

Assessor's Parcel Number: N/A

Date: MARCH 15, 2018

Recording Requested By:

Name: LISA GRANAHAN, COUNTY MANAGER'S OFC

Address: _____

City/State/Zip: _____

Real Property Transfer Tax: \$ N/A



KAREN ELLISON, RECORDER

AGREEMENT #2018.047
(Title of Document)

FILED
2018.04.15

2018 MAR 15 AM 9:53



DOUGLAS COUNTY
CLERK
BY [Signature] DEPUTY

AGREEMENT FOR ALLOCATION OF CATALYST FUNDS

A Contract between the State of Nevada
Acting By and Through the

NEVADA GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

808 W. Nye Lane
Carson City, NV 89703
Phone: 888-336-1600

And

DOUGLAS COUNTY

1594 Esmeralda Ave.,
Minden, NV 89423

This Agreement, made on July 17, 2017 by and between the Nevada Governor's Office of Economic Development ("GOED"), and Douglas County ("Sponsoring Municipality") approved by the Board or the Executive Director of GOED as authorized by the board, as required pursuant to NRS 231.1571- NRS 231.1577, as meeting the criteria necessary to receive a distribution from the Nevada Catalyst Fund in the form of a grant or a loan (individually or collectively referred to herein as "Catalyst Fund Proceeds") outlined in NRS 231.1571 and NRS 231.1573.

I. Approved Catalyst Fund Proceeds

1. At the Board meeting conducted July 17, 2017, the Board approved the following Catalyst Fund grant for the above stated Sponsoring Municipality:

\$250,000.00 for allocation to Starbucks Corporation (hereinafter referred to as the "Catalyst Fund Proceeds Recipient").

2. The Application is attached hereto as **Exhibit A** and incorporated herein.
3. The proposed use of the Catalyst Fund proceeds, including expected plans, projects, or programs to be supported by the grant, and any anticipated short-term or long-term impacts from the use of grant funds, include as follows:

Offset workforce training costs.

II. Covenants, Warranties, and Representations of Sponsoring Municipality

1. The Sponsoring Municipality covenants, warrants, and represents that it has entered into or will enter into within ninety (90) days a separate written agreement with each business to which the Sponsoring Municipality will provide Catalyst Fund Proceeds granted pursuant to this request and this Agreement.
2. The Sponsoring Municipality covenants, warrants, and represents that the agreement entered into between the Sponsoring Municipality and the business receiving Catalyst Fund Proceeds shall require the business entity receiving Catalyst Fund Proceeds from the Sponsoring Municipality to return Catalyst Fund Proceeds to the Sponsoring Municipality, which shall return such proceeds to GOED, if it is determined that the Catalyst Fund Proceeds are not then currently being, or have not been, used in accordance with either this Agreement between the Sponsoring Municipality and GOED, or the agreement between the Sponsoring Municipality and the business receiving Catalyst Fund Proceeds.
3. The Sponsoring Municipality covenants, warrants, and represents that the agreement between the Sponsoring Municipality and each business that will receive Catalyst Fund Proceeds will require each business receiving any Catalyst Fund Proceeds to agree and consent to the public disclosure of: (i) the company name of any entity receiving Catalyst Fund Proceeds; (ii) the applicable ownership interests for the entity receiving Catalyst Fund Proceeds, including but not limited to; equity interests, partnership interests, membership interests, shareholder interests, and any other ownership interests and by whom held; (iii) the award amount requested; and (iv) agreed-upon performance requirements, including, but not limited to: (a) the number of primary jobs created, (b) the anticipated wage levels to be paid, (c) capital investment, and (d) other project specific performance requirements to be determined under paragraph (5) of this Section.
4. The Sponsoring Municipality covenants, warrants, and represents that the agreement between the Sponsoring Municipality and each business that will receive Catalyst Fund Proceeds will require each business receiving Catalyst Fund Proceeds to disclose all details, not subject to privilege or confidentiality restrictions, regarding: (i) proposed plans; (ii) projects and programs for which the Catalyst Fund grant or loan will be used; and (iii) any other information relevant to the proposed project for which Catalyst Fund Proceeds will be used.
5. The Executive Director of GOED may request additional information from any Catalyst Fund Proceeds applicant as he or she deems necessary for approval or denial of the request.

III. Sponsoring Municipality Reporting Requirements

1. The overall grant period for this award is defined as: \$250,000 through August 20, 2017 through August 20, 2020, with Award Periods as defined below.
 - a. The award disbursement schedule is agreed upon as follows:

AWARD PERIOD	THROUGH DATE	AMOUNT	DISBURSEMENT CRITERIA
Year 1	August 20, 2018	Up to \$85,000;	\$2,500 per primary job multiplied times 34 jobs, up to \$85,000; disbursed following the close of Fiscal Year 1 for operations in Nevada. The average wage for jobs created must meet or exceed \$20.00 per hour. No funding will be disbursed if less than 15 primary jobs are created during Year 1 of this Agreement.
Year 2	August 20, 2019	Up to \$82,500;	\$2,500 per primary job multiplied times 33 jobs, up to \$82,500, disbursed following the close of Fiscal Year 2 for operations in Nevada. The average wage for jobs created must meet or exceed \$20.00 per hour. No funding will be disbursed if less than 30 primary jobs are created during the cumulative period through Year 2 of this Agreement.
Year 3	August 20, 2020	Up to \$82,500;	\$2,500 per primary job multiplied times 33 jobs up to \$82,500, disbursed following the close of Fiscal Year 3 for operations in Nevada. The average wage for jobs created must meet or exceed \$20.00 per hour. No funding will be disbursed if less than 60 primary jobs are created during the cumulative period through Year 3 of this Agreement.

Definitions:

- (1) Years represent 12-month increments beginning the date as negotiated between the agreeing parties. Catalyst Funds will be disbursed based upon actual job creation versus agreed-upon hiring objectives over a defined duration of time.
- (2) "Incremental primary job" for a defined period denotes a new primary job created within that period over and above the number of jobs created in the prior period. Only jobs created for which payment has been made in a given year count as jobs created for the purposes of the following year (incremental) calculation.
- (3) Disbursement will occur upon achievement of agreed-upon milestones following commencement of operations in Nevada, and pursuant to verification of total FTEs based in Nevada.
- (4) To qualify as a job created, the job must be continuously in place for a minimum of 3 months prior to the end of the 12-month period, must be a full-time position, and must be eligible for healthcare benefits.

2. After the grant of Catalyst Fund Proceeds to a Sponsoring Municipality, the Sponsoring Municipality, within sixty (60) days after the close of the Award Period during which Catalyst Fund Proceeds were approved for disbursement, shall provide to the Executive Director of GOED, an initial report on the project that includes **ALL** of the following information:

- a. A description of each activity undertaken (i.e., the business and project receiving Catalyst Fund Proceeds) with the Catalyst Fund Proceeds;
 - b. The number of primary jobs created as a result of each specific grant or loan made pursuant to the specific application for which this Agreement was entered into and Catalyst Fund Proceeds were disbursed;
 - i. "Primary Job" as used herein shall have the definition set forth in NAC 360.474(3), defining "primary job" to mean "a position of employment offered by an applicant for a partial abatement, the compensation for which is obtained from revenue that is generated outside the economic region in which the business is located";
 - c. The average wage levels of the primary jobs created as a result of each specific grant or loan made pursuant to the specific application for which this Agreement was entered into and Catalyst Fund Proceeds were disbursed;
 - d. Confirmation the minimum primary job and average wage targets agreed to by and between the Sponsoring Municipality and the ultimate recipient of Catalyst Fund Proceeds have been reached in a given period;
 - e. Confirmation each primary job is eligible for healthcare benefits;
 - f. The return-on-investment on the Catalyst Fund Proceeds provided through the grant or loan expressed through performance measures including, but not limited to: (i) the number of primary jobs created, (ii) the anticipated wage levels to be paid, and (iii) capital investment;
 - g. A statement of the benefit to the public from the distribution of Catalyst Fund Proceeds, including documentation that supports the benefit; and
 - h. Any additional documentation requested by GOED that the Executive Director of GOED reasonably deems appropriate to document the use of the Catalyst Fund Proceeds in accordance with the provisions of this Agreement and the grant or loan application request.
3. The Sponsoring Municipality hereby agrees to a continued reporting requirement based on disbursement of Catalyst Fund Proceeds. After the filing of the initial report described in Section III(2) above, the Sponsoring Municipality shall make subsequent reports to GOED within sixty (60) days after the close of any Award Period during which Catalyst Fund Proceeds were approved for disbursement. Within the initial and subsequent reports, the Sponsoring Municipality shall provide to GOED the information described in Section III(2)(a) through (g) above, in such form as may be prescribed by GOED from time to time.
 4. The disbursement of Catalyst Fund Proceeds by GOED to the Sponsoring Municipality shall be made in defined installments pursuant to Section III(1) only after the receipt by GOED of the initial or subsequent report, pursuant to Section III(2) or III(3) above, for the applicable Award Period and an affirmative demonstration or representation by the Sponsoring Municipality that:

- a. The agreement between the Sponsoring Municipality and the Catalyst Fund Proceeds recipient is not in default, breach, or otherwise non-complaint by either party;
 - b. The Sponsoring Municipality has provided certification of such compliance of the underlying agreement between the Sponsoring Municipality and the Catalyst Fund Proceeds recipient through filing of a report in compliance with the requirements of Section III(2) hereof; and
 - c. The Sponsoring Municipality confirms that it has no knowledge of then existing facts that would indicate the Catalyst Fund Proceeds recipient is in danger of being unable to satisfy the requirements contained in the agreement between the Sponsoring Municipality and the Catalyst Fund Proceeds recipient.
 - d. Disbursements of an installment of Catalyst Fund Proceeds by GOED not made because of the Sponsoring Municipality's inability to satisfy the Requirements of III(3) of this Agreement revert back to the Catalyst Fund and GOED, and the Sponsoring Municipality shall have no right to funds properly withheld by GOED based on the Sponsoring Municipality's failure to satisfy the requirements of Section III(3) hereof.
5. The reports made to GOED pursuant to this Section III may be based, in whole or in part, on information received by the Sponsoring Municipality from the Catalyst Fund Proceeds recipient pursuant to the agreement between the Sponsoring Municipality and such recipient. The Sponsoring Municipality shall inform GOED immediately if the Sponsoring Municipality has or obtains knowledge that such information is false or misleading in any material respect; however, the Sponsoring Municipality shall not be responsible to independently verify any information provided by the Catalyst Fund Proceeds recipient.

IV. Reimbursement for Failure to Comply with Terms of Agreements

1. If GOED finds after a reasonable investigation that the Sponsoring Municipality has failed to use or has misused the Catalyst Fund money in accordance with the terms of the Agreement between the Sponsoring Municipality and GOED, the Executive Director of GOED may immediately cease providing the Sponsoring Municipality with funds allocated from the Catalyst Fund, and the Executive Director of GOED may, in his or her sole discretion, determine that the Agreement is void. In such a case, the Sponsoring Municipality hereby agrees to repay to the Catalyst Fund the amount of the grant or loan provided in connection with the voided Agreement, plus interest at the statutory rate.
 - a. Interest accrual shall begin on disbursed Catalyst Fund Proceeds on an Agreement between GOED and the Sponsoring Municipality once this Agreement is declared void and the Sponsoring Municipality has been provided an opportunity to cure after:
 - i. GOED has provided notice of the intention to void the Agreement;
 - ii. The Sponsoring Municipality has been given thirty (30) days to cure the non-compliance; and
 - iii. The Sponsoring Municipality has not actually cured the non-compliance within thirty (30) days.

b. After this Agreement has become void, interest shall accrue as of the date of expiration of the thirty (30) days provided to the Sponsoring Municipality to cure.

2. Through this Agreement, the Sponsoring Municipality agrees, acknowledges, and consents to the requirements herein, and agrees, acknowledges, and consents to the authority of GOED to seek reimbursement or “claw back” funds distributed to the Sponsoring Municipality for the ultimate disbursement of Catalyst Fund Proceeds that are not used in accordance with the statutory requirements for Catalyst Fund Proceeds disbursement, or where the recipient fails to conform to the agreement between the Catalyst Fund Proceeds recipient and the Sponsoring Municipality, including failure to conform to the specific listed conditions set forth in Section III(1) above, in accordance with Section IV(3). Provided that the Sponsoring Municipality has not failed to use or misused the Catalyst Fund money, as determined by the GOED in accordance with Section IV(1), the Sponsoring Municipality shall be liable to the GOED under this Agreement only to the extent of (1) Catalyst Fund money received by the Sponsoring Municipality from GOED pursuant to this Agreement and not distributed to the Catalyst Fund Proceeds recipient in accordance with the terms of this Agreement; and (2) Catalyst Fund money received by the Sponsoring Municipality from GOED pursuant to this Agreement that is returned to the Sponsoring Municipality by the Catalyst Fund Proceeds recipient pursuant to the terms of this Agreement or the agreement between the Sponsoring Municipality and such recipient.
3. The agreement entered into between the Sponsoring Municipality and the business receiving Catalyst Fund Proceeds shall provide that, in the event that the Sponsoring Municipality or GOED, after reasonable investigation, find that the business that received a grant or loan from the Sponsoring Municipality has failed to use or misused the Catalyst Fund Proceeds in accordance with the terms of the agreement between the Sponsoring Municipality and the business, the business shall repay to the Sponsoring Municipality the amount of the grant or loan that was received. Such agreement shall further provide that the business shall, in addition to the amount of the grant or loan required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period of the grant or loan until the full repayment of the Catalyst Fund Proceeds provided by grant or loan. The Sponsoring Municipality must repay the Catalyst Fund within 30 days of receipt of repayment from the business. The Sponsoring Municipality will use its best efforts to secure repayment and interest from the business, and ensure reimbursement of those funds to the Catalyst Fund of the State of Nevada.
4. For purposes of this Section IV, “misused” shall mean any failure to specifically comply with the express terms of this Agreement, the agreement between the Sponsoring Municipality and the Catalyst Fund Proceeds recipient, or any specific provision of NRS 231.1571 to 231.1579.
5. If a court of competent jurisdiction invalidates this Agreement or any portion thereof for any reason, GOED agrees to waive all claims and recourse against the Sponsoring Municipality arising from, growing out of or in any way connected with or incident to this Agreement. GOED’s sole remedy against the Sponsoring Municipality shall be to terminate this Agreement. In the event of termination, Sponsoring Municipality shall refund to GOED any undisbursed Catalyst Funds Proceeds in its possession, but shall have no further obligations to GOED under this Agreement, in law, in equity or otherwise. This provision will survive the termination of this Agreement for any reason.

V. Termination for Failure to Comply with Terms of Agreements

1. If GOED finds after a reasonable investigation that the Sponsoring Municipality has failed to use or misused the Catalyst Fund money in accordance with the terms of the Agreement between the Sponsoring Municipality and GOED, the Executive Director of GOED may immediately redirect the applicable and approved funds allocated from the Catalyst Fund, and the Executive Director of GOED may, in his or her sole discretion, determine that the Agreement is void.
2. If GOED finds after a reasonable investigation that the business receiving Catalyst Fund Proceeds has failed to satisfy the terms and conditions of the agreement entered into between the Sponsoring Municipality and the business receiving Catalyst Fund Proceeds, the Executive Director of GOED may immediately redirect the applicable and approved funds allocated from the Catalyst Fund, and the Executive Director of GOED may, in his or her sole discretion, determine that the Agreement is void. The agreement entered into between the Sponsoring Municipality and the business receiving Catalyst Fund Proceeds shall provide that the business receiving Catalyst Fund Proceeds shall be deemed to have failed to satisfy the terms and conditions thereof upon the occurrence of any of the following circumstances:
 - a. The Catalyst Fund recipient fails to relocate and/or open operations in Nevada within six (6) months following execution of its contract with the sponsoring Municipality; or
 - b. The Catalyst Fund recipient fails to create primary jobs within six (6) months following execution of its contract with the Sponsoring Municipality; or
 - c. The Catalyst Fund recipient fails to meet the minimum standard (50% of target) for creation of primary jobs during each of the first two periods, identified in Section III(1) of this Agreement, following execution of its contract with the Sponsoring Municipality; or
 - d. The Catalyst Fund recipient fails to remain in good legal standing, as determined by the Executive Director or the Board of GOED; or
 - e. The Catalyst Fund recipient either admits to or is otherwise found guilty of any crime or wrong-doing or criminal malfeasance as determined by a court of law; or
 - f. Any behavior associated with the Catalyst Fund recipient, including its owners, associates, and/or employees, is deemed a departure from the broader interests of the State of Nevada, as determined at the discretion of the Board of GOED.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the Parties have executed this Amendment effective as of the date first written above.

SPONSORING MUNICIPALITY:

Douglas County, an organized county of the State of Nevada

By: [Signature]
Name, Title

ATTEST:

By: Kathryn Lewis
Clerk

GOED:

STATE OF NEVADA, acting by and through the
NEVADA GOVERNOR'S OFFICE OF ECONOMIC DEVELOPMENT

By: Steven D. Hill
Steven D. Hill, Executive Director

Douglas County

**Catalyst Fund
Application
for
Starbucks Coffee Company**



Governor's Office of Economic Development

**Las Vegas 702-486-2700
Reno 775-687-9900
Toll Free 800-336-1600**



BOARD OF COMMISSIONERS

1594 Esmeralda Avenue, Minden, Nevada 89423

Lawrence A. Werner
COUNTY MANAGER
775-782-9821

COMMISSIONERS:
Barry Penzel, CHAIRMAN
Steven Thaler, VICE-CHAIRMAN
Nancy McDermid
Larry Walsh
Dave Nelson

June 28, 2017


Steve Hill
Executive Director
Governor's Office of Economic Development
555 E Washington Ave #5400
Las Vegas, NV 89101

Re: Catalyst Fund Application for Starbucks Coffee Company

Dear Mr. Hill:

I am pleased to advise you that Douglas County supports the Catalyst Fund application from Starbucks Coffee Company. The application seeks funding for an expansion of the company's distribution operations in Minden, Nevada. In August of 2012, the Douglas County Board of Commissioners authorized the County Manager to review and approve Catalyst Fund applications that meet the Governor's Office of Economic Development's (GOED) established criteria. The County has reviewed the expected benefits of the project, which include the creation of 100 new jobs at an average hourly wage of \$21.16, and has determined the application is consistent with the criteria. Accordingly, I am approving the catalyst fund application submitted by Starbucks Coffee Company.

Sincerely,



Lawrence Werner
County Manager

cc: Andrew Haskins, Northern Nevada Development Authority
Lisa Granahan, Economic Vitality Manager

Mailing Address: P.O. Box 218, Minden, NV 89423

INTRODUCTION

LOCAL GOVERNMENT SUBMITTING – Douglas County

Authorized Representative

Name: Larry Werner

Title: County Manager

Organization: Douglas County

Street Address: 1594 Esmeralda Ave., Minden, NV 89423

Mailing Address: P.O. Box 218, Minden, NV 89423


Phone Number: 775-782-9821

Mobile Number: _____

Email Address: lwerner@douglasnv.us

To the best of my knowledge and belief, the information contained in this Catalyst Fund Application is true and correct, as evidenced by my signature below.

Signature  Date 7-12-17
(Local Government Representative)
Alan Thross
Acting County Manager

Signature  Date 7-6-17
(RDA Representative)

PROJECT CHARACTERISTICS (check all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Construct New Facility | <input type="checkbox"/> New Business / Start-up |
| <input checked="" type="checkbox"/> Expand/Renovate Existing Facility | <input type="checkbox"/> Relocation from Out-of-State |
| <input checked="" type="checkbox"/> Purchase Machinery & Equipment | <input type="checkbox"/> Relocation within Nevada |

INDUSTRY CLUSTER

If applicable, identify the industry cluster within which this project falls.

- | | | |
|---|--|--|
| <input type="checkbox"/> Aerospace and Defense | <input type="checkbox"/> Health & Medical Services | <input type="checkbox"/> Mining & Materials |
| <input type="checkbox"/> Agriculture | <input checked="" type="checkbox"/> Logistics & Operations | <input type="checkbox"/> Renewable Energy |
| <input type="checkbox"/> Business IT Ecosystems | <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Tourism, Gaming & Entertainment |
| <input type="checkbox"/> Other | | |

A statement of project relevance to supply chains, sectors and clusters targeted by the State Plan for Economic Development -

Starbucks' Carson Valley Roasting and Distribution Center will be expanding the distribution side of their operations. This expansion fits with the State of Nevada's Plan for Economic Development to create jobs in Logistics and Operations.

GRANT/LOAN SUMMARY

Amount requested - \$250,000.00

AWARD PER FTE: \$2,500 per Incremental Primary Job x 100 jobs

DISBURSEMENT TERMS:

YEAR 1 – For new primary jobs which pay average wage (\$20.00):
No payment if less than 15 primary jobs are created
\$2,500 per job created up to 34; and

YEAR 2 – For new primary jobs which pay average wage (\$20.00):
No payment if less than 30 cumulative primary jobs are created
\$2,500 per job created up to 33 new jobs

YEAR 3 – For new primary jobs which pay average wage (\$20.00):
No payment if less than 60 cumulative primary jobs are created
\$2,500 per job created up to 33 new jobs

Governor's Office of Economic Development
Catalyst Fund Application from Governmental Entity

Maximum Payment per Year:

Year 1: \$85,000;

Year 2: \$82,500

Year 3: \$82,500

NEW TAX REVENUE ESTIMATES (10-Year Cumulative)

Local Taxes

Property	\$5,401,439	\$2,329,533	\$ 7,730,972
Sales	\$1,607,775	\$459,285	\$2,067,060
Lodging	\$0	\$36,162	\$36,162

State Taxes

Property	\$ 263,107	\$248,788	\$511,895
Sales	\$719,460	\$394,892	\$1,114,352
Modified Business	\$482,544	\$241,682	\$724,226
Lodging	\$0	\$1,043	\$1,043

Total \$8,474,325 \$3,711,385 \$12,185,710

COST-BENEFIT ASSESSMENT

Econ Impact/\$1 Abated \$484
 New Tax/\$1 Abated \$30.18

** Does not include impacts related to the Catalyst Fund grant.

The proposed plans, projects, or programs to which the grant or loan will apply: -

The Carson Valley Roasting Center and Distribution Center opened in Minden, NV in 2003 and services all of California, Nevada, and Utah, as well as parts of Arizona and Asia Pacific. The 700,000 square foot expansion will add 99 jobs on-site, including managerial, supervisory, and coordination and distribution partnership roles. Only the distribution portion of the building will be enlarged; the roasting side of the operation will remain unchanged. The expanded portion will break ground in June 2017 and is expected to be up and running in Q3 2018.

The expected benefits of the grant or loan expressed as Jobs, Investments and wage levels: -

The company plans to invest \$48,500,000.00 on the construction of their expansion with an investment of another \$4,448,000.00 on equipment. The project is expected to create 99 new fulltime positions with an average wage of \$21.13 per hour.

A statement on the significance of this grant or loan to the company's described plans: -

The incentives offered by Nevada will assist the company to facilitate further growth. The addition of Starbucks jobs in Douglas County will provide employment diversity in a region where one-third of the workforce holds lower-paying tourism and leisure positions. This expansion focuses on growing the industrial sector as well as the number of working families in their region. Source: Starbucks Coffee Company

A statement of the estimated return-on-investment to the State in job creation, wage levels and capital investment for the term of the proposed grant/loan

The return on investment for the State of Nevada is significant with a planned investment of \$48,500,000.00 on the construction of their expanded facility and an additional investment of another \$4,448,000.00 on equipment. The project is expected to create 99 new fulltime positions with an average wage of \$21.13 per hour. It is estimated that the expansion will create \$8,474,325.00 in new direct State and Local tax revenues over a 10 year period.

A statement of the fiscal character of the company –

Starbucks Coffee Company is a global leader in retail coffee sales as well as smoothies, teas, baked goods, and other assorted items. The Company employs approximately 250,000 people worldwide and has operations in hundreds of countries worldwide. The Starbucks name and corporate offering are leading global brand. The Company is ranked #146 in the 2016 list of Fortune 500 companies, and has received a numerous amount of accolades.

_____ **Proposed Catalyst Fund grant (Exhibit "A").**

_____ **Local government support letter (Exhibit "B").**

_____ **Local government application from the business (Exhibit "C").**

Starbucks Coffee Company

Catalyst Fund Application to Douglas County



Governor's Office of Economic Development

**Las Vegas 702-486-2700
Reno 775-687-9900
Toll Free 800-336-1600**

Governor's Office of Economic Development
Catalyst Fund Application from Business Applicant

Applicant Information

BUSINESS SUBMITTING: **Starbucks Coffee Company**

Authorized Representative

Name: Todd McCullough Title: Regional Distribution Director

Organization: Starbucks Coffee Company

Street Address: 2525 Starbucks Way, Minden NV, 89423

Mailing Address: 2525 Starbucks Way, Minden NV, 89423

Phone Number: 775-267-6142

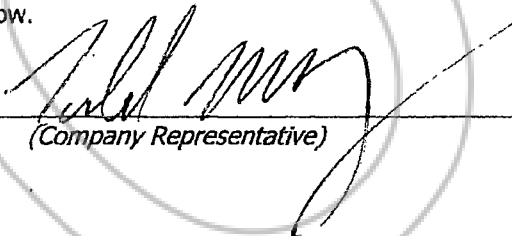
Mobile: _____

Email Address:

tmccullo@starbucks.com

To the best of my knowledge and belief, the information contained in this Catalyst Fund Application is true and correct, as evidenced by my signature below.

Signature


(Company Representative)

Date

7/5/17

BUSINESS SUMMARY

Describe the proposed new business or expansion in a brief summary including the applicant's business structure –

The Carson Valley Roasting Center and Distribution Center opened in Minden, NV in 2003 and services all of California, Nevada, and Utah, as well as parts of Arizona and Asia Pacific. The 700,000 square foot expansion will add 113 jobs on-site, including managerial, supervisory, and coordination and distribution partnership roles. Only the distribution portion of the building will be enlarged; the roasting side of the operation will remain unchanged. The expanded portion will break ground in June 2017 and is expected to be up and running in Q3 2018.

The addition of Starbucks jobs in Douglas County will provide employment diversity in a region where one third of the workforce holds lower-paying tourism and leisure positions. Douglas County officials are excited about this expansion, as they try to grow the industrial sector as well as the number of working families in their region. Starbucks was named Business of the Year for Douglas County in 2016, and continues to be a vital contributory member of the community, volunteering thousands of hours of community service and making sizable donations to local nonprofits

Attach a copy of a company presentation

Is this request for a Grant or a Loan - Grant

Amount requested - \$250,000.00

Total real property investment – \$48,500,000.00

Total personal property investment – 4,448,000.00

Projected start date – June 2017

Completion date – June 2018

Attach a schedule of jobs created with skills identified

Number of primary jobs that will be new to Nevada - 99

Average wage of new jobs - \$21.16

Number of existing jobs in Nevada (expansions) – 361

Average wage of existing jobs – \$21.13

Cost of employee healthcare benefits (annual premiums paid by employer) - \$4,170.00 Per Employee

Percentage paid by employer – 70%

Governor's Office of Economic Development
Catalyst Fund Application from Business Applicant

Healthcare Summary (check all that apply):

Medical Dental Vision Disability Life Insurance Dependent Coverage

Attach a schedule of employee benefits used in recruiting

Other Employee Benefits – See Attached

PROJECT CHARACTERISTICS (Check all that apply)

Construct New Facility New Business / Start-up
 Expand/Renovate Existing Facility Relocation from Out-of-State
 Purchase Machinery & Equipment Relocation within Nevada

INDUSTRY CLUSTER

Aerospace and Defense Health & Medical Services Mining & Materials
 Agriculture Logistics & Operations Renewable Energy
 Business IT Ecosystems Manufacturing Tourism, Gaming & Entertainment
 Other

BUSINESS CHARACTERISTICS

Please describe all the incentives that the business or project has applied for such as abatements, deferrals, training etc. including dollar amounts –

Starbucks has applied for the following State Tax Abatements:

Sales and Use Tax Abatement: \$226,848
Modified Business Tax Abatement: 104,002.00
Personal Property Tax Abatement: \$72,982.00

Please list all other sources of funding received or applied for by the business or project including local, state and federal loans, grants and matching programs – N/A

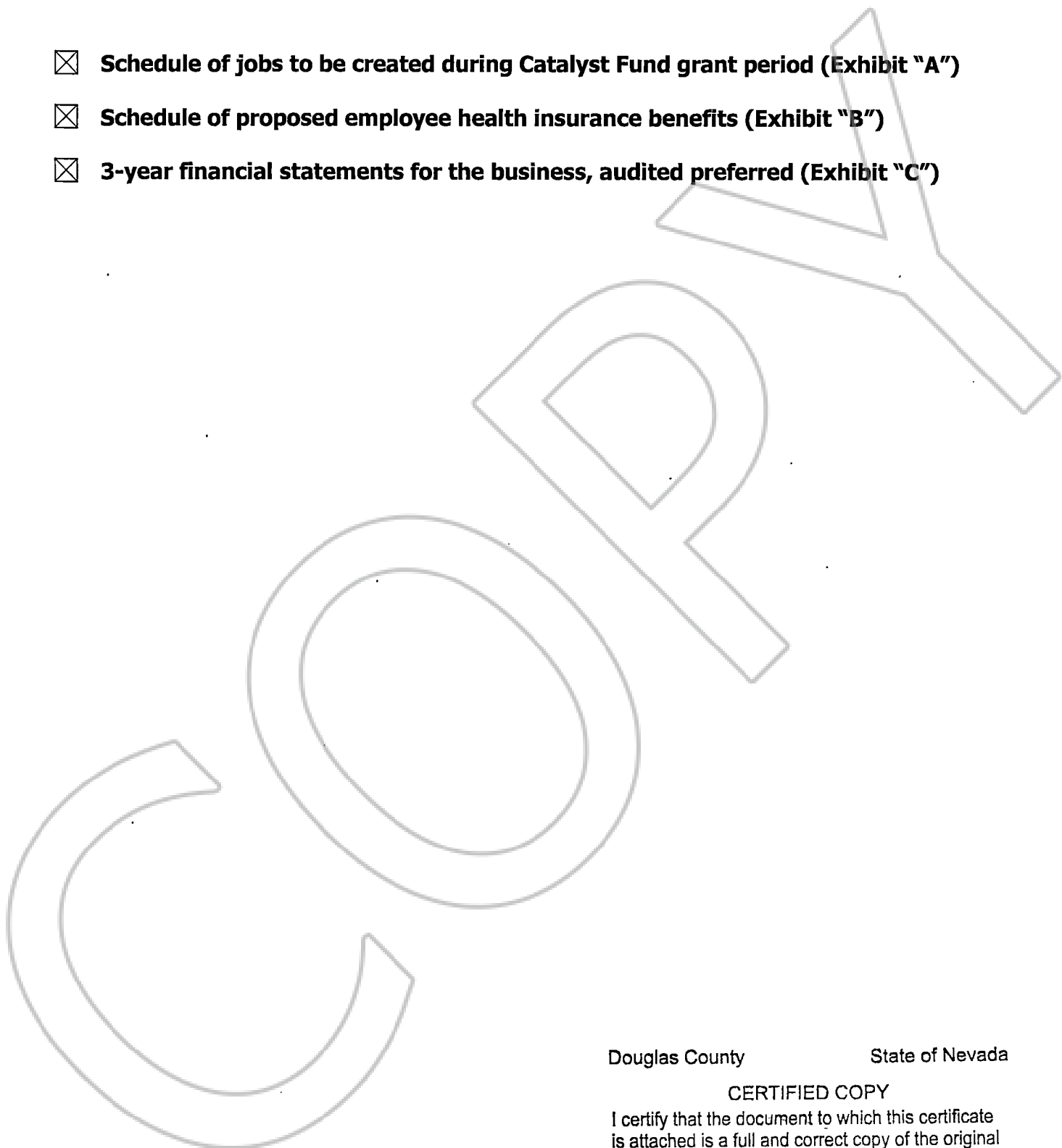
Please describe the long-term potential sustainability and viability of your business -

Starbucks Coffee Company is a global leader in retail coffee sales as well as smoothies, teas, baked goods, and other assorted items. The Company employs approximately 250,000 people worldwide and has operations in hundreds of countries worldwide. The Starbucks name and corporate offering are leading global brand. The Company is ranked #146 in the 2016 list of Fortune 500 companies, and has received a numerous amount of accolades.

Governor's Office of Economic Development
Catalyst Fund Application from Business Applicant

Please describe any significant negative environmental impacts of your business – N/A

- Schedule of jobs to be created during Catalyst Fund grant period (Exhibit "A")**
- Schedule of proposed employee health insurance benefits (Exhibit "B")**
- 3-year financial statements for the business, audited preferred (Exhibit "C")**



Douglas County

State of Nevada

CERTIFIED COPY

I certify that the document to which this certificate is attached is a full and correct copy of the original record on file in the Clerk-Treasurer's Office on this

15th day of June, 2018

By [Signature] Deputy