

SoloPower, Inc. Manufacturing HQ Overview

May 18, 2011

SoloPower, Inc.

Company & Project Overview

Tim Harris, CEO, SoloPower, Inc.

Incentive Package

Scott Andrews, PDC Chair

Loan Guarantee Overview

Ken Rust, City of Portland CAO



SOLOPOWER

SoloPower, Inc.

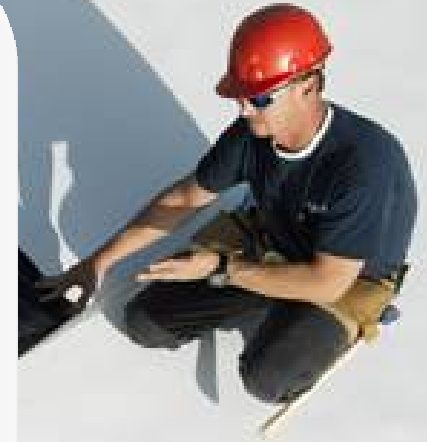
- SoloPower is an innovator of thin-film photovoltaic (PV) cells and modules
- SoloPower's mission is to produce high-efficiency, low-cost PV modules on a global scale, enabling solar electricity generation at a cost that is competitive with traditional methods
- The thin-film panels weigh far less than traditional glass-covered panels and can be installed directly on a roof



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- Selected Portland as site for manufacturing headquarters
- Currently looking at locations in Portland's Enterprise Zone
- We chose Oregon for its deep talent pool, proximity to our San Jose headquarters, competitive incentive package and, of course, Oregon's quality of life
- At full capacity, is expected to produce approximately 400MW of thin film Photovoltaic modules annually, employ approximately 500 direct full-time employees



SoloPower Investment in Portland

- **\$340 million total investment**
- **150 workers within twelve months, approximately 500 workers at full build out**
- **Average annual salary: estimated at more than \$50,000 plus benefits**
- **Initial operation: 200,000 sq ft**
- **Full operation: 400,000 sq ft**
- **In addition to SoloPower direct jobs, more than 250 construction jobs, and an estimated 1,500 indirect and induced jobs will be created by the development of this facility**



Additional Community Benefits



- Workforce Training
- Enterprise Zone
- SoloPower representative to serve on industry-related boards and committees



SoloPower Incentive Package

- **Manufacturing Line #1:**
\$20 million SELP loan commitment
\$20 million in BETC (pre-certified; cash value \$14 million est.)
- **Manufacturing Lines #2-4:**
\$197 million U.S. Dept. of Energy Loan conditional commitment
- **SoloPower will have pay off existing loans prior to accessing US DOE funds**
- **\$17.9 million Enterprise Zone property tax abatement (estimated maximum value for lines #1-4)**



Portland Enterprise Zone



- The Portland Enterprise Zone is a five-year property tax abatement program designed to facilitate investment by industrial-based firms in order to create or maintain quality jobs while maximizing economic benefits for Portland residents earning at or below 80% MFI
- 15% of SoloPower's \$17.9 million Enterprise Zone property tax reduction goes to business development and workforce training programs
- The Enterprise Zone is focused primarily on properties in North and Northeast Portland

Loan Guarantee Overview

- City of Portland will secure the \$5 million guaranty with a subordinate lien pledge of the City's Available Meter Revenues.
- This lien would be subordinate to the payment of debt service on the City's 2009 Refunding Bonds, but would be paid prior to PBOT's commitment to pay debt service on the 2007 Series B Bonds.
- No reserve would be set-aside to make payments on this guaranty, if required, but instead would be payable in full by the subordinate lien on the Available Meter Revenues.
- PBOT payments back-stopped by PDC via an IGA with the City

SoloPower, Inc.



- SoloPower's decision to join Vestas, Iberdrola, Solaicx, Element Power, and ReVolt confirms Portland's position as the center for green technology
- It also underscores the value of having a targeted, clear Economic Development strategy