

**STATE OF NEVADA
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT
BOARD MEETING MINUTES
Thursday, January 26, 2023**

The meeting of the Board of Economic Development was called to order by Governor Joe Lombardo on the Webex platform online.

VOTING BOARD MEMBERS PRESENT

Governor Joe Lombardo, State of Nevada
Secretary of State Francisco Aguilar, State of Nevada
Mr. James A. Barrett, Jr., President & Founder, The JABarrett Company
Mr. Josh Reid, Director of National Resources, Fennemore Law
Mr. Raymond Specht, Founder & CEO, Specht Leadership Consulting
Ms. Sasha Stephenson, President, SSS Public Affairs
Mr. Tyre Gray, President, Nevada Mining Association
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada

NON-VOTING BOARD MEMBERS PRESENT

Mr. Chris Sewell, Director Department of Employment, Training and Rehabilitation
Mr. Dale Erquiaga, Acting Chancellor, and Chief Executive Officer, Nevada System of Higher Education
Mr. Terry Reynolds, Director of Business and Industry

VOTING BOARD MEMBERS ABSENT

Lieutenant Governor Stavros Anthony, State of Nevada

STAFF MEMBERS PRESENT

Bob Potts, Northern Deputy Director, GOED
Chelsea Walburg-Estep, Director of Business Development, GOED
David Newton, Special Counsel to the Colorado River Commission and GOED
Hayley Owens, Research Manager, GOED
Gregory Bortolin, Director of Communications, GOED
James Humm, Director of Public Policy and Government Affairs
Jessica Murillo, Accounting and Administrative Assistant, GOED
Kristopher Sanchez, Southern Deputy Director, GOED
Michelle Sibley, Director of Human Resources, Diversity and Inclusion, GOED
Melanie Sheldon, Senior Director of Business Development, South, GOED
Stacey Bostwick, Director of Workforce Development, GOED
Susan Skaggs, Executive Assistant, GOED
Thomas J. Burns, Executive Director, GOED

GUESTS PRESENT

Cecilia Heston, Nevada Secretary of State
Christine Guerci, Guerci Law
Cindy Kendall, DETR
Craig Statucki, DOE
Gabriel Di Chiara, Nevada Secretary of State
Henna Rasul, Office of Attorney General
Irene Bustamante Adams, Nevada Workforce Connections
Joseph Riney, Nevada Mining
Michelle Briggs, Colorado River Commission
Michael Dayton, Nevada Lt. Governor’s Office
Michael Chavez, Guest
Sally Christensen, Nevada Lt. Governor’s Office
Sarah Murley, AE Economics
Shelli Long, NV Department of Taxation
Tatjana Vukovic, NNDA
Vicente Nacario, Nevada Workforce Connections

1. CALL TO ORDER, ROLL CALL, AND ESTABLISH QUORUM

Governor Joe Lombardo, State of Nevada called the meeting to order. Ms. Melanie Sheldon, Senior Director of Business Development, GOED called roll, and quorum was established.

2. PUBLIC COMMENT

There was no public comment.

3. RECOMMENDATION AND NOMINATION OF THOMAS J. BURNS AS GOED EXECUTIVE DIRECTOR

Governor Lombardo asked the Board for their recommendations for the next GOED Executive Director.

A MOTION WAS MADE BY MS. SASHA STEPHENSON TO NOMINATE MR. THOMAS J. BURNS AS GOED EXECUTIVE DIRECTOR. MR. JAMES BARRETT SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.

4. GOVERNOR LOMBARDO TO CONSIDER APPOINTMENT OF MR. BURNS FROM THE RECOMMENDATION LIST PROVIDED BY THE BOARD

Governor Joe Lombardo appointed Mr. Burns as the next Executive Director of GOED.

Thomas J. Burns indicated that he is humbled to be asked to serve the state, explaining that he has a lot of passion for the state of Nevada and its citizens and is looking forward to serving and bringing prosperity to the state, as well as looking forward to working with GOED and its Board.

5. RATIFICATION TO REVISION OF \$1B INVESTMENT ABATEMENT ESTIMATE:

A. Redwood Materials, Inc.



Ratification of \$1B Investment Sales and Use Tax Abatement

Mr. Bob Potts, Interim Executive Director, GOED Introduced Redwood Materials, Inc. Mr. Potts explained that today's Special Board Meeting was called in large part to ratify and make a correction to the Redwood Materials \$1 Billion investment abatement package approved at the December 1, 2022, GOED Board meeting.

Mr. Potts advised that the Monday after the Board's approval on December 1, GOED was made aware that the amount of Sales and Use Tax (SUT) that can be abated must be adjusted under current statute. Mr. Potts further explained that GOED, GOED's attorney, and Redwood had believed the SUT could be abated down to 2.75 percent over the 15-year abatement period. However, due to a change made in the 2019 Legislative Session under AB 400, a company receiving a \$1 Billion Investment Abatement Packages was eligible to receive an SUT abatement down to 4.85 percent over the 15-year abatement period. All other abatements, including the Modified Business Tax (MBT), Personal Property Tax (PPT), Real Property Tax (RPT), and Transferrable Tax Credits (TTCs) stand as approved by the Board in December 2022. Mr. Potts explained that as a result, the company's total estimated abatement amount now drops from \$105,615,082 down to \$80,651,634, a decrease of \$24,963,000, or approximately \$25 million. Mr. Potts indicated that total estimated new tax revenue to the state and local government increases from \$183,341,704 to \$201,073,256 over the abatement period, following which Redwood would be responsible for paying their full tax liability.

Mr. Don Tatro, Director of State and Local Policy, Redwood Materials, expressed his appreciation to the Board for everyone convening to make this amendment and indicated that Redwood's commitment to the state and to the region remain strong and further indicated Redwood's excitement at working with the new administration and continuing its work with GOED.

A MOTION WAS MADE BY MR. TYRE GRAY TO APPROVE THE RATIFICATION OF \$1B INVESTMENT SALES AND USE TAX ABATEMENT FOR REDWOOD MATERIALS, INC. MR. RAY SPECHT SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.

6. BOARD MEMBER COMMENTS

Mr. Ray Specht, GOED Board Member, thanked Redwood Materials, Inc. for staying with the state and apologized for what had occurred with their sales and use tax abatement. Mr. Specht further indicated that he is looking forward to a strong partnership going into the future, and working together with Redwood Materials, Inc. for the state and the country.

7. GOVERNOR LOMBARDO COMMENTS

Governor Lombardo had no comments.

8. PUBLIC COMMENT

There was no public comment.

9. ADJOURNMENT

A MOTION WAS MADE BY MS. STEPHENSON TO ADJOURN THE MEETING. THE MOTION PASSED UNANIMOUSLY.