

Centerline Structural Innovations, Inc.

10515 Rue D Flore, Reno, NV 89511
Cheryl Lewis, Chief Operating Officer
Manufacturing and Headquarters

Date: December 2, 2020
Meeting Location: Virtual

Regional Development Authority:
Nacy McCormick, EDAWN

APPLICATION HIGHLIGHTS

- Centerline Structural Innovations Inc., (Centerline Structural Innovations) plans to establish a Centerline 80,000 sq. ft. Manufacturing, Headquarters, and Research and Development facility in Reno, NV.
- The company is very committed to providing superior jobs for trades people, many of whom have never had a permanent position with a company, and rarely have benefit packages.
- A core value at Centerline Structural Innovations is giving back to the community. The company is working with several nonprofits that are addressing homeless housing with the goal of having the Centerline Structural Innovations team provide low-cost or no-cost framing services to help meet these needs.

COMPANY PROFILE

Centerline Structural Innovations is a Nevada-based full-scale truss and wall panel manufacturing company and framing contractor with the goal of addressing the critical housing shortage in Nevada and surrounding states. Just as the assembly line revolutionized the automotive industry, Centerline Structural Innovations is a disrupter for the construction industry. The company is revolutionizing the construction industry by integrating proper construction means and methods with innovative technologies and robotics. Centerline Structural Innovation's processes reduce material waste to almost zero, thus using 20% less lumber than traditional processes. In light of the lumber shortages caused by fire, global warming and other factors, the company believes it must explore renewable materials to supplement and/or replace lumber as the primary material for framing and other construction processes. Centerline Structural Innovation's R&D efforts include a focus on alternative materials for many aspects of construction. *Source: Centerline Structural Innovations, Inc.*

Business License:	<input checked="" type="checkbox"/> Current	<input type="checkbox"/> Pending	<input type="checkbox"/> Has confirmed will comply
Industry & Nevada Operations:	Manufacturing, Headquarters, Research and Development		
Location:	Washoe County		

INCENTIVES

Application:	New			
Requirements:	<u>Statutory</u>	<u>Application</u>	<u>Sufficient</u>	<u>% Over / Under</u>
Job Creation	50	55	Yes	10%
Average Wage	\$24.16	\$37.44	Yes	55%
Equipment Capex (SU & MBT)	\$1,000,000	\$3,351,051	Yes	235%
Equipment Capex (PP)	\$5,000,000		No	-33%
Abatements:	<u>Requested Terms</u>	<u>Estimated \$ Amount</u>		
Sales Tax Abmt.	2% for 2 years	\$209,943		
Modified Business Tax Abmt.	50% for 4 years	\$138,863		
Total:		\$348,806		

EMPLOYEE BENEFITS

Health Insurance:	Company Coverage of employee healthcare premiums: 90%
Other Benefits Offered:	Overtime, PTO/Sick/Vacation, Merit Increases, COLA Adjustments, Retirement Plan / Profit Sharing / 401(k), Bonus

SIGNIFICANCE OF ABATEMENTS

Company:	The company also considered Boise, Idaho as a potential location. Centerline Structural Innovations believes Nevada, and more specifically the Reno area, is ideal for its new company. The area's high demand for framing services to meet the tremendous housing shortage, along with the proximity to other booming construction markets, makes this a great location. However, the high cost of labor and the scarcity of suitable real estate for our needs, makes this an expensive place to locate. Tax abatements and incentives will allow the company to pay better wages to its employees and grow the business more quickly in order to serve a greater geographic area (inside and outside of Nevada) and, accordingly, hire even more employees. <i>Source: Centerline Structural Innovations, Inc.</i>
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ECONOMIC IMPACT

Job Creation:	<u>Contracted</u>	<u>2-Year</u>	<u>5- Year</u>
	50	55	160
Other Capital Investments:	<u>Land</u>	<u>Building Purchase</u>	<u>BTS / Building Improvements</u>
	\$0	\$0	\$2,100,000
Economic Impact (10 Yrs. cumulative)	<u>Total</u>	<u>Construction</u>	
Total Jobs Supported	261	18	
Total Payroll Supported	143,820,500	\$979,520	
Total Output Estimate	451,930,521	\$2,972,151	

Estimate includes jobs, payroll & output by the company assisted as well as the secondary impacts to other local businesses.

