Fundamentals of Economic Development
2.0

Speaker Biographies and Presentation Materials

Tuesday, September 20, 2016

Joe Crowley Student Union, Room 403 (The Great Room)
University of Nevada, Reno
Main Campus
Reno, NV

University Center for Economic Development – Nevada Leadership Program
http://www.unr.edu/business/research-and-outreach/nevada-leadership
Speaker Biographies

Buddy Borden

Buddy Borden currently works for the University of Nevada, Reno as an Economic Development Specialist with University of Nevada Cooperative Extension. Buddy Borden has over 23 years working as an Economic Development Specialist for Cooperative Extension; 19 years in Nevada and four years in Wyoming. He is committed to assisting communities build strong sustainable economies through entrepreneurship, business retention and expansion, and business recruitment. His interests are in community & business economic development processes, economic base analysis, small business development and economic impact modeling and analysis.

Thomas Harris, PhD

Dr. Thomas R. Harris is a Foundation Professor in the Department of Economics in the College of Business; State Extension Specialists in Community and Economic Development in University of Nevada Cooperative Extension; and the Director of the University Center for Economic Development at the University of Nevada, Reno. Dr. Harris’ primary areas of teaching, research and extension are rural economic development, economic impact modeling, and feasibility studies.

Malieka Landis

Malieka Landis is a Research Analyst for the University Center for Economic Development (UCED) in the College of Business at the University of Nevada, Reno (UNR). She has conducted research for UCED since graduating with a Master of Science in Resource Economics in 2010. Malieka also worked part-time as a research assistant for UCED both as an undergraduate and a graduate student at UNR. She works on a variety of projects to develop applied tools that assist individuals, businesses, and municipalities in making economic decisions. A few projects of which she is a key contributor include Herds and Harvest (individualized enterprise budgets for agricultural producers), Food and Agricultural Policy Research Institute (modify existing Input-Output models using representative agriculture budgets refined with primary data), Area Sector Analysis Program (matches industries and communities based on compatibility and desirability), and conducting economic impact studies of special events on the Reno-Tahoe region which includes onsite primary data collection through surveys. Malieka specializes in data management and analysis including survey design and management. In addition to survey work, she develops budgets for economic decision making, primarily for agricultural producers and industries, utilizing her experience in various accounting capacities including cost accountant and controller over the course of 7 years. While Malieka was born and raised in central Pennsylvania, she has lived in Reno since 2004.
Speaker Biographies

Frederick Steinmann, DPPD

Frederick Steinmann currently works for the University of Nevada, Reno and the University Center for Economic Development. He began his professional economic development career with the Reno Redevelopment Agency in the City of Reno, Nevada. Since then, he has worked for the Nevada Small Business Development Center, Bureau of Business and Economic Research, and for the Carson Economic Development Services Department in the City of Carson, California. Frederick has also worked as a Senior Associate for David Paul Rosen & Associates, one of the elite economic development and public policy consulting firms in California. Frederick earned his Doctorate in Policy, Planning, and Development, with areas of study including economic development, public policy, public finance, and real estate development, from the University of Southern California with the successful defense of his dissertation titled, “The Twilight of the Local Redevelopment Era: The Past, Present, and Future of Urban Revitalization and Urban Economic Development in Nevada and California.” He also earned a Bachelor’s of Science and Masters of Science in Economics from the University of Nevada, Reno.
The University of Nevada, Reno, the University of Nevada, Reno College of Business, and the University Center for Economic Development would like to thank the Nevada Governor’s Office of Economic Development and the Economic Development Authority of Western Nevada for their generous support of this leadership development program and the Nevada Leadership Program.

For more information about the Nevada Governor’s Office of Economic Development, please visit their website at:  http://diversifynevada.com/

For more information about the Economic Development Authority of Western Nevada, please visit their website at:  http://edawn.org/
The University of Nevada, Reno, the University of Nevada, Reno College of Business, and the University Center for Economic Development would like to thank the Nevada Chapter of the American Planning Association for their generous support of this leadership development program and the Nevada Leadership Program.

For more information about the Nevada Chapter of the American Planning Association, including information about how to join, please visit their website:

http://www.nvapa.org/
Presentation Material
Welcome!
Nevada Leadership Program
Fundamentals of Economic Development 2.0
September 20, 2016

Objectives
The Nevada Leadership Program:

– Main Objective: To create a pool of qualified officials as the difficulty of challenges in Nevada grow; officials who understand the ins-and-outs of government Management and Administration.

– Secondary Objective: To reduce conflict between staff and elected/appointed officials over procedural matters pertaining to government Management and Administration.

The Agenda
An exploration of thoughts and skills associated with the fundamentals of economic development and strategic economic development planning:

1. Strategic Economic Development Planning
2. Economic Development Data and Performing Community and Economic Analysis
3. Assessing Your Community’s Economic Base
4. Funding Your Economic Development Plan
Assessment

Consider Environmental Factors
- Economic Base
- Workforce
- Physical Capital
- Energy Availability
- Financial Capital
- Tax Structure
- Culture
- Geography
- Climate
- Topography
- Research Environment

The EXISTING and DESIRED conditions for each factor will help identify Economic Development CHOICES.

Action

1. Development Meaningful and Ultra-Specific Goals.
2. Identify Community Opportunities and Constraints.
3. Then Development Your Economic Development Strategies
   - Real Estate and Land Reuse Strategies
   - Workforce and Job Training Strategies
   - Small Business and Entrepreneurial Strategies
   - Economic Development Marketing and Attraction Strategies
   - Neighborhood and Community Development Strategies
   - Tech-Transfer and Technology-Based Strategies
A 9-Step Strategic Economic Development Planning Process

International City County Managers Association, 2010

Step 1: Decide to Plan

Step 2: Identify the Community’s Mandates and Expectations

Products: A list of formal mandates and informal expectations.
Step 3: Establish the Community's Economic Development Mission

Products: Prioritized list of stakeholders, a list of community values, a statement of what makes the community unique, a written community economic development mission statement.

Step 4: Create a Community Vision

Products: A written vision statement.

Step 5: Conduct an assessment of the community’s strengths, weaknesses, opportunities, and threats.

Products: A list of community strengths and weaknesses, opportunities and threats, and a brief analysis of the interaction among these items.
Step 6: Identify the Community’s Strategic Issues.

Products: A list of three to five strategic issues, expressed as questions.

Step 7: Develop Strategies to Address your Community’s Strategic Issues.

Products: A strategy or strategies for addressing each strategic issue and accompanying tactics for each strategy.

Step 8: Prepare an Action Plan.

Products: An action plan for each tactic in your strategic plan.
Step 9: Assess your Community’s Economic Development Strategic Plan.

Products: A periodic assessment of progress in achieving your plan.

Comprehensive Strategic Economic Development Planning

- Operate and Think Regionally.
- Operate and Think in both the Short-Term and the Long-Term.
- Incorporate Property-Based and Non-Property Based Approaches.
- Start with Assessment, Move toward Action.
- It’s not enough to PLAN, you must also ACT.
- Constantly Measure and Evaluate your performance – Adapt and Change Course as Needed.

The Comprehensive Economic Development Strategy (CEDS)

U.S. Economic Development Administration
US EDA and The Comprehensive Economic Development Strategy (CEDS)

Why Plan?
– It shapes a community’s future.
– It provides a structure for mutually accepted goals and a common agenda.
– It defines the purpose of the community group.
– It balances community goals with realistic local resources.
– And...YOU HAVE TO!

US EDA and The Comprehensive Economic Development Strategy (CEDS)

“CEDS are designed to bring together the public and private sectors in the creation of an economic roadmap to diversify and strengthen Regional economies. The CEDS should analyze the Regional economy and serve as a guide for establishing Regional goals and objectives, developing and implementing a Regional plan of action, and identifying investment priorities and funding sources”.

- Section 303.7 Requirements for Comprehensive Economic Development Strategies.

CFR Title 13, Part 301 “Eligibility, Investment Rate and Application Requirements “

Subpart C – Economic Distress Criteria; Section 301.3 “Economic Distress Levels”:
1. An unemployment rate that is, for the most recent twenty-four (24) month period for which data is available, at least one (1) percentage point greater than the national average unemployment rate;
2. Per capita income that is, for the most recent period for which data are available, eighty (80) percent or less of the national average per capita income; or
3. A Special Need, as determined by the EDA.

- Section 303.1: Purpose and Scope
- Section 303.3: Application Requirements and Evaluation Criteria
- Section 303.7: Requirements for Comprehensive Economic Development Strategies

CEDS Component Parts, Section 303.1

- "...must be part of a continuous process involving the active participation of Private Sector Representatives, public officials, and private citizens..."

- Include: (a) analyzing local economies, (b) defining economic goals, (c) determining project opportunities, and (d) formulating and implementing an economic development program that includes systematic efforts to reduce unemployment and increase incomes.

