CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM:
Council Bill 2023-290 – Enhanced Enterprise Zone (EEZ) Program - Aesir Technologies

ORIGINATING DEPARTMENT:
Planning, Development, and Neighborhood Services

MEETING DATE;
November 6th, 2023

REVIEWED BY;
Director of Planning, Development and Neighborhood Services- Troy Bolander, Director of Finance-Leslie Haase, City Attorney- Peter Edwards, Assistant City Manager-Tony Robyn, City Manager-Nick Edwards.

SUMMARY;
The following council bill is a request by Aesir Technologies, Inc for the abatement of the ad valorem property taxes on the building and future additions to the building. The facility is located at 8125 E. 26th St., Joplin MO in the Crossroads Industrial Park. The taxes will be abated through the Joplin Area Enhanced Enterprise Zone (EEZ) Program.

BACKGROUND;
Aesir Technologies, Inc. acquired Zaff Energy Systems of Joplin a few years ago. Zaff Energy Systems is in the forefront of battery technology innovation and emerging energy storage market. Aesir Technologies will make a capital investment into their existing building and proposes to construct two new additions onto their current facility. Aesir Technologies is currently located in the Crossroads Industrial Park. The company plans to create 350 jobs within 6 years. The average annual wage of the new jobs created within the first 2 years is $48,400. The company will pay 70% of employee health benefits. The estimated investment by the company into the facility and new equipment purchase is $54,000,000 over the life of the project.

The amount and length of abatement offered is based on a sliding scale (see exhibit B) developed and approved by the Joplin Area Enhanced Enterprise Zone Board, the taxing jurisdictions and the Joplin City Council. Staff recommends that Aesir Technologies' ad valorem taxes on the building and additions be abated at 100% for 10 years per the EEZ Tax Abatement Guidelines. The recommendation is based on the data submitted by Aesir Technologies that they will pay an average wage of $48,414 per job which is approximately $3,355 more or 107% of the county average wage ($45,059). The company will create a minimum of 350 jobs within 6 years and pay a portion of the employees' health benefits.

More information about the company can be found at: https://aesirtec.com/

RECOMMENDATION
Staff recommends approval of Council Bill No. 2023-290 as an emergency ordinance under Section 2.12, Paragraph 5 under the Home Rule Charter

ATTACHMENTS
CB 2020-410, Exhibit A, Exhibit B, Company & Project Information