Economic Development in Nevada
A REVIEW AND ANALYSIS
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- Identify and pursue consensus clusters
- Execute regional planning effort (2011-13)
- Invest in Nevada’s core infrastructure
- Develop a Nevada business retention and expansion program
- Take steps to create jobs immediately where possible
- Establish a cohesive economic development structure

A strategy for the future
Where we are today

The Economic Development Continuum

Where we need to be
Where we are today

- Highest rate of unemployment in the nation, viewed as an economy in decline
- Poor K-12 education, lowest graduation rate in the nation
- Extremely narrow economic base, heavy tourism and construction dependence
- Under-resourced university system, little national recognition
- Unskilled labor pool, employees not ready for jobs in emerging industries
- Competitive cost of operations, pro-business tax and regulatory climate
- Strained transportation network
- Concerns over quality of health care

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The Economic Development Continuum

- A stable, diversified economy
- A competitive K-12 education system
- An integrated, research-oriented university system
- Research and development investment in emerging industries
- Relatively high quality of life, including local access to quality medical care
- Competitive business cost structure
- Highly integrated and efficient transportation system

Where we need to be
Primary Role

The primary role of local and regional economic development agencies is to identify, attract, and retain quality businesses and new industries, helping diversify Nevada’s economy and furthering its broader economic development objectives.
Defining Economic Development

**Attract** (through relocation or start-up):
- New Businesses
- New Industries
- New Investments
- New Capabilities

**To Promote the Growth of:**
- Population and Employment
- Income and Wages
- Economic Activity
- Diversity in the Economy
- Diversity in the Fiscal Structure
- Community Well-being
Defining Economic Development

Retain:
• Businesses
• Industries
• Investments
• Capabilities

To Provide:
• A Stable, Diverse Base of Workers
• A Return on Investments Made
• An Improved Quality of Life
• A New Standard for Measurement
• A Foundation for Future Expansion
Defining Economic Development

Expand:
• Businesses
• Industries
• Investments
• Capabilities

To:
• Provide Growth in the Private Sector
• Leverage Previous Investments
• Provide Economic Opportunity
• Capitalize on Fiscal Upside
• Generate a Critical Mass of Activity
Defining Economic Development

**Diversify:**
- Businesses
- Industries
- Investments
- Capabilities

**To:**
- Stabilize the Economic Base
- Stabilize the Fiscal Structure
- Capitalize on Investments and Results
- Become a Magnet for Future Growth and Emerging Industries
- Set the Standard
A Strategy for the Future
Strategy for the Future

1) Provide State Oversight and Leadership
2) Reposition Nevada with a Consistent Statewide Plan and Message
3) Integrate University System into Economic Development Efforts at All Levels
4) Create an Inventory of State Assets
5) Eliminate Overlap and/or Consolidate Economic Development Agencies
6) Create Accountability-based Funding System
7) Rethink Economic Incentives, Integrating Workforce Development with Economic Development
8) Establish a Dedicated Revenue Source
Strategy for the Future

1) Remove Barriers to Public-Private Partnerships

2) Make Economic Development Everyone’s Responsibility (Public and Private)

3) Exploit Nevada’s Competitive Advantages in Renewable Energy Generation, Manufacturing, Research and Development

4) Allow for the Export of Power

5) Create a Funding Mechanism for Power Transmission Infrastructure

6) Clean Energy/Transportation/Communication Hubs
Strategy for the Future

1) Make Workforce Development a Priority, With Policies to Support Skill Development and Hiring for Nevada Workers

2) Create Incentive Program for Businesses that Attracts their Suppliers to the State

3) Exempt R&D positions from MBT and R&D equipment from personal property tax

4) Create a Board of Research and Commercialization Technology to Provide Stable Funding for R&D Activities

5) Create an iHub System, Leveraging Assets Such as Research Parks, Technology Incubators, Universities, and Federal Laboratories to Provide an Innovation Platform for Startup Companies, ED Organizations, Business Groups, and Venture Capitalists
Strategy for the Future

6) Establish a Nevada World Trade Center at UNLV or UNR and a State International Trade and Diplomacy Office to Connect Businesses to International Markets

7) Create an Aggressive Tax Incentive for Businesses Exporting to Emerging Markets

8) Focus on Federal Government as a Customer, Particularly in Defense and Security

9) Negotiate the Transfer of Public Lands or Enhanced Partnerships with Federal Government for Use of Public Lands
Strategy for the Future

1) Create Nevada Job Bonds – Dedicated Revenue Source for Capital Projects

2) Require State and Local Governments to Fund Depreciation

3) Eliminate Tax Rate Sunsets

4) Allow Increased Flexibility for Capital Project Bonds

5) Index Motor Vehicle Fuel Tax Statewide to Support Roads Development
Strategy for the Future

6) Require a Balanced, 5-year Capital Plan for All State Agencies

7) Require Local Governments to Report Capital Plan Status

8) Extend Bonding Authority for School Districts through 2020

9) Prohibit Use of Dedicated Capital Dollars for Operational Use
Strategy for the Future

1) Execute Regional Planning with Broad-based Participation from Economic Development Professionals, Business, Education, Labor, Non-profits, et cetera

2) Develop Additional Ideas Based on Community Input and Outreach

3) Align Private Sector, Education, Public Sector, Labor, and Others, Making Them All Part of the Economic Development Effort

4) Generate Expanded Connectivity/Resource Knowledge
Strategy for the Future

1) Renewable Energy
2) Transportation/Logistics (Hub Concept, I-11, High-speed Rail)
3) Health Care
4) Medical Tourism
5) Medical Information
6) Bio-tech
7) Defense and Public Safety
8) Information Storage
9) International Industries
10) Manufacturing
11) Digital Entertainment
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A Review and Analysis