NEW TAX REVENUE ESTIMATES

Local Taxes	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
Property	\$351,176	\$3,297,252	\$3,648,428
Sales	\$85,517	\$2,290,432	\$2,375,949
Lodging	\$0	\$94,980	\$94,980
State Taxes	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
Property	\$17,106	\$195,867	\$212,973
Sales	\$94,321	\$891,687	\$986,008
Modified Business	\$1,233,030	\$535,402	\$1,768,432
Lodging	\$0	\$31,660	\$31,660
Total	\$1,781,150	\$7,337,280	\$9,118,430

NOTES:

- Percentage of revenue generated by the new jobs contained in this application from outside Nevada: 65%.



October 22, 2020

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

EDAWN is supporting the enclosed new company application submitted by Centerline Structural Innovations Inc. Centerline is considering the establishment of their corporate headquarters and a manufacturing operation in Reno, where they will manufacture and distribute truss and wall component products used by the construction industry. They are requesting Sales and Use Tax, and Modified Business Tax and meet 2 out of the criteria for consideration by the Board of the Governor's Office of Economic Development.

Centerline's application includes the creation of 55 new positions at an average wage of \$37.47, an investment of \$3.4M investment in equipment, as well as a \$2.1M investment in a new facility. Their business model meets two critical needs of the region and state: the need for pre-fabricated, innovative construction components to speed up and reduce cost of the construction process, and the need to provide full time permanent jobs for those in the building trades. Centerline leadership is currently engaged with non-profits in the community and will continue to expand their involvement as the company grows and prospers. Their foundational value is "doing well, by doing good" and they are interested in making a long-term commitment to the Northern Nevada community at all levels.

The incentives offered by the State are a critical piece of the overall financial considerations for their headquarters, and manufacturing operation. The assistance provided by the State will enable them to accelerate their goals of solving the construction productivity crisis, while simultaneously creating safer, better paying, and more fulfilling jobs for Nevadans.

Thank you for your consideration of this application and we appreciate the opportunity to present this growth opportunity to the Board.

Sincerely,

A handwritten signature in cursive script that reads "Nancy McCormick".

Nancy McCormick-Senior Vice President
Business Retention, Expansion and Workforce Development
Economic Development Authority of Northern Nevada

Centerline Structural Innovations Inc.
10515 Rue D Flore
Reno, NV 89511

October 23, 2020

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

Applicant Letter

Dear Mr. Brown,

Centerline's Beginnings - Like many great companies, Centerline was born from an urgent need. As the Reno-area project manager for a major general contractor, Centerline's founder David Lee, was finding it more and more difficult to get competitive bids for framing on the massive multi-family project for which he was responsible. To meet the owner's budget, he needed to find a bid that cut \$2-3 million from the \$20+ million bids in-hand. Moreover, due to engineering issues and changes by the owner, the project was already nine months behind schedule, before framing had even begun.

For years, David's hobby had been focused on innovations designed to improve the stagnant productivity in the construction industry. Because it is an early critical path activity, framing has always been on David's short list of construction innovation opportunities and one for which he had both a short-term fix and long-term solution. By engaging J9K, LLC, a Utah-based consulting firm owned by David's brother, Jeff Lee, the brothers worked with the project owner/developer and a local framing contractor to create an onsite pre-fabricated wall panel manufacturing facility that delivered the desired \$3 million savings over other bids. Moreover, the use of the on-site facility reduced the time to completion by over 50%, meaning more housing could be available for tenancy faster, thus addressing a critical housing shortage. To better understand the Centerline approach, we invite you to watch this video overview of our initial project: <https://vimeo.com/355894558/54492d3081>.

After completing the first 900,000 square foot project, the team consulted on a second project – over 400,000 square feet of multi-family construction at the old Park Lane mall. The high visibility of this project and the speed of completion brought many inquiries from developers who are months (or years) behind in launching new building projects in Northern Nevada's frenzied construction climate. The Lee brothers and their third founding partner, Brian Arbogast, began exploring the idea of becoming licensed framing and general contractors and optimizing onsite component manufacturing operations. A major impediment to their growth, however, was the difficulty of obtaining roof and floor trusses in a timely and cost-effective manner. To remedy this, and to allow the team to serve smaller projects where a tent facility is not warranted or possible, the team began exploring the idea of an efficient truss and wall component manufacturing facility, allowing them to provide the entire framing life cycle.

