WELCOME

“EDAWN’s State of the Economy in Northern Nevada Economic Update ”

February 2021
Mike Kazmierski
President & CEO
EDAWN
New **Platinum** Major Investors

- **BLOCKCHAINS**
- **elemental led**
- **MOBE®**
- **ACOVA**
- **NOW®**
New Presidential Gold Major Investors

bombara

McKenzie Properties Management, Inc.
2020 New Gold Investors

Gold Investors:
• Agate Construction
• Alpen Mortgage
• Amada Senior Care of Northern Nevada
• D.R. Horton, Inc.
• Helix Electric
• Lyon Living
• Northern Nevada Homes
• PKL Homes

• Porter Group, LLC
• Prime Healthcare Services DBA Saint Mary’s Regional Medical Center
• Reno Public Market
• Scenic Investments
• SR Construction
• Tesla, Inc.
• Uline
• Value Venture Studio Inc
New 2021 Board Members

Stephen Ascuaga
Director of Business Development
Peppermill

Helen Lidholm
CEO
N. Nevada Medical Center

Julie Kozich
Chief Real Estate Officer
Chase Int’l

Chad Martinson
CEO
ACOVA Health
New 2021 Ex-Officio Board Members

Kristopher Dahir
Sparks City Council Member

Austin Osborne
County Manager
Storey County

Kristen McNeill
Superintendent
Washoe County School District

Vaughn Hartung
Washoe County Commissioner

Brian Sandoval
President
University of Nevada, Reno
Departing Board Members

- Andrew Diss
- Robert Goldberg
- Abbi Whitaker
- Charlene Bybee
- Heidi Gansert
- Marshall McBride
- Katy Simon Holland

Thanks For Your Service!
Jeremy Aguero

- **Principal Analyst** With Applied Analysis, A Leading Economic, Fiscal And Policy Research Firm

- Jeremy **Founded** Applied Analysis In 1997

- In 2003, He **Chaired The Governor’s Task Force** On Tax Policy’s Co-authoring Its Report

- He Played A Key Role In Both The **Raiders Stadium** Project & The Las Vegas Convention Center Expansion

- He Has Been Honored As The **Hispanic Of Year** By The Las Vegas Latin Chamber Of Commerce
2020
YEAR OF CHAOS
2020 More National Recognition

- **Area Development**: Jan 2020
  Reno #1 MSA For Job & 5 Year Growth; #3 For Economic Strength

- **Resonance Consultancy**: Jun 2020
  Reno #1 Named America's Best Small City

- **Milken Institute**: Sept 2020
  Reno #1 Best Performing Cities in Job Growth & #4 Best Performing

- **Niche Rankins**: 2020
  Reno #6 Best Places To Raise A Family And A- Overall Grade
Diversification = Less Volatility

Unemployment
U.S. 6.7%
Las Vegas 11.5%
Washoe 5.4%

Las Vegas Double Reno-Sparks

Reno - Sparks Same As Vegas

Reno - Sparks Diversified Economy
Washoe County Positive After Two Months and trending Up!

Reno & Vegas Sales & Use Tax Revenue Through Pandemic
Gaming Revenue – Month over Month

Reno & Vegas Gaming Revenue Through Pandemic
45% Increase In Household Income In 7 Years!
EDAWN’s Strategic Plan

Workforce Development

Attraction

Entrepreneurial / Startup Growth

Retention / Expansion

Community Development
Pandemic Changes To Our Plan

- Continue Aggressive Marketing To California
- Engage With Local Executives To Connect With Top Management In California For Attraction
- Consider Attraction & Use Of Remote Workers
- Rapid Reskilling Of Displaced Workers
- Embrace Automation And Skills Needed
- Connect And Support New Pandemic Driven Entrepreneurs
2021 Attraction Priorities

• California – Near Term Opportunity
• Corporate Headquarters
• Technology, Biotech, And Advanced Manufacturing
• Higher Paying Jobs, > $40 / Hour
California Key Target Market

- Companies Struggle To Grow With High Operating Costs, Look To A Future In NV
- Our **Proximity** Enables Prospects To Visit
- Remote Tech Workers Find Lower Cost Of Living And Higher Quality Of Life Attractive
How Did We Do In 2020?

- 30 Companies – Over 2,200 New Jobs
- Average Wage - >$58,000
- Corporate Headquarters 11
- 14 of 30 From CA
Prospect Visits Per Month
(Goal 8-10 per month)
## Pending Announcements

<table>
<thead>
<tr>
<th>Industry</th>
<th>Jobs</th>
<th>HQ</th>
<th>Confidence</th>
<th>Relocation State</th>
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<td>Technology</td>
<td>50</td>
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<td>CA</td>
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<tr>
<td>Technology</td>
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<tr>
<td>Technology</td>
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<tr>
<td>Health/Medical</td>
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<td><strong>Total</strong></td>
<td>1,007</td>
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## Hot Prospects!

<table>
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<tr>
<th>Industry</th>
<th>Job Count</th>
<th>HQ</th>
<th>Confidence</th>
<th>Relocation State</th>
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<tr>
<td>Manufacturing</td>
<td>250</td>
<td>X</td>
<td>Finalist</td>
<td>UT</td>
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<tr>
<td>Finance</td>
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<td>E-Commerce</td>
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<td>WI</td>
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<tr>
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<td>CA</td>
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<td><strong>Total</strong></td>
<td><strong>4,050</strong></td>
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<td><strong>4</strong></td>
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</tbody>
</table>
Jobs Announced

- 2008/11 Ave
- FY 2015/16
- FY 2016/17
- FY 2017-2018
- FY 2018-2019
- FY 2019-2020
- FY 2020-2021

FY’21 Goal 2,500
Actual YTD 1029
FY’21 Goal $65,000
YTD Actual $73,041

2016 Actual $36,434
2017 Actual $46,158
2018 Actual $50,287
2020 Actual $51,069
Retainer-Expansion-Workforce

- Assist Primary Companies
- Drive Expansions
- Connect To Valuable Resources
- Remove Roadblocks
- Connect Businesses With Each Other
- Help New Companies Get Established
- Implement Comprehensive Workforce Development Plan
2020 Retention & Expansion

- 88 Company Visits
- 65 Assisted Primary Companies
- Zline Kitchen & Bath Expansion
  - 25 New Jobs & 550K in CapEx
- 45% Of Companies In Growth Mode
- 20 Business To Business Connections
- 37 Business To Education Connections
- 20 New Companies Assisted
Guide Workforce & Community Partners To Meet The **Current And Future Needs** Of Our Employers

- **Connection**
  - **Education Pipeline**
  - **Employer Needs**
  - **Attraction**

**Upskilling Incumbent Workers**
EDAWN Workforce Program – How We Do It

**Workforce Partners**

- Employers
- Employees

**Research** | **Inform** | **Connect** | **Support** | **Create**

- PK-12
- Post-Secondary

**Government**
New Economy = **Education** A Priority!

Automation Could Kill **73 M U.S.** Jobs By 2030

- However, Many **New Higher Paying Jobs** are Being Created
- About 20 Million Employees Can Be **Easily Shifted** Into Similar Occupations
- **1/3rd Of The U.S. Workforce, Will Need To Be** **Retrained** For Entirely New Occupations
Automation Of What Jobs?

Wave Of Automation Will Significantly Impact These Occupational Categories, 40% Of U.S. Jobs:

- Office Support
- Food Service
- Production Work
- Customer Service
- Retail Sales
Developing Skills Of The Future

- Nevada Robotics – Training Teachers
- **New K-12 Robotics Center** March 2021
- TMCC Software Development Bootcamp
- NVIE – DRI – PBS → Manufacturing Videos
- RNOX/Code Legion – Coding School
Growing Demand for Software Developers

Median Annual Salary: $110,000 ($52.88/hour)

- Software Developer At The Top Of GOED’s In-Demand Job List
- **Software Developers** & Quality Assurance Analysts & Tester:
  - **2nd Most Posted Occupation**
  - **7th Fastest Growing Occupation**
- The Pipeline For This Category Of Tech Jobs Remains Full And **Growing**!
• Employees/Students Enter Pathway At A Point Consistent With Skill Level

• Training Can Be Concurrent With Employment Or Stand-alone

• Funds May Be Available To Support Wages, Equipment, Tuition, And Mentorship
# TMCC Software Development Bootcamp

|--------------------------------|----------------------------------|----------------------------------|
| • Develop fundamental understanding of computer systems, programming, etc. | • Work with employer to choose emphasis:  
  • Front End  
  • Back End  
  • Computer Science | • Registered apprenticeship |
Startup Attraction **Wins** In 2020

- **139** NEW Startup Jobs
- **30** NEW Companies
- **$24M** In NEW Funding
- Relocation Wins:

  - DISCOVER PODIUM
  - Ai²
  - Algorithmic Intuition
  - SureClinical
  - BOOK
Ecosystem Growth in 2020

- New Accelerators
- New Seed Funds
- Newly Relocated Founders
- Launched N. NV Entrepreneurial Network
Investment Growth in 2020

- NV’s Leading Angel Fund
- $3 Million Fund
- $9 Million Invested Into 8 Local Startups
- 3 To 1 Match By Individual Co-Investors
- 2020 Investments:
  - snapdesk
  - Plus Plus
  - Panty Drop
  - Algorithmic Intuition
End of 2020 Ecosystem Survey

Access To Capital & Ecosystem Awareness
Areas To Improve

- Access to Capital: 87% (Entrepreneur), 67% (ESO / Other), 57% (Investor)
- Accelerators & Incubators: 17% (Investor), 13% (ESO / Other), 21% (Entrepreneur)
- Mentorship: 33% (Investor), 58% (ESO / Other), 14% (Entrepreneur)
- Talent & Training: 25% (Investor), 13% (ESO / Other), 21% (Entrepreneur)
- Shared Workspaces: 8% (Investor), 7% (ESO / Other), 13% (Entrepreneur)
- Ecosystem Awareness: 58% (Investor), 36% (ESO / Other), 33% (Entrepreneur)
- Diversity & Inclusion: 25% (Investor), 21% (ESO / Other), 33% (Entrepreneur)
2021 Goals: Grow, Connect, Fund

Grow:
- Continue: Startup Attraction From Bay Area
  - Highly Targeted Lead Generation Program

Connect:
- Bring Ecosystem Online = Startup Space
  - Restart Peer Networking ASAP

Fund:
- Reno Venture Conference 2.0
  - Expand Access To Diverse Capital Sources
State Of The Economy?

Milken Institute Sept 2020
Reno #1 Best Performing Cities in Job Growth & #4 Best Performing

Economy Is Diversified & On Track For A Quick Recovery!

But What Can We Do To Continue This Success?
Community Challenges – To Address

1. Workforce / Affordable Housing
2. Education Funding
3. Homelessness
Greatest Challenge **Affordable Housing**

- **Fewer** Housing Units Than We Need
- **Not Just Here** – But **A National Problem**
- **Housing Shortage Impacts:**
  - Drives Up **Prices**
  - Forces Low Income Citizens Out
  - Increases **Sprawl** And Traffic
  - Increases **Homelessness**
  - Less Attractive
National Average $295,000

Greater Reno-Sparks Median Price

1% Quarterly Appreciation Rate

Quarterly Change
1Q20: 0.3%
2Q20: 1.3%
3Q20: 7.8%
4Q20: 3.8%

Annual Change
4Q19-4Q20: 13.8%

Source: Northern Nevada Regional MLS
Housing Permits
Lowest Number In Over 5 Years & A Fraction Of Goal

2020 Goal = 4,500

Nov-20 Total = 2,690
Some Ideas To Consider!

- Supportive Of More **Multifamily** Zoning
- **Fee Reduction** / Waivers For Affordable Housing
- Incentivize Affordable Housing & **Infill, Infill, Infill**
- Discount NIMBY Resistance To Infill
- Local Government **Accelerated Approvals**
- Building On Smaller Lots
- Build Smaller Units
- Support **Lands Bill**

Workforce Housing
Lands Bill Addresses Key Constraint

- **Truckee Meadows Lands Bill** opens up BLM land NE of Sparks for sale and local use.
- 87% of the state **federally owned** land.
- The 10% generated from land sales goes to:
  - Conservation initiatives
  - Hazardous fuels reduction **wildfire prevention**
  - Acquisition of environmentally sensitive land
  - Parks, trails, and natural areas

Provides land for housing.
Education **Not** A Priority In Nevada

### Per-Pupil Revenue From State And Local Sources

<table>
<thead>
<tr>
<th>State</th>
<th>Poverty Rate of School-Aged Children</th>
<th>Funding Level</th>
<th>Funding Distribution</th>
<th>Funding Effort</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nebraska</td>
<td>12%</td>
<td>C</td>
<td>A</td>
<td>C</td>
</tr>
<tr>
<td>Nevada</td>
<td>17%</td>
<td>F</td>
<td>F</td>
<td>F</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>9%</td>
<td>A</td>
<td>F</td>
<td>B</td>
</tr>
<tr>
<td>New Jersey</td>
<td>13%</td>
<td>A</td>
<td>C</td>
<td>A</td>
</tr>
</tbody>
</table>

Only Two States With All “F’s”
WCSD State Funding & Adjusted For Inflation

1/3rd Cut In Real Dollars In 8 Years!

Current State Funding Compared To 2014 Support

* Does Not Include Potential $4.7M Incline Village Property Tax Refund Cut
What Programs Have Been Eliminated From WCSD Over The Past Several Years?

- Over The Last Three Years, WCSD Cut Or Shifted Over $68.6 Million Of Expenses
- 47 Support Teachers & 12.5 Deans, 41 Instructional Staff Including Psychologists
- Textbooks For Students And Subjects Is $27M
- Increased Class Sizes By An Average Of 2 Students Per Classroom In Grades 4-12

National average student to teacher ratio for K-12 is 15.7 to 1. Nevada is worst in the U.S. at 22.1.
OUR CHILDREN DESERVE BETTER

- Largest Class Sizes in the US
- LAST in Funding Distribution
- 46th in Per Pupil Funding

empowernvteachers.org

Cost Adjusted Per Pupil Funding
1. Making Nevada’s K-12 education the top funding priority in our state

2. Supporting any efforts to identify revenue resources beginning in the 2021 session

3. Supporting efforts to move Nevada at or above the national avg in per pupil funding by 2030

4. Supporting candidates and elected officials that support this pledge

5. Encouraging others (family, friends, businesses, or other organizations) to sign this pledge
Homelessness

Did you know?
44% of homeless people are Employed. 
Shouldn't work be an escape from poverty?
We have a Plan!

Phase One: Prevention, coordination, & planning
Eddy house, Community Homeless Advisory Board (CHAB), OrgCode Report, Built for Zero, etc.

Phase Two – Provide facilities for women/children
N. Nevada Adult Mental Health Services (NNAMHS)

Phase Three – Acquire land near the downtown
Setting up a larger safe and drug-free campus

Phase Four – Address the funding needs
We must do more – Public and Private

Phase Five – Aggressive enforcement & commitment
To Built For Zero effort - Direct homeless to resources

+ Affordable Housing !!!
Nevada Cares Campus

The Campus Will Offer:

- 45,900 Sf Of Shelter
- 700 Beds With Wraparound Services
Zero Homelessness Is Possible

• Collaborative Mythology
• Community-Wide Commitment
• System That Monitors Each Person In Real-Time
• Increase Affordable Housing
• Fund Programs And Facilities Adequately
<table>
<thead>
<tr>
<th>Community</th>
<th>Population</th>
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</thead>
<tbody>
<tr>
<td>Arlington County VA</td>
<td>229,164</td>
</tr>
<tr>
<td>Bergen County NJ</td>
<td>938,506</td>
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<tr>
<td>Ft Myers/Lee County FL</td>
<td>701,892</td>
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<tr>
<td>Gulfport/Gulf Coast Regional MS</td>
<td>485,889</td>
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<tr>
<td>Lake County/North Chicago IL</td>
<td>703,910</td>
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<tr>
<td>Lancaster City &amp; County PA</td>
<td>536,624</td>
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<tr>
<td>Montgomery County MD</td>
<td>1,040,116</td>
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<td>Norman/Cleveland County OK</td>
<td>274,458</td>
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<tr>
<td>Riverside City &amp; County CA</td>
<td>2,361,026</td>
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<tr>
<td>Rockford, Boone County IL</td>
<td>340,463</td>
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<tr>
<td>Abilene TX</td>
<td>122,999</td>
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Average Size 661,000
How Can You Help – Homework!

1. Support Affordable Housing Efforts
2. Resolving Homelessness Here & Now
3. Support Lands Bill
4. Sign Empower Nevada’s Future – Pledge
5. Support / Invest In EDAWN!

WE NEED YOUR HELP! PLEASE
# Regional Public / Private Partners

<table>
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<tr>
<th>City of Reno</th>
<th>UNR</th>
<th>State Offices</th>
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<tbody>
<tr>
<td>City of Sparks</td>
<td>TMCC / WNC</td>
<td>Nevada JobConnect</td>
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<td>City of Fernley</td>
<td>DRI</td>
<td>NVIE</td>
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<td>Washoe County</td>
<td>The Chamber</td>
<td>NNDA</td>
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<td>NCET</td>
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<td>Nevada Museum of Art</td>
<td>Reno-Tahoe Airport Authority</td>
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<td>DETR</td>
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<td>Many Others !</td>
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Special Thanks To The EDAWN Board, Our Investors And The EDAWN Staff