CEDS Component Parts, Section 303.7

Technical Requirements:
1. Background of the region’s economic development situation.
2. Economic and community development problems and opportunities.
3. Regional goals and objectives (more employment does not equal a goal or objective; SPECIFIC).
5. Suggested projects and jobs created (SPECIFIC).
6. Identifying/prioritizing VITAL PROJECTS.
7. Regional economic clusters.
8. A plan of action (SPECIFIC – Year 1, Year 2, Year 3, etc.; Dollars spent per project; No. of Jobs created; Responsible agency).
10. Methodology tying the CEDS with a State Plan.
The Annual Evaluation

- Purpose of the Annual Evaluation:
  - To recognize and celebrate the accomplishments of the past year.
  - To develop an actionable set of priority projects for the coming year.
  - To evaluate (and revise if necessary) the current Plan of Action.
  - To evaluate (and revise if necessary) the current Goals and Strategies.
- The results of the Annual Evaluation are submitted to the U.S. Economic Development Administration.
- This is not a rewrite or a new CEDS!

EXERCISE: An Environmental Assessment and Evaluation of Community Positions and Resources

International City County Managers Association, 2010

How do we Confront Economic Challenges?

“The prime issue for state and local economic development leaders is not whether some industries will shrink and others expand... The more fundamental issue is how communities confront their economic challenges and how they respond to their situation and environment.”

- Steven Koven and Thomas Lyons
Evaluating Our Community

- Community leaders have an obligation to evaluate their community objectively – by doing so, they can properly develop short-term and long-term strategies.
- Complete the provided checklist for evaluating your community:
  - Rank each of the 10 environmental factors and accompanying subfactors as Low (1), Medium (2), or High (3).
  - Once you have scored each subfactor, sum the results for each factor.
  - Complete this exercise by yourself. Once completed, we will then discuss the results as a group.

Evaluating Our Community

Answer these Questions:
- Is the community generally supportive or antagonistic toward business interests and growth? Why?
- Is the community generally supportive or antagonistic toward government programs and initiatives? Why?
- What types of programs do residents generally support – redistributive programs or developmental programs? Why?
- Does the community have a history of public-private collaboration? Recent examples?
- Is the community willing to sacrifice some of its quality of life to either promote or curtail growth?
- Are the elite members of the community willing to share power with others?
- Are the citizens generally accepting of change, or do they resist it? Examples of both?
- Where do residents and businesspeople stand on issues of environmental sustainability?

Evaluating the Impacts of Growth

Consider:
- How strongly the community wants growth?
- What impact new development and growth will have on the community’s way of life. Rural vs. urban tensions, increased suburbanization, traffic, environmental stresses, etc.
- What strategies will the community support and outright oppose to foster and support new development and growth?
- What values will the community prioritize in choosing a strategy?
Nevada Leadership Program
Fundamentals of Economic Development 2.0
September 20, 2016
ASAP is a regional collaborative effort between these institutions:
Where ASAP Has Been Delivered

- Montana Counties
  - Silver Bow*
  - Deer Lodge*
  - Beaverhead
  - Madison
  - Granite
  - Powell

- Colorado River Region
  - Laughlin, NV
  - Bullhead City, AZ
  - Needles, CA
  - Golden Valley
  - Mohave Valley

- Kingman, AZ
- Lander County, NV
- Spicer, MN
- White Pine County, NV
- Monterey County, CA
- Wayne County, UT
- Grand County, UT
- Cibola County, NM
- Lewiston, UT (current)
- Valley County, ID (current)
- Escalante, UT (current)
MATCHING DESIRABILITY WITH COMPATIBILITY

- Community Desirability
  - Meets community goals and objectives

- Industry Compatibility
  - Meets industry needs and requirements

“They meet our needs, we meet their needs.”
ASAP Economic Model

- Tool to help achieve sustainable community economic development
- Evaluates and reports community goals, preferences and assets
- Evaluates and reports industry preferences and community fit
- Assists in determining long and short term economic development strategies
Community Economic Development Model

- Business Recruitment
- Business Retention and Expansion
- Entrepreneurial Activity
ASAP DATA REQUIREMENTS

Primary
- Industry expansion and/or relocation needs
- Economic development goals and priorities of community
- Community assets

Secondary
- IMPLAN
- U.S. Census Bureau
- U.S. EPA
- U.S. Bureau of Economic Analysis
- U.S. Bureau of Labor Statistics
- FBI
- Federation of Tax Administrators
- Etc.
ASAP PROGRAM SPECIFICS

- 6 Modules
- Each module will last between 2-3 hours
- Each module will have an opening topic presentation and/or results
- Each module has an interactive activity at the end
- Timeline is determined by coordinator(s) and steering committee
ASAP STEERING COMMITTEE RESPONSIBILITES

- Work with ASAP Team
- Provide outreach to community members
- Attend each workshop and offer expertise
- Assist in assembling goals/assets/strategies
- Analyze the ASAP results and what they mean
- Assist with developing an economic development strategic plan
DESIRABILITY/COMPATIBILITY INDEX

Desirability/Compatibility Graph

Opportunity Long-Run

Targeted Short-Run

Weakness

Caution Long-Run
BEST MATCH INDUSTRIES

DESIRABILITY > .6 AND COMPATIBILITY > .6 BY NAICS

Figure 4: ASAP Results (Zoomed)
# Desirability Analysis by NAICS

<table>
<thead>
<tr>
<th>4-digit NAICS Code</th>
<th>Top 10 DI</th>
<th>Bottom 10 DI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 3 3 3 3 4 5 5 5 5</td>
<td>3 3 3 3 3 6 3 3 3 3</td>
<td>1 1 1 1 1 1 1 1 1 1</td>
</tr>
<tr>
<td>1 2 2 2 3 8 1 1 2 2</td>
<td>3 3 3 3 3 6 3 3 3 3</td>
<td>1 1 1 1 1 1 1 1 1 1</td>
</tr>
<tr>
<td>1 5 5 4 4 5 5 7 9 9</td>
<td>3 3 3 3 3 6 3 3 3 3</td>
<td>1 1 1 1 1 1 1 1 1 1</td>
</tr>
<tr>
<td>2 2 4 6 2 4 9 2 9 9</td>
<td>3 3 3 3 3 6 3 3 3 3</td>
<td>1 1 1 1 1 1 1 1 1 1</td>
</tr>
</tbody>
</table>

## Desirability Indicator

- **G1.I1**: Every new job generates additional jobs in the community
- **G1.I2**: New businesses return profits to the community
- **G1.I3**: New businesses hire locally
- **G1.I4**: New businesses buy locally
- **G1.I5**: New businesses increase the average local wage

## Compatibility Index

- **G2.I1**: New businesses do not pollute the water
- **G2.I2**: New businesses do not release toxic chemicals in the air
- **G2.I3**: New businesses are in compliance with hazardous waste management
- **G2.I4**: New businesses do not emit greenhouse gas
- **G2.I5**: New businesses do not develop undeveloped land

- **G3.I1**: New businesses increase the local tax base
- **G3.I2**: New jobs are full-time
- **G3.I3**: New jobs offer benefits (health and/or retirement)
- **G3.I4**: New jobs provide training programs
- **G3.I5**: New businesses support community activities
### COMPATIBILITY ANALYSIS BY NAICS – PT1

<table>
<thead>
<tr>
<th>4-digit NAICS Code</th>
<th>TOP 10 CI</th>
<th>BOTTOM 10 CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2 2 2 5 5 5 5 3 4 5 3</td>
<td>3 3 3 4 4 4 4 4 5 5 7 1 2</td>
</tr>
<tr>
<td>2</td>
<td>1 2 3 1 1 4 1 4 6 1 2</td>
<td>2 3 3 2 5 8 8 9 1 2</td>
</tr>
<tr>
<td>3</td>
<td>3 1 8 7 7 1 2 4 1 5 5</td>
<td>5 1 7 4 4 5 8 3 5 2</td>
</tr>
<tr>
<td>4</td>
<td>1 3 1 1 9 1 1 1 9 9 6</td>
<td>6 3 1 4 1 9 5 1 2 3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Desirability Index</th>
<th>Compatibility Index</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Green</strong></td>
<td><strong>Red</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Space requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
</tr>
<tr>
<td>Manufacturing space</td>
</tr>
<tr>
<td>Warehouse space</td>
</tr>
<tr>
<td>Office space</td>
</tr>
<tr>
<td>Retail space</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Availability of job training programs</td>
</tr>
<tr>
<td>Availability of financing</td>
</tr>
<tr>
<td>Low crime rate</td>
</tr>
<tr>
<td>Affordable housing</td>
</tr>
<tr>
<td>Clean air &amp; water</td>
</tr>
<tr>
<td>Quality of natural ecosystem*</td>
</tr>
<tr>
<td>Outdoor recreational opportunities*</td>
</tr>
<tr>
<td>Social/cultural opportunities*</td>
</tr>
<tr>
<td>Shopping opportunities*</td>
</tr>
<tr>
<td>Quality of K-12 schooling*</td>
</tr>
<tr>
<td>Access to university/college</td>
</tr>
<tr>
<td>Quality of health care*</td>
</tr>
<tr>
<td>Quality of public safety services*</td>
</tr>
</tbody>
</table>
### COMPATIBILITY ANALYSIS BY NAICS – PT2

