

**STATE OF NEVADA  
GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT  
BOARD MEETING MINUTES  
Thursday, December 2, 2021**

**The meeting of the Board of Economic Development was called to order by Governor Steve Sisolak on the Zoom platform.**

**VOTING BOARD MEMBERS PRESENT**

Governor Steve Sisolak, State of Nevada  
Secretary of State Barbara Cegavske, State of Nevada  
Mr. James A. Barrett, Jr., President & Founder, The JABarrett Company  
Dr. Dana Bennett, President Emeritus, Nevada Mining Association  
Dr. Weldon Havins, Director, Medical Jurisprudence and Ophthalmology, Touro University Nevada  
Mr. Raymond Specht, Founder & CEO, Specht Leadership Consulting

**VOTING BOARD MEMBERS ABSENT AND EXCUSED**

Mr. Dan Klaich, Voting Member at Large

**NON-VOTING BOARD MEMBERS PRESENT**

Ms. Elisa Cafferata, Director Department of Employment, Training and Rehabilitation  
Mr. Terry Reynolds, Director of Business and Industry

**NON-VOTING BOARD MEMBERS ABSENT**

Dr. Melody Rose, Chancellor and Chief Executive Officer, Nevada System of Higher Education

**STAFF MEMBERS PRESENT**

Avrey Callis, Administrative & International Business Assistant  
Bob Potts, Deputy Director, GOED  
Carli Smith, Digital Media Manager, GOED  
Chelsea Walburg, Research Manager, GOED  
Christine Guerci, Special Counsel to the Colorado River Commission and GOED  
David Newton, Special Counsel to the Colorado River Commission and GOED  
Erin Hasty, Strategic Programs Advisor  
Greg Bortolin, Director of Communications, GOED  
James Humm, Director of Compliance & Regulatory Affairs, GOED  
Jeanette Holguin, Business Development Coordinator, GOED  
Karsten Heise, Director of Strategic Programs  
Michael Brown, Executive Director, GOED  
Michelle Sibley, Human Resources Manager & Executive Assistant of Operations, GOED  
Melanie Sheldon, Director of Business Development, South, GOED

Stacey Bostwick, Workforce Development Program Coordinator, GOED  
Susan Skaggs, Executive Assistant, GOED  
Tatjana Vukovic, Director of Business Development North, GOED

**GUESTS PRESENT**

Alan Ragsdale, City of NLV  
Alex Tanchek, Silver State Government Relations  
Amy Miller, NNDA  
Bill Regenhardt, LVGEA  
Breanna Bensoua, LVGEA  
Brooke Malone, LVGEA  
Caleb Cage, NSHE  
Cassie Del Guidice, Stericycle, Inc.  
Chris Ault, EDAWN  
Chris Zunis, LVGEA  
Christopher Lloyd, McGuire Woods Consulting  
Cindy Kendall, DETR  
Corrado DeGasperis, Comstock Mining  
Craig Von Collenberg, NSHE  
Dale Rich, Stericycle, Inc.  
Daniel Dong, DETR  
David Pida, Rapid Response Monitoring Services Inc.  
Diego Genera, Envases, LLC  
Douglas Horne, Evanesce, Inc.  
Eric Steinmetz, State of Nevada, Department of Taxation  
Fred Ragsdale, AM JLL  
Garrett Chambers, DETR  
Gerry Lalonde, Evanesce, Inc.  
Gloria Chua, DETR  
Hawah Ahmad, Clark County Education Association  
Henna Rasul, Nevada Attorney General's Office  
Irene Bustamante-Adams, Workforce Connection  
Jared Smith, LVGEA  
Jason DiOrio, United Way of Southern Nevada  
Javier Pietrini, Envases, LLC  
Jeff Brigger, NV Energy  
Jeff Sutich, NV Energy  
Jim Bejna, Smithfield Packaged Meats Corp. dba Saratoga Food Specialties  
Joe Behan, Rapid Response Monitoring Services Inc.  
John Parel, DETR  
John Restrepo, RCG Economics  
Jubal Smith, AM JLL

Julie Frost, DETR  
Kelson Powell, State of Nevada, Department of Taxation  
Kristin Aldred Cheek, Stericycle, Inc.  
Kristina Quigley, COX  
Laura Hann, Local Bounti Corporation  
Lea Case, Belz & Case  
Leslie Wagner, Ginovus, LLC  
Lynn O'Mara, NNDA  
Malany Klemens, DETR  
Marcel Schaerer, Nevada Department of Business and Industry  
Mark Lindbloom, Envases, LLC  
Marylean Klemens, DETR  
Matt Roman, DETR  
Matthew Samler, AM JLL  
Meghin Delaney, NV Governor's Office  
Michael Walsh, LVGEA  
Mike Schaal, Local Bounti Corporation  
Nancy McCormick, EDawn  
Nick Clason, LVGEA  
Patricia Perez Ulloa, BBGS Mexico  
Paulina Adrian, DETR  
Perry Ursem, LVGEA  
Robert Erb, DETR  
Rosalie Bordelove, Nevada Attorney General's Office  
Sam Cline, Guest  
Scott Anderson, SOS  
Scott Neale, Ginovus, LLC  
Shannon Silva, State of Nevada, Department of Taxation  
Sheldon Mudd, NNRDA  
Shelli Long, State of Nevada, Department of Taxation  
Stan Thomas, EDawn  
Stephanie Wallace, DETR  
Terri Sheridan, City of North Las Vegas  
Tom Simpkins, Nevada Industry of Excellence  
Yvanna Cancela, NV Governor's Office  
Zach Spencer, Comstock Mining

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

Governor Steve Sisolak, State of Nevada called the meeting to order. Ms. Jeanette Holguin, Business Development Coordinator, GOED, called roll, and quorum was established.

**2. PUBLIC COMMENT**

There was no public comment.

**3. APPROVAL OF THE SEPTEMBER 23, 2021, BOARD MEETING MINUTES**

**A MOTION WAS MADE BY SECRETARY OF STATE BARBARA CEGAVSKE TO APPROVE THE SEPTEMBER 23, 2021, BOARD MEETING MINUTES WITH THE SUBMITTED AMENDMENTS. THE MOTION PASSED UNANIMOUSLY.**

**4. EXECUTIVE DIRECTOR UPDATE AND DIRECTOR'S REPORT**

Director Michael Brown, Executive Director, Nevada Governor's Office of Economic Development (GOED) informed the Board that the GOED International Trade Division will be hosting an event in partnership with the European Union (EU) Delegation to the US led by the Embassy of Slovenia in D.C. under their Presidency of the Council of the European Union. The event is called EU-Nevada Days, and Las Vegas will host all 27 EU countries, for a three-day event.

Director Brown advised GOED's International Trade Division in Nevada is one of approximately 30 to 40 entities recognized with a presidential award in excellence in exporting. On November 5, 2021, U.S. Deputy Secretary of Commerce, Don Graves, awarded GOED International Trade Division, the 2021 President's "E" Award for export service at a ceremony in Washington, D.C. The President's "E" Award is the highest recognition any U.S. entity can receive for making a significant contribution to the expansion of U.S. exports. According to U.S. Secretary of Commerce GOED has demonstrated a sustained commitment to export expansion.

Director Brown further explained that record activity on the strip, supplemented with incredible interest in the sports sector, is allowing the state, particularly Southern Nevada, to rebalance and diversify in economy, manufacturing, logistics, healthcare, and technology. Director Brown advised is currently involved with several federal departments and was awarded a million-dollar planning grant from the Department of Commerce to help jumpstart economic planning and provide resources for tribal communities and communities of poverty, among others, to make application for federal assistance under various American Rescue Plan Act (ARPA) programs. Director Brown indicated that GOED has worked with the Las Vegas Global Economic Alliance (LVGEA) in a coalition that includes municipal governments, the university system, Workforce Connections, among others, and has filed for a \$75 million grant to help address some of the infrastructure gaps in southern Nevada that are impeding the ability to land some manufacturing interests and logistics interests. Director Brown explained that this grant would also help to

address some of the issues in the startup community. Director Brown informed the Board that Nevada has an opportunity for approximately \$90 million in small business assistance through a small business credit initiative and likened this program to one during the great recession that totaled about \$14 million. Director Brown indicated that this would be a 10-year-plus program.

Director Brown informed the Board that Governor Sisolak and his new Chief of Staff have prioritized core priorities for GOED: management of and assistance for the pandemic; the deployment of ARPA dollars, for which GOED is working with its partners in housing and in the workforce space; the priority of housing which includes addressing housing challenges, childcare, and workforce retraining.

Director Brown informed that Mr, Bob Potts, Deputy Director, GOED, sent the GOED Board a summary of the state economy approximately a month earlier and invited the Board to discuss the challenges regarding helping workers return to work. Director Brown discussed a Zoom conference on economic development in Ohio that he observed and indicated that many of the same challenges exist there and explained that all signs in Nevada are very positive on this front. Director Brown closed his remarks by welcoming members to stop by the GOED office at any time for a more in-depth briefing on any of the agenda topics.

Mr. Specht asked to address the addendum to the Director's report submitted to the Board by Director Brown, indicating his desire to add a date when these were approved. Director Brown indicated that this would be done.

Mr. Specht commended Google for all it is doing for the state of Nevada, and then asked Director Brown if the reason why Advanced Manufacturing Products would be waiting until summer instead of looking now was the inability to lease a space.

Director Brown indicated that he believed the company is currently looking for a space.

Ms. Melanie Sheldon, Director of Business Development – south, GOED, advised that GOED and LVGEA are aware of the situation and are continuing to work with the company to provide support. Ms. Sheldon explained that the company is simply taking a pause to consider their options but is still very interested in Nevada.

## **5. WORKFORCE INNOVATIONS FOR A NEW NEVADA (WINN)**

Ms. Stacey Bostwick, Director of Workforce Development, GOED discussed the most recent legislative session with the Board, indicating that updates were made to the statutory language for GOED's WINN fund. Ms. Bostwick indicated that SB 24 asked for some clarity, which includes defining high-skill and high-wage jobs, something the Board was tasked with for purposes of the WINN fund investments. Ms. Bostwick informed the Board that GOED utilizes that fund to make strategic investments that bring together industry and education to ensure

workforce training programs and talent pipelines for new and existing businesses to recruit and retain qualified employees. Ms. Bostwick concluded by opening the floor for questions.

Secretary of State Barbara Cegavske asked Ms. Bostwick to explain the average and median hourly wage in more detail, citing her concern of the state telling store owners how much they must pay employees.

Ms. Bostwick noted that one of the important elements to this is the attempt to benchmark the wage to the occupation so as to compare job wages across similar occupations rather than across different occupations. In addition, Ms. Bostwick indicated the need to invest in programs that are training talent, and for jobs that require training, baseline starting pay is \$17 per hour. Ms. Bostwick further explained that current average wage for WINN-funded projects, which are entry point, post-training program positions, starting pay is \$20 and as such, this average wage is still higher than what is being recommended as a baseline.

Secretary of State Cegavske inquired why GOED opted to use average wage versus median wage in terms of a benchmark.

Ms. Bostwick explained that broadly speaking, average wage tends to be on the lower side whereas median tends to be a higher number.

Secretary of State Cegavske reiterated her concern that employers are unable to dictate salaries of their own employees and for that reason she likely will not support this recommendation.

Director Brown advised, because GOED is tapping state resources and using public dollars, they are setting a minimum floor for this.

Mr. Potts explained the median is the midpoint and the weighted average deals with actual distribution. For that reason, GOED prefers to deal with the weighted average so as to get a true measure of central tendency.

**A MOTION WAS MADE BY MR. JAMES BARRETT TO APPROVE AGENDA ITEM 5. DR. DANA BENNETT SECONDED. THE MOTION PASSED. SECRETARY CEGAVSKE OPPOSED.**

## **6. METRICS REPORT**

Ms. Chelsea Walburg, Research Manager, GOED indicated that Nevada is looking mostly positive in terms of programs within GOED. YTD in 2021, there are 67 assisted companies, which is 123.3 percent over the prior year to date, with initial jobs from these companies totaling 4,850 jobs. This is up 176.8 percent over the prior YTD total. Once these jobs are built out, the total will be 8,831 jobs, which is up 222.4 percent over the prior year. Ms. Walburg indicated that the average wage YTD is down slightly at 3.5 percent but is still

relatively high at 27.17 percent. The average wages from this quarter in particular brought up that percentage. Assisted company investments YTD are totaling \$822.3 million, which is up 44.5 percent over the prior year. The number of leads and prospects are mixed and look different over the prior quarter versus the prior year: over the quarter, leads are up by 100, a total of 62.1 percent, but over the year are down to 167, a total of 8.7 percent as compared to the same quarter (Q3) in 2020. Ms. Walburg cautioned the Board that nominally, this is not a huge disparity given that there were 180-plus leads in the same quarter of last year. The number of prospects were up 36, which is down 21.7 percent over the prior quarter and 7.7 percent over the prior year, a total of only three prospects down from the year before. As such, Ms. Walburg indicated that the percentages can be a bit misleading. In terms of wins, there were 25 in Q3, an increase of 73.3 percent over the prior quarter and 136.4 percent over the prior year.

In terms of global metrics, GOED has shifted its focus onto the Global Step Grant, which is granted for a biennium with GOED now in Q4 out of the last two years. There have been 115 jobs created, up 79.7% over the prior quarter; almost \$6 million in cumulative export sales from companies aided by the Step Grant, which is up 203 percent over what was approved by EDA. Small business program metrics, which are reported twice yearly, are the same as from the last report, with 148 contracts and \$3.3 million in total value of those contracts.

Ms. Walburg next discussed the totals for FY '21 Rural Community Development Block Grants, numbers that don't change for the year. This is a total of eight grants, which is down 20 percent from the prior year, but that this was a strategic move in order to choose fewer grants that are more robust in turns of spurring more economic development. There is \$3.4 million in total available dollars for funding allocation. The Procurement Technical Assistance Center has 1,357 clients, up 0.5 percent over the prior year. The total award amount won by active clients in the first quarter of FY '22 is \$147.2 million, down 18.5 percent from the prior year as last year's Quarter 1 total was extremely robust compared to other first quarters. This year's total is more on track with the typical amount won by active clients. Ms. Walburg concluded her report by informing the Board that the Nevada Film Office had 101 productions, up 29.5 percent from Quarter 1 of FY '21 and that the client satisfaction survey has been holding steady at 101.5, which is the highest rating possible.

## **7. STATE OF NEVADA UNEMPLOYMENT RATE UPDATE**

Mr. Potts explained this resolution is in place to encourage job creation in the counties where the unemployment rate is higher. Looking at the state's economy overall as measured by jobs and the unemployment rate, the state has mostly recovered, with the exception of southern Nevada in casino accommodations. Mr. Potts explained Nevada is currently down approximately 79,000 jobs overall and approximately 66,000 of which are in casino accommodation, leaving Clark County as the only county above the seven percent unemployment threshold, which makes the county eligible for full abatements for companies offering an average hourly wage between 85% and 100% of the statewide average hourly wage as set by the Nevada Department of Employment Training and Rehabilitation (DETR).

Mr. Potts discussed the ongoing question of why there are so many job openings when there are still so many people unemployed. This is not new but is rather a normal event, particularly because a perceived shortage of workers tends to be ramped up. Mr. Potts explained that this is not necessarily a bad thing as it means that there is a lot of churn in the economy given that this many openings shows confidence in the labor market. Mr. Potts further indicated that although some issues are short-term, there are some longer underlying issues on the job front, first and foremost, the fact that the baby boomer generation is retiring and Gen Zs are now coming into the job market, an issue that was exacerbated by the pandemic, which spurred boomers to retire ahead of their planned schedule. Although the Gen Zs are now stepping into the middle and senior management roles vacated by the boomers, that generation does not yet have the necessary skillset for these positions, thus creating a skillset mismatch. There is a skillset mismatch between industries, the result of which is diversification into different areas.

Mr. Potts noted that daycare, which had already been low pre-pandemic, has only recovered to about 50 percent of what it was. This is part of the reason why there are more openings despite the high unemployment rate. In addition, some employees continue to hold the expectation that their job will be coming back as well as an expectation of continued low wages on the employer side. There has been suppressed wage growth since the late 90s, an expectation that will need to shift going forward. Structurally, as well as on the expectation side, the state needs to consider not only wage suppression but the low interest and inflation rates.

There are also still continued healthcare concerns in the community, particularly with the appearance of new COVID variants. These concerns also deter people from stepping back into the job market.

Dr. Bennett questioned whether or not the 66,000 lost casino jobs would be coming back when health was no longer a concern.

Mr. Potts indicated that, based on the tracking of the Economic Advisory Council, the numbers indicated potentially 40,000 of those currently unemployed in the casino industry will likely not have a job to which they can return. However, there will be other industry opportunities for those employees.

Director Brown added there has been a shift, of some displaced workers, into logistics and operations, where many are choosing to stay. In addition, the Governor's office has prioritized ARPA funding for work that is underway in housing and workforce retraining.

**8. ABATEMENT APPLICATIONS FOR BOARD APPROVAL:**

**A. ENVASES COMMERCE, LLC**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX**

Mr. Michael Walsh, Vice President of Business Development, LVGEA, introduced Envases Commerce, LLC (Envases). The company is considering establishing a manufacturing facility in southern Nevada. The company's site location efforts has identified a potential location in Clark County for a new approximately 450,000 square foot build-to-suit manufacturing facility. The new operation would produce and distribute packaging solutions for soft drinks, beer, energy drinks, teas, and noncarbonated beverages. Envases is a part of the Envases Universales Group, a multinational company with 56 global manufacturing facilities and 3 joint ventures on four continents, and over 25 years of experience manufacturing a number of products lines including PET packaging, food and industrial packaging, and aluminum beverage packaging. The company will have a total capital equipment investment of over \$75.5 million, generate 73 full-time jobs within the first 24 months of operation with an average hourly wage of \$24.05. Mr. Walsh was joined by Mr. Diego Genera, Aluminum Director Managing Director, Envases.

Mr. Genera explained that Envases has more than 56 manufacturing sites worldwide. Mr. Genera indicated that Envases business is solely in packaging and has three divisions: PET, which is plastic bottle packaging; general industrial; and aluminum beverage packaging out of five can plants, three in Mexico, one in Guatemala, and one in Panama. Mr. Genera indicated that in March, Envases broke ground on its first can plant in the US in Waco, Texas and explained that the proposed Nevada plant, and specifically Las Vegas, is critical to growing Envases' operational footprint in the United States. Mr. Genera indicated that Las Vegas is both strategic for Envases and also consistent with Nevada's economic and diversification goals. Due to its location, Las Vegas will allow Envases to serve its customers in the southwest region of the US and at the same time bring more high-quality, high-skill jobs to the state. Mr. Genera explained that Envases is proud to have created a work environment where it is an employer of choice in creating rewarding technical jobs that provide competitive wages and benefits packages to its employees. Mr. Genera indicated that the \$75 million investment is intended for the long-term in Las Vegas, which could potentially open up future investments to the state from Envases in its other lines.

**A MOTION WAS MADE BY MR. SPECHT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR ENVASES COMMERCE, LLC. MR. BARRETT SECONDED. THE MOTION PASSED UNANIMOUSLY.**

**B. EVANESCE, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Nick Clason, Economic Development Analyst, LVGEA, introduced Evanesce, Inc. (Evanesce). The company is considering establishing a 100,000 plus sq. ft. facility in North Las Vegas. This new operation would manufacture and distribute the company's patented molded starch product, PLA products, and other technologies. Additionally, the Nevada location would be home to product development. Evanesce produces 100% plant-based, 100% compostable eco-friendly food packaging products. The company is ready to disrupt the \$980 billion packaging industry with innovative solutions that are good for consumers, the food industry, and the planet. Evanesce's packaging products are made from upcycled food waste, is 100% compostable and costs almost half of other ecofriendly alternatives. Free from PFAS, BPA, and any other synthetic polymers, the company's products decompose into soil in 90 days or less. The company will make a capital equipment investment of over \$10 million, generate 54 full-time jobs within the first 24 months of operation with an average hourly wage of \$24.19. Mr. Clason was joined by Mr. Gerry Lalonde, Chief Financial Officer, Evanesce and Mr. Douglas Horne, Chief Executive Officer, Evanesce.

Mr. Lalonde advised that Evanesce has already signed a lease on a 114,000 square-foot manufacturing facility in North Las Vegas and has hired its first three employees, the first of 114 intended jobs. In early 2022, the first biopolymer manufacturing lines will be installed, and by the middle of the year, the first molded starch fiber lines will be in place. By the end of 2022, the Nevada facility will be producing over 2 billion straws and over 87 million meat trays annually.

Mr. Specht commented on the importance of a company coming to the state not only for economic development but also for its environmental work. Mr. Specht questioned the application's job creation of 54 whereas Mr. Lalonde indicated higher job creation numbers.

Mr. Horne explained that 54 is the initial number, but as the company builds out over the next few years, the intent is to go to 114.

**A MOTION WAS MADE BY DR. WELDON HAVINS TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR EVANESCE, INC. THE MOTION PASSED UNANIMOUSLY.**

## **C. LINICO CORPORATION**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Ms. Amy Miller, Director of Business Development, Northern Nevada Development Authority (NNDA), introduced LiniCo Corporation (LiniCo). The company plans to establish a lithium battery recycling facility in Storey County. LiniCo recycles batteries, electronics, and end-of-life products using environmentally sustainable technology to produce 99.9% pure cathode. The Nevada operation will be a state-of-the-art plant and with a 100,000 metric ton / per annum recycling capacity and is slated to be the largest lithium-ion battery recycling plant in North America. The company is focused on creating world class sustainable clean technologies to support a circular economy by addressing lithium-ion battery waste from EVs, grid/solar renewable storage, manufacturing, devices, and electronic waste. The company will make a capital equipment investment of over \$6 million, generate 30 full-time jobs within the first 24 months of operation with an average hourly wage of \$35.96. Ms. Miller was joined by Mr. Corrado De Gasperis, Chief Executive Officer, LiniCo.

Mr. De Gasperis advised LiniCo stands for Lithium, Nickel, Cobalt and in order to recycle and renew these minerals. The mission of the company, including the parent company, is to decarbonize. Mr. De Gasperis indicated the company has recently filed patents on a state of the art, crushing, separation, dry, safe battery crushing system that is a zero-waste closed-loop operation. In addition, Mr. De Gasperis the company is about to file a unique-to-the-industry patent to fully extract lithium from the black mass at the front end of the process. Mr. De Gasperis explained, LiniCo has secured a state-of-the-art battery/metal recycling facility in Nevada was that was essentially abandoned after the operation decided not to pursue manufacturing. The company has secured a 200-acre in-state site for safe storage of the materials to complement the processing that will occur in the Tahoe Reno Industrial Center (TRIC). LiniCo will be hiring engineers, metallurgists, design experts, quality managers, and operating employees, with and intended operation start date of May 2022 for full crushing and separating through black mass, and the start date for the lithium extraction component by the end of 2022.

Mr. Specht asked how much waste would be deposited in the state.

Mr. De Gasperis advised this would be closed-loop system with the use of a dry-contained crushing system that submerges materials under water, which retains a lot of the contaminants and plastics, followed by the process that will burn off the electrolytes and contaminants with almost no volatiles emitted. The company will be producing cathode active material for which the company has invested in a full wastewater treatment recycling facility. As all graphite and lithium will be used and extracted from the black mass and the residual nickel, cobalt, manganese will be fully processed, this will result in 30,000 tons of battery materials received with production of approximately 15,000 tons of reusable minerals and 14-plus tons of steel, copper, and aluminum, creating almost a fully closed loop.

Dr. Bennett commented that this application is the only one in the packet proposing to pay 100 percent of the employees' health insurance premiums and commended LiniCo for planning in that direction. Ms. Bennett further commented that despite the high unemployment rates in the state, there will likely be significant competition for employees, and companies would be wise to look at that particular benefit.

**A MOTION WAS MADE BY MR. BARRETT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR LINICO CORPORATION. THE MOTION PASSED UNANIMOUSLY.**

**D. LOCAL BOUNTI CORPORATION**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Ms. Miller, NNDA, introduced Local Bounti Corporation (Local Bounti). The company plans to establish a Controlled Environment Agriculture (CEA) facility in Douglas County. The project consists of an approximately 200,000 sq. ft. glass and steel greenhouse. The company utilizes sustainable agriculture techniques to grow fresh greens and herbs 365 days a year in its facilities, using 90% less water and land than traditional agriculture. The perfect environmental greenhouse conditions ensure the highest possible nutritional value and taste, and products are non-GMO and pesticide/herbicide free. Its sustainable, root-on living products result in less environmental impacts, carbon footprint, and waste. The company will make a capital equipment investment of over \$10.5 million, generate 65 full-time jobs within the first 24 months of operation with an average hourly wage of \$26.69. Ms. Miller was joined by Mr. Mike Schaal, Vice President of Real Estate and Construction, Local Bounti, Ms. Laura Hann, Government and Community Affairs Manager, Local Bounti and Mr. Leslie Wagner, Ginovus.

Ms. Hann explained the indoor farming company's specialization in high-quality lettuce products and described a cut lettuce product the company has developed that comes in a clamshell container and lasts between three to five weeks in the refrigerator. A commitment to high-quality produce has led the company to create a combination of a vertical farm and a greenhouse farm to create the most efficient way to grow healthy and nutritious products. As this is an indoor farming project, it is a year-round, 365-day-a-year agriculture establishment that provides year-round, full-time opportunities for its workers. As such, many seasonal agriculture workers have been coming to the company in search of stability and long-term employment, which fits really with the company's commitment to community and sustainability. The strong agriculture background in Minden would be a good fit with the company and could provide opportunities for agriculture in a new technology way. Local Bounti company has a commitment to a livable wage and full benefit and as such, provides the same benefits to upper-level management as to entry-level employees, and benefits start on day one of employment.

Governor Sisolak asked if the facility would be used to grow cannabis.

Ms. Hann confirmed that it will not. Predominately lettuce is grown in the facility and that the company will be moving into some herbs such as basil and mint in the future.

Dr. Bennett asked the company's intent regarding location as, per the application, the company had indicated that other states were under consideration.

Ms. Hann advised the company is currently conducting due diligence on a piece of property in Minden and that Nevada is at the top of the list for the next proposed location.

Ms. Wagner explained that, at the time of the application, many options were being considered but given the attractiveness of Nevada, the team ultimately opted to satisfy all of the operational and location needs to situate there if possible.

Governor Sisolak asked when the company would be making its final decision regarding location.

Ms. Hann noted it was her understanding that the company wished to close on the property early in January and begin construction shortly thereafter.

**A MOTION WAS MADE BY DR. BENNETT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR LOCAL BOUNTI CORPORATION. THE MOTION PASSED UNANIMOUSLY.**

**E. SMITHFIELD PACKAGED MEATS CORP. DBA SARATOGA FOOD SPECIALTIES**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Chris Zunis, Vice President of Economic Development, LVGEA, introduced Smithfield Packaged Meats Corp. dba Saratoga Food Specialties (Saratoga). The company plans to expand its existing North Las Vegas food manufacturing facility. Smithfield is a U.S. based global food company and the leader in numerous packaged meats categories. The company has been operating for over 80 years and has over 54,000 employees across the company. Smithfield /Saratoga are committed to providing good food in a responsible way and maintaining robust animal care, community involvement, employee safety, environmental, and food safety and quality programs. For over 70 years, Saratoga has purveyed customized dry seasoning blends for retail, industrial and major food service companies, and applications. The company will make a capital equipment investment of over \$16.7 million, generate 56 full-time jobs within the first 24

months of operation with an average hourly wage of \$20.02. Mr. Zunis was joined by Mr. Jim Bejna, Vice President of Operations, Saratoga.

Mr. Bejna advised that the city of North Las Vegas has been very helpful in getting this expansion going. Saratoga took over an existing North Las Vegas facility in December of 2019. The company has purchased an entity names Chelten House and converted it from spaghetti sauce manufacturing to sauces and seasonings. Despite the challenges of the pandemic, the company's commitment to get the plant up and running and profitable never wavered and as such, Saratoga was able to get Smithfield Companies online and was able to secure a number of food service and restaurants to pick up product lines thanks to the pro-business climate of the state and its workforce. Mr. Bejna explained that he runs facilities in both Chicago and in Southern California and has encountered staffing issues the likes of which have never been a problem in North Las Vegas. Mr. Bejna advised of his belief that the future for Saratoga, in North Las Vegas, is a bright one and that the company will continue to grow. Mr. Bejna indicated that companies like Taco Bell, KFC, and El Pollo Loco, among others, have given Saratoga a good anchor and North Las Vegas has provided the company the ability to meet those needs.

**A MOTION WAS MADE BY DR. BENNETT TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR SMITHFIELD PACKAGED MEATS CORP. DBA SARATOGA FOOD SPECIALTIES. THE MOTION PASSED UNANIMOUSLY.**

**F. STERICYCLE, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Stan Thomas, Executive Vice President, Economic Development Authority of Western Nevada (EDAWN) introduced Stericycle, Inc. (Stericycle). The company is considering a project to construct a medical waste incinerator in the Tahoe Reno Industrial Center (TRIC) in Storey County. This new facility will service vital healthcare facilities in a network that spans the entire state of Nevada as well as California, Washington, Oregon, Arizona, New Mexico, Colorado, Idaho, Montana, Utah, Wyoming, and Western Canada. Certain designated regulated medical waste will be incinerated at the facility. This includes pharmaceutical, pathological, and trace chemotherapy waste. Stericycle was founded in 1989 in response to the syringe tide in the late 1980s, in which significant amounts of medical waste washed up on beaches in the Northeast – posing a threat to the health and safety of communities. The company will make a capital equipment investment of over \$25.2 million, generate 38 full-time jobs within the first 24 months of operation with an average hourly wage of \$22.71. Mr. Thomas was joined by Ms. Kristin Aldred Cheek, Director of Government Affairs, Stericycle.

Ms. Aldred Cheek advised that, for over 30 years, Stericycle has been providing safe, responsible, and sustainable management of medical waste and in doing so, protecting communities, healthcare workers, patients, and the environment. Today, the company continues to help communities through outbreaks, natural disasters, and other emergencies. Throughout the course of the pandemic, the company's work has mostly revolved arounds supporting critical needs of health care providers, pharmacies, laboratories, and testing centers. Medical waste transportation and treatment field is highly regulated by at least six federal agencies that provide oversight, as well as state and local governments. The facility planned for Nevada will be used to primarily treat waste that's required to be incinerated and as such, this facility will help the company to meet regional needs for compliant medical waste management that has been growing.

Mr. Barrett indicated his approval for this reinvestment by such a unique and specialized company and asked what type of skillset the company is looking for from prospective employees, as well as how the company is trying to procure those prospective employees.

Ms. Aldred Cheek advised the company has begun to build relationships with local organizations and schools with the goal of identifying local employees in the area. Because the company does operate specialized equipment, that does require training, and as such, this training is conducted at the onset of beginning operations followed by provided, ongoing training.

Mr. Specht commented that it was great to see that Nevada was selected to handle the western US and western Canada region and asked how much waste would end up being deposited in the state.

Ms. Aldred Cheek noted the facility, at full capacity, is 84 tons a day and expects an approximately 85 percent reduction through the thermal destruction process, leaving at max capacity, approximately 12 tons a day to a local, properly permitted landfill.

**A MOTION WAS MADE BY DR. WELDON HAVINS TO APPROVE THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR STERICYLE, INC. THE MOTION PASSED UNANIMOUSLY.**

**9. ABATEMENT APPLICATIONS FOR DIRECTOR APPROVAL:**

Director Brown explained that the four abatement applications fall under his approval, but for full transparency, he brings them forward to the Board for informational purposes.

**A. PURTEC, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Perry Ursem, Vice President of Business Retention and Expansion, LVGEA, introduced Purtec. Inc (Purtec). The company is exploring options to expand its existing Las Vegas operations. The company will be expanding from temporary office space of 11,000 sq ft to 15,000sq. ft. of office/manufacturing space. Purtec, Inc is a technology startup company that designs, develops, markets, and sells cybernetic purification technology. The company incorporated in 2019 and moved to Las Vegas in 2020. The company's focus is indoor safety and wellness by the design and production of integrated, highly responsive purification technology that thinks. The company's products include industrial and commercial air purification equipment, downloadable mobile software applications for analyzing and monitoring air quality and providing a rating as to environmental risks. The company will make a capital equipment investment of over \$87,000, generate 25 full-time jobs within the first 24 months of operation with an average hourly wage of \$40.56. Mr. Ursem was joined by Mr. Ray Edwards, Chief Operating Officer, Purtec.

Mr. Edwards explained the company began in Irvine, California. However, property and land is not cheap in California, nor is the regulatory environment the same as in other places. As such, the company evaluated Nevada and three other states and found Nevada to be the best fit for the company. Additionally, NFL teams were calling the company to try and protect players from MRSA infections in locker rooms and because of this, Purtec developed a solution that would do two things: use visibility to track what's happening indoors in spaces and look for risks; respond to those risks using treatments like UVC light, ozone treatments, and ultrasound to protect players. Due to the sheer number of people traveling to and through Las Vegas, this is a great market in which the company can grow its business. As Purtec continues to grow locally, the company would like to bring its employees and manufacturing base home whereas right now many of the parts are being manufactured with the help of outside contractors in Minnesota. Mr. Edwards advised that 80 percent of Purtec's team members are underrepresented minorities who have experience and skillsets, and part of the company's initiative is to support training, developing, and hiring more minorities in tech positions.

**DIRECTOR BROWN APPROVED THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR PURTEC, INC.**

## **B. RAPID RESPONSE MONITORING SERVICES, INC.**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Zunis, LVGEA, introduced Rapid Response Monitoring Services Incorporated (RRMS). The company is seeking to establish a new facility in Henderson, Nevada. This facility will be a state-of-the-art electronic security and data monitoring center. The interior renovation of the facility will be completed using as many local vendors and workers as possible. RRMS has been a leading provider of security and data monitoring services since 1992 and has monitoring facilities in Syracuse, New York as well as Corona, California. The services offered by RRMS include the monitoring of security, fire, video, GPS tracking systems and hosted monitoring. The company will make a capital equipment investment of over \$1 million, generate 118 full-time jobs within the first 24 months of operation with an average hourly wage of \$22.75. Mr. Zunis was joined by Ms. David Pida, Vice President and Chief Financial Officer, RRMS.

Mr. Zunis indicated the company's excitement at potentially retraining some of the Nevadans who will not be hired back in the hospitality strip corridor.

Mr. Pida explained the company has vetted many states and cities in its search for a third office, and because of the professional and expeditious support of the LVGEA, RRMS has selected Nevada. Mr. Pida reiterated the company's belief that there is a great opportunity to add quality employees that have been displaced from the casinos. Mr. Pida explained that the company's mission is to protect the lives and property and ensure the safety and wellbeing of individuals and commercial property for more than 2.5 million sites, with customers and products that include Ring Doorbell, Amazon Alexa, and Honeywell Fire.

## **DIRECTOR BROWN APPROVED THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR RAPID RESPONSE MONITORING SERVICES, INC.**

## **C. THE DESIGN FACTORY, LLC**

- **SALES TAX ABATEMENT**
- **MODIFIED BUSINESS TAX ABATEMENT**
- **PERSONAL PROPERTY TAX ABATEMENT**

Mr. Ursem, LVGEA, introduced The Design Factory, LLC (Design Factory). The company is considering an expansion of its current North Las Vegas operations. The company plans to expand from 42,000 sq. ft. to 57,000 sq. ft. within the next few months. Design Factory was founded in 1999 and is part of the Specialized Design Services Industry with services including, exhibit design, exhibit rental and sales, graphic design and production, asset management/storage, and custom fabrication. The company has a full service, in-house graphics,

pre-press, and production department for large format imaging as used in trade show exhibits, special events and point-of-purchase display. Although headquartered in North Las Vegas, Design Factory services client's trade show programs nationally, and globally, through its trusted network of partners. The company plans to grow its custom capabilities and target many more international exhibitors. The company will make a capital equipment investment of over \$1 million, generate 10 full-time jobs within the first 24 months of operation with an average hourly wage of \$27.14. Mr. Ursem was joined by Ms. Christine Harvey, President and founder, Design Factory.

Ms. Harvey explained Design Factory is a full-service exhibit house that does rentals and sales for the convention in the live-event industry. Ms. Harvey indicated that business is now almost back to pre-pandemic levels in terms of sales and production and as such, the company is ready to expand. The Design Factory has secured a lease on its new facility and believes that this abatement will help to return the company back to operation.

**DIRECTOR BROWN APPROVED THE SALES TAX ABATEMENT, MODIFIED BUSINESS TAX ABATEMENT, AND PERSONAL PROPERTY TAX ABATEMENT FOR THE DESIGN FACTORY, LLC.**

**10. BOARD MEMBER COMMENTS**

Mr. Specht thanked Director Brown and the GOED staff for the enhancements to the Board packages in the past few meetings, indicating that they have been succinct, to the point, and very helpful.

**11. GOVERNOR SISOLAK COMMENTS**

Governor Sisolak indicated his appreciation for GOED and informed Mr. Potts that he would love to see more done to get the unemployment numbers down.

Mr. Potts confirmed that the members of GOED will continue to do all they can to make this happen.

**12. PUBLIC COMMENT**

Mr. Jared Smith, LVGEA, thanked the Governor and GOED staff, indicating that this has been a record-setting year for southern Nevada. Mr. Smith informed the Board that there are already up to nine applications lined up for the next meeting. Mr. Smith also informed the Board that LVGEA CEO Jonas Peterson is stepping down.

Governor Sisolak thanked Mr. Smith and wished Mr. Peterson luck.

There was no additional public comment.

**13. ADJOURNMENT**

Governor Sisolak adjourned the December 2, 2021, Governor's Office of Economic Development meeting.