

Nevada Governor's Office of Economic Development
Special Board Meeting of the Board of Economic Development
January 22, 2016

Resolution 2016-0122

Pursuant to those certain bills enrolled into law during the 29th (2015) Special Session of the Nevada Legislature, including Assembly Bill No. 1 ("AB 1"), Senate Bill No. 1 ("SB 1"), Senate Bill No. 2 ("SB 2") and Senate Bill No. 3 ("SB 3"), and other applicable laws ("the applicable laws"), the Board of Economic Development ("Board") authorizes the Director to take the following administrative actions without further Board review or approval:

1. Issue Certificates of Eligibility to Faraday Future, a Nevada registered foreign_ corporation, acting as the Lead participant of the Qualified Project known as the Faraday Future EV Facility, for:
 - a. An abatement of up to 100 percent of the "local sales and use taxes" that would otherwise be imposed on each Participant for the Qualified Project pursuant to chapters 374 and 377 of NRS on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the county in which the Qualified Project is located, for a duration of not more than 15 years after the effective date of the incentive agreement. This abatement does not apply to the taxes imposed by NRS chapter 372;
 - b. A 75% abatement of real and personal property taxes that would otherwise be owed by each Participant for the Qualified Project, including but not limited to the Lead participant ("Participant"), for a duration of not more than 10 years after the effective date of the incentive agreement;
 - c. A 75% abatement of employer excise taxes, otherwise known as the Modified Business Tax, that would otherwise be owed by each Participant for employees employed by the Participant for the Qualified Project, for a duration of not more than 10 years after the effective date of the incentive agreement;
 - d. Transferable tax credits in an amount not to exceed a total of \$38,000,000 in the amount of \$9,500 for each qualified employee of a Participant, to a maximum of 4,000 Qualified Employees, employed at the Qualified Project by all Participants, collectively; as further conditioned by the state fiscal year limitations established in Sec. 14 of Senate Bill No. 1.
2. In coordination with the Nevada Department of Taxation ("Department") and the City of North Las Vegas ("City"), monitor the creation of an Economic Diversification District by the City and the execution of a Refund Agreement between the Department and City that reimburses to the Lead participant, and other qualified participants, sales taxes imposed by

NRS chapters 372 which otherwise would not be included in the abatement described in Section 1(a) herein.

3. Negotiate and execute on behalf of (the Office? the State of Nevada?) reimbursement agreements with the City of North Las Vegas, the Regional Transportation Commission of Southern Nevada, and the Southern Nevada Water Authority for reasonable and customary costs associated with infrastructure projects to facilitate the Phase 1 Faraday and Apex infrastructure projects
4. Approve Other Participants upon the petition of Faraday Future, Incorporated acting as the Lead Participant of the Qualified Project;
5. Take the steps necessary to administer those other terms and conditions contained in the applicable laws.
6. Negotiate and execute a contract by and between the state of Nevada, acting by and through the Office of Economic Development, and the Lead Participant, that carries out the statutory requirements contained in the applicable laws, and,
7. Administer the Economic Development Rate Rider program contained in the special legislation known as Assembly Bill No. 1.