



NEWS RELEASE

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Date: Jan. 24, 2023
TDD: 791-2639

City of Tucson Mayor and Council Approve Incentive Agreement with Sion Power Corporation

In December 2022, Sion Power Corporation announced that it will expand its existing operations in Tucson by adding a second location for battery manufacturing. Tonight, the Mayor and City Council approved a Primary Jobs Incentive development agreement with Sion Power.

The City of Tucson Primary Jobs Incentive is a financial tool that supports the City's efforts to attract quality jobs and investment. The incentive provides up to a 100% reimbursement of construction sales tax to qualifying expenses such as required public infrastructure improvements, offsets to impact fees, and job training.

Sion Power Corporation is a leading developer of next-generation battery technologies and has been part of the Tucson business community for 33 years. Sion has more than 100 current employees with an average salary of \$85,000 and intends to create over 150 new engineering and manufacturing jobs with this expansion. Under the Primary Jobs Incentive development agreement, the company will be eligible for a maximum reimbursement of \$278,378, once construction is complete and the company demonstrates that it has met specific performance criteria.

"We are investing to secure Tucson's future as the battery manufacturing hub of the Southwest," said Tucson Mayor Regina Romero. "I am looking forward to Sion Power's expansion and our continued partnership creating hundreds of high-wage green jobs and elevating Tucson's reputation as a leader in EV readiness and climate action," added Romero.

The overall economic impact of the Sion expansion project is estimated at more than \$85.2 million over five years. The new manufacturing facility is expected to be operational in late 2024.

According to Barbra Coffee, the City's Director of Economic Initiatives, this expansion demonstrates a significant investment on the part of a long-time employer in Tucson. "We are thrilled to see Sion Power continue to grow and expand in the city," said Coffee. "A majority of new jobs created in a community come from those businesses already here, and we are committed to helping them stay and be successful."

About City of Tucson Office of Economic Initiatives:

The Office of Economic Initiatives coordinates the City's economic development programs for the purpose of attracting jobs and investment to the City of Tucson. The Office of Economic Initiatives also offers local small business and entrepreneurial assistance and encourages regional workforce development efforts to foster a sustainable and diverse local economy. For more information or to contact the Office of Economic Initiatives, visit www.ConnectTucson.com.