<table>
<thead>
<tr>
<th>4-digit NAICS Code</th>
<th>TOP 10 CI</th>
<th>BOTTOM 10 CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desirability Index</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compatibility Index</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset requirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to interstate</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to package freight</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to railhead/rail spur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to rail freight</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to passenger air</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to port/harbor</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to international port</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to natural gas pipeline</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to suppliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to customers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to 3-phase electric power</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access to fiber optic lines</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High-volume water supply</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High-volume wastewater disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solid waste disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of public transportation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Possibility of expansion at site</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High-speed internet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of managerial workforce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of skilled workforce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Availability of unskilled workforce</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favorable labor cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favorable workers compensation tax</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Favorable business tax rate</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
ASAP Team Contact Information

**Malieka Landis**  
University of Nevada, Reno  
Nevada Cooperative Extension  
University Center for Economic Development  
maliekal@unr.edu  
775-784-1913

**Don Albrecht**  
Western Regional Development Center  
Utah State University  
don.albrecht@usu.edu  
435-797-2798

**Tom Harris**  
University of Nevada, Reno  
Nevada Cooperative Extension  
University Center for Economic Development  
harris@unr.edu  
775-784-1681

**Buddy Borden**  
University of Nevada, Reno  
Nevada Cooperative Extension  
bordenb@unce.unr.edu  
775-257-5505

ASAP is a regional collaborative project of the University Center for Economic Development
COWBOY ECONOMIC ANALYSIS: PART I

Tom Harris
Buddy Borden
Outline

- Is data important in assessing my community?
- What types of data are available and where do I locate it?
- How can data be analyzed to better understand my community?

Is data important in assessing my community?

Why Social and Economic Data is Important

- Data is powerful!!
- Can provide an excellent quantitative snapshot of a community
  - Single time period (2010 census)
  - Multiple time periods (2000 census and 2010 census)
- Using both quantitative and qualitative data can better explain cause and effect relationships
- Excellent educational tool for community leaders, broad community audiences, and cooperative extension
Is data important in assessing my community?

Types of Data

- Primary Data
  - Collected at the source
  - Answers a research question
  - Examples – needs assessment, community and policy issues

- Secondary Data
  - Collected and published by a third party
  - Provides a context for better understanding a community and issues

Levels of Data

- National

- Regional
  - Multi-state
  - Multi-county

- Local
  - County
  - City/Zip Code
  - Census tract

Common Sources of Data

- Federal
- State
- Local
- Private
Types of Data Available

Types of Data and Where to Locate

- Demographic (basic social characteristics)
- Employment (resident vs. commuter)
- Occupation (employment & unemployment)
- Income (payroll, transfer payments, etc.)
- Trade (output, I-O, business characteristics)

Types of Data Available

Types of Data and Where to Locate (cont.)

- Prices (cost of living, consumer expenditures)
- Economic Assets (debt finance, research, education, infrastructure)
- Quality of Life (housing, environ, etc.)
- Industry (industrial sectors)
- Firms (profit & nonprofit)

Sample Data - U.S. Census Bureau
American FactFinder

- http://www.factfinder.census.gov/
- Go to fact sheets for community profiles
- Enter state, county, city, or zip
Types of Data Available
Census Demographic Profiles
Nevada Examples

- State of Nevada
- Lincoln County, Nevada
- Town of Caliente, Nevada
- Zip Code 89008 (Lincoln County)

Types of Data Available
Bureau of Economic Accounts (BEA)
Regional Economic Information System (REIS)

- Go to Regional (more)
- Go to local area annual estimates = interactive tables
- Design report based on need (employment and income)
  - 1969 - 2000 SIC
  - 2001 – 2014 NAICS

Types of Data Available
REIS Lincoln County Nevada Example

- Reports by Place of Work and Place of Residence
- Employment by Industry 1969 to 2014
- Personal Income by Source and Industry 1969 to 2014
- Industry SIC & NAICS Definitions
WEB BASED

- http://www.reaproject.org
- County level BEA data and analysis

Using Data for Community Assessment

How can data be analyzed to better understand my community?

Questions Often Asked

- What does population tell us about the local economy?
- What are the current employment conditions in our community?
- What part of our local economy is growing or not growing?
- How does our local economy compare to other nearby economies?
- What are the current economic indicators for the community or region and how can this be used to identify opportunities?
How can data be analyzed to better understand my community?

Key Points to Consider when Conducting Numerical Analysis

- No "single number" represents the local economy.
- Make comparisons among communities/counties.
- Examine change over time.
- A "reality check" is essential. Always be willing to use data that is provided by a reliable source.

Basic Community/County Profile

- Provides a basic overview of important demographic and economic indicators.
- Data can be presented in a series of tables and/or charts.
- Examples – Douglas County, Nevada, Storey County, Nevada, Washoe County, Nevada

Basic Methods

- Absolute Change (two or more points)
- Percent Change (two or more points)
- Index Change (comparison to a base year)
- Percent Distribution
How can data be analyzed to better understand my community?

### Population Trends and Presentation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas</td>
<td>52,124</td>
<td>45,260</td>
<td>48,553</td>
<td>-6,864</td>
<td>-3,293</td>
<td>-10,157</td>
</tr>
<tr>
<td>Storey</td>
<td>4,384</td>
<td>4,234</td>
<td>3,974</td>
<td>-150</td>
<td>-260</td>
<td>-410</td>
</tr>
<tr>
<td>Washoe</td>
<td>423,836</td>
<td>417,379</td>
<td>430,707</td>
<td>-6,456</td>
<td>13,328</td>
<td>12,872</td>
</tr>
<tr>
<td>Nevada</td>
<td>2,738,759</td>
<td>2,724,654</td>
<td>2,843,301</td>
<td>-14,105</td>
<td>106,647</td>
<td>120,752</td>
</tr>
</tbody>
</table>

How can data be analyzed to better understand my community?

### Population Trends and Presentations

<table>
<thead>
<tr>
<th>AREA</th>
<th>% change 2008-2010</th>
<th>% change 2010-2014</th>
<th>% change 2008-2014</th>
<th>Index 2008-2010</th>
<th>Index 2009-2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas</td>
<td>-5.5%</td>
<td>-1.4%</td>
<td>-6.86%</td>
<td>0.946582</td>
<td>0.951365</td>
</tr>
<tr>
<td>Storey</td>
<td>-3.4%</td>
<td>-6.1%</td>
<td>-9.35%</td>
<td>0.965795</td>
<td>0.906478</td>
</tr>
<tr>
<td>Washoe</td>
<td>-1.5%</td>
<td>4.6%</td>
<td>3.06%</td>
<td>0.984768</td>
<td>1.005683</td>
</tr>
<tr>
<td>Nevada</td>
<td>-0.5%</td>
<td>4.38%</td>
<td>3.82%</td>
<td>0.994652</td>
<td>1.008181</td>
</tr>
</tbody>
</table>

Figure 2 shows Nevada's population growth as a scatter diagram, offering depth comparisons across time and Nevada, the United States. The graphs illustrate how dramatic each region's population in 1980 as a share of the total and the population in later years as a percentage of the initial base figure. This method allows for more direct comparison of differences in population growth between regions that may differ vastly in size.

Washoe County's overall population growth was 17.7% over 1980-2014, while Nevada's increase of 48.7% also ranked the United States' increase of 5.4%.
How can data be analyzed to better understand my community?

Employment Trends by Major Economic Sector

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>493</td>
<td>541</td>
<td>9.17%</td>
<td>12.22%</td>
<td>22.22%</td>
</tr>
<tr>
<td>Construction</td>
<td>19.79%</td>
<td>22.23%</td>
<td>2.04%</td>
<td>9.06%</td>
<td>22.95%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>11,489</td>
<td>13,277</td>
<td>5.60%</td>
<td>5.08%</td>
<td>-7.21%</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>27,907</td>
<td>26,450</td>
<td>8.14%</td>
<td>9.52%</td>
<td>4.64%</td>
</tr>
<tr>
<td>Retail</td>
<td>56,456</td>
<td>52,450</td>
<td>18.63%</td>
<td>15.18%</td>
<td>-7.08%</td>
</tr>
<tr>
<td>Accommodation &amp; Food Services</td>
<td>19,426</td>
<td>19,169</td>
<td>12.25%</td>
<td>15.79%</td>
<td>-9.26%</td>
</tr>
<tr>
<td>Government</td>
<td>10,713</td>
<td>10,713</td>
<td>11.03%</td>
<td>11.03%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Other</td>
<td>101,931</td>
<td>101,935</td>
<td>45.52%</td>
<td>46.72%</td>
<td>-1.00%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>221,001</td>
<td>220,835</td>
<td>100.00%</td>
<td>100.00%</td>
<td>-0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>County</th>
<th>Population 2005</th>
<th>Rank 2005</th>
<th>Population 2014</th>
<th>Rank 2014</th>
<th>Change in Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clark County</td>
<td>1,669,245</td>
<td>1</td>
<td>1,729,529</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Washoe County</td>
<td>1,452,437</td>
<td>2</td>
<td>1,579,726</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Carson City</td>
<td>53,460</td>
<td>3</td>
<td>53,382</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Elko County</td>
<td>45,725</td>
<td>4</td>
<td>44,792</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>Washoe County</td>
<td>59,725</td>
<td>5</td>
<td>49,228</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Douglas County</td>
<td>43,175</td>
<td>6</td>
<td>50,175</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Nye County</td>
<td>42,505</td>
<td>7</td>
<td>42,397</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Humboldt County</td>
<td>48,162</td>
<td>8</td>
<td>45,154</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Lander County</td>
<td>31,353</td>
<td>9</td>
<td>25,046</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>White Pine County</td>
<td>1,024</td>
<td>10</td>
<td>1,025</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Pahrump County</td>
<td>6,643</td>
<td>11</td>
<td>6,580</td>
<td>11</td>
<td>0</td>
</tr>
<tr>
<td>Lincoln County</td>
<td>8,912</td>
<td>12</td>
<td>9,170</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Lyon County</td>
<td>3,918</td>
<td>13</td>
<td>4,000</td>
<td>13</td>
<td>0</td>
</tr>
<tr>
<td>Mineral County</td>
<td>4,999</td>
<td>14</td>
<td>4,900</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td>Storey County</td>
<td>5,798</td>
<td>15</td>
<td>5,886</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Esmeralda County</td>
<td>3,257</td>
<td>16</td>
<td>3,246</td>
<td>16</td>
<td>0</td>
</tr>
<tr>
<td>Nevada</td>
<td>2,191,493</td>
<td>17</td>
<td>2,395,134</td>
<td>17</td>
<td>0</td>
</tr>
</tbody>
</table>

Change in County Population, Percentage Change in County Population and Percentage of State Change in Population by County, State of Nevada, 2005 to 2014.

<table>
<thead>
<tr>
<th>County</th>
<th>Number 2005</th>
<th>Rank 2005</th>
<th>Percentage Change from 2005 to 2014</th>
<th>Percentage of State Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clark County</td>
<td>1,669,245</td>
<td>1</td>
<td>29.64%</td>
<td>33.60%</td>
</tr>
<tr>
<td>Washoe County</td>
<td>1,452,437</td>
<td>2</td>
<td>21.81%</td>
<td>25.03%</td>
</tr>
<tr>
<td>Carson City</td>
<td>53,460</td>
<td>3</td>
<td>31.90%</td>
<td>35.06%</td>
</tr>
<tr>
<td>Elko County</td>
<td>45,725</td>
<td>4</td>
<td>19.08%</td>
<td>21.06%</td>
</tr>
<tr>
<td>Washoe County</td>
<td>59,725</td>
<td>5</td>
<td>34.96%</td>
<td>38.96%</td>
</tr>
<tr>
<td>Douglas County</td>
<td>43,175</td>
<td>6</td>
<td>50.86%</td>
<td>54.86%</td>
</tr>
<tr>
<td>Nye County</td>
<td>42,505</td>
<td>7</td>
<td>30.69%</td>
<td>33.69%</td>
</tr>
<tr>
<td>Humboldt County</td>
<td>48,162</td>
<td>8</td>
<td>26.00%</td>
<td>28.00%</td>
</tr>
<tr>
<td>Lander County</td>
<td>31,353</td>
<td>9</td>
<td>80.00%</td>
<td>82.00%</td>
</tr>
<tr>
<td>White Pine County</td>
<td>1,024</td>
<td>10</td>
<td>80.00%</td>
<td>82.00%</td>
</tr>
<tr>
<td>Pahrump County</td>
<td>6,643</td>
<td>11</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Lincoln County</td>
<td>8,912</td>
<td>12</td>
<td>90.00%</td>
<td>92.00%</td>
</tr>
<tr>
<td>Lyon County</td>
<td>3,918</td>
<td>13</td>
<td>80.00%</td>
<td>82.00%</td>
</tr>
<tr>
<td>Mineral County</td>
<td>4,999</td>
<td>14</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Storey County</td>
<td>5,798</td>
<td>15</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Esmeralda County</td>
<td>3,257</td>
<td>16</td>
<td>10.00%</td>
<td>10.00%</td>
</tr>
<tr>
<td>Nevada</td>
<td>2,191,493</td>
<td>17</td>
<td>90.00%</td>
<td>92.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>$1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earning by Place of Work which is Douglas County</td>
<td>1,113,715</td>
</tr>
<tr>
<td>Less Personal Social Security Contributions</td>
<td>130,459</td>
</tr>
<tr>
<td>Plus Residence-Occupied Adjustments</td>
<td>274,499</td>
</tr>
<tr>
<td>Net Earnings of Douglas County Residents</td>
<td>1,214,261</td>
</tr>
<tr>
<td>Dividends, Interest, and Rents</td>
<td>1,048,170</td>
</tr>
<tr>
<td>Transfer Payments</td>
<td>404,776</td>
</tr>
<tr>
<td>Total Personal Income in Douglas County</td>
<td>2,714,291</td>
</tr>
<tr>
<td>Per Capita Income (dollars)</td>
<td>57,113</td>
</tr>
</tbody>
</table>

Nevada County Per Capita Income and Rank, 2014.

<table>
<thead>
<tr>
<th>County</th>
<th>Per Capita income</th>
<th>Rank</th>
<th>Percent of U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas</td>
<td>$57,153</td>
<td>1</td>
<td>162.03%</td>
</tr>
<tr>
<td>Elko</td>
<td>$47,407</td>
<td>3</td>
<td>140.92%</td>
</tr>
<tr>
<td>Lander</td>
<td>$42,313</td>
<td>5</td>
<td>129.61%</td>
</tr>
<tr>
<td>Churchill</td>
<td>$41,486</td>
<td>6</td>
<td>128.54%</td>
</tr>
<tr>
<td>Eureka</td>
<td>$37,659</td>
<td>9</td>
<td>117.97%</td>
</tr>
<tr>
<td>Minette</td>
<td>$34,042</td>
<td>11</td>
<td>105.69%</td>
</tr>
<tr>
<td>Washoe</td>
<td>$33,818</td>
<td>12</td>
<td>104.83%</td>
</tr>
<tr>
<td>Sterling</td>
<td>$31,956</td>
<td>13</td>
<td>97.99%</td>
</tr>
<tr>
<td>Storey</td>
<td>$31,907</td>
<td>14</td>
<td>97.94%</td>
</tr>
<tr>
<td>White</td>
<td>$31,727</td>
<td>15</td>
<td>96.85%</td>
</tr>
<tr>
<td>Clark</td>
<td>$31,280</td>
<td>16</td>
<td>95.45%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>$30,435</td>
<td>17</td>
<td>91.72%</td>
</tr>
<tr>
<td>Storey of Nevada</td>
<td>$28,779</td>
<td>18</td>
<td>81.42%</td>
</tr>
<tr>
<td>U.S.</td>
<td>$35,028</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 3: Where Worked in a County Residence 2000-2013

<table>
<thead>
<tr>
<th>Place of Work</th>
<th>Carson City</th>
<th>Douglas County</th>
<th>Elko County</th>
<th>Fallon County</th>
<th>Mineral County</th>
<th>Pershing County</th>
<th>Storey County</th>
<th>Washoe County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carson City</td>
<td>71.0%</td>
<td>4.4%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Douglas County</td>
<td>6.6%</td>
<td>23.1%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Elko County</td>
<td>4.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Fallon County</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Mineral County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Pershing County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Storey County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Washoe County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

For example, Carson City, the capital of Nevada, approximately 71.0% of Carson City’s employment resides in Carson City while 3.0% of their workforce resides in Douglas County, 3.0% in Elko County, and 3.0% in Washoe County respectively.

Table 4: Where Resides in a County Place of Work 2000-2013

<table>
<thead>
<tr>
<th>Place of Residence</th>
<th>Carson City</th>
<th>Douglas County</th>
<th>Elko County</th>
<th>Fallon County</th>
<th>Mineral County</th>
<th>Pershing County</th>
<th>Storey County</th>
<th>Washoe County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carson City</td>
<td>71.0%</td>
<td>4.4%</td>
<td>3.6%</td>
<td>3.6%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Douglas County</td>
<td>6.6%</td>
<td>23.1%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Elko County</td>
<td>4.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Fallon County</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Mineral County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Pershing County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Storey County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Washoe County</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

For example the Lyon County, 47.94% of the county’s workforce is employed in Lyon County while 2.04% in Elko County, 2.04% in Douglas County and 2.55% in Washoe County respectively.

