#### **Envases Commerce, LLC**

1901 Wycon Dr., Waco, Texas 76712 Diego Genera, Managing Director

Date: December 2, 2021

### Application Facts:

Industry Manufacturing
NAICS 332431
Type of App New

Location Clark County

RDA LVGEA, Michael Walsh

#### **Company Profile**

Envases Commerce, LLC (Envases) 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 has a strong focus on corporate social responsibility and community engagement on a local and global level. At it's San Juan del Rio Plant, staff routinely provide support to a homeless shelter for girls called 'Casa Hogar Santa Lucía' and organize food drives, delivering both food items and general support to the facility. Envases is also currently in active communication with the Waco, TX Chamber on ways to partner and benefit the local community. Source: Envases Commerce, LLC

Tax Abatement Requirements:	<u>Statutory</u>	<b>Company Application</b>	Meeting Requirements
Job Creation	50	73	Yes
Average Wage	\$26.67	\$24.05	Yes (For the purposes of receiving full abatements if county unemployment is over 7%)
Equipment Capex (SU & MBT)	\$1,000,000		Yes
Equipment Capex (PP)	\$5,000,000	\$75,536,000	Yes
Additional Requirements:			
Health Insurance	65%	85%	Yes
Revenues generated outside NV	51%	95%	Yes
Business License	Current	Pending	☑ Will comply
Total Tax Liability (without tax abatements)	Direct (company)		Total
	\$11,632,766		\$21,110,637
Tax Abatements	<u>Contract Terms</u>		Estimated Tax Abatemen
Sales Tax Abmt.	2% for 2 years		\$4,815,420
Modified Business Tax Abmt.	50% for 4 years		\$105,932
Personal Property Tax Abmt.	50% for 10 years		\$2,547,381
Total Estimated Tax Abatement over 10 yrs.			\$7,468,733
Net New Tax Revenues	<u>Direct</u>	Indirect	<u>Taxes after Abatements</u>
Local Taxes			
Property	\$4,880,366	\$3,307,421	\$8,187,787
Sales	\$143,995	\$1,610,802	\$1,754,797
Lodging	\$0	\$86,409	\$86,409
State Taxes	+266,027	+102.442	
Property	\$266,927	\$192,443	\$459,370
Sales	\$1,555,895	\$537,606	\$2,093,501
Modified Business	\$675,650	\$356,629	\$1,032,279
Lodging	\$0	\$27,761	\$27,761
Total Estimated New Tax Revenue over 10 yr	'S.		\$13,641,904
Economic Impact over 10 yrs.	Direct	Construction	Total
Total Jobs Supported	205	34	239
Total Payroll Supported	\$86,710,633	\$1,857,129	\$88,567,762
Total Economic Value	\$308,608,505	\$4,904,770	\$313,513,275

#### **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.



November 4, 2021

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

Dear Mr. Brown,

Envases Commerce, LLC is applying to the State of Nevada for the Sales & Use Tax Abatement, the Modified Business Tax Abatement, and the Personal Property Tax Abatement. We request that Envases Commerce, LLC be placed on the December 2, 2021 GOED Board meeting agenda.

Envases Commerce, LLC will create 73 new positions in the first 24 months of operations, with an average hourly wage of \$24.05. The company will make a capital investment of \$75,536,000.00

Envases Commerce, LLC meets and exceeds the three requirements for tax abatements. This application has the full support of the Las Vegas Global Economic Alliance.

Sincerely,

Michael Walsh

VP Economic Development

Las Vegas Global Economic Alliance



Email: diego.genera@envases.us



September 27th, 2021

Mr. Michael Brown **Executive Director Governor's Office of Economic Development** 808 West Nye Lane Carson City, NV 89703

Dear Mr. Brown,

By way of this letter and the attached application, Envases Commerce, LLC (a division of the Envases Universales Group) is requesting tax incentives to assist with our proposed operation in the state of Nevada. A thorough national site selection search in conjunction with strategic planning has the company focused on creating a presence in Nevada and a key aspect of the site selection process and the overall consideration of Nevada is directly tied to potential economic incentives offered by the state. Due to a thorough site selection process related to this facility inclusive of a review of our operating costs, the results have shown these incentives, will provide lower operating costs in Nevada compared to the primary competing region of Phoenix, Arizona. We anticipate hiring 73 full-time employees at an average wage of \$24.05 within two years of operations, and investing approximately \$75 million in machinery and equipment, along with a long-term lease on a new facility of at least 10 years.

Envases Commerce, LLC 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. This Project represents the Envases Group's aluminum beverage manufacturing expansion in the US—the facility will manufacture and distribute packaging solutions for soft drinks, beer, energy drinks, teas and non-carbonated beverages.

In addition to the pro-business climate in the State of Nevada, the economic development incentives offered by the State have been an integral factor in our decision-making process. Envases has done extensive due diligence on multiple locations and states throughout the western US and ultimately, after much due diligence and economic feasibility analysis and subject to the approval of the overall incentives package, Nevada will be the chosen location for this Project.

Our experience with Michael Walsh from the Las Vegas Global Economic Alliance has been very positive and we look forward to your approval of our application to assist with our efforts to locate in your state and expand our presence in the US. If you have any questions, please feel free to call me.

Thank you for your time and consideration.

Sincerely,

Diego Genera Managing Director, Envases Commerce, LLC 530.304.2814

diego.genera@envases.us



Envases Commerce, LLC 1901 Wycon Drive Waco, TX 76712

<u>www.envases.mx</u> Email: diego.genera@envases.us

9.27.2021

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

RE: <u>APPLICATION FOR INCENTIVES – REQUEST FOR CONFIDENTIALITY OF</u> RECORDS AND DOCUMENTS – NRS 231.069

Dear Director Brown

On **September 27**<sup>th</sup>, **2021**, Envases Commerce, LLC submitted an application to you as the Executive Director of the State of Nevada Governor's Office of Economic Development ("GOED") requesting approval of economic incentives for the new operation in Clark 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 Envases Commerce, LLC, including but not limited to certain information in that application, and if amended, all be kept confidential pursuant to Section 4 of Assembly Bill No. 17 (2015 Regular Session) as codified in NRS 231.069.

Please be advised that Envases Commerce, LLC specifically deems the following information proprietary and confidential:

- 1. Incentive Application Equipment List Schedule 5 (A)
- 2. Incentive Application Employment List Schedule 5 (B)

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

Sincerely,

Diego Genera

Managing Director,

Envases Commerce, LLC

530.304.2814

diego.genera@envases.us

### Nevada Governor's Office of **ECONOMIC DEVELOPMENT** Company is an / a: (check one) **Incentive Application** New location in Nevada Company Name: Envases Commerce, LLC □ Expansion of a Nevada company Date of Application: 9.17.2021 **Section I - 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) FEDERAL TAX ID # **ENVASES COMMERCE, LLC** 85-3315355 CORPORATE ADDRESS CITY / TOWN STATE / PROVINCE ZIP 1901 Wycon Dr. Waco TX 76712 MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above) CITY / TOWN STATE / PROVINCE ZIP TELEPHONE NUMBER WEBSITE 530.304.2814 COMPANY CONTACT NAME COMPANY CONTACT TITLE Managing Director, Envases Commerce, LLC Diego Genera E-MAIL ADDRESS PREFERRED PHONE NUMBER 530.304.2814 diego.genera@envases.us Has your company ever applied and been approved for incentives available by the Governor's Office of Economic Development?

## **Section 3 - Program Requirements**

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

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

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.

✓ No

- 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 employees on its payroll by 10% more than its existing employees prior to expansion, or by 25 (urban) or 6 (rural) employees, whichever is
- □ In both urban and rural 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 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

Section 4 - Nevada Facility			
Type of Facility:			
□ Headquarters	□ Service Prov	vider	
□ Technology	☑ Distribution /	/ Fulfillment	
□ Back Office Operations	Manufacturir	ng	
□ Research & Development / Intellectual Property	□ Other: _		
PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA	EXPECTED DATE OF	NEW / EXPANDED OPERAT	FIONS (MONTH / YEAR)
95%	Jan-2023		
NAICS CODE / SIC	INDUSTRY TYPE		
332431Metal Can Manufacturing	Manufacturing		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS	<u> </u>		
Metal can manufacturing			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS	CITY / TOWN	COUNTY	ZIP
TBD		Clark County	
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERE	D FOR YOUR COMPANY'S	RELOCATION / EXPANSION	I / STARTUP?
Phoenix A7			

## 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) <a> Company Information Form</a>

New Operations / Start Up - Plans Over the Next Ten Year	s Expansions - Plans Over the Next 10 Years
Part 1. Are you currently/planning on	Part 1. Are you currently leasing space in Nevada?
leasing space in Nevada?	Yes If No, skip to Part 2. If Yes, continue below:
If No, skip to Part 2. If Yes, continue below:	What year(s)?
What year(s)?	2022 How much space (sq. ft.)?
How much space (sq. ft.)? 45	50,000 Annual lease cost at current space:
Annual lease cost of space: \$3,18	Due to expansion, will you lease additional space?
o you plan on making building tenant improvements?	Yes If No, skip to Part 3. If Yes, continue below:
If No, skip to Part 2. If Yes *, continue below:	Expanding at the current facility or a new facility?
When to make improvements (month, year)?Ja	n-2022 What year(s)?
	How much expanded space (sq. ft.)?
Part 2. Are you currently/planning on	Annual lease cost of expanded space:
buying an owner occupied facility in Nevada?	Do you plan on making building tenant improvements?
If No, skip to Part 3. If Yes *, continue below:	If No, skip to Part 3. If Yes *, continue below:
Purchase date, if buying (month, year):	When to make improvements (month, year)?
How much space (sq. ft.)?	
Do you plan on making building improvements?	Part 2. Are you currently operating at an
If No, skip to Part 3. If Yes *, continue below:	owner occupied building in Nevada?
When to make improvements (month, year)?	If No, skip to Part 3. If Yes, continue below:
	How much space (sq. ft.)?
Part 3. Are you currently/planning on	Current assessed value of real property?
building a build-to-suit facility in Nevada?	Due to expansion, will you be making building improvements?
If Yes *, continue below:	If No, skip to Part 3. If Yes *, continue below:
When to break ground, if building (month, year)?Estimated completion date, if building (month, year):	When to make improvements (month, year)?
How much space (sq. ft.)?	Part 3. Do you plan on building or buying a new facility in Nevada?
	If Yes *, continue below:
	Purchase date, if buying (month, year):
	When to break ground, if building (month, year)?
	Estimated completion date, if building (month, year):
	How much space (sq. ft.)?

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

Envases is evaluating locations in several western US states including Arizona and Nevada to expand its manufacturing capacity and footprint in the United States. Envases site location efforts identified a location in Clark County, Nevada where a new approximately 450,000 square foot build-to-suit manufacturing facility could be constructed to accommodate this requirement. Envases would lease the facility which is estimated to cost approximately \$3.45 million in tenant improvements to construct and will purchase automation and production line equipment and other manufacturing related equipment which will cost an estimated \$75 million. The facility is expected to be operational in early 2023 and will create an estimated 73 net new jobs within the first 2 years of operation, and a total of approximately 150 net new jobs over the initial 5 years of operation.

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): \$3,475,000	Building Costs (if building / making improvements):	
Land:	Land:	
Equipment Cost: \$75,536,000	Equipment Cost:	
Total: \$79,011,000	Total: \$0	
	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?:  Average hourly wage of these new employees:  \$24.05	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 new employees:	
	How many FTE employees prior to expansion?:	
	Average hourly wage of these existing employees:	
	Total number of employees after expansion:	
* FTE represents a permanent employee who works an average of 30 hours per was set forth in NAC 360.474.	reek or more, is eligible for health care coverage, and whose position is a "primary jo	
OTHER COMPENSATION (Check all that apply):		
<ul><li>☑ Overtime</li><li>☑ Merit increases</li><li>☑ PTO / Sick / Vacation</li><li>☑ COLA adjustments</li><li>☑</li></ul>	Tuition assistance   ☐ Bonus  Retirement Plan / Profit Sharing / 401(k)  ☐ Other:	
BRIEF DESCRIPTION OF ADDITIONAL COMPENSATION PROGRAMS AND EL Flexible vacation days.	LIGIBILITY REQUIREMENTS (Attach a separate sheet if necessary):	
Section 9 - Employee Health Insurance Benefit Program	m	
Is health insurance for employees and is an option for dependents offered?	P: ☑ Yes (attach health plan and quote or invoice) ☐ No	
Package includes (check all that apply):		
☑ Medical ☑ Vision ☑ Dental	Other: Life Insurance, short term disability	
Qualified after (check one):		
□ Upon employment □ Three months after hire date □	☐ Six months after hire date ☐ Other: 30 days after hire date	
Health Insurance Costs:	Percentage of health insurance premium by (min 65%):	
Plan Type: UHC Choice Plus HSA Silver 5000-1		
Employer Contribution (annual premium per employee):	\$ 6,222.06 Company: 85%	
Employee Contribution (annual premium per employee)  Total Annual Premium:	\$ 1,097.98 Employee: 15%	

[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.

Diego Genera	Darte
Name of person authorized for signature	Signature / /
Managing Director	9.17.2021
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

# **Equipment Schedule, Detailed**

The Office has determined the detailed equipment schedule as described in this application constitutes confidential proprietary information of Envases Commerce, LLC 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 Envases Commerce, LLC and is not a public record.

#### 5(C) Evaluation of Health Plans Offered by Companies Company Name: Envases Commerce, LLC County: Clark Total Number of Full-Time Employees: 73 Average Hourly Wage per Employee \$24.05 Average Annual Wage per Employee (implied) \$50,019.73 **COST OF HELATH INSURANCE** Annual Health Insurance Premium Cost: \$7,320.04 Percentage of Premium Covered by: 85% Company **Employee** 15% **HEALTH INSURANCE PLANS: UHC Choice Plus HSA Silver 5000-1 Base Health Insurance Plan\*:** Deductible - per employee \$ 5,000 00% / 00% Coinsurance Out-of-Pocket Maximum per employee \$ 6,000 **UHC Choice Gold 3500-1 Additional Health Insurance Plan\*:** Deductible - per employee 3,500 Coinsurance 0% / 0% Out-of-Pocket Maximum per employee 6.000 Additional Health Insurance Plan\*: Deductible - per employee Coinsurance 0% / 0% \$ Out-of-Pocket Maximum per employee \*Note: Please list only "In Network" for deducatble 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 MMQ 2.6% Annual Out-of-Pocket Maximum not to exceed \$8,700 (2022) \$6,000 MMQ 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 Eco are true, and that I have attached a qualified plan with information 65% minimum threshold for the employee paid portion of the plan for	highlighting where our plan reflects meeting the
Diego Genera  Name of person authorized for signature	Signature
Managing Director Title	9.17.2021 Date

## 5(D) Company Information

Company Name: Envases Commerce, LLC	County: Clark
Section I - Company Interest List	
strives to maintain the highest standards of integrity, and it is vita	s of the company. The Governor's Office of Economic Development I that the public be confident of our commitment. Accordingly, any our integrity and credibility, the applicant is required to provide a s of the company.
(a) Name	( b) Title
Diego Genera	
Jose Luis Gonzalez Garza	Managing Director Plant Manager
Mark Lindbloom	Finance Manager
Amanda Talbert	Human Resources Manager
Tommy Vanatta	Sales and Supply Chain Manager
Ron Miller	Production Manager
Hugo Bernal	Engineering Manager
•	
Section 2 - Company Affiliates and/or Subsidiari	es
Are there any subsidiary or affiliate companies sharing tax lial	oility with the applicant company? No 🔽 Yes 🗌
If Yes, continue below:	
Directions: In order to include affiliates/subsidiaries, under the exempractice GOED requires a corporate schematic to understand the extable to show the exact relationships between the companies and including the names as they would read on the tax exemption letter.  Which entity(ies) will do the hiring?  Which entity(ies) will be purchasing the equipment?	act relationships between the companies. Please populate the below
Name of Subsidiary or Affiliate Entity, Role and Legal Control R	elationship
Please include any additional details below:	