Centerline's Plan – Based on the success of these demonstration projects, the Lee brothers decided to launch Centerline Structural Innovations Inc., a Nevada-based full-scale truss and wall panel manufacturing company and framing contractor with the goal of addressing the critical housing shortage in Nevada and surrounding states.

I joined the team in early 2020 to address the company's business needs and identify funding. As a lawyer, CPA and entrepreneur, I have worked alongside the three founding partners for over a year to build a business plan and obtain investor funding. Centerline is now poised to become a major construction and manufacturing entity, providing excellent jobs with full benefits and bringing economic benefit to our community. Centerline is engaged in advanced contract negotiations with a large national homebuilder to provide the framing for more than 500 homes annually with the opportunity to increase that production in Nevada and throughout the Western US, in addition to our multi-family work. Our truss and wall panel facility will also sell to other framers in Nevada and surrounding states.

We are very committed to providing superior jobs for trades people, many of whom have never had a permanent position with a company, and rarely have benefit packages. Recently, a carpenter who worked on one of our jobs told me he just wanted to know what it would feel like to have paid vacation time for once in his life. We believe that workers like him not only deserve such benefits, they need them if they are to produce their best work. The added benefit for Centerline is a devoted and available workforce, allowing us to meet our customers' needs while honoring our workers' needs.

Building a component manufacturing facility is no small feat and requires a great deal of capital expenditure (in our case over \$3.5 M in the first two years), as well as a property that offers a large yard area and a build-to-suit facility. Centerline located a property that meets our need for a yard and the added bonus of a rail spur to allow us to bring in bunk lumber, but only a small building that will not meet all of our needs. We plan to build trusses from a tent facility much like the ones used on our onsite projects until we can complete the building of a permanent facility. We expect to spend approximately \$2.1 M for the facility.

Assistance Request – Centerline is committed to addressing the critical need for housing by continuing to bring innovation to the construction industry. In order to achieve this goal, we are requesting assistance from the State of Nevada in the form of a Sales and Use Tax Abatement, a Modified Business Tax Abatement and a Personal Property Tax Abatement. Over the next two years, we plan to create a minimum of 55 jobs at an average wage of \$37.47 per hour, and to make capital investments of \$3.3 M, in addition to our facility investment.

Investing in R&D - Over the past two years, the Centerline team has invested heavily in R&D. In order to bring assembly line productivity to the tent manufacturing operations, Centerline collaborated with one of the nation's top consulting firms from the automobile manufacturing industry to create assembly line choreography and proprietary methods and software to optimize productivity in our workplace. While these innovations have improved our efficiency and output, we believe there is much more opportunity ahead and we look forward to bringing new proprietary technologies and processes to the construction industry.

Why Nevada - We believe Nevada, and more specifically the Reno area, is ideal for our new company. The area's high demand for framing services to meet the tremendous housing shortage, along with the proximity to other booming construction markets, makes this a great location. However, the high cost of labor and the scarcity of suitable real estate for our needs, makes this an expensive place for us to locate. Tax abatements and incentives will allow us to pay better wages to our employees and grow our business more quickly in order to serve a greater geographic area (inside and outside of Nevada) and, accordingly, hire even more employees.

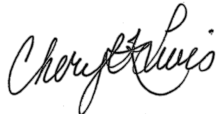
Giving Back - A core value at Centerline is giving back to the community. We are working with several nonprofits that are addressing homeless housing with the goal of having our team provide low-cost or no-cost framing

services to help meet these needs. We are excited about the opportunity to not only give back, but to also inspire and motivate our employees through these efforts. We believe in “doing well by doing good” and are committed to be a true community leader in Reno and throughout Nevada.

Environmental Policy – Centerline’s processes reduce material waste to almost zero, thus using 20% less lumber than traditional processes. While this is a good result, it isn’t enough. In light of the lumber shortages caused by fire, global warming and other factors, we believe we must explore renewable materials to supplement and/or replace lumber as the primary material for framing and other construction processes. Our R&D efforts include a focus on alternative materials for many aspects of construction.

Conclusion – The Centerline Team is proud of to be a Nevada corporation and looks forward to bringing well-paying jobs and economic benefit to the community, while providing a viable solution to the housing crisis. Moreover, we are excited to create a world-class company headquartered here in Nevada. We look forward to partnering with the great State of Nevada and we appreciate your consideration of this application which will enable us to accelerate our goals of solving the construction productivity crisis in a meaningful and lasting manner, while simultaneously creating safer, better paying and more fulfilling jobs for Nevadans.

Very truly yours,

A handwritten signature in cursive script that reads "Cheryl K. Lewis". The signature is written in black ink and is positioned above the printed name and title.

Cheryl K. Lewis
Chief Executive Officer

Centerline Structural Innovations Inc.
10515 Rue D Flore
Reno, NV 89511

October 23, 2020

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
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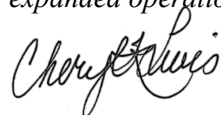
Healthcare Coverage Letter of Intent

Dear Mr. Brown,

In anticipation of our opening in January 2021, Centerline Structural Innovations Inc. is in the process of gathering quotes for health insurance and other benefits for our employees in the State of Nevada. We understand that a requirement for the tax abatements provided by the Governor's Office of Economic Development is the offering of 65% of the health care premium coverage for the eligible employees of the company as per NRS 360.750:

*The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the *minimum requirements* for health care benefits established by the Office*

** the Company agrees to pay at least sixty-five percent (65%) of the premium cost for the employee or the abatements may be reduced or eliminated at GOED's discretion. In fact, Centerline plans to pay 80-100% of the premium cost for all employees with such coverage beginning by the end of the first quarter of expanded operations in Nevada.*



Cheryl K. Lewis
Chief Executive Officer

Centerline Structural Innovations Inc.
10515 Rue D Flore
Reno, NV 89511

Date: October 23, 2020

Mr. Michael Brown
Executive Director
Nevada Governor's Office of Economic Development
555 E. Washington Avenue, Suite 5400
Las Vegas, NV 89101

RE: APPLICATION FOR INCENTIVES – REQUEST FOR
CONFIDENTIALITY OF RECORDS AND DOCUMENTS

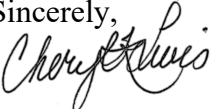
Dear Director Brown:

On this October 23, 2020, Centerline Structural Innovations Inc. submitted an application to the State of Nevada Governor's Office of Economic Development ("GOED") requesting approval of economic incentives for our new business in Washoe County, Nevada. The purpose of this letter is to request that any and all records and other documents in GOED's possession concerning initial contact with, research and planning for company name be kept confidential.

Please be advised that company name specifically deems the following information proprietary and confidential:

1. The detailed schedule of Employment List
2. The detailed schedule of Capital Equipment List

Thank you for your consideration. If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,


Cheryl K. Lewis
Chief Executive Officer
Centerline Structural Innovations Inc.

REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant Centerline Structural Innovations, Inc., the Executive Director of the Office has determined the:

- (i) The detailed schedule of Capital Equipment List, 5(A)
- (ii) The detailed schedule of Employment List, 5(B)

are confidential proprietary information of the business, are not public records, and shall be redacted in its entirety from the copy of the application that is disclosed to the public.



Michael Brown
Executive Director

10/29/2020

Date

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: Centerline Structural Innovations Inc
 Date of Application: October 23, 2020

Company is an / a: (check one)

- New location in Nevada
 Expansion of a Nevada company

Section 1 - Type of Incentives

Please check all that the company is applying for on this application:

- Sales & Use Tax Abatement Sales & Use Tax Deferral
 Modified Business Tax Abatement Recycling Real Property Tax Abatement
 Personal Property Tax Abatement Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) Centerline Structural Innovations Inc.			FEDERAL TAX ID # 85-3333068	
CORPORATE ADDRESS 10515 Rue D Flore		CITY / TOWN Reno	STATE / PROVINCE NV	ZIP 89511
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)		CITY / TOWN	STATE / PROVINCE	ZIP
TELEPHONE NUMBER 602.373.3149		WEBSITE centerline.io		
COMPANY CONTACT NAME Cheryl Lewis		COMPANY CONTACT TITLE CEO		
E-MAIL ADDRESS cheryl@centerline.io		PREFERRED PHONE NUMBER 602.373.3149		

Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development? Yes No

If Yes, list the program awarded, date of approval, and status of the accounts (attach separate sheet if necessary):

Section 3 - Program Requirements

Please check two of the boxes below; the company must meet at least two of the three program requirements:

- A capital investment of \$1,000,000 in eligible equipment in urban areas or \$250,000 in eligible equipment in rural areas are required. This criteria is businesses. In cases of expanding businesses, the capital investment must equal at least 20% of the value of the tangible property owned by the business.
- New businesses locating in urban areas require fifty (50) or more permanent, full-time employees on its payroll by the eighth calendar quarter quarter in which the abatement becomes effective. In rural areas, the requirement is ten (10) or more. For an expansion, the business must increase employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is greater.
- In urban areas, the average hourly wage that will be paid by the business to its new employees is at least 100% of the average statewide hourly in rural areas, the average hourly wage will equal or exceed the lesser of the county-wide average hourly wage or statewide average hourly wage.

Note: Criteria is different depending on whether the business is in a county where the population is 100,000 or more or a city where the population is 60,000 or "urban" area), or if the business is in a county where the population is less than 100,000 or a city where the population is less than 60,000 (i.e., "rural" area).

Section 4 - Nevada Facility

Type of Facility:

- Headquarters Service Provider
 Technology Distribution / Fulfillment
 Back Office Operations Manufacturing
 Research & Development / Intellectual Property Other: _____

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA 65%		EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) Jan-2021		
NAICS CODE / SIC 238130		INDUSTRY TYPE Framing Construction, Component Manufacturing		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS Construction component manufacturing, including trusses and wall panels, and framing construction				
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS 276 E Parr Boulevard		CITY / TOWN Reno	COUNTY Washoe County	ZIP 89512
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? Boise, ID				

Section 5 - 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.

- 5 (A) Equipment List
- 5 (B) Employment Schedule
- 5 (C) Evaluation of Health Plan, with supporting documents to show the employer paid portion of plan meets the minimum of 65%.
- 5 (D) Company Information Form

Section 6 - Real Estate & Construction (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up - Plans Over the Next <u>Ten</u> Years	Expansions - Plans Over the Next <u>10</u> Years
<p>Part 1. Are you currently/planning on leasing space in Nevada? <u> No </u></p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 2. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently/planning on buying an owner occupied facility in Nevada? <u> No </u></p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p>Do you plan on making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Are you currently/planning on building a build-to-suit facility in Nevada? <u> Yes </u></p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? <u> Jan-2021 </u></p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): <u> Aug-2021 </u></p> <p style="padding-left: 40px;">How much space (sq. ft.)? <u> 50,000 </u></p>	<p>Part 1. Are you currently leasing space in Nevada? _____</p> <p>If No, skip to Part 2. If Yes, continue below:</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost at current space: _____</p> <p>Due to expansion, will you lease additional space? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">Expanding at the current facility or a new facility? _____</p> <p style="padding-left: 40px;">What year(s)? _____</p> <p style="padding-left: 40px;">How much expanded space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Annual lease cost of expanded space: _____</p> <p>Do you plan on making building tenant improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? _____</p> <p>If No, skip to Part 3. If Yes, continue below:</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p> <p style="padding-left: 40px;">Current assessed value of real property? _____</p> <p>Due to expansion, will you be making building improvements? _____</p> <p>If No, skip to Part 3. If Yes *, continue below:</p> <p style="padding-left: 40px;">When to make improvements (month, year)? _____</p> <hr style="border-top: 1px dashed black;"/> <p>Part 3. Do you plan on building or buying a new facility in Nevada? _____</p> <p>If Yes *, continue below:</p> <p style="padding-left: 40px;">Purchase date, if buying (month, year): _____</p> <p style="padding-left: 40px;">When to break ground, if building (month, year)? _____</p> <p style="padding-left: 40px;">Estimated completion date, if building (month, year): _____</p> <p style="padding-left: 40px;">How much space (sq. ft.)? _____</p>
<p>* Please complete Section 7 - Capital Investment for New Operations / Startup.</p>	<p>* Please complete Section 7 - Capital Investment for Expansions below.</p>

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):

Centerline will initially run its facility from a small facility while we build an 80,000 sf metal building to meet our expansion goals. This will allow us to provide excellent jobs and manufacture building components for residential construction in the Western states. We plan to expand throughout the US within 5 years.

Section 7 - Capital Investment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How much capital investment is planned? (Breakout below):	How much capital investment is planned? (Breakout below):
Building Purchase (if buying): _____	Building Purchase (if buying): _____
Building Costs (if building / making improvements): <u>\$2,100,000</u>	Building Costs (if building / making improvements): _____
Land: _____	Land: _____
Equipment Cost: <u>\$3,351,051</u>	Equipment Cost: _____
Total: <u>\$5,451,051</u>	Total: _____
	Is the equipment purchase for replacement of existing equipment? _____
	Current assessed value of personal property in NV: _____
	(Must attach the most recent assessment from the County Assessor's Office.)

Section 8 - Employment (Fill in either New Operations/Startup or Expansion, not both.)

New Operations / Start Up	Expansions
How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of new operations?: <u>55</u>	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: _____
Average hourly wage of these <u>new</u> employees: <u>\$37.47</u>	Average hourly wage of these <u>new</u> employees: _____
	How many FTE employees prior to expansion?: _____
	Average hourly wage of these <u>existing</u> employees: _____
	Total number of employees after expansion: _____

* FTE represents a permanent employee who works an average of 30 hours per week or more, is eligible for health care coverage, and whose position is a "primary job" as set forth in NAC 360.474.

OTHER COMPENSATION (Check all that apply):

- | | | | |
|---|--|---|---|
| <input checked="" type="checkbox"/> Overtime | <input checked="" type="checkbox"/> Merit increases | <input type="checkbox"/> Tuition assistance | <input checked="" type="checkbox"/> Bonus |
| <input checked="" type="checkbox"/> PTO / Sick / Vacation | <input checked="" type="checkbox"/> COLA adjustments | <input checked="" type="checkbox"/> Retirement Plan / Profit Sharing / 401(k) | <input type="checkbox"/> Other: _____ |

BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND ELIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):

Centerline is unlike most construction or manufacturing companies in that our production workers and framers will be made up of permanent full-time employees with benefits. We believe trade workers are critical to our economy and we will provide them with benefits and security equal to those at world-class companies.

Section 9 - Employee Health Insurance Benefit Program

Is health insurance for employees and is an option for dependents offered?: Yes (attach health plan and quote or invoice) No

Package includes (check all that apply):

- | | | | |
|---|--|--|---|
| <input checked="" type="checkbox"/> Medical | <input checked="" type="checkbox"/> Vision | <input checked="" type="checkbox"/> Dental | <input checked="" type="checkbox"/> Other: <u>Health Insurance Quotes Pending</u> |
|---|--|--|---|

Qualified after (check one):

- | | | | |
|---|---|---|---------------------------------------|
| <input checked="" type="checkbox"/> Upon employment | <input type="checkbox"/> Three months after hire date | <input type="checkbox"/> Six months after hire date | <input type="checkbox"/> Other: _____ |
|---|---|---|---------------------------------------|

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>PPO</u>	
Employer Contribution (annual premium per employee): <u>TBD</u>	Company: <u>90%</u>
Employee Contribution (annual premium per employee): <u>TBD</u>	Employee: <u>10%</u>
Total Annual Premium: <u>TBD</u>	

[SIGNATURE PAGE FOLLOWS]

Section 10 - Certification

I, the undersigned, hereby grant to the Governor's Office of Economic Development access to all pertinent and relevant records and documents of the aforementioned company. I understand this requirement is necessary to qualify and to monitor for compliance of all statutory and regulatory provisions pertaining to this application.

Being owner, member, partner, officer or employee with signatory authorization for the company, I do hereby declare that the facts herein stated are true and that all licensing and permitting requirements will be met prior to the commencement of operations. In addition, I and /or the company's legal counsel have reviewed the terms of the GOED Tax Abatement and Incentives Agreement, the company recognizes this agreement is generally not subject to change, and any material revisions have been discussed with GOED in advance of board approval.

Cheryl Lewis
Name of person authorized for signature


Signature

Chief Executive Officer
Title

October 23, 2020
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: Centerline Structural Innovations Inc.

County: Washoe

Section I - Site Selection Ratings

Directions: Please rate the select factors by importance to the company's business (1 = very low; 5 = very high). Attach this form to the Incentives Application.

Availability of qualified workforce:	<u>5</u>	Transportation infrastructure:	<u>4</u>
Labor costs:	<u>3</u>	Transportation costs:	<u>3</u>
Real estate availability:	<u>5</u>	State and local tax structure:	<u>5</u>
Real estate costs:	<u>3</u>	State and local incentives:	<u>5</u>
Utility infrastructure:	<u>4</u>	Business permitting & regulatory structure:	<u>4</u>
Utility costs:	<u>3</u>	Access to higher education resources:	<u>3</u>

Please summarize the importance of the abatement program to your decision (please include at least a paragraph summary):

The abatement program allows us to provide higher wages and better benefits to our employees, while growing the company. In addition to our employee costs, we will be investing millions of dollars in equipment, as well as in R&D to create our own line of automation to accelerate the construction process. Our plant in Nevada will serve Northern California, Idaho and Nevada to start and we plan to expand to other markets within five years. Thus, the tax abatements will allow us to invest more quickly in technology that will make us a market leader for the nation.

Equipment Schedule, Detailed

The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Centerline Structural Innovations, Inc. and is not a public record.

Employment Schedule, Detailed

The Office has determined the detailed employment schedule as described in this application constitutes confidential proprietary information of Centerline Structural Innovations, Inc. and is not a public record.

5(C) Evaluation of Health Plans Offered by Companies

Company Name: Centerline Structural Innovations Inc County: Washoe

Total Number of Full-Time Employees: 55
 Average Hourly Wage per Employee \$37.47
 Average Annual Wage per Employee (implied) \$77,937.60

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost: TBD
 Percentage of Premium Covered by:
 Company 90%
 Employee 10%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:

Deductible - per employee \$ 1,000
 Coinsurance 80% / 20%
 Out-of-Pocket Maximum per employee \$ 2,500

Additional Health Insurance Plan*:

Deductible - per employee \$ -
 Coinsurance 0% / 0%
 Out-of-Pocket Maximum per employee \$ -

Additional Health Insurance Plan*:

Elements Choice PPO 6000

Deductible - per employee \$ -
 Coinsurance 0% / 0%
 Out-of-Pocket Maximum per employee \$ -

*Note: *Please list only "In Network" for deductible 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 TBD
 Annual Out-of-Pocket Maximum not to exceed \$8,150 (2020) \$2,500

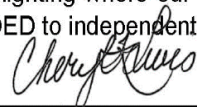
Minimum essential health benefits covered (Company offers PPO):

- (A) Ambulatory patient services
- (B) Emergency services
- (C) Hospitalization
- (D) Maternity and newborn care
- (E) Mental health/substance use disorder/behavioral health treatment
- (F) Prescription drugs
- (G) Rehabilitative and habilitative services and devices
- (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.

Cheryl K Lewis
 Name of person authorized for signature


 Signature

CEO
 Title

10.23.2020
 Date

5(D) Company Information

Company Name: Centerline Structural Innovations Inc

County: Washoe

Section 1 - Company Interest List

Directions: Please provide a detailed list of owners and/or members of the company. *The Governor's Office of Economic Development strives to maintain the highest standards of integrity, and it is vital that the public be confident of our commitment. Accordingly, any conflict or appearance of a conflict must be avoided. To maintain our integrity and credibility, the applicant is required to provide a detailed list of owners, members, equity holders and Board members of the company.*

(a) Name	(b) Title
Cheryl Lewis	Chief Executive Officer, Shareholder
David Lee	President, Shareholder
Jeffrey Lee	VP Construction Operations, Shareholder
Brian Arbogast	Shareholder
Ronald Oliver	VP Component Manufacturing, Shareholder
Daniel Saccani	Shareholder
Tammy Kendell	Shareholder
Lynn Kendell	Shareholder

Section 2 - Company Affiliates and/or Subsidiaries

Are there any subsidiary or affiliate companies sharing tax liability with the applicant company? No Yes

If Yes, continue below:

Directions: In order to include affiliates/subsidiaries, under the exemption letter, they must to be added to the Contract. Per standard practice GOED requires a corporate schematic to understand the exact relationships between the companies. Please populate the below table to show the exact relationships between the companies and include:

1. The names as they would read on the tax exemption letter.
2. Which entity(ies) will do the hiring?
3. Which entity(ies) will be purchasing the equipment?

Name of Subsidiary or Affiliate Entity, Role and Legal Control Relationship

Please include any additional details below:

ENTITY INFORMATION

CENTERLINE STRUCTURAL INNOVATIONS, INC.	Entity Name:
E9618252020-4	Entity Number:
Domestic Corporation (78)	Entity Type:
Active	Entity Status:
10/05/2020	Formation Date:
NV20201910214	NV Business ID:
Perpetual	Termination Date:
10/31/2021	Annual Report Due Date: