Novva Reno, LLC

Date: September 12, 2023

6477 Wells Park Rd., West Jordan, UT 89434 Cassidie Goold, Corporate Controller

Application Facts:

Industry Information Technology

NAICS 518210 Type of App New

Location Storey County

RDA NNDA, Amy Barnes

Company Profile

Novva Reno, LLC (Novva) is planning to establish a 300,000 sq. ft. data center facility in Storey County. This facility will provide data center services such as installing and maintaining network resources, data center security, monitoring systems and power and cooling infrastructure. Novva is a privately held company that provides wholesale and multi-tenant colocation infrastructure services to local, national, and international clients. Offering turn-key and client designed solutions of all sizes. The company's Utah colocation data center is the largest in the state. Novva executives feel a responsibility to be good stewards of the land. Most data centers use evaporative cooling systems that consume impractical quantities of water. The company will be investing in closed-loop cooling equipment that effectively eliminates water replacement in the cooling process. Novva's all diesel generators have Selective Catalytic Reduction (SCR) for precision emissions control. The engineering and design of our facility was created with Reno's environment in mind. The company also considered Arizona and Oregon as potential locations for the project: Source: Novva Reno, LLC

Tax Abatement Requirements - 5 Years	Statutory	Company Application	Meeting Requirements
Job Creation	10	13	Yes
Average Wage	\$28.14	\$32.55	Yes
Equipment Capex (SU & MBT)	\$25,000,000	\$236,989,692	Yes
Equipment Capex (PP)	Ψ25,000,000	\$230,303,032	163

Note: As the company submitted its application, prior to 1 July, 2023 - the statewide average wage for FY 23 (\$28.14) is still applicable)

Additional Requirements:

Total Tax Liability (without tax abatements)	Direct (company)	Total
	\$38,348,418	\$56,494,560

Tax AbatementsContract TermsEstimated Tax AbatementSales Tax Abmt.2% for 10 years\$20,775,423Personal Property Tax Abmt.75% for 10 years\$5,764,590Total Estimated Tax Abatement over 10 yrs.\$26,540,013

-			
Net New Tax Revenues	<u>Direct</u>	<u>Indirect</u>	Taxes after Abatements
Local Taxes			
Property	\$16,324,185	\$36,332	\$16,360,517
Sales	\$3,624,292	\$3,870	\$3,628,162
Lodging	\$0	\$27,338	\$27,338
State Taxes			
Property	\$843,319	\$134,066	\$977,385
Sales	\$8,714,184	\$98,702	\$8,812,886
Modified Business	\$67,453	\$79,741	\$147,194
Lodging	\$0	\$1,065	\$1,065
Total Estimated New Tax Revenue over 10 yrs.	\$9,624,956	\$20,329,591	\$29,954,547
Economic Impact over 10 yrs.	<u>Economic</u>	<u>Construction</u>	<u>Total</u>
Total Jobs Supported	35	853	888
Total Payroll Supported	\$15,919,698	\$54,365,174	\$70,284,872
Total Economic Value	\$59,768,279	\$160,679,459	\$220,447,738

IMPORTANT TERMS & INFORMATION

Tax Abatements are reduction or discount of tax liability and companies do not receive any form of payment.

Total Estimated Tax Abatement is a tax reduction estimate. This estimated amount will be discounted from total tax liability. **Estimated New Tax Revenue** is amount of tax revenues local and state government will collect after the abatement was given to applying company.

Economic Impact is economic effect or benefits that this company and it's operations will have on the community and state economy measured by total number of jobs, payroll and created output.



July 26, 2023

Mr. Tom Burns
Executive Director
Governor's Office of Economic Development
555 E. Washington Ave., Suite 5400 Las Vegas, NV 89101

Dear Mr. Burns,

Northern Nevada Development Authority (NNDA) is pleased to provide this letter of support for Novva application for the Sales and Use Tax Abatement and Modified Business Tax Abatement as stated on the attached incentive application.

We have reviewed the application submitted by Novva and are supporting their efforts to locate their facility in Storey County Nevada. The company will add 13 new jobs in the first two years with an average wage of \$32.55 per hour. Novva will also be paying 100% of the insurance premiums.

NNDA respectfully requests the application be considered by the Governor's Office of Economic Development and be placed on the next available GOED Board agenda to review and take action.

Best Regards.

Aughoran

Amy Barnes

Director of Business Development

Northern Nevada Development Authority



June 27, 2023

Tom Burns
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Ave.
Suite 5400
Las Vegas, NV 89101

Dear Tom Burns

Novva Reno, LLC is excited to move into the Nevada data center industry. Tax incentives are a factor in the decision to locate to Nevada, as well as other economic benefits associated with Nevada. Novva Reno plans on hiring 11-20 residents within 2 years of operation. The total capital investment is approximately \$500,000,000 with the first phase being approximately \$230,000,000 for infrastructure and equipment.

Novva Reno's executives feel a responsibility to be good stewards of the land. Most data centers use evaporative cooling systems that consume impractical quantities of water. We will be investing in closed-loop cooling equipment that effectively eliminates water replacement in the cooling process. Novva Reno's all diesel generators have Selective Catalytic Reduction (SCR) for precision emissions control. The engineering and design of our facility was created with Reno's environment in mind.

The capital investment of Novva Renos's facility is significant, and the economic incentives offered by the State of Nevada will have a lasting impact on our strategy and further expansion into Northern Nevada.

The experience Novva Reno has had while interacting with the Northern Nevada Development Authority representative has created a positive outlook. We appreciate the consideration and look forward to helping the economic growth of Storey County.

Sincerely,

Cassidie Goold Corporate Controller Nevada Governor's Office of

ECONOMIC DEVELOPMENT

Data Center Tax Abatement Incentive Application			Company is an / a: (check one)		
	•	ion			
Company Name:	Novva Reno, LLC	Expansion of a Nevada company			
Date of Application:	June 29, 2023		-		
Section I - Type	of Incentives				
Please check all that the	he company is applying for on this application:				
☑ Data (Center Sales & Use Tax Abatement: abated to 2% up to 10	or 20 years for Tangible Pe	ersonal Property		
☑ Data (Center Personal Property Tax Abatement: 75% up to 10 or 2	20 years for Eligible Machir	nery or Equipment		
☐ Other:		,			
Section 2 - Corpo	prate Information				
	(Legal name under which business will be transacted in Nev	rada)		FEDERAL TAX	X ID #
Novva Reno, LLC				88-3421591	
CORPORATE AD	DDRESS	CITY / TOWN		/ PROVINCE	ZIP
3399 Peru Drive		McCarran	NV		89434
MAILING ADDRE 6477 Wells Park I	SS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN		/ PROVINCE	ZIP
TELEPHONE NU		West Jordan WEBSITE	UT		84081
(888) 668-8232	MDER	novva.com			
COMPANY CONT	TACT NAME	COMPANY CONTACT	TITLE		
Cassidie Goold		Corporate Controller			
E-MAIL ADDRES	S	PREFERRED PHONE	NUMBER		
c.goold@novva	a.com	(435) 851-6387			
Has your compan	ny ever applied and been approved for incentives available b	by the Governor's Office of	Economic Develop	oment?]Yes ☑ No
Section 3 - Job Cr	reation Requirement				
Please check the appli	icable category the company intends to qualify under with the	nis application:			
☑ 10 Ye	ar Abatement: Data Center shall have or have added 10 or	more full-time Nevada emp	oloyees within 5 ye	ars from the effe	ective date
	ar Abatement: Data Center shall have or have added 50 or	·	,		
	al Investment Requirement (check applicab	•	<u> </u>		
Please check the appli	icable category the company intends to qualify under with the	nis application:		<u> </u>	,
	ar Abatement: Within 5 years from the effective date, the da ative capital investment of at least \$25,000,000 in capital as				unty shall make a
	ar Abatement: Within 5 years from the effective date, the da ative capital investment \$100,000,000 in capital assets that			sses in each cou	unty shall make a
Section 5 - Nevad	la Facility				
	Check all that apply):				
☐ Heado	quarters	☐ Public Clou	ud Provider		
	e Data Center	☐ Scientific C	Computing Center		
 ☑ Co-Lo	cation Data Center	☐ Other:			
		_			
1/1/2025	E OF NEW OPERATION (MONTH/YEAR)	EXPECTED DATE OF	EXPANDED OPE	RATION (MONTH	/YEAR)
NAICS CODE / SI	IC	INDUSTRY TYPE			
518210	F COMPANY'S NEVADA OPERATIONS	Information Technolog	ЯÀ		
	vide data center services such as installing and maintaining networ	k resources, data center secu	ırity, monitoring syste	ms and power and	d cooling
	TUAL NEVADA FACILITY ADDRESS	CITY / TOWN	COUNT	·Y	ZIP
3399 Peru Drive		McCarran	Storey		89437
WHAT OTHER S Arizon and Oregon	TATES / REGIONS / CITIES ARE BEING CONSIDERED FO	R YOUR COMPANY'S RE	LOCATION / EXPA	NSION / STAR	TUP?

Section 6 - Complete Forms (see additional tabs at the bottom	of this sheet for each form listed below)
Check the applicable box when form has been completed.	
6 (A) <a> Real Estate and Construction	6 (E)
6 (B)	6 (F) ☑ Health Plan Evaluation
6 (C) Co-Located Tenants List	
6 (D) Data Center General Taxable Items List	
Section 7 - Employment (Fill in either New Operations/Startup or Exp	bansion, not both)
New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first fourth quarter of new operations?: Average hourly wage of these new employees: \$32.55	How many full-time equivalent (FTE*) employees will be created by the end of the first fourth quarter of expanded operations?: Average hourly wage of these new employees: How many FTE employees prior to expansion?:
	Average hourly wage of these existing employees:
	Total number of employees after expansion:
* FTE means a person who is in a permanent position of employment, works and average	L ge of 30 hours per week, and is eligible for company-sponsored health benefits.
OTHER COMPENSATION (Check all that apply):	, ,
✓ Overtime ✓ Merit Increase ☐ Tuition a	ssistance
BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBIL	LITY REQUIREMENTS (Attach a separate sheet if necessary):
Section 8 - Employee Health Insurance Benefit Program	
Is health insurance for employees and an option for dependents offered?:	✓ Yes (copy of benefit plan must be attached) □ No
Package includes (check all that apply):	
✓ Medical ✓ Vision ✓ Dental	☑ Other: Supplemental Insurance and Life Insurance
Qualified after (check one):	
,	Six months after hire date
Health Insurance Costs:	Percentage of health insurance premium paid by company (min 65%):
Plan Type: HAS Plan	
Employer Contribution (annual premium per employee):	\$ 4,320.00 Company: 100%
Employee Contribution (annual premium per employee)	\$ - Employee: 0%
Total Annual Premium:	\$ 4,320.00
Section 9 - Certification	Ψ +,520.00
I, the undersigned, hereby grant to the Governor's Office of Economic Develops aforementioned company. I understand this requirement is necessary to qualif pertaining to this application. Being owner, member, partner, officer or employee with signatory authorization and that all licensing and permitting requirements will be met prior to the comm have reviewed the terms of the GOED Tax Abatement and Incentives Agreeme change, and any material revisions have been discussed with GOED in advance. Cassidie Goold Name of person authorized for signature	y and to monitor for compliance of all statutory and regulatory provisions of for the company, I do hereby declare that the facts herein stated are true encement of operations. In addition, I and /or the company's legal counsel ent, the company recognizes this agreement is generally not subject to
Corporate Controller	June 27, 2023
Title	Date

Nevada Governor's Office of Economic Development

555 E. Washington Ave., Ste 5400 • Las Vegas, Nevada 89101 • 702.486.2700 • (Fax) 702.486.2701 • www.diversifynevada.com

Site Selection Factors

Company Name:	Novva Reno, LLC		County: Storey			
Section I - Site Selection Ratings						
Directions: Please rate Incentives Application.		ce to the	company's business (1 = very low; 5 = very high). Attach this form	to the		
Ava	ilability of qualified workforce:	4	Transportation infrastructure:	1		
	Labor costs:	1	Transportation costs:	1		
	Real estate availability:	5	State and local tax structure:	4		
	Real estate costs:	3	State and local incentives:	4		
	Utility infrastructure:	5	Business permitting & regulatory structure:	3		
	Utility costs:	3	Access to higher education resources:	3		

OTHER FACTORS & RATINGS:

There are many factors that have gone into our decision for expansion into Nevada. The abatement program is an impactful incentive offered. The tax abatement incentive makes a significant impact on our cash flow due to the capital investment. The tax incentive will allow Novva Reno to hire full time employees early on in the expansion process and at a higher wage. Novva is looking forward to providing great careers for Nevada residents.

6(A) Real Estate & Construction

Company Name: Novva Reno, LLC County: Storey

Section I - Real Estate & Constructions Projections

Directions: please provide a 20 year projection of the real estate costs for current year (year-1) and future land and building procurement, as well as, current and future annual lease amounts and possible construction costs due to building improvements. Complete [columns (a) and (f)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of real estate costs. Attach this form to the Incentives Application.

(a) Year	(b) Land Cost	(c) Construction Cost	(d) Building Purchase	(e) Annual Lease Amount	(f) Building SqFt
Year-1	\$8,700,000.00	-	-	-	300,000
Year-2	-	\$74,150,000.00	-	-	-
Year-3	-	\$19,631,765.00	-	-	-
Year-4	-	\$18,868,235.00	-	-	-
Year-5	-		-	-	-
Year-6	-	-	-	-	-
Year-7	-	-	-	-	-
Year-8	-	-	-	-	-
Year-9	-	-	-	-	-
Year-10	-	-	-	-	-
Year-11	-	-	-	-	-
Year-12	-	-	-	-	-
Year-13	-	-	-	-	-
Year-14	-	-	-	-	-
Year-15	-	-	-	-	-
Year-16	-	-	-	-	-
Year-17	-	-	-	-	-
Year-18	-	-	-	-	-
Year-19	-	-	-	-	-
Year-20	-	-	-	-	-

6(B) Capital Equipment List

Company Name:	Novva Reno, LLC	County: Storey
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Section I - Year One through Five Detailed Projection: Capital Equipment List

Directions: please provide a detailed estimate of the company's year one through five capital investment [columns (a) through (d)]. This detailed estimate will be provided to the Department of Taxation to advise applicants on personal property eligible for abatement under the data center law (S.B. 170 (78th (2015) Session), and will also be used to determine if the cumulative capital investment, as one of the abatement requirements, has been met. The actual new capital investment will replace this estimate, and therefore this estimate is for discussion purposes only. Attach this form to the Incentives Application.

(a) Year 1 through 5	(b) Equipment Name/Description	(c) # of Units	(d) Price per Unit	(e) Total Cost
Year-1-5	UPS, Battery System	40	697,783	\$27,911,320.00
Year-1-5	Substation	1	10,570,108	\$10,570,108.00
Year-1-5	Network & Fiber	2	4,000,000	\$8,000,000.00
Year-1-5	PDUs	40	207,031	\$8,281,255.00
Year-1-5	Switchgear	40	1,218,101	\$48,724,032.00
Year-1-5	Generators	40	1,532,188	\$61,287,512.00
Year-1-5	Transformers	40	151,685	\$6,067,380.00
Year-1-5	Chiller	40	1,050,281	\$42,011,255.00
Year-1-5	CRAH	40	124,406	\$4,976,255.00
Year-1-5	Fan Walls	40	479,014	\$19,160,575.00
			Total	\$236,989,692.00

Section 2 - Year Six through Ten Capital Equipment Estimated Projections

Directions: These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of capital investment.

(a) Estimated Dollar Amount of Capital Equipment Purchases			
Year-6	\$54,000,000.00		
Year-7	\$54,000,000.00		
Year-8	\$20,000,000.00		
Year-9	\$3,000,000.00		
Year-10	\$3,000,000.00		
Total	\$134,000,000.00		

Total Year 1-10	\$370,989,692.00		
	nt to be acquired under an operating lease? Certain types of leases do not tments pursuant to state regulation.	Yes	√ No

6(C) Co-located Businesses

Company Name: Novva Reno, LLC County: Storey

Section I - Tenant Information

Directions: Provide information on Co-located businesses, if applicable, in or proposed to be in the Data center. A Co-located business means a business that enters into a contract to use or occupy all or part of a Data center that is qualified to receive a tax abatements pursuant to S.B. 170 (78th (2015) Session). A Data center means one or more buildings located at one or more physical locations in Nevada which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(a)	(b)	(c)	(d)
Year	Projected Number of Tenants	Estimated Annual Average of Capital Expenditures	Total Amount
Year-1	TBD	TBD	TBD
Year-2	TBD	TBD	TBD
Year-3	TBD	TBD	TBD
Year-4	TBD	TBD	TBD
Year-5	TBD	TBD	TBD
Year-6	TBD	TBD	TBD
Year-7	TBD	TBD	TBD
Year-8	TBD	TBD	TBD
Year-9	TBD	TBD	TBD
Year-10	TBD	TBD	TBD
		Total	\$0.00

6(D) Data Center General Taxable Items List

Company Name: Novva Reno, LLC County: Storey

Section I - Data Center General Purchase Projections

Directions: please provide a 20 year projection of the general taxable items the company anticipates purchasing, complete [columns (a) and (b)]. These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of general items purchased. Attach this form to the Incentives Application.

(a)	(b)			
Year	Projected Dollar Amount of Purchases			
Year-1	\$200,000.00			
Year-2	\$250,000.00			
Year-3	\$260,000.00			
Year-4	\$267,800.00			
Year-5	\$275,834.00			
Year-6	\$284,109.02			
Year-7	\$292,632.29			
Year-8	\$301,411.26			
Year-9	\$310,453.60			
Year-10	\$319,767.21			
Year-11	\$329,360.22			
Year-12	\$339,241.03			
Year-13	\$349,418.26			
Year-14	\$359,900.81			
Year-15	\$370,697.83			
Year-16	\$381,818.77			
Year-17	\$393,273.33			
Year-18	\$405,071.53			
Year-19	\$417,223.67			
Year-20	\$429,740.38			

6(E) Employment Schedule

Company Name: Novva Reno LLC County: Storey

Section I - Full-Time Equivalent (FTE) Employees

Directions: Please complete [columns (a) through (f)] in Section 1 with information on all full time employees that will be hired and employed by the company within 5 years after the effective date of new/expanded operations. The Requirement for 10 year abatement is 10 full time employees. The requirement for 20 year abatement is 50 full time employees. Attach this form to the Incentives Application.

Full-time equivalent means a person who is in a permanent position of employment, works and average of 30 hours per week, and qualifies for an employer sponsored health insurance plan. These are estimates. Audits of job creation and wage will be based on actual quarterly filings made to the state.

Please use the Bureau of Labor Statistics Standard Occupational Classification System (SOC) link to populate section (b): https://www.bls.gov/soc/2018/major_groups.htm#11-0000

(a) New Hire Position Title/Description	(b) Position SOC Code	(c) Number of Positions	<i>(d)</i> Average Hourly Wage	(e) US Bureau of Labor Statistics Average Hourly Wage	<i>(f)</i> Average Weekly Hours	(g) Annual Wage per Position	(h) Total Annual Wages
General and Operations Managers	11-1021	2	\$43.27	\$50.81	40	\$90,001.60	\$180,003.20
Computer User Support Specialists	15-1151	6	\$24.04	\$27.19	40	\$50,003.20	\$300,019.20
Receptionists and Information Clerks	43-4171	1	\$19.23	\$16.13	40	\$39,998.40	\$39,998.40
Engineering Technicians, Except Drafter	17-3029	4	\$43.27	\$36.27	40	\$90,001.60	\$360,006.40
TOTAL for years 1-5		13	\$32.55	\$32.77			\$880,027.20

Section 2 - Employment Projections

Directions: Please estimate full-time job growth in Section 2, complete columns (b) and (c). These estimates are used for state economic impact and net tax revenue analysis that this agency is required to report. The company will not be required to reach these estimated levels of employment. Please enter the estimated new full time employees on a year by year basis (not cumulative)

<i>(a)</i> Year	<i>(b)</i> Number of New FTE(s)	<i>(c)</i> Average Hourly Wage	<i>(d)</i> Payroll
6-Year	2	\$24.04	\$100,006.40
7-Year	1	\$43.27	\$90,001.60
8-year	2	\$24.04	\$100,006.40
9-year	0	\$0.00	\$0.00
10-year	0	\$0.00	\$0.00

^{*} Column (e) determines if wage is commensurate to current wage ranges in the region the company plans to locate/is located. For these purposes the mean average hourly wage for the location has been used.

U = Unknown / data set for region is not currently available.

Source: US Bureau of Labor Statistics

6(F) Evaluation of Health Plans Offered by Companies Company Name: Novva Reno, LLC County: Storey Total Number of Full-Time Employees: 13 \$32.55 Average Hourly Wage per Employee Average Annual Wage per Employee (implied) \$67,694.40 **COST OF HELATH INSURANCE** Annual Health Insurance Premium Cost: \$6,144.00 Percentage of Premium Covered by: 100% Company **Employee** 0% **HEALTH INSURANCE PLANS:** Value Silver 3000 HSA Base Health Insurance Plan*: 3.000 Deductible - per employee \$ 70%/30% Coinsurance Out-of-Pocket Maximum per employee 7,500 Value Gold 2000 Additional Health Insurance Plan*: Deductible - per employee 2,000 80%/20% Coinsurance 8.950 Out-of-Pocket Maximum per employee Med Silver 3000 HSA Additional Health Insurance Plan*: Deductible - per employee 3.000 Coinsurance 70%/30% Out-of-Pocket Maximum per employee 7,500 *Note: Please list only "In Network" for deducible and out of the pocket amounts . **Generalized Criteria for Essential Health Benefits (EHB)** [following requirements outlined in the Affordable Care Act and US Code, including 42 USC Section 18022] Covered employee's premium not to exceed 9.5% of annual wage MEC Annual Out-of-Pocket Maximum not to exceed \$9,450 (2024) \$7.500 MEC Minimum essential health benefits covered (Company offers PPO): (A) Ambulatory patient services $\overline{ }$ (B) Emergency services (C) Hospitalization **V** (D) Maternity and newborn care **/** (E) Mental health/substance use disorder/behavioral health treatment (F) Prescription drugs **/ /** (G) Rehabilitative and habilitative services and devices $\overline{}$ (H) Laboratory services (I) Preventive and wellness services and chronic disease management **/** (J) Pediatric services, including oral and vision care No Annual Limits on Essential Health Benefits I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same. Cassidie Goold Name of person authorized for signature Signature **Corporate Controller** 6/27/2023

Date

11

Title

ENTITY INFORMATION

ENTITY INFORMATION	
	Entity Name:
NOVVA RENO, LLC	Entity Number:
E33084562023-2	,
	Entity Type:
Domestic Limited-Liability Company (86)	Entity Status:
Active	
Q6/26/2023	Formation Date:
	NV Business ID:
NV20232831967	Ti. atian Bat
Perpetual	Termination Date:
	Annual Report Due Date:
6/30/2024	
	Series LLC:
	Restricted LLC: