

Economic Overview

October 11, 2021



Nevada Governor's Office of

ECONOMIC DEVELOPMENT

Nevada Governor's Office of

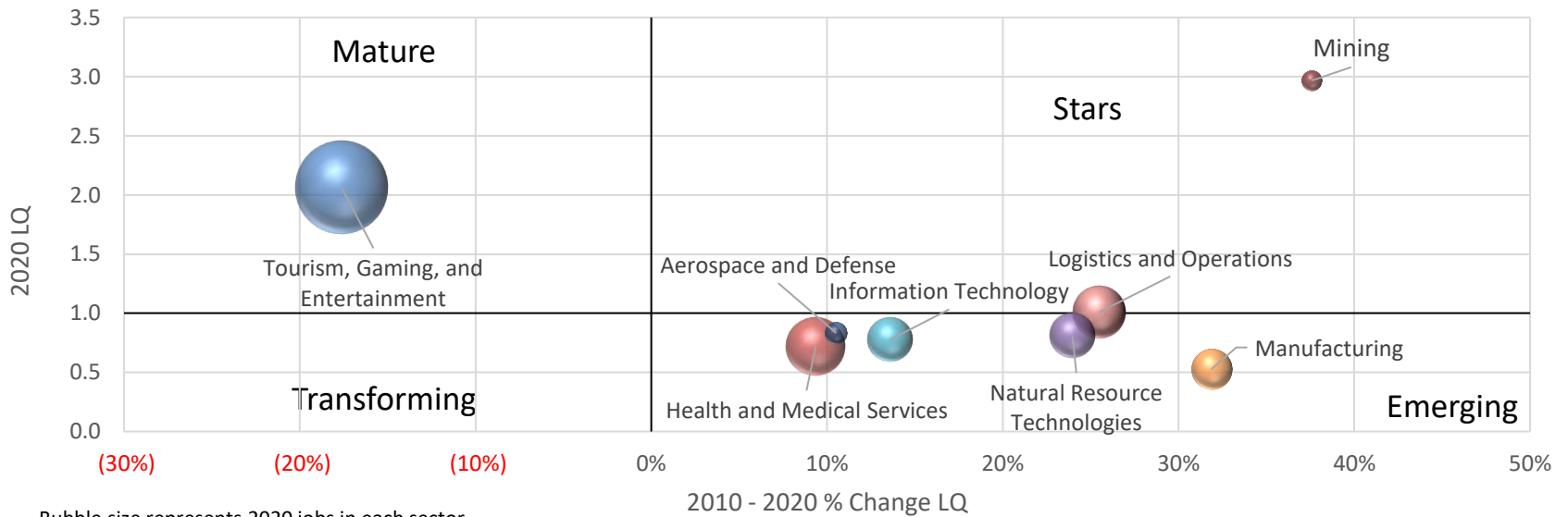
ECONOMIC DEVELOPMENT

Structural Differences within Nevada's Economy



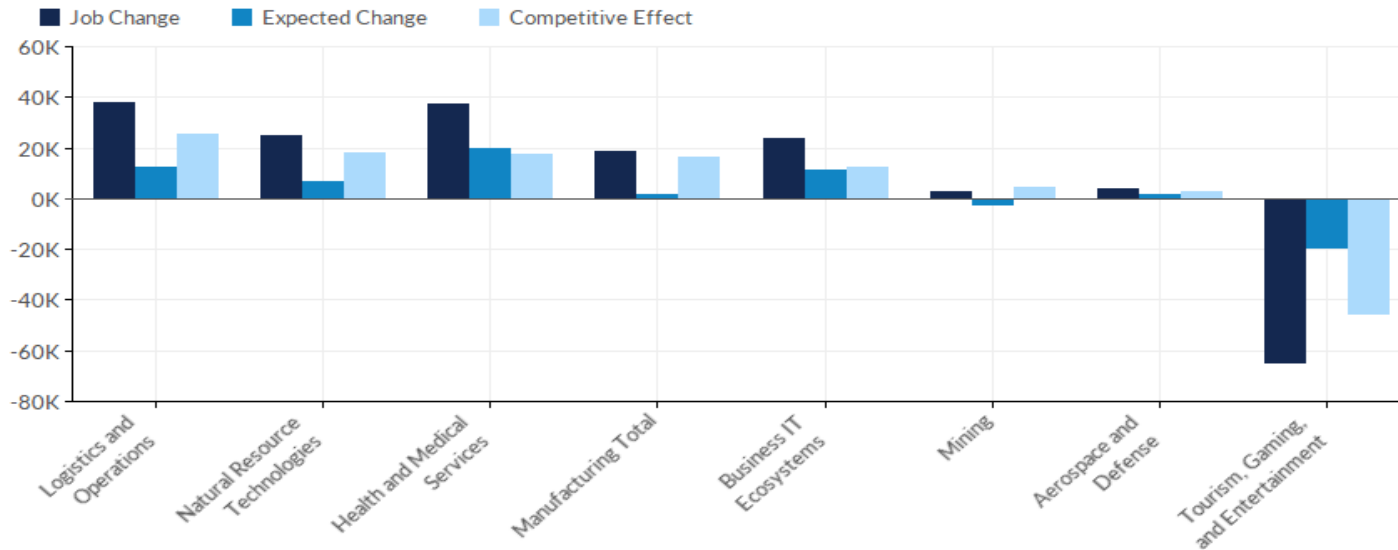
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Nevada's Industry Base



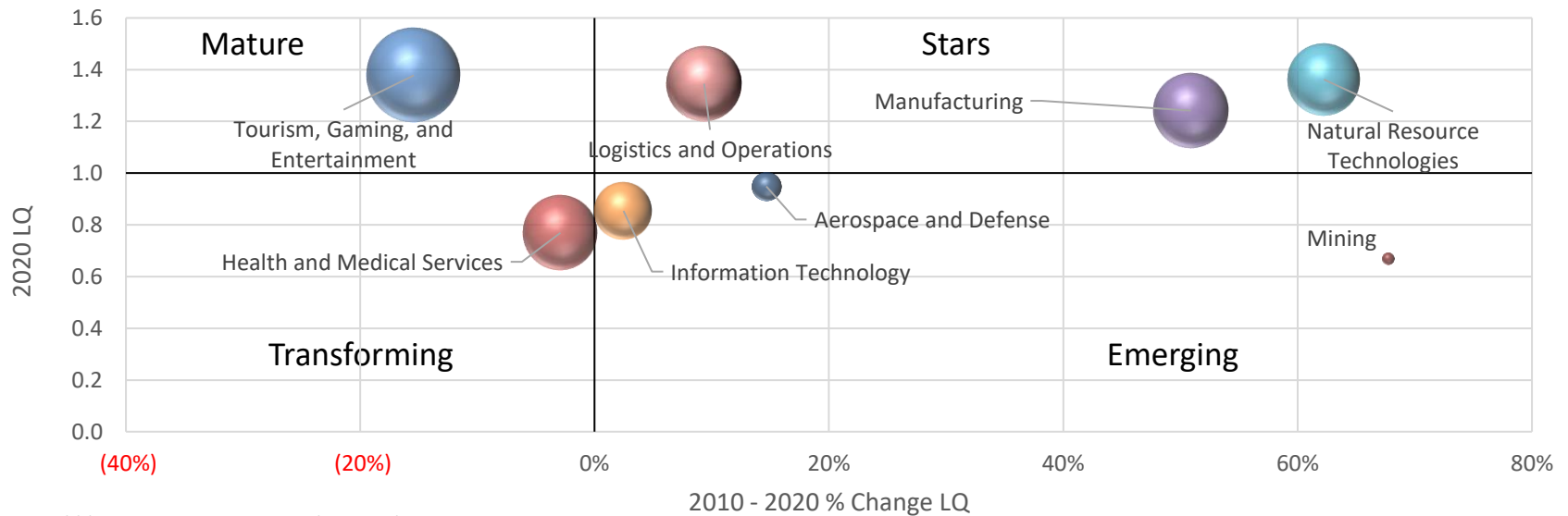
Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	12,343	14,939	2.97	38%	\$122,815
Manufacturing	39,633	58,049	0.53	32%	\$85,084
Logistics and Operations	64,799	102,744	1.01	25%	\$73,017
Natural Resource Technologies	50,040	74,628	0.81	24%	\$90,699
Information Technology	49,034	72,572	0.78	14%	\$68,654
Aerospace and Defense	13,769	17,883	0.83	11%	\$113,684
Health and Medical Services	89,775	126,902	0.72	9%	\$74,360
Tourism, Gaming, and Entertainment	383,246	318,298	2.06	(18%)	\$41,154

Nevada's Diversifying Economy



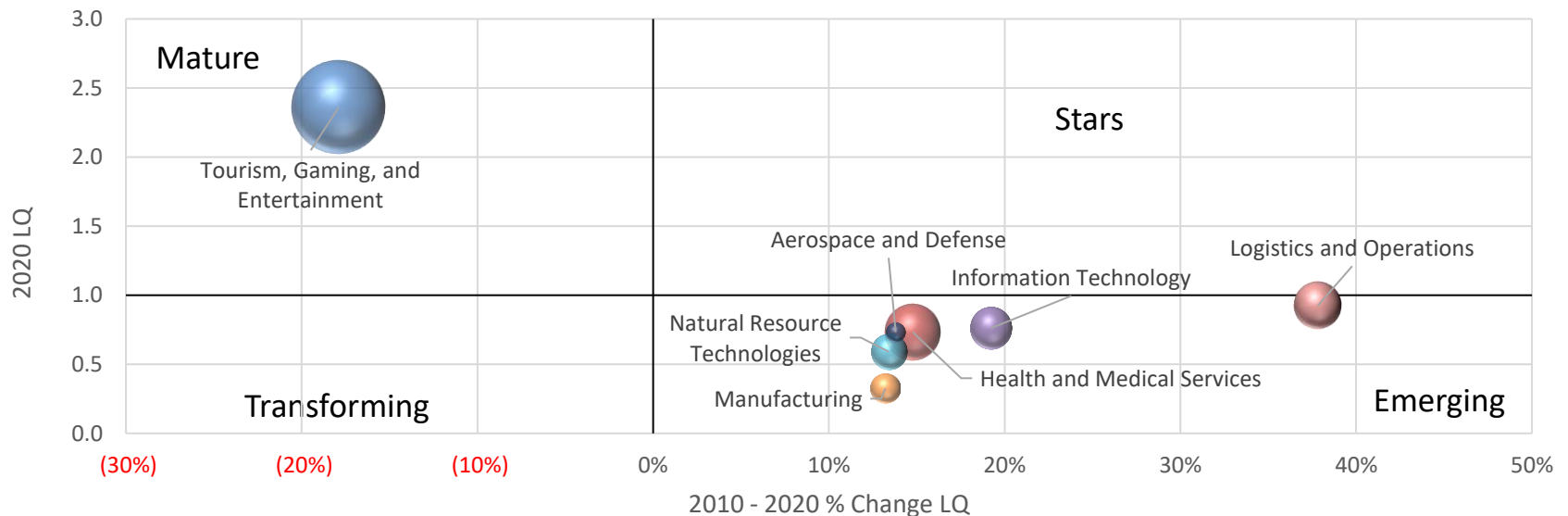
Sector	Job Change 2010 - 2020	Expected Growth Explained by National Growth and National Industry Growth	Nevada's Competitive Effect Over the Last Eight Years	Earnings Per Worker
Logistics and Operations	37,945	12,303	25,643	\$73,017
Natural Resource Technologies	24,587	6,651	17,936	\$90,699
Health and Medical Services	37,128	19,506	17,621	\$74,360
Manufacturing	18,416	1,822	16,594	\$85,084
Information Technology	23,538	11,133	12,405	\$68,654
Mining	2,595	(2,118)	4,714	\$122,815
Aerospace and Defense	4,113	1,468	2,646	\$113,684
Tourism, Gaming, and Entertainment	(64,948)	(19,451)	(45,497)	\$41,154

Northern Nevada's Industry Base



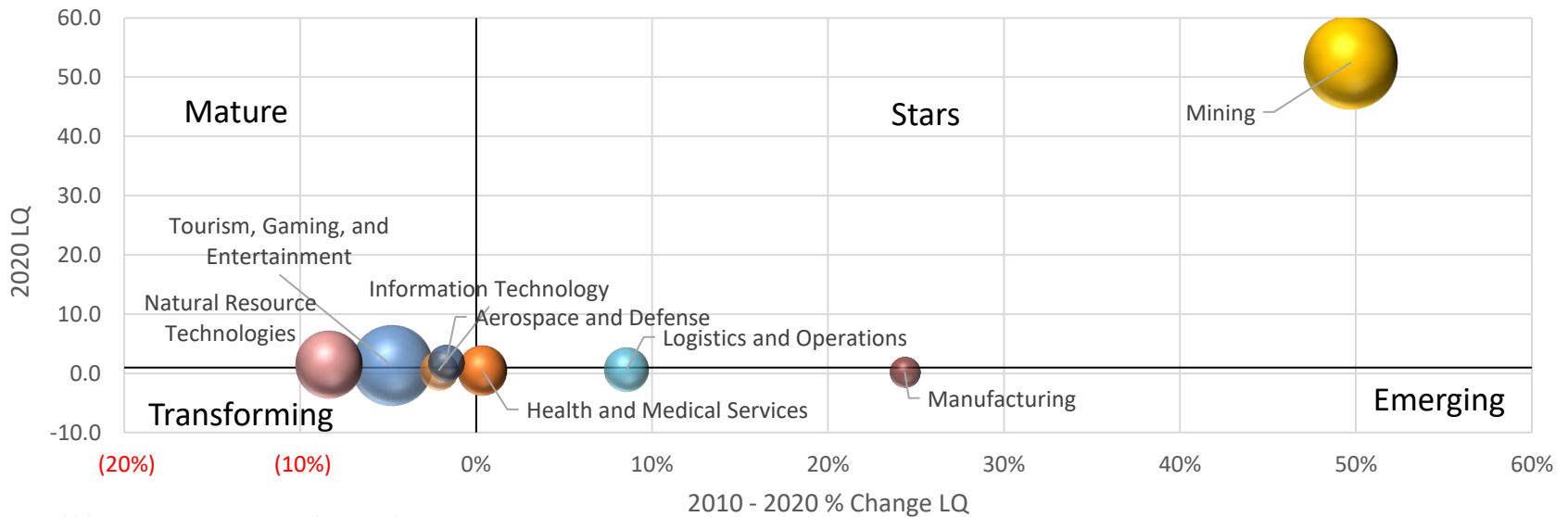
Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	502	763	0.67	68%	\$119,746
Natural Resource Technologies	14,151	28,443	1.36	62%	\$95,353
Manufacturing	18,007	31,078	1.24	51%	\$95,027
Aerospace and Defense	3,323	4,611	0.95	15%	\$105,890
Logistics and Operations	21,849	31,086	1.35	9%	\$69,361
Information Technology	13,176	18,114	0.85	2%	\$69,195
Health and Medical Services	23,835	30,800	0.77	(3%)	\$77,526
Tourism, Gaming, and Entertainment	54,979	48,257	1.38	(15%)	\$35,548

Southern Nevada's Industry Base



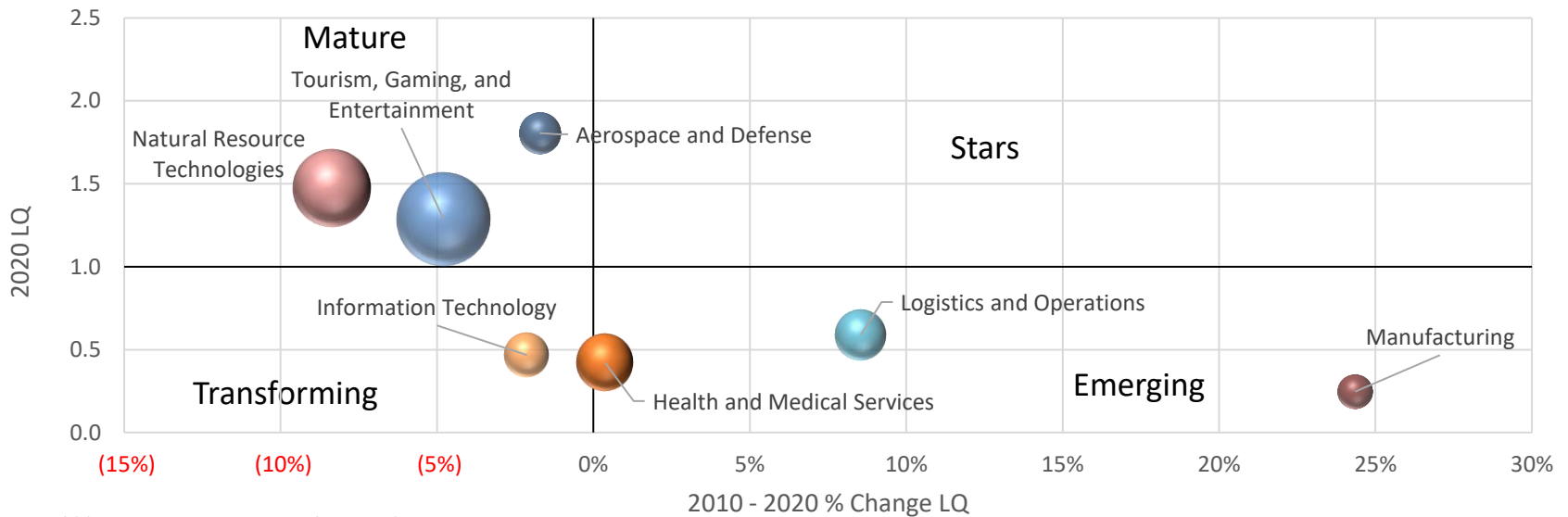
Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	293	466	0.13	82%	\$89,200
Logistics and Operations	38,922	67,236	0.93	38%	\$72,903
Information Technology	33,014	50,881	0.76	19%	\$67,568
Health and Medical Services	62,619	92,170	0.73	15%	\$73,801
Aerospace and Defense	8,444	11,202	0.73	14%	\$115,330
Natural Resource Technologies	28,663	38,796	0.59	13%	\$89,049
Manufacturing	20,480	25,548	0.32	13%	\$73,478
Tourism, Gaming, and Entertainment	316,204	259,577	2.36	(18%)	\$42,628

Balance of State Industry Base



Sector	2010 Jobs	2020 Jobs	2020 LQ	Percent Change LQ	Earnings Per Worker
Mining	11,453	13,710	52.45	50%	\$124,127
Manufacturing	1,132	1,422	0.25	24%	\$76,324
Logistics and Operations	2,502	3,119	0.59	9%	\$84,256
Health and Medical Services	3,288	3,878	0.42	0%	\$61,585
Aerospace and Defense	1,916	2,011	1.81	(2%)	\$121,196
Information Technology	1,962	2,274	0.47	(2%)	\$68,454
Tourism, Gaming, and Entertainment	11,829	10,319	1.29	(5%)	\$28,844
Natural Resource Technologies	7,032	7,047	1.47	(8%)	\$79,064

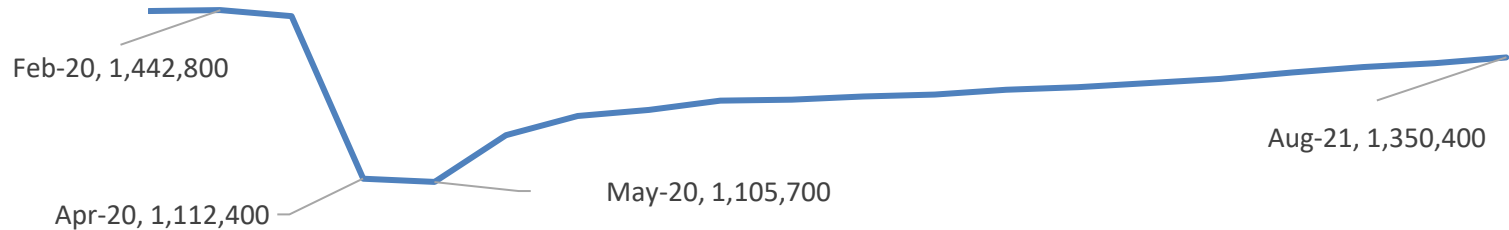
Balance of State – a Diversifying Economy?