END OF FIRST PART
COWBOY ECONOMIC ANALYSIS:
PART 2

Tom Harris
Buddy Borden

WEB BASED
■ http://www.reaproject.org
■ County level BEA data and analysis

How can data be analyzed to better understand my community?
Market and Economic Development
Analysis Methods
■ Location Quotients
■ Shift-Share
■ Industrial Sector Analysis
■ Retail Trade Potential
EMPLOYMENT CHANGE WNDD, 2005 to 2015

LOCATION QUOTIENT

The formula for computing location quotients can be written as:

\[ LQ = \frac{e_i}{E_i} \]

Where:
- \( e_i \) = Local employment in industry \( i \)
- \( E \) = Total local employment
- \( E_i \) = Reference area employment in industry \( i \)
- \( E \) = Total reference area employment

LOCATION QUOTIENT

Simply put, the location quotient identifies how local industries stack up with national averages.
ANALYSIS WITH LOCATION QUOTIENTS

STAR sector is where 2015 location quotient is equal to or greater than 1 and value increasing from 2005 to 2015.

MATURE sector is where 2015 location quotient is equal to or greater than 1 and value decreasing from 2005 to 2015.

EMERGING sector is where 2015 location quotient is less than 1 and value increasing from 2005 to 2015.

TRANSFORMING sector is where 2015 location quotient is less than 1 and value decreasing from 2005 to 2015.

WNDD LOCATION QUOTIENT ANALYSIS

<table>
<thead>
<tr>
<th>Sector</th>
<th>Location Quotient</th>
<th>2005 Value</th>
<th>2015 Value</th>
<th>Change in Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ASSUMPTIONS OF LOCATION QUOTIENT

1. Productivity per employee in industry i is equal in the nation and the region;
2. Consumption of the products of industry i is equal per employee in the region and nation;
3. If the region is an exporter of i, its consumption of i is entirely from the region's production or no cross-hauling.
4. The nation is neither a net exporter nor importer of i. Self-sufficient.
How can data be analyzed to better understand my community?

Location Quotient

- Compares local sector employment shares against national sector employment shares
- Assumes national economy is self-sufficient. Local economy is compared against the standard of self-sufficiency
- General Rules:
  - If LQ is greater than 1.25: Exporting Sector
  - If LQ between 0.75 and 1.25: Self-Sufficient
  - If LQ is less than 0.75: Importing Sector

How To Use Location Quotients

- Used by Porter’s Cluster Mapping to designate competitive sectors
- Export Enhancement
- Import Substitution

Shift-Share Analysis

- Shift-share measures the disaggregate change in regional, county, and/or sectoral growth.
- Shift-share designates national change from competitive change.
How can data be analyzed to better understand my community?

Components of Shift-Share

- National Growth Component
  - Measures growth in the economy if employment grew at the same rate as the overall national economy

- Industry Mix Component
  - Industrial mix employment measures the extent a local economy is in fast growing or slow growing national sectors.
How can data be analyzed to better understand my community?

**Competitive Share Component**

- Measures the ability of local sectors to capture an increasing (decreasing) share of a particular sector’s growth.
- Sometimes referred as competitive advantage.

### WNDD SHIFT-SHARE RESULTS

<table>
<thead>
<tr>
<th>NAICS</th>
<th>Description</th>
<th>2007-2013 Change</th>
<th>SH</th>
<th>LS</th>
<th>SE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Oil and Gas Extraction</td>
<td>0.11</td>
<td>0.07</td>
<td>-0.14</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Mining, Quarrying, and Oil and Gas Extraction</td>
<td>3.144</td>
<td>0.09</td>
<td>-0.323</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Utilities</td>
<td>0.07</td>
<td>0.07</td>
<td>-0.001</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Construction</td>
<td>-0.150</td>
<td>0.06</td>
<td>-0.090</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Manufacturing</td>
<td>-0.869</td>
<td>0.04</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>Wholesale Trade</td>
<td>2.252</td>
<td>0.08</td>
<td>0.102</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>Retail Trade</td>
<td>2.246</td>
<td>0.05</td>
<td>0.102</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>Transportation andWarehousing</td>
<td>1.087</td>
<td>-0.03</td>
<td>0.002</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Wholesale Trade</td>
<td>0.006</td>
<td>0.06</td>
<td>-0.000</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Retail Trade</td>
<td>0.006</td>
<td>0.06</td>
<td>-0.000</td>
<td></td>
</tr>
<tr>
<td>53</td>
<td>Real Estate and Rental and Leasing</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Professional, Scientific, and Technical Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Management of Companies and enterprises</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Educational Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>Health Care and Social Assistance</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>71</td>
<td>Art, Entertainment, and Recreation</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>72</td>
<td>Accommodation and Food Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>81</td>
<td>Other Service (except Public Administration)</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>82</td>
<td>Personal Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>83</td>
<td>Professional, Scientific, and Technical Services</td>
<td>0.07</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.087</td>
<td>0.03</td>
<td>-0.010</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### WNDD LOCATION QUOTIENT and SHIFT-SHARE ANALYSIS

<table>
<thead>
<tr>
<th>Super Sector</th>
<th>Location Quotient</th>
<th>2007-2013 Change</th>
<th>Effect</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture and Forestry</td>
<td>0.91</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Mining, Quarrying, and Oil and Gas Extraction</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Agriculture and Forestry</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Manufacturing</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Retail Trade</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Real Estate and Rental and Leasing</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Management of Companies and Enterprises</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Educational Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Art, Entertainment, and Recreation</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Other Service (except Public Administration)</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Personal Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>1.06</td>
<td>0.05</td>
<td>0.00</td>
<td></td>
</tr>
</tbody>
</table>
How can data be analyzed to better understand my community?

Use of Shift-Share Results

- Competitive and Non-Competitive Sectors
- Why Sector Is Competitive and How to Maintain Competitiveness
- Clusters Use Competitive Sectors
- Why Sector Is Not Competitive
- What Can Be Done For a Non-Competitive Sector:
  - Strengthen Management Capabilities
  - Business Growth from Alternative Capital Sources
  - Knowledge of New Technology
  - Improve Workforce
  - Improve Business Efficiency Through Infrastructure and Access to Non-Local Markets

How can data be analyzed to better understand my community?

Market Analysis and Opportunities

- Commercial Sector development
  Procedures:
  - Potential Sales
  - Trade Area Capture
  - Pull Factors
  - Square Footage Analysis

How can data be analyzed to better understand my community?

Market Analysis Methods

- Estimates the number of customers for commercial sector
- Assumes local goods and services per capita consumption patterns are similar to state goods and services per capita consumption patterns---adjusted for income
- Change Potential Sales Into Square Footage
How can data be analyzed to better understand my community?

Market Analysis Methods
Sales Potential and Retention - Formula

\[ PS = P_j \times \frac{SSPC_i \times LPCI}{SPCI} \]

Where:
- \( P_j \) = Population of County/Trade Area
- \( SSPC_i \) = State Sales Per Capita for Industry \( i \)
- \( LPCI \) = Local Per Capita Income
- \( SPCI \) = State Per Capita Income

---

How can data be analyzed to better understand my community?

Market Analysis Methods
Sales Potential and Square Footage - Example

<table>
<thead>
<tr>
<th>Details</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mineral County Population (2014)</td>
<td>4,500</td>
</tr>
<tr>
<td>Nevada Population (2014)</td>
<td>2,839,099</td>
</tr>
<tr>
<td>Nevada General Merch. Taxable Sales (2014)</td>
<td>$4,400,103,221</td>
</tr>
<tr>
<td>Nevada General Merch. Taxable Sales Per Capita (2014)</td>
<td>$1,588.57</td>
</tr>
<tr>
<td>Mineral County Per Capita Income (2014)</td>
<td>$34,822</td>
</tr>
<tr>
<td>Nevada Per Capita Income (2014)</td>
<td>$40,742</td>
</tr>
<tr>
<td>Urban Land Institute for Gen. Merch.</td>
<td>$176.18/sq. foot</td>
</tr>
</tbody>
</table>

---

How can data be analyzed to better understand my community?

Square Footage Analysis - Example

Potential Sales for Genr. Merch. In Mineral County:

\[ PS = 1,588.57 \times 4,500 \times \frac{34,822}{40,742} \]

\[ PS = 6,109,846 \]

\[ SQFTDEMAND = \frac{(6,109,846)}{(176.18)} \]

\[ SQFTDEMAND = 34,680 \text{ sq. foot} \]
How can data be analyzed to better understand my community?

**Square Footage Analysis and Next Step**

- Identify Existing Stores in Trade Area and Square Footage
- Inventory Commercial Sector Square Footage in Trade Area
- Other Descriptive Comments on Each Store

**OTHER MARKET CONSIDERATIONS:**
- Retail Mix in Comparable Communities
- Quality of Existing Competitors
- Competition From Outside the Trade Area
- Consumer Behavior in this Retail Category
- Demand from Non-Residents
- Demographic and Lifestyle Information
- Survey and Focus Group Findings
- Competition from Other Types of Stores in the Primary Trade Area
- Demand from Other Businesses

**Conclusions**

- Data is more assessable today from a variety of sources (national, regional, state, county, sub-county)
- How you gather and present data is important when using for programming. Need to customize for overall purpose and audience
- Several analytical techniques are available to better understand how a community is performing.
Developing a Disposition and Development Agreement (DDA)

- Process – a Negotiated Agreement

- The Disposition and Development Agreement – a Legal Contract between the Economic Development Organization (Public Sector) and the Developer (Private Sector).

Development of the DDA – Process

A Two Stage Process:

1. Draft of a Memorandum of Understanding (MOU):
   - Purpose is to clarify, early in the negotiation process, the intentions of both parties.
   - Typically non-binding and subject to revision.
   - Should clearly define the project’s performance and schedule, obligations of both parties, and the responsibilities of both parties including who will secure what financing.
   - Set performance guarantees, option payments, and specify a termination process.
   - Mutually executed as a non-binding document establishing firm principles for future binding negotiations.
Development of the DDA – Process
A Two Stage Process:

2. Draft and Approval of the Disposition and Development Agreement (DDA):
   - A detailed and binding contract and agreement between the Economic Development Organization and the Developer...requiring adoption by the official Board (City Council, County Commission, etc.) Subject to the State of Nevada’s Open Meeting Laws (NRS Chapter 241).
   - Refines the previous agreement in the MOU.
   - Defines and establishes a schedule for subsequent contracts required for development.
   - Should require a developer deposit that is forfeited if the developer is unable to obtain financing or perform.
   - Consult legal counsel...may require special counsel including counsel with expertise in real estate development, bond counsel, etc.

Various Components of the DDA
- Agreement to Purchase and Sell (Price)
- Escrow Arrangement/Requirements
- Review of Title
- Title Insurance
- Conditions Precedent to Closing
- Representations and Warranties
- Studies and Reports (Access to the Site for Inspection and Testing)
- Scope of Development
- Design Review
- Land Use Approvals
- Schedule of Performance
- Cost of Construction
- Insurance Requirements
- Developer’s Indemnity
- Rights of Access
- Compliance with Applicable Laws
- Release of Construction Covenants
- Financing of the Improvements
- Use/Operation in Accordance with Relevant Plans
- Use of Retail Improvements
- Maintenance and Covenants, Conditions and Restrictions (CC&Rs)
- Nondiscrimination Covenants
- Effect of Violation of the Terms and Provisions of the DDA after Completion of Construction
- Default Remedies
- Institution of Legal Actions
- Terms of the Termination by the Developer Prior to the Conveyance
- Terms of the Terminations by the Agency Prior to the Conveyance
- Option to Acquire Site Upon Default
- Acceptance of Service of Process
- Rights and Remedies Are Cumulative
- Inaction Not a Waiver of Default
- Applicable Law
- Non-Liability of Officials and Employees of the Agency
- Attorney’s Fees
- Notices, Demands and Communications Between the Parties
- Enforced Delay, Extension of Times of Performance
- Transfers of Interest in Site or Agreement
- Relationship between the Agency and the Developer
- Counterparts
- Interpretation
- No Waiver
- Modifications
- Severability
- Computation of Time
- Legal Advice
- Time of Essence
- Cooperation
- Conflicts of Interest
- Time of Acceptance of Agreement by the Agency
- Estoppel Certificate
- No Third Part Beneficiaries
Various Components (Attachments) of the DDA

Various Attachments:
- Legal Description of the Property
- Site Map
- Grant Deed
- Promissory Note(s)
- Deed of Trust
- Schedule of Performance
- Public Works Requirements
- Release of Construction Covenants
- Declaration of Uses
- Option Agreement

EXERCISE: Pro Forma Analysis

Economic Research Associates
U.S. Department of Housing and Urban Development
Funding Economic Development – Some Approaches Specific to Nevada

- Redevelopment (NRS 279)
- General Improvement Districts (NRS 318)
- Special Assessment Districts (NRS 271)
- Tax Increment Areas (NRS 278C)
- Tourism Improvement Districts (NRS 271A)

Redevelopment and Tax Increment Financing

Nevada Revised Statute Chapter 279
Redevelopment: Process and Benefits

- Process – Governed under Nevada Revised Statutes, Chapter 279, “Redevelopment of Communities” Law.
- Benefits – County-wide benefits for citizens, local taxing entities and the community at large.

Redevelopment: Process Outlined in NRS 279

Specifically, get to know:
- NRS 279.388 “Blight Area” Defined
- NRS 279.408 “Redevelopment” Defined
- NRS 279.410 “Redevelopment Area” Defined
- NRS 279.412 “Redevelopment Project” Defined
- NRS 279.426 through NRS 279.468 “Creation Process”
- NRS 279.516 through NRS 279.609 “Plans”

Redevelopment: Process

Areas of “Process” include:
- Formation of a Redevelopment District.
- Governance.
- Duration of Existence.
- Areas Eligible for Inclusion.
Redevelopment: Process

“General” Steps in the Process:

- Step 1: City Council/County Commission establishes a study area.
- Step 2: Hiring of a Consultant to prepare the required documents and conduct a Physical Property Survey of the Study Area.
- Step 5: Two Public Hearings, 30 days apart with notifications mailed to impacted property owners 30 days prior to both Public Hearings.
- Step 6: The Enabling Redevelopment Plan is adopted via City/County ordinance, mandatory “Challenge Period”.

Redevelopment: Post-Process

After the Redevelopment District is established, then:

- Develop the Physical Structure of the Agency based on findings in the Redevelopment Plan.
- Begin to develop strategic action plans for the District.
- Begin to pursue projects in the District.
- Begin to issue debt, collect revenue, incur expenses, hire staff, etc.

Benefits of Redevelopment

- Increased living, working, shopping and entertainment opportunities.
- Decreased costs for support services in “blighted” areas.
- A Larger Tax Base.
- Increased support for local area School District and other agencies over the live of the Redevelopment Plan.
Benefits of Redevelopment

Increased Revenue Streams from increased levels of Economic Activity.

- Sales Tax Revenue
- Business License Revenue
- Hotel Room Tax Revenue
- Gaming Revenue

Benefits of Redevelopment

- Provides for Implementation of Redevelopment strategies beyond just the redevelopment district – “spin off” development.
- Represents a Long-Term Financing Strategy to address long-term economic and social trends.
- Allows for New and Transformative projects and initiatives to be pursued.

Benefits of Redevelopment

Redevelopment funds can be leveraged in numerous ways:

- Matching Funds for grant sources – EPA grants, HUD grants, DOT grants, etc.
- Pursuit of Special Assessment District (SAD) Bonds.
- Pursuit of Redevelopment Property Tax Increment Financing (TIF) Bonds.

The Findings of the Redevelopment Plan can serve as the foundation for pursuing these other funding sources.
Redevelopment Programs

- Acquisition, Assembly, and Demolition of Property
- Partnerships with other Economic Development Organizations – Leveraging of Existing Resources
- Brownfield Clean-up Revolving Loan Fund
- Commercial Façade Program
- Revolving Loan Programs for Small Business within the Project Area

Tax Increment Financing (TIF) - Redevelopment

- The Bigger the project area/district, the Bigger the Bonding Potential.
- Benefits of a Larger District for purposes of bonding include:
  - Geographic and Taxpayer Diversity.
  - Broader mix of Property Types.
  - Diversity in Economic Conditions.
  - More Development Potential.
  - Larger pool of Potential Revenues.
  - Ability to bond sooner.
  - Economies of Scale.
Tax Increment Financing: Bond Financing Criteria

“Average Financial Industry Criteria” include:

– Project Area Size and Location
  500 to 1,000 acre threshold.

– Assessed Valuation
  $500 Million Total AV Threshold of Insurance
  Base Year Value as a % of Total AV
  Growth with Trends and Potential

– Taxpayer Diversity
  Residential, Commercial, etc.
  Concentration of Revenue
  Stability of Tax Base

– Local Economy
  Employment Base

– Legal Structure
  Debt Service Coverage
  Flow of Funds
  Additional Bonds Test

General Improvement Districts
Nevada Revised Statute Chapter 318
What is a General Improvement District?

"It is hereby declared as a matter of legislative determination that the organization of districts having the purposes, powers, rights, privileges and immunities provided in this chapter will serve a public use and will promote the health, safety, prosperity, security and general welfare of the inhabitants thereof and of the State of Nevada; that the acquisition, improvement, maintenance and operation of any project authorized in this chapter is in the public interest and constitutes a part of the established and permanent policy of the State of Nevada; and that each district organized pursuant to the provisions of this chapter shall be a body corporate and politic and a quasi-municipal corporation. For the accomplishment of these purposes the provisions of this chapter shall be broadly construed."

- NRS Chapter 318.015 Subsection 1

State-Wide Use

Number and Total Value of Local General Improvement Districts Active in Nevada FY 2012 and FY 2013

<table>
<thead>
<tr>
<th>County</th>
<th>Number of Active GIDs FY 2012</th>
<th>Total Value of Active GIDs FY 2012</th>
<th>Total Value of Active GIDs FY 2013</th>
<th>Actual Change FY 2012 to FY 2013</th>
<th>Percent Change FY 2012 to FY 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carson City</td>
<td>0</td>
<td>$814,234,512</td>
<td>$792,269,173</td>
<td>-$2,965,340</td>
<td>-0.4%</td>
</tr>
<tr>
<td>Clark County</td>
<td>5</td>
<td>$9,545,134</td>
<td>$13,009,355</td>
<td>$3,464,221</td>
<td>34.6%</td>
</tr>
<tr>
<td>Douglas County</td>
<td>21</td>
<td>$10,116,206,542</td>
<td>$16,309,057,085</td>
<td>$6,192,842,543</td>
<td>61.2%</td>
</tr>
<tr>
<td>Elko County</td>
<td>5</td>
<td>$998,961,729</td>
<td>$978,507,149</td>
<td>-$20,454,580</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Elmore County</td>
<td>4</td>
<td>$1,450,830,963</td>
<td>$2,014,994,554</td>
<td>$564,163,621</td>
<td>38.9%</td>
</tr>
<tr>
<td>Essex County</td>
<td>10</td>
<td>$26,086,281</td>
<td>$26,636,801</td>
<td>$5,548,580</td>
<td>21.2%</td>
</tr>
<tr>
<td>Lake County</td>
<td>2</td>
<td>$3,085,273</td>
<td>$3,053,419</td>
<td>-$31,854</td>
<td>-1.0%</td>
</tr>
<tr>
<td>Lassen County</td>
<td>5</td>
<td>$43,186,465</td>
<td>$31,034,191</td>
<td>-$12,152,274</td>
<td>-28.3%</td>
</tr>
<tr>
<td>Lyon County</td>
<td>8</td>
<td>$1,528,677,457</td>
<td>$1,511,072,296</td>
<td>-$17,604,851</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Mineral County</td>
<td>2</td>
<td>$1,029,874,415</td>
<td>$987,816,456</td>
<td>-$42,058,959</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Nye County</td>
<td>5</td>
<td>$998,961,729</td>
<td>$978,507,149</td>
<td>-$20,454,580</td>
<td>-2.0%</td>
</tr>
<tr>
<td>Pershing County</td>
<td>3</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Storey County</td>
<td>3</td>
<td>$2,750,742,853</td>
<td>$2,678,090,694</td>
<td>-$72,652,159</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Washoe County</td>
<td>7</td>
<td>$2,702,743,653</td>
<td>$2,478,209,894</td>
<td>-$224,533,757</td>
<td>-8.3%</td>
</tr>
<tr>
<td>White Pine County</td>
<td>3</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>84</strong></td>
<td><strong>$20,074,321,495</strong></td>
<td><strong>$46,742,883,655</strong></td>
<td><strong>$26,668,562,160</strong></td>
<td>132.9%</td>
</tr>
</tbody>
</table>

Source: Nevada Department of Taxation, Division of Local Government Services

General Improvement Districts: Creation and Use

Step 1, Initiation (NRS 318.055)

- A resolution adopted by the local governing body, a board of county commissioners or local city council, authorizing staff to study the feasibility of forming a GID; or

- A petition proposed by any owner of property to be located in the proposed GID and received by the local governing body.
General Improvement Districts: Creation and Use

Step 2, Formal Adoption of a Resolution or Petition; an "Initiating Ordinance" (NRS 318.055)

- The name of the proposed district, consisting of a chosen name preceding the word “District”, or, if the district is authorized to exercise more than one basic power enumerated in NRS 318.116, the words “General Improvement District”. For example, a GID established to only furnish streets and alleys in downtown Reno might be named the “Downtown Reno Streets and Alleys District”.

- A statement within the initiating ordinance of the basic power or basic powers for which the district is proposed to be created. For example, for a GID formed to provide for paved streets, curbs, gutters, sidewalks, storm drainage and sanitary sewer improvements, the statement might read, “For paving, curbs, gutters, sidewalks, storm drainage and sanitary sewer improvements within the district.” Only those basic powers listed in NRS 318.116 may appear in the basic power or basic powers statement of the initiating ordinance.

- A statement within the initiating ordinance that the ordinance creating the district will be based on the local governing boards findings that: (1) the public convenience and necessity require the creation of the district, (2) the creation of the district is economically sound and feasible, (3) the service plan for the district conforms to subsection 1 of NRS 308.030 (filing of a service plan), and (4) the service plan for the district does not contravene any of the criteria enumerated in Subsection 1 of NRS 308.060 (criteria for disapproval of a service plan).

- A general description of the proposed GID’s boundaries or the territory to be included therein, with such certainty as to enable a property owner to determine whether her or his property is within the district.

- The place and time for the hearing on the creation of the district held by the local governing body.

Twenty-One Authorized Powers and Activities

- Furnishing electric light and power (NRS 318.117).
- Extermination and abatement of mosquitoes, flies, other insects, rats and liver fluke (NRS 318.118).
- Furnishing facilities or services for public cemeteries (NRS 318.119).
- Furnishing facilities for swimming pools (NRS 318.1191).
- Furnishing facilities for television (NRS 318.1192).
- Furnishing facilities for FM radio (NRS 318.1187).
- Furnishing streets and alleys (NRS 318.120).
- Furnishing curbs, gutters and sidewalks (NRS 318.123).
- Furnishing sidewalks (NRS 318.130).
- Furnishing facilities for storm drainage or flood control (NRS 318.135).
- Furnishing sanitary facilities for sewage (NRS 318.140).
- Furnishing facilities for lighting streets (NRS 318.141).
- Furnishing facilities for the collection and disposal of garbage and refuse (NRS 318.142).
- Furnishing recreational facilities (NRS 318.143).
- Furnishing facilities for water (NRS 318.144).
- Furnishing fencing (NRS 318.1195).
- Furnishing facilities for protection from fire (NRS 318.1196).
- Furnishing energy for space heating (NRS 318.1175).
- Furnishing emergency medical services (NRS 318.1195).
- Control and eradication of noxious weeds (NRS 555).
- Establishing, controlling, managing and operating an area or zone for the preservation of one or more species or subspecies of wildlife that has been declared endangered or threatened pursuant to the federal Endangered Species Act of 1996 (NRS 318.1177).
General Improvement Districts: Powers and Activities

- NRS 318.225 provides the local governing authority responsible for the GID the power to levy taxes. “In addition to the other means for providing revenue for such districts, the board shall have power and authority to levy and collect general (ad valorem) taxes on and against all taxable property within the district, such levy and collection to be made by the board in conjunction with the county and its officers as set forth in this chapter.”

- “Other means” refers to the general powers of the local governing authority to acquire and sell property, to set rates, to charge tolls, and to generally charge for services rendered to property owners in the GID by the local governing authority.

- GID may also use the rates, tolls, charges for services or collected general (ad valorem) taxes to issue debt to fund and finance the costs associated with all or one of the 21 basic powers enumerated in NRS 318.116 and listed above.

Special Assessment Districts

Nevada Revised Statute Chapter 271

Special Assessment Districts: Process

Four “General Steps”:

1. Local Government must designate an area for consideration. City/County Engineer may serve as the “Assessment District Coordinator. (Provisional Order Resolution).

2. City/County Engineer must complete a “Fiscal and Economic Impact Study”.

3. Local Government, during a public hearing, reads an ordinance establishing the Special Assessment District.

4. Generate annual budget(s) for the duration of the Special Assessment District.
Special Assessment Districts: Post-Process

- Year-by-Year Assessments (subsequently impacted by annual property value fluctuations).
- Assessment is ABOVE the existing property tax rate. Revenue can ONLY be generated from revenues generated from an ADDITIONAL ASSESSMENT.
- Local Government can dissolve the Special Assessment District at any time.
- So far, has been property tax based . . . however, efforts are currently underway to allow a Special Assessment District based on Sales Tax Revenue within the Special Assessment District area.

Special Assessment Districts: Post-Process

- Special Assessment Districts can be managed and directed by the Local Government (City or County).
- Special Assessment Districts can be managed and directed by a non-profit formed by property owners and/or business owners (the Commercial Area Vitalization Project Area or CAVP).
- Annual reports must be provided to the Local Government and annual assessments are completed by the County Assessor.

Special Assessment Districts – Eligible Projects

- Curb and gutter projects, drainage projects, energy-efficiency improvement project, off-street parking project, a park project, public safety project, renewable energy project, sanitary sewer project, security walls, sidewalks, storm sewer projects, street projects, street-beautification projects, transportation projects, underpass projects, water project, or any combination of these projects.
- Electric or telephone project or combination thereof.
- Underground conversion project (overhead electrical, telephone, cable lines)
- In municipalities in a county whose population is less than 700,000, acquire, improve, equip, operate and maintain an art project or a tourism and entertainment project.
SAD and CAVP – Eligible Projects

"Commercial Area Vitalization Project” includes:
1. The beautification and improvement of the public portions of any area zoned primarily for business or commercial purposes, including, without limitation:
   a. Public restrooms;
   b. Facilities for outdoor lighting and heating;
   c. Decorations;
   d. Fountains;
   e. Landscaping;
   f. Facilities or equipment, or both, to enhance protection of persons and property within the improvement district;
   g. Ramps, sidewalks and plazas; and
   h. Rehabilitation or removal of existing structures; and
2. The improvement of an area zoned primarily for business or commercial purposes by providing promotion activities.

SAD and CAVP – Eligible Programs

- Acquisition, Assembly, and Demolition of Property
- Partnerships with other Economic Development Organizations – Leveraging of Existing Resources
- Brownfield Clean-up Revolving Loan Fund
- "Local Restaurant Guide” as an Example
- Print, Radio, Television Media Advertising

Special Assessment Districts: Benefits

- Funds can be bonded against.
- Funds can be spent annually as the CAVP "Assessment District Coordinator” determines.
- Funds can be used for general improvements, acquisition, demolition, rehabilitation and other property improvement programs.
Tax Increment Areas
Nevada Revised Statute Chapter 278C

Tax Increment Areas: Process

Five "General Steps":

1. Local governing body, by resolution, shall direct the City/County Engineer to prepare: (a) a preliminary plan and preliminary estimate of the undertaking, (b) a statement of the proposed Tax Increment Area that should include the last finalized amount of the assessed valuation of taxable property in the proposed TIA, (c) a statement of the estimated amount of potential tax proceeds over the estimated duration of the TIA.

2. The resolution must describe the undertaking of the TIA in general terms: (a) what portion of the expense of the undertaking will be paid with the proceeds of securities, (b) how the remaining portion of the expense of the undertaking will be financed, (c) the basic security and any additional security for the payment of securities.

3. The resolution must designate the location of the Tax Increment Area.

4. The City/County Engineer must file with the clerk the preliminary plans, estimate of costs and statements.

5. Upon reviewing the preliminary plan, estimate of costs and statement, the local governing body shall by resolution provisionally order the creation of the Tax Increment Area.
Tax Increment Areas: Eligible Infrastructure Projects

For Counties (NRS 244A.027 – NRS 244A.056):
- Flood-Control Projects
- An Overpass Project
- A Sewerage Project
- A Street Project
- An Underpass Project
- A Water Project

Tax Increment Areas: Eligible Infrastructure Projects

For Cities (NRS 268.682 – NRS 268.728):
- Flood-Control Projects
- An Overpass Project
- A Sewerage Project
- A Street Project
- An Underpass Project
- A Water Project

Tax Increment Financing (TIF) – Tax Increment Areas

Assessed Value (US Dollars)
Tax Increment Areas: Benefits

- Funds can be bonded against.
- Funds can only be used for infrastructure projects as deemed necessary by the City/County Engineer and as permitted in NRS Chapter 278C.
Public Sector Involvement in Funding Economic Development Initiatives

“Public sector solutions are meant to **leverage private lenders and investors** to ensure that access to capital is extended to entities that are credit-worthy, but are not considered good risks in traditional commercial terms.”

*What would make a private entity credit-worthy but not considered a ‘good risk’ in traditional terms?*

- Role of the Public Sector: to invest in ventures or projects where the economic and social benefits **outweigh** the risk of financing. **Examples?**
- Consider the impact of the investment and completion of the venture or project on **job creation potential, neighborhood development**, and **potential tax revenues.**
Funding Economic Development – Some General Public Sector Approaches

- Reducing the Cost of Borrowing and Risk
- Investment Programs
- Loan Packaging
- Direct Lending
- Technical Assistance
- Economically Targeted Investments (EIT’s)

Reducing the Cost of Borrowing and Risk

- **Lowering the Cost of Borrowing**: the public sector subsidizes the difference between the market and the discounted rate thereby reducing the interest rates the borrower must pay a lender.
  - Direct Financing
  - Low Interest Loans
  - Linked Deposit Programs
  - Use of Tax-Exempt Bonds (Redevelopment, SAD’s, GID’s, TIA’s, etc.)

- **Lowering Risk**: the public sector guarantees a percentage of a private sector loan against possible default; thereby making the loan more secure and a more attractive investment for the lender.

Investment Programs

Investment Programs: the public sector establishes lending programs that address the **special need** of under-served groups.

- Start-up Loans
- Small Working Capital Loans
- Microloans
- Seed and Venture Capital Funds
- Export Loans
- Small Business Investment Companies
Loan Packaging

**Loan Packaging**: the public sector helps entities obtain financing; acting as a **conduit** by facilitating and coordinating the loan process.

- Identifying and Screening Loan Applicants
- Promoting Private Sector Participation in the Lending Process
- Targeting of Specific Industries or Market Segments
- Income Maximum and Equity Requirements
- Requirement of Private Sector Capital and/or Involvement

Direct Lending

**Direct Lending**: the public sector can act as the direct, subordinate, or primary lender, using its own funds or a special fund controlled by the public sector entity.

- Source of Capital may include Federal or State Grants, Local Revenue Appropriations, Investment Portfolios, or Private Sector Investments (Pension Funds)
- Revolving Loan Funds
- Seed and/or Venture Capital Funds
- Establish ‘Quasi-Public’ Organizations to Manage the Lending Program(s)
  - Should only provide GAP financing or leverage private sector financing.

Economically Targeted Investments (ETI’s)

**Economically Targeted Investments**: designed to direct funds to opportunities that earn a **competitive financial return** while producing economic development benefits.

- Pension Funds may be invested in Loan Programs for Small Businesses or to Modernize Facilities
- Expanded Pension Fund ETI’s from housing and real estate projects to small and minority-owned businesses, community development financial institutions, revolving loan funds, and infrastructure projects.
- Must invest in projects that generate market rates of return.
Federal Government Involvement in Funding Economic Development Initiatives

“The federal government provides a number of significant sources for financing economic development activities…there are also a number of federal programs geared toward financing programs, planning, and implementation of economic development activities.”

Federal Government Involvement in Funding Economic Development Initiatives

Three Primary Federal Government Sources:

- The U.S. Small Business Administration (SBA)  
  https://www.sba.gov/

- The U.S. Economic Development Administration (EDA)  
  https://www.eda.gov/

- The U.S. Department of Agriculture (USDA) 
  http://www.usda.gov/wps/portal/usda/usdahome
The U.S. Small Business Administration

https://www.sba.gov/

The U.S. Small Business Administration

- **7(a) Regular Loan Program**: the U.S. SBA general loan program; typically a zero subsidy loan program financed through fee income to SBA from borrowers and lenders.
  - Community Express Loans: loans up to $25,000 offered to small businesses that qualify as Historically Underutilized Business Zones (HUBZones).
  - Patriot Express Loans: for veterans, service-disabled veterans, active duty service members eligible for the Transition Assistance Program, Reservists and National Guard members, current spouses or widowed spouses of any of the aforementioned groups.
  - Funds can be used for start-up costs, equipment purchases, business-occupied real estate purchases, infusing working capital, managing a business, expansion, setting up to sell goods and services to the government, or recovery from declared disasters.

The U.S. Small Business Administration

- **International Trade Loans**: provides long-term financing to help small businesses compete more effectively and significantly expand or develop export markets.
  - Must meet all the general requirements of the general 7(a) loan guarantee program.
  - Plus the loan proceeds must significantly expand existing export markets or develop new ones.
  - Or the applicant’s business must be adversely affected by import competition.
The U.S. Small Business Administration

- **Community Adjustment and Investment Program**: created in tandem with NAFTA (1993), it is designed to provide credit to new or expanded businesses in communities with significant job losses due to changes in trade patterns with Canada and Mexico.

- **MicroLoan for Entrepreneurs**: funds may be used for the purchase of machinery and equipment, furniture and fixtures, inventory purchases, supplies, and working capital.
  - Must demonstrate the following Eligibility Requirements: (1) Good Character, (2) Enough Management Expertise and Commitment for a Successful Operation, and (3) Reasonable Assurance that the Loan will be Repaid.

The U.S. Small Business Administration

- **Small Business Innovation Research (SBIR)**: designed to fund high-risk research and development efforts with excellent commercial potential.
  - **Purpose**: to (1) stimulate technological innovation, (2) bring small businesses into the federal research and development process, (3) encourage participation by disadvantaged and minority persons in technological innovation, and (4) increase private sector commercialization of federal research and development.
  - **Eligibility Requirements**: (1) be at least 51% American-owned and independently operated, (2) be located in the United States, (3) be for-profit and employ no more than 500 employees, and (4) have the principal researcher's primary employment be with the small business during the project.
  - **Participating Federal Departments**: USDA, Department of Commerce, Department of Defense, Department of Education, Department of Energy, Department of Health and Human Services, Department of Homeland Security, Department of Transportation, Environmental Protection Agency, National Aeronautics and Space Administration, and the National Science Foundation.

The U.S. Small Business Administration

- **Participating SBIR Federal Departments**:
  - USDA: [https://nifa.usda.gov/program/small-business-innovation-research-program-sbir](https://nifa.usda.gov/program/small-business-innovation-research-program-sbir)
  - US Dept. of Commerce: [https://www.sbir.gov/agencