

ZLINE Kitchen and Bath, LLC

350 Parr Circle, Reno, NV 89512
Drew Pearson, Director of Content Development
Headquarters and Distribution

Date: December 2, 2020
Meeting Location: Virtual

Regional Development Authority:
Nancy McCormick, EDAWN

APPLICATION HIGHLIGHTS

- ZLINE Kitchen and Bath, LLC (ZLINE) is considering an expansion of its existing facility, or the potential construction of a new 600,000 square foot building to accommodate a new flagship executive headquarters.
- To date, ZLINE has made a considerable investment in its community through involvement with local organizations ranging from the University of Nevada, Reno to the Chamber of Commerce and including the relief efforts for COVID-19, donating over 100,000 pieces of PPE here in Washoe County to organizations such as the Washoe County Health District, the Community Health Alliance, and first responders such as the Reno Fire Department, Reno Police Department, Carson City Sheriff's Office, and local clinics who have had trouble accessing PPE.
- ZLINE has also worked with the University of Nevada, Reno's internship programs to cultivate young professionals and offer valuable mentorship and experience. With this potential expansion the company wants to further engage with the University of Nevada, Reno and other local colleges to provide career opportunities and internship experiences.

COMPANY PROFILE

ZLINE Kitchen and Bath, LLC is a luxury kitchen and bath appliance brand producing industry leading designs in range hoods, ranges, dishwashers, microwaves and more. Due to our innovative approach to design, marketing and logistics, ZLINE has experienced rapid growth in volume, workforce, and presence in our industry. We currently have executive and distribution locations in Reno, NV, Ohio, and Tennessee. ZLINE began business in Nevada in 2011 with 5 employees, and currently employs 37 team members at its Reno location. ZLINE believes in creating careers and full-time employment for our teams in sales, operations, marketing, design, and customer service. We are committed to full time employment and direct hiring of our entire team, creating quality work experiences and enriching the communities in which the business is located and headquartered. *Source: ZLINE Kitchen and Bath, LLC*

Business License:	<input checked="" type="checkbox"/> Current	<input type="checkbox"/> Pending	<input type="checkbox"/> Will comply
Industry & Nevada Operations:	Headquarters and distribution		
Location:	Washoe		

INCENTIVES

Application:	Expansion			
Requirements:	<u>Statutory</u>	<u>Application</u>	<u>Sufficient</u>	<u>% Over / Under</u>
Job Creation	25	25	Yes	0%
Average Wage	\$24.16	\$26.86	Yes	11%
Equipment Capex (SU & MBT)				
Equipment Capex (PP)	\$1,983	\$593,894	Yes	29849%
Abatements:	<u>Requested Terms</u>	<u>Estimated \$ Amount</u>		
Sales Tax Abmt.	4.6% for 2 years	\$21,766		
Modified Business Tax Abmt.	50% for 4 years	\$37,708		
Personal Property Tax Abmt.	50% for 10 years	\$9,859		
Total:		\$69,333		

EMPLOYEE BENEFITS

Health Insurance:	Company Coverage of employee healthcare premiums: 50% - with a commitment to increase to 65% for this application
Other Benefits Offered:	PTO/Sick/Vacation, Merit Increases, Retirement Plan / Profit Sharing / 401(k), Bonus

SIGNIFICANCE OF ABATEMENTS

Company:	The company is also considering Ohio, Tennessee, Colorado, Texas, and Utah for its expansion. The incentives provided by this plan are critical in ZLINE's plans to expand in Nevada versus other existing locations in Ohio and Tennessee or the prospective locations the company has surveyed in Colorado, Texas, and Utah. The incentives provided by approval by the Board, will allow ZLINE to increase its direct re-investment into its team members, building development, and the Northern Nevada community. ZLINE would be proud to locate its new executive headquarters in Northern Nevada, and approval by the Nevada Governor's Office of Economic Development incentives program would be a deciding factor in committing to the company's new executive headquarters in the region. <i>Source: ZLINE Kitchen and Bath, LLC</i>
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ECONOMIC IMPACT

Job Creation:	<u>Contracted</u>	<u>2-Year</u>	<u>5- Year</u>
	25	25	55
Other Capital Investments:	<u>Land</u>	<u>Building Purchase</u>	<u>BTS / Building Improvements</u>
	\$0	\$5,000,000	\$500,000
Economic Impact (10 Yrs. cumulative)	<u>Total</u>	<u>Construction</u>	
Total Jobs Supported	77	4	
Total Payroll Supported	\$33,765,411	\$233,219	
Total Output Estimate	\$80,199,234	\$707,655	

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	\$614,044	\$1,041,306	\$1,655,350
Sales	\$35,802	\$537,736	\$573,538
Lodging	\$0	\$46,828	\$46,828
State Taxes	<u>Direct</u>	<u>Direct</u>	<u>Total</u>
Property	\$29,910	\$61,857	\$91,767
Sales	\$18,378	\$209,345	\$227,723
Modified Business	\$258,913	\$128,589	\$387,502
Lodging	\$0	\$15,609	\$15,609
Total	\$957,047	\$2,041,270	\$2,998,317

NOTES:

- Percentage of revenue generated by the new jobs contained in this application from outside Nevada: 72%.

September 10, 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 expansion application submitted by ZLINE Kitchen and Bath, currently located in Reno, Nevada. ZLINE is considering an expansion, including a headquarter relocation, and is evaluating options between their existing facilities in Ohio and Tennessee, and sites in Colorado, Texas and Utah. Their application meets 3 out of the 3 criteria for consideration by the Board of the Governor's Office of Economic Development for abatements on Sales and Use Tax, Modified Business Tax, and Personal Property Tax.

ZLINE is a luxury kitchen and bath appliance brand producing industry leading designs in range hoods, ranges and other appliances. They currently employ 37 employees at their Nevada location. ZLINE is proposing the addition of 25 new employees at an average wage of \$26.86 per hour, with a capital investment of approximately \$593,893 over the next two years.

Zline will consider an expansion of their existing facility, or the potential construction of a new 600,000 square foot building to accommodate their new flagship executive headquarters. These plans would require either a \$500,000 investment in property development or a \$5M investment for land and new construction, and either project would create construction employment opportunities.

ZLINE is an outstanding member of the Northern Nevada community, and works closely with the University of Nevada to offer internships to student workers, in addition to investing in local community initiatives and philanthropic efforts.

The incentives offered by the State are a critical piece of the overall financial considerations for their new headquarters, and will be a deciding factor in their decision making. Both Tennessee and Ohio exempt manufacturing equipment from Sales Tax for equipment used primarily in the company's manufacturing process.

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

Sincerely,



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



www.zlinekitchen.com

Drew Pearson
Director of Content Development
350 Parr Circle
Reno, NV, 89512

09-09-2020

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

ZLINE Kitchen and Bath, LLC is requesting consideration via the Governor's Office of Economic Development Incentives, as a growing company looking to expand our existing operations in Northern Nevada and potentially move our executive headquarters to the state.

ZLINE Kitchen and Bath, LLC is a luxury kitchen and bath appliance brand producing industry leading designs in range hoods, ranges, dishwashers, microwaves and more. Due to our innovative approach to design, marketing and logistics, ZLINE has experienced rapid growth in volume, workforce, and presence in our industry. We currently have executive and distribution locations in Reno, NV, Ohio, and Tennessee. ZLINE began business in Nevada in 2011 with 5 employees, and currently employs 37 team members at our Reno, Nevada location.

The incentives provided by this plan are critical in ZLINE's plans to expand in Nevada versus other existing locations in Ohio and Tennessee or the prospective locations we have surveyed in Colorado, Texas, and Utah. The incentives provided by approval by the Board, will allow us to increase our direct re-investment into our team members, our building development, and the Northern Nevada community.

Our current project includes a \$593,893.06 investment in equipment for our new flagship executive headquarters, with another \$500,000 in property development in addition to the \$5 million budget for potential construction of a new building for an executive campus of approximately 600,000 sq. ft. over the next 5 years. In the process of this expansion we are committed to creating 25 high paying jobs averaging \$26.86 an hour over the next 2 years with a project growth of 30 additional positions in Reno over the next 5 years. This will help us scale our executive workforce to accommodate our growth and provide us with additional logistic and distribution capacity for the western United States. Additionally, we will be employing builders, developers, and contractors from Northern Nevada to complete our build and property development goals.



www.zlinekitchen.com

We would be proud to bring the new executive positions to Northern Nevada, as it is an ideal place for our current and future team members to foster their families alongside personal and professional growth. We hire professionals ranging from recent college graduates to those with a decade of experience in their respective field and work closely with education partners in the regions in which we operate. Our growing team consists of many team members who are open to purchasing homes and raising families in the community chosen for our new headquarters' location. ZLINE has also worked with the University of Nevada, Reno's internship programs to cultivate young professionals and offer valuable mentorship and experience. With this potential expansion we want to further engage with the University of Nevada, Reno and other local colleges to provide career opportunities and internship experiences.

ZLINE believes in creating careers and full-time employment for our teams in sales, operations, marketing, design, and customer service. We are committed to full-time employment and direct hiring of our entire team, creating quality work experiences and enriching the communities in which our business is located and headquartered.

ZLINE has made a considerable investment in our community through involvement with local organizations ranging from the University of Nevada, Reno to the Chamber of Commerce and including the relief efforts for COVID-19, donating over 100,000 pieces of PPE here in Washoe County to organizations such as the Washoe County Health District, the Community Health Alliance, and first responders such as the Reno Fire Department, Reno Police Department, Carson City Sheriff's Office, and local clinics who have had trouble accessing PPE.

"The ZLINE Family has felt a profound responsibility to support our communities during this crisis, with an emphasis on donating to smaller clinics and first responder departments that aren't receiving the proper resources. We hope these donations provide relief and protection to the brave people that are tirelessly working on the front-lines everyday."

- Andy Zuro, President and Founder of ZLINE Kitchen and Bath.

ZLINE Kitchen and Bath, LLC would be proud to locate our new executive headquarters in Northern Nevada, and approval by the Nevada Governor's Office of Economic Development incentives program would be a deciding factor in committing to our new executive headquarters in the region. We believe strongly we are an ideal candidate to receive this consideration.

Signing on Behalf of ZLINE Kitchen and Bath, LLC
Drew Pearson

Drew Pearson

Director of Content Development

ZLINE Kitchen & Bath 2020

350 Parr Circle, Reno, NV 89512 | 916 Delaware Avenue, Marysville, OH 43040 | 319 Rowland Mill Road, Bruceton, TN 38317
www.zlinekitchen.com | 1-614-777-5004



ZLINE

www.zlinekitchen.com

September 14th, 2020

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

Dear Mr. Brown,

Healthcare Coverage Letter of Intent

If ZLINE Kitchen and Bath, LLC makes a final decision to locate in the State of Nevada the company understands 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.

Drew Pearson

Drew Pearson

Director of Content Development



ZLINE

www.zlinekitchen.com

09-14-2020

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 – NRS 231.069

Dear Director Brown

On September 14th, 2020, ZINE Kitchen and Bath, 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 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 ZLINE Kitchen and Bath, 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 ZLINE Kitchen and Bath, 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,

Drew Pearson
Director of Content Development
ZLINE Kitchen and Bath, LLC

REQUEST FOR CONFIDENTIALITY DETERMINATION

Pursuant to NRS 231.069, and upon the request of applicant ZLINE Kitchen and Bath, 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

10/20/2020

Date

ECONOMIC DEVELOPMENT

Incentive Application

Company Name: ZLINE Kitchen and Bath, LLC
 Date of Application: September 9, 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
- Modified Business Tax Abatement
- Personal Property Tax Abatement
- Sales & Use Tax Deferral
- Recycling Real Property Tax Abatement
- Other: _____

Section 2 - Corporate Information

COMPANY NAME (Legal name under which business will be transacted in Nevada) <u>ZLINE Kitchen and Bath</u>			FEDERAL TAX ID #	
CORPORATE ADDRESS <u>350 Parr Circle</u>	CITY / TOWN <u>Reno</u>	STATE / PROVINCE <u>Nevada</u>	ZIP <u>89512</u>	
MAILING ADDRESS TO RECEIVE DOCUMENTS (If different from above)	CITY / TOWN	STATE / PROVINCE	ZIP	
TELEPHONE NUMBER <u>614-777-5004 ext. 4024</u>	WEBSITE www.zlinekitchen.com			
COMPANY CONTACT NAME <u>Drew Pearson</u>	COMPANY CONTACT TITLE <u>Director of Content Development</u>			
E-MAIL ADDRESS dpearson@zlinekitchen.com	PREFERRED PHONE NUMBER <u>775-762-4007</u>			

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

PERCENTAGE OF REVENUE GENERATED BY THE NEW JOBS CONTAINED IN THIS APPLICATION FROM OUTSIDE NEVADA <u>72%</u>	EXPECTED DATE OF NEW / EXPANDED OPERATIONS (MONTH / YEAR) <u>Hiring - September 14th, 2020 / Expansion - June 2021</u>		
NAICS CODE / SIC <u>335220</u>	INDUSTRY TYPE <u>Retail Manufacturing - Luxury Large Kitchen and Bathroom Appliances</u>		
DESCRIPTION OF COMPANY'S NEVADA OPERATIONS <u>Executive Headquarters and Western U.S. distribution center</u>			
PROPOSED / ACTUAL NEVADA FACILITY ADDRESS <u>350 Parr Circle</u>	CITY / TOWN <u>Reno</u>	COUNTY <u>Washoe County</u>	ZIP <u>89512</u>
WHAT OTHER STATES / REGIONS / CITIES ARE BEING CONSIDERED FOR YOUR COMPANY'S RELOCATION / EXPANSION / STARTUP? <u>Ohio, Tennessee, Colorado, Texas, and Utah</u>			

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? _____ If No, skip to Part 2. If Yes, continue below: What year(s)? _____ How much space (sq. ft.)? _____ Annual lease cost of space: _____ Do you plan on making building tenant improvements? _____ If No, skip to Part 2. If Yes *, continue below: 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? _____ If No, skip to Part 3. If Yes *, continue below: Purchase date, if buying (month, year): _____ How much space (sq. ft.)? _____ Do you plan on making building improvements? _____ If No, skip to Part 3. If Yes *, continue below: 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? _____ If Yes *, continue below: When to break ground, if building (month, year)? _____ Estimated completion date, if building (month, year): _____ How much space (sq. ft.)? _____</p>	<p>Part 1. Are you currently leasing space in Nevada? <u>Yes</u> If No, skip to Part 2. If Yes, continue below: What year(s)? <u>2019, 2020</u> How much space (sq. ft.)? <u>50,000</u> Annual lease cost at current space: _____ Due to expansion, will you lease additional space? <u>Yes</u> If No, skip to Part 3. If Yes, continue below: Expanding at the current facility or a new facility? <u>Current</u> What year(s)? <u>2022, 2023,</u> How much expanded space (sq. ft.)? <u>550,000</u> Annual lease cost of expanded space: _____ Do you plan on making building tenant improvements? <u>Yes</u> If No, skip to Part 3. If Yes *, continue below: When to make improvements (month, year)? <u>Jun-2021</u></p> <hr style="border-top: 1px dashed black;"/> <p>Part 2. Are you currently operating at an owner occupied building in Nevada? <u>No</u> If No, skip to Part 3. If Yes, continue below: How much space (sq. ft.)? _____ Current assessed value of real property? _____ Due to expansion, will you be making building improvements? _____ If No, skip to Part 3. If Yes *, continue below: 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? <u>Yes</u> If Yes *, continue below: Purchase date, if buying (month, year): <u>Jun-2021</u> When to break ground, if building (month, year)? <u>Jun-2021</u> Estimated completion date, if building (month, year): <u>Jun-2022</u> How much space (sq. ft.)? <u>550,000</u></p>
* Please complete Section 7 - Capital Investment for New Operations / Startup.	* Please complete Section 7 - Capital Investment for Expansions below.

BRIEF DESCRIPTION OF CONSTRUCTION PROJECT AND ITS PROJECTED IMPACT ON THE LOCAL ECONOMY (Attach a separate sheet if necessary):
 We are currently weighing options between leasing / buying an existing building or constructing a new building at our current or a new location. The incentives provided by this program will be critical in our decision to pursue this expansion in Northern Nevada.

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): <u>\$5,000,000</u>
Building Costs (if building / making improvements): _____	Building Costs (if building / making improvements): <u>\$500,000</u>
Land: _____	Land: _____
Equipment Cost: _____	Equipment Cost: <u>\$593,894</u>
Total: <u>\$0</u>	Total: <u>\$6,093,894</u>
	Is the equipment purchase for replacement of existing equipment? <u>No</u>
	Current assessed value of personal property in NV: <u>\$67,980</u>
	(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?: _____	How many full-time equivalent (FTE*) employees will be created by the end of the first eighth quarter of expanded operations?: <u>25</u>
Average hourly wage of these <u>new</u> employees: _____	Average hourly wage of these <u>new</u> employees: <u>\$26.86</u>
	How many FTE employees prior to expansion?: <u>37</u>
	Average hourly wage of these <u>existing</u> employees: <u>\$21.00</u>
	Total number of employees after expansion: <u>62</u>

* 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):

- Overtime
 Merit increases
 Tuition assistance
 Bonus
 PTO / Sick / Vacation
 COLA adjustments
 Retirement Plan / Profit Sharing / 401(k)
 Other: _____

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

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):

- Medical
 Vision
 Dental
 Other: HSA / FSA

Qualified after (check one):

- Upon employment
 Three months after hire date
 Six months after hire date
 Other: _____

Health Insurance Costs:	Percentage of health insurance premium by (min 65%):
Plan Type: <u>HDHP High Deductible Health Plan</u>	
Employer Contribution (annual premium per employee): <u>\$6,838.37</u>	Company: <u>50%</u>
Employee Contribution (annual premium per employee): <u>\$6,838.37</u>	Employee: <u>50%</u>
Total Annual Premium: <u>\$13,676.74</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.

Drew Pearson
Name of person authorized for signature

Drew Pearson
Signature

Director of Content Development
Title

September 9, 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: ZLINE Kitchen and Bath LLC

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>4</u>		Transportation infrastructure:	<u>4</u>
Labor costs:	<u>4</u>		Transportation costs:	<u>3</u>
Real estate availability:	<u>4</u>	3893.6	State and local tax structure:	<u>4</u>
Real estate costs:	<u>4</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>4</u>

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

Equipment Schedule, Detailed

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

5(C) Evaluation of Health Plans Offered by Companies

Company Name: ZLINE Kitchen and Bath LLC County: Washoe

Total Number of Full-Time Employees: 25
 Average Hourly Wage per Employee \$26.86
 Average Annual Wage per Employee (implied) \$55,868.80

COST OF HEALTH INSURANCE

Annual Health Insurance Premium Cost: \$6,838.37
 Percentage of Premium Covered by:
 Company 50%
 Employee 50%

HEALTH INSURANCE PLANS:

Base Health Insurance Plan*:	United Health Care Choice Plus Direct Gold
Deductible - per employee	\$ 1,500
Coinsurance	80% / 50%
Out-of-Pocket Maximum per employee	\$ 6,500

Additional Health Insurance Plan*:	United Health Care Choice Plus Flex Silver
Deductible - per employee	\$ 3,500
	80% / 50%
Out-of-Pocket Maximum per employee	\$ 7,900

Additional Health Insurance Plan*:	
Deductible - per employee	Varies
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	12.2%	NQ
Annual Out-of-Pocket Maximum not to exceed \$8,100 (2020)	\$6,500	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

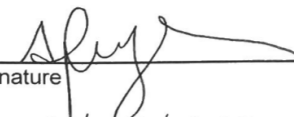
I, the undersigned, hereby declare to the Governor's Office of Economic Development that the facts herein stated are true, and that I have attached a qualified plan with information highlighting where our plan reflects meeting the 65% minimum threshold for the employee paid portion of the plan for GOED to independently confirm the same.

Sydney Frye

 Name of person authorized for signature

 Director of Human Resources

 Title



 Signature

 9/9/2020

 Date

SECRETARY OF STATE



NEVADA STATE BUSINESS LICENSE

Z LINE KITCHEN AND BATH LLC

Nevada Business Identification # NV20131531531

Expiration Date: 09/30/2021

In accordance with Title 7 of Nevada Revised Statutes, pursuant to proper application duly filed and payment of appropriate prescribed fees, the above named is hereby granted a Nevada State Business License for business activities conducted within the State of Nevada.

Valid until the expiration date listed unless suspended, revoked or cancelled in accordance with the provisions in Nevada Revised Statutes. License is not transferable and is not in lieu of any local business license, permit or registration.

License must be cancelled on or before its expiration date if business activity ceases. Failure to do so will result in late fees or penalties which, by law, cannot be waived.



Certificate Number: B20200709914159

You may verify this certificate
online at <http://www.nvsos.gov>

IN WITNESS WHEREOF, I have hereunto set my
hand and affixed the Great Seal of State, at my
office on 07/09/2020.

Barbara K. Cegavske

BARBARA K. CEGAUSKE
Secretary of State