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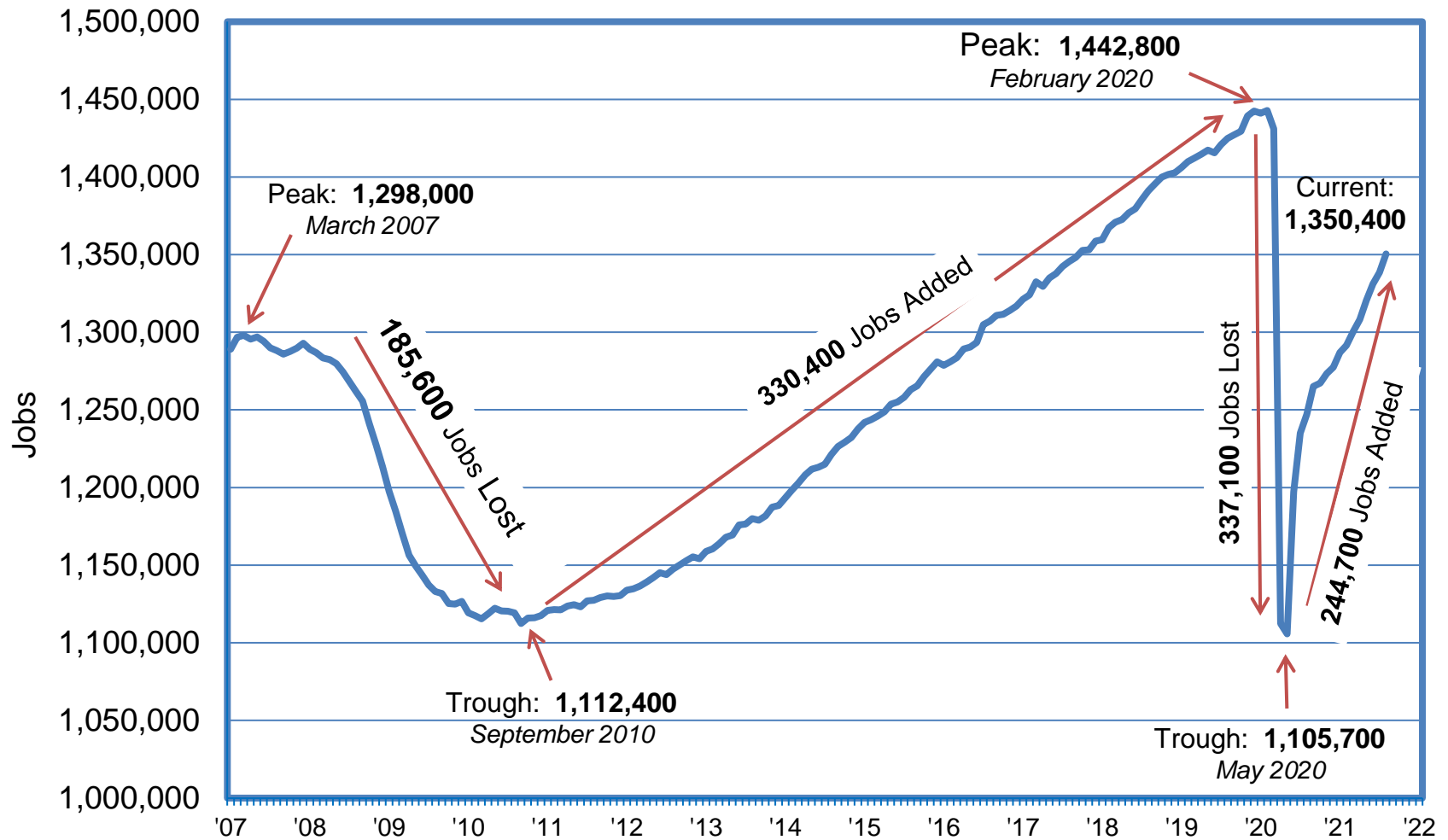
Economic Overview

- August jobs: 1,350,400

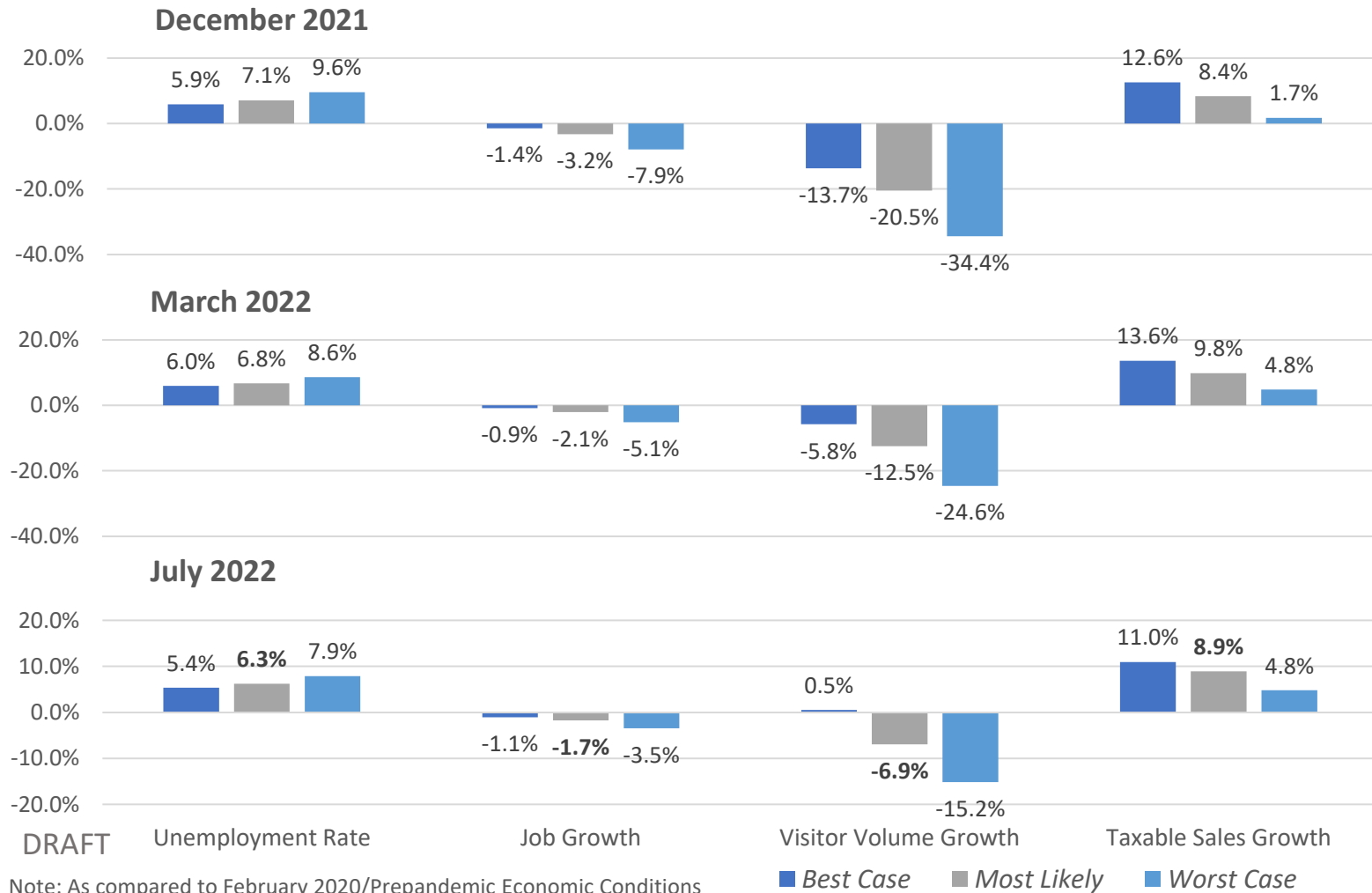


- In April 2020 we lost 330,400 jobs with an unemployment rate of 29.5 percent
- 279,600 of the 330,400 lost jobs were in Clark County (85 percent)
- Service based industries most exposed to the economic downturn
 - Service producing down 24.9 percent vs. goods producing down 8.0 percent
- As of August we have recovered 72.0 percent or 238,000 of lost jobs
 - Still down 92,400, 60,200 of which are in Casino Accommodations.
 - We lost 113,400 Casino Accommodations and have regained 53,200 (47%)
- August state unemployment: 7.7 percent
 - Las Vegas unemployment at 8.2 percent and Reno at 4.2 percent
- Labor Force Participation Rate now at 62.1 percent

Nevada Job Trends



Consensus Scenario Projections



How the pandemic will reshape the economy

2021 and 2022 will be years of transition. The “New Normal” will be different.

- As consumer confidence returns, so will spending
- Pandemic-induced changes in shopping behavior
- Leisure travel will bounce back but business travel will lag (cost efficiency)
- Has sparked a wave of innovation and will launch a generation of entrepreneurs
- Gains in digital technology will accelerate the Fourth Industrial Revolution
- Rebalance and shift of supply chains
- A revolution in biopharma
- Diversification accelerated and restructured
- Rising government debt

Workforce Analysis



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Strategic Location Drivers

1. Workforce Skills
2. Workforce development
3. Transportation infrastructure
4. Ease of permitting and regulatory procedures
5. State and local tax scheme
6. Right-to-work state
7. Utilities (cost, reliability)
8. Quality of life
9. Incentives
10. Legal Climate (tort reform)

Source: Site Selection Magazine, October 2020

In-Demand Occupation Analysis

Identifying high demand occupations

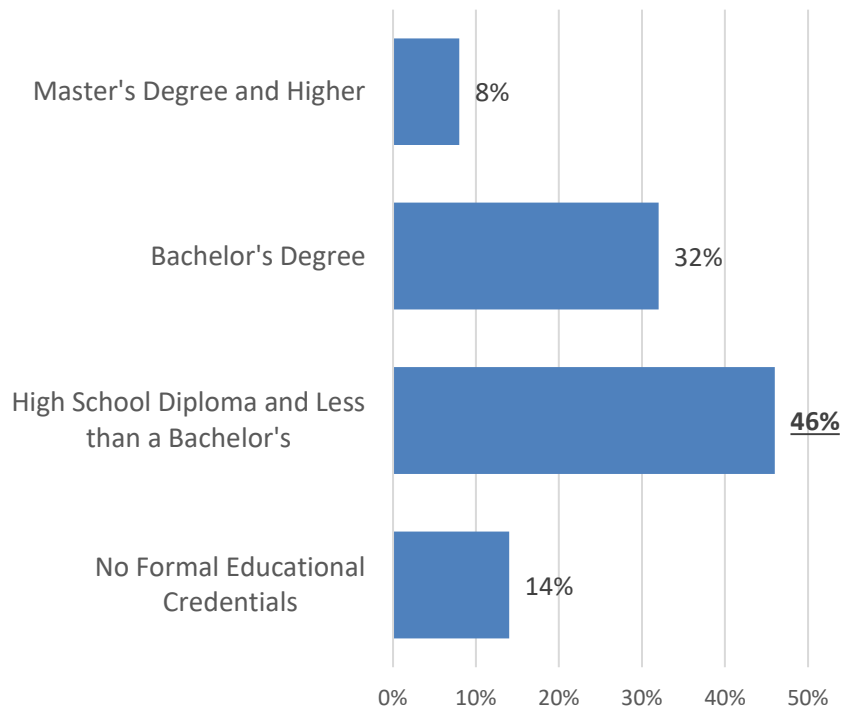
- Target Sector approach
- Real-time job postings
- DETR Occupational Employment Projections
- Brookings STEM Score
- Job openings
- Wages
- Automation

In-Demand Occupation Rankings

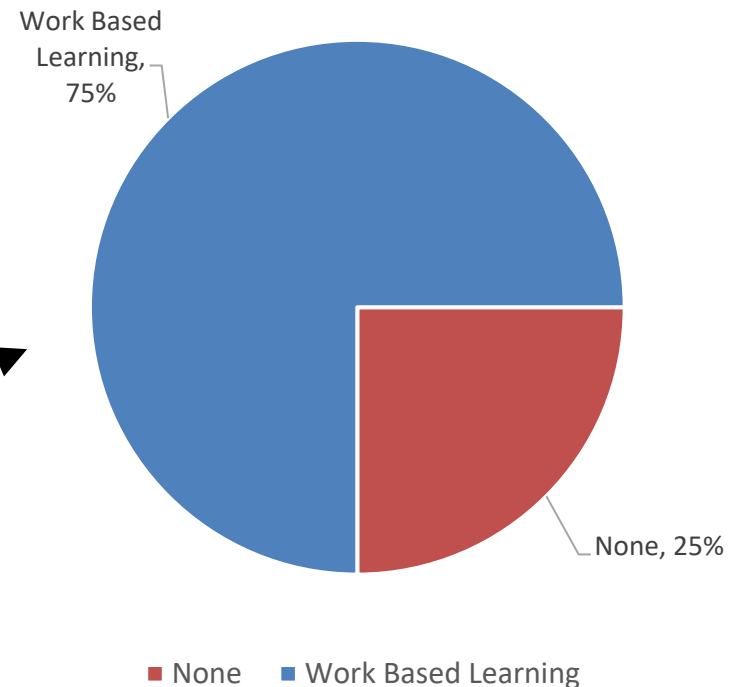
Description	State Rank	Southern NV Rank	Northern NV Rank	Northeastern NV Rank	Central NV Rank
Health Diagnosing and Treating Practitioners	1	1	1	1	1
Other Production Occupations	2	2	2	5	4
Metal Workers and Plastic Workers	3	3	3	7	7
Construction Trades Workers	4	4	4	2	2
Other Installation, Maintenance, and Repair Occupations	5	5	6	4	3
Health Technologists and Technicians	6	6	5	6	5
Engineers	7	7	7	3	6
Business Operations Specialists	8	9	8	9	8
Other Management Occupations	9	8	10	8	9
Computer Occupations	10	10	9	13	10
Material Moving Workers	11	11	11	14	11
Drafters, Engineering Technicians, and Mapping Technicians	12	13	12	11	12
Counselors, Social Workers, and Other Community and Social Service Specialists	13	14	13	18	17
Information and Record Clerks	14	12	14	16	13
Preschool, Primary, Secondary, and Special Education School Teachers	15	15	16	15	16
Vehicle and Mobile Equipment Mechanics, Installers, and Repairers	16	16	15	12	14
Financial Specialists	17	18	17	27	24
Life Scientists	18	17	20	17	18
Textile, Apparel, and Furnishings Workers	19	21	18	42	42
Art and Design Workers	20	20	19	23	20
Extraction Workers	21	19	23	10	15
Material Recording, Scheduling, Dispatching, and Distributing Workers	22	24	22	20	23
Electrical and Electronic Equipment Mechanics, Installers, and Repairers	23	23	21	21	19
Operations Specialties Managers	24	25	24	22	21
Other Office and Administrative Support Workers	25	26	25	28	30
Life, Physical, and Social Science Technicians	26	22	26	19	22
Other Healthcare Support Occupations	27	27	28	26	25
Plant and System Operators	28	30	27	25	28
Social Scientists and Related Workers	29	29	32	30	29
Physical Scientists	30	28	30	24	26

Work-based Learning for Nevada's In-Demand Occupations

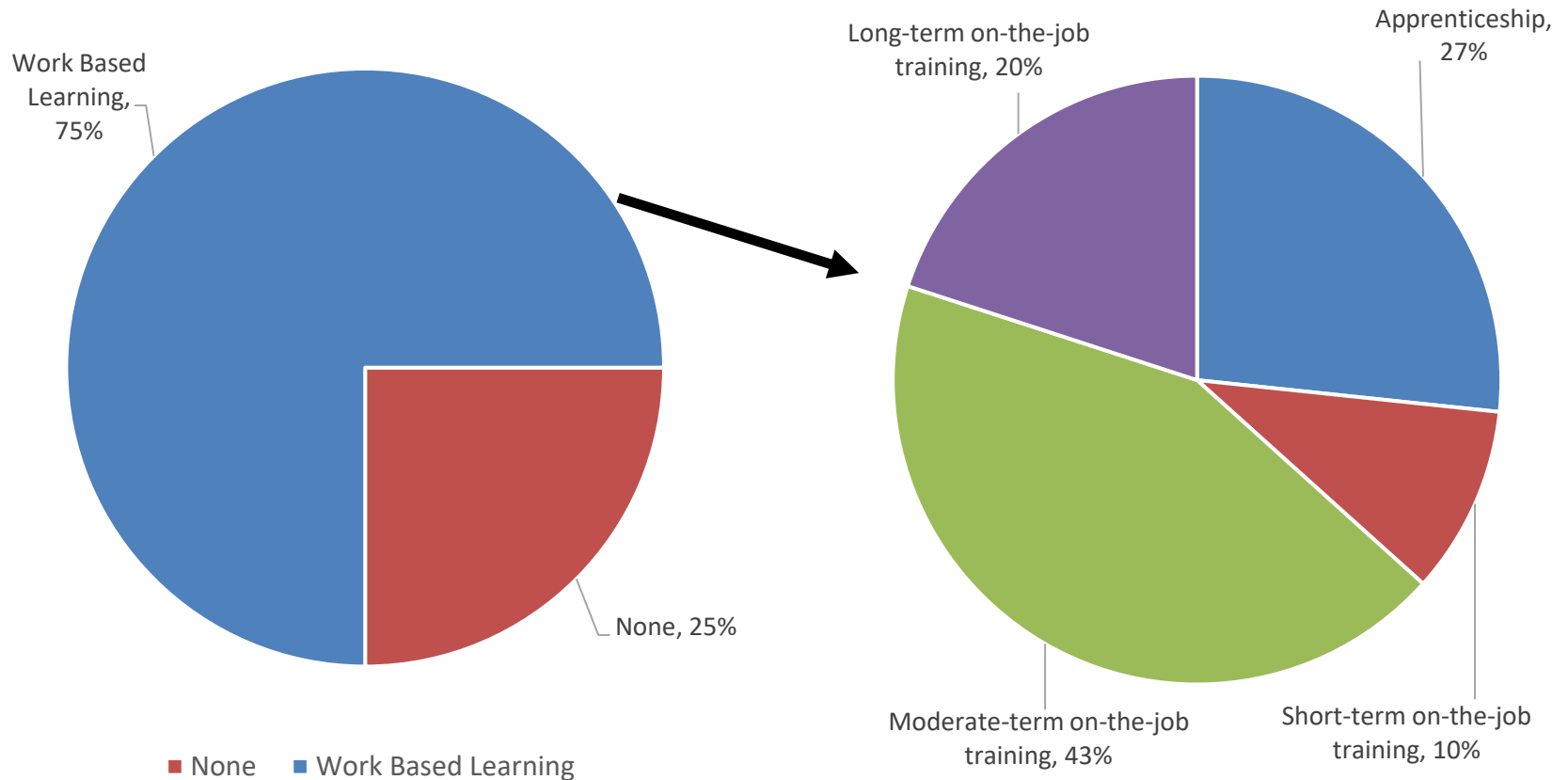
Typical Entry Level Education for Top 100 In-Demand Jobs



Typical On-The-Job Training for In-Demand, Middle Skill Jobs

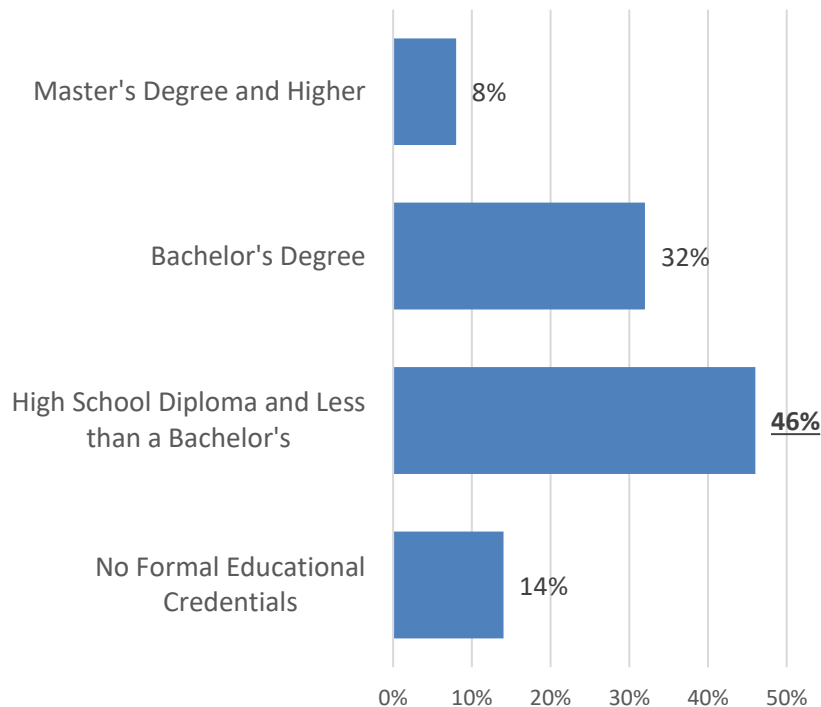


Typical On-The-Job Training for In-Demand, Middle Skill Jobs

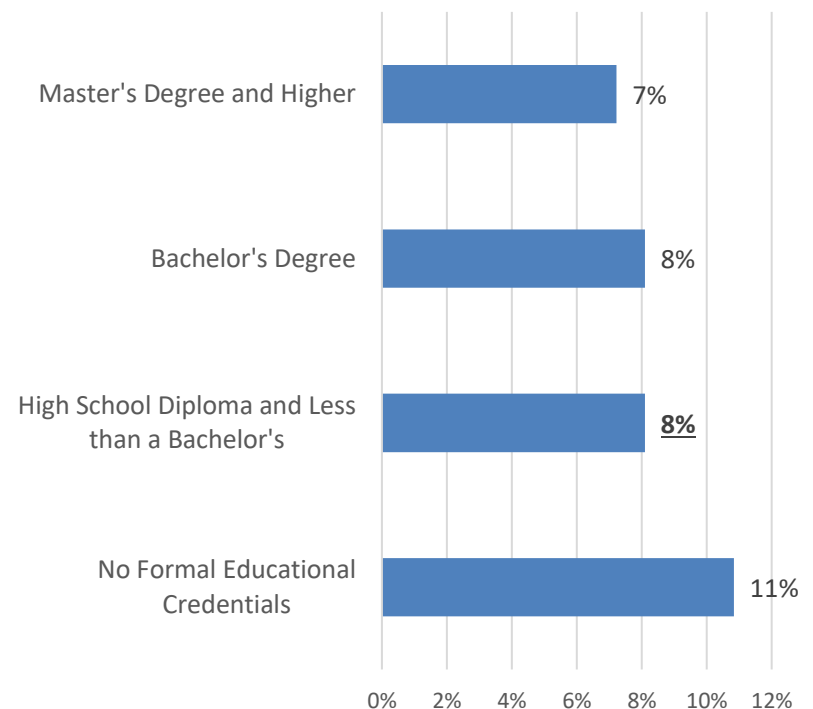


Education Projections: Is Growth Meeting Demand?

Typical Entry Level Education for Top 100 In-Demand Jobs



Percent Change of Education Cohort Populations 2019-2026



Governors Office of Economic Development

Bob Potts

Deputy Director

775-687-9900



Annual Economic Roundup

October 27, 2021

**Economic Development for Nevada's
Business-friendly Sierra Region**

NNDAA.org

Nevada's Sierra Region

❖ Encompasses 5 counties

- Carson City
- Douglas County
- Lyon County
- Mineral County
- Storey County

❖ Land mass: 7,009 mi²

❖ Population: >170,000

❖ 3rd largest metropolitan area in Nevada

❖ One-day truck transit to major deep seaports and nearly 60 million customers

❖ Carson City is home to



Nevada's Sierra Region

❖ Diverse set of industry sectors

- Manufacturing
- Construction
- Logistics
- Mining
- Agriculture
- Information Technology
- Healthcare
- Aerospace
- Aviation
- Tourism, and many others



NNDA – The “Go To” Resource

**State-designated
Regional Development
Authority (RDA) for the
Sierra Region**

**Represents GOED in all
matters pertaining to the
region’s economic
development**



**Nevada domestic
501(c)(6) nonprofit
corporation**

Established in 1981

First RDA in Nevada

Located in Carson City

**Connector.
Navigator.
Problem Solver.**

**NNDA is the “Go To” Resource for expanding and
relocating businesses in Nevada’s Sierra Region!**

NNDA Strategic Focus

**Leverage
&
Maximize
Upticks

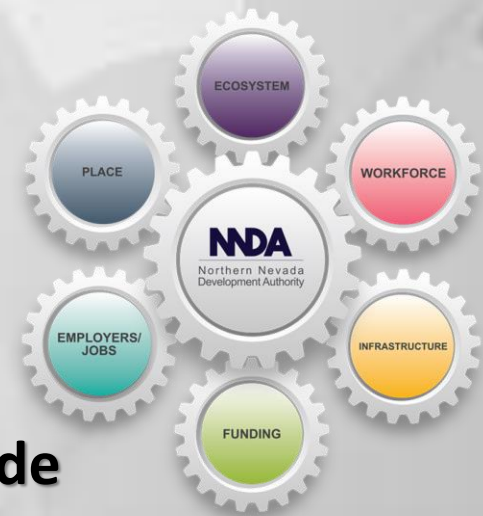
to

Minimize
&
Mitigate
Downturns**



Key Partnerships

- ❖ **Governor's Office of Economic Development (GOED)**
- ❖ **Local Governments – County, City, and Nevada Tribes**
- ❖ **Western Nevada College (WNC)**
- ❖ **NV Energy**
- ❖ **Southwest Gas**
- ❖ **NV Dept. Business & Industry (B&I)**
- ❖ **U.S. Commercial Service – International Trade Administration (U.S. Dept. of Commerce)**



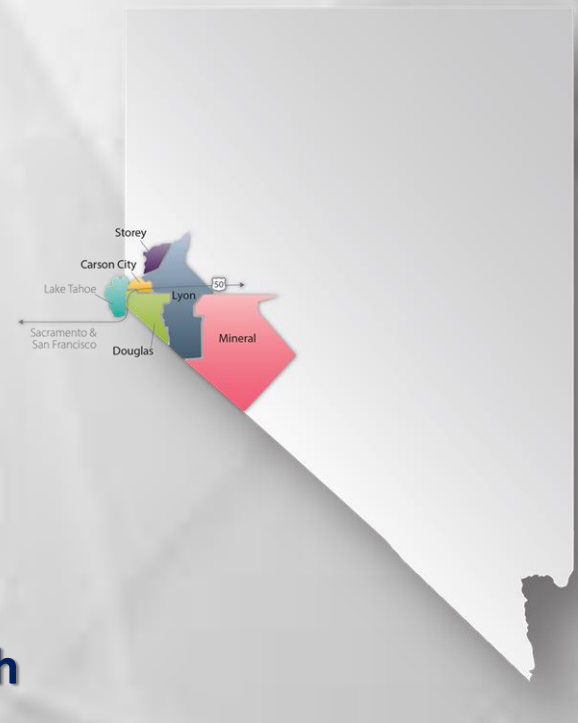
Sierra Region

- ❖ **Economic Diversification of Northern Nevada, including the Sierra Region, since 2012**
 - Shifted the economy from Consumption to Production
 - Supported faster recovery from pandemic
- ❖ **GOED Programs**
 - **HUD Community Development Block Grants (CDBG)**
 - Variety of grants awarded to our local governments for eligible projects that create economic opportunities in rural areas
 - **State Trade Expansion Program (STEP) – NNDA**
Partners have been grant recipients, including one this year
 - **Nevada Rural Pitch Day - Annual event for startups and small business owners in rural Nevada with opportunities for mentorship, access to capital, and connection with entrepreneurial support**



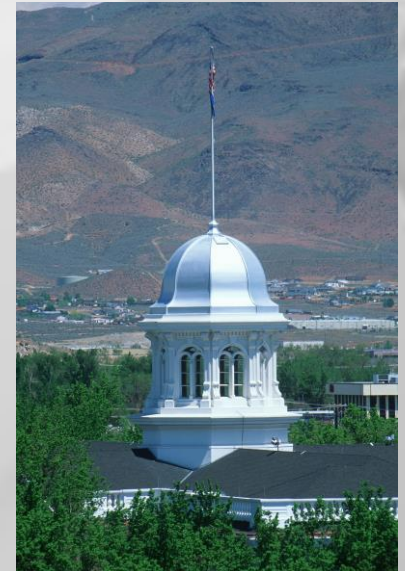
Sierra Region

- ❖ **20+ active projects in our pipeline**
- ❖ **Opportunity Zones – supporting projects as needed or requested**
- ❖ **Sierra Region Certified Sites**
 - 7 sites approved
 - 6 sites sold out
 - New sites identified and being evaluated
- ❖ **Workforce**
 - 9 NNDA Partners serve on WNC Institutional Advisory Council (IAC)
 - Supporting DETR-WNC collaboration to launch R.O.A.D.S. program
 - Exploring workforce housing options

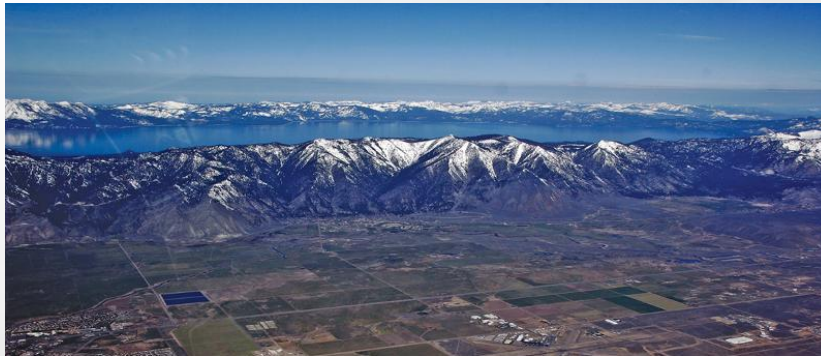


Carson City

- ❖ **1 Win**
 - Job Creation – 109 jobs
 - Average Hourly Wage - \$30.77
 - Equipment Investment - \$5,137,352
- ❖ **Business retention – 4 businesses**
- ❖ **EPA Carson City-Douglas County Brownfields Grant**
 - Near completion
 - 2nd grant application planned
- ❖ **Scenes filmed for the 2020 Lifetime Channel Christmas movie “Once Upon a Main Street” included Telegraph Square – resulted from NNDA-Visit Carson Valley’s cooperative film location partnership**



Douglas County



❖ 2 Wins

- Total Job Creation – 108 jobs
- Combined Average Hourly Wage - \$23.51
- Combined Equipment Investment - \$7,991,865

❖ Business retention – 1 business

❖ EPA Carson City-Douglas County Brownfields Grant

❖ Scenes filmed for the 2020 Lifetime Channel Christmas movie “Once Upon a Main Street” included Carson Valley

Lyon County



❖ 3 Wins

- Total Job Creation – 138 jobs
- Combined Average Hourly Wage - \$35.91
- Combined Equipment Investment - \$25,990,102

❖ Business retention – 3 businesses

❖ Assisted NDOT with Fernley Multimodal Freight Facility Feasibility Study

- Part of 2020 Nevada State Rail Plan
- Recommendation: “Region 5 - TRIC-Fernley-Hazen-Fallon-Silver Springs: Support private-sector freight-rail served developments including investment in an integrated multimodal cargo transfer facility in the Fernley area”

Mineral County



- ❖ **Business retention – 4 businesses**
- ❖ **Provided letter of support for county's EDA Technical Assistance grant application for the Babbitt Industrial Park Frontage Project**
- ❖ **Mineral County joined WNC service area and D.A. Sean Rowe appointed to WNC IAC**

Storey County



❖ 1 Win

- Job Creation - 50 jobs
- Average Hourly Wage - \$31.29
- Equipment Investment - \$300,000,000

Opportunities / Challenges

- **Carson City**
- **Douglas County**
- **Lyon County**
- **Mineral County**
- **Storey County**

