 85,000 square feet of new facilities located within the municipal limits of the City Longmont, CO (“Property”) to accommodate expanded operations which would involve capital investment of up to \$12 million, and machinery and equipment purchases of up to \$1.7 million for a potential total new investment in Longmont of up to \$13.7 million (the “Project”); and

WHEREAS if Company proceeds with the Project at the Property, it anticipates it will create at least 126 net new full-time equivalents (“FTE’s) with an Average Annual Wage of approximately \$101,100 at time of full employment in year 3 of the Project. This Annual Wage

1 exceeds the overall average wage in Boulder County of \$76,063 by more than 5%, which would
2 be \$79,866; and

3 WHEREAS, the vast majority of Company's product will be sold outside Boulder County.

4 NOW THEREFORE, THE COUNCIL OF THE CITY OF LONGMONT, COLORADO,
5 ORDAINS:

6 Section 1

7 The City Council finds:

- 8 1. Company will meet the criteria contained in section 4.72.045.A and section 4.72.045.B of
9 the City Code and is eligible for economic development incentives.
- 10 2. Company will also meet the criteria contained in section 4.72.045.C.2 of the City Code and
11 is eligible for an incentive for the rebate of business personal property tax.
- 12 3. The City has determined that granting the economic incentives set forth herein to Company
13 is in the interests of the health, safety and welfare of the citizens of Longmont and serves
14 the vital and important public purposes enumerated in section 4.72.005 of the City Code.
- 15 4. Pursuant to section 4.72.045.E of the City Code, the City has determined that the Company
16 is eligible to receive both the business personal property tax rebate and the permit and
17 development fee rebate, including the unrestricted portion of all City sales/use tax imposed
18 on building materials, because the Company has satisfied the criteria contained in section
19 4.72.045.C.3 of the City Code. Specifically, the Company will expand primary jobs
20 significantly above the minimum requirements, chose not to locate in another city, received
21 an incentive offer from the Colorado Office of Economic Development and International
22 Trade, and the project is consistent with Advance Longmont 2.0 target industries and goals.

1 5. Pursuant to sections 4.72.010.B and 4.72.040 of the City Code, the City has determined
2 that the Company is eligible to receive an enhanced rebate of eligible fees and sales and
3 use taxes as an industrial, non-commercial business manufacturing power systems because
4 the Company: 1) will create 126 net new FTE's at time of full employment in year 3 of
5 the Project; 2) the Project may, through extension of public infrastructure necessary to
6 serve it, also facilitate annexation and development of other new projects to the benefit of
7 the economic health and vitality of the City of Longmont; and 3) received an incentive
8 offer from the Colorado Office of Economic Development and International Trade.

9 Section 2

10 The City Council agrees to rebate to Company development fees, the unrestricted portion
11 of all City sales/use tax imposed on building materials, 100% of the net increase in the City's share
12 of business personal property tax, and other corporate incentives as set forth in an agreement
13 between the City and Company, attached hereto Exhibit 1. The Mayor is authorized to sign the
14 agreement approved by the City Attorney that is substantially in conformance with the terms of
15 Exhibit 1, and which ensures that the eligibility criteria and other pertinent development conditions
16 will be performed and satisfied.

17 Section 3

18 To the extent that they conflict with this ordinance, the City Council repeals any conflicting
19 ordinances or parts of ordinances. The provisions of this ordinance are severable, and invalidity
20 of any part shall not affect the validity of effectiveness of the rest of this ordinance.

21 Introduced this _____ day of _____, 2024.

22 Passed and adopted this _____ day of _____, 2025.

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MAYOR

ATTEST:

CITY CLERK

NOTICE: THE COUNCIL WILL HOLD A PUBLIC HEARING ON THIS ORDINANCE AT
7:00 P.M. ON THE _____ DAY OF _____, 2025, AT THE
LONGMONT CITY COUNCIL MEETING.

APPROVED AS TO FORM:

CITY ATTORNEY

DATE

PROOFREAD

DATE

APPROVED AS TO FORM AND SUBSTANCE:

ORIGINATING DEPARTMENT

DATE

CA File: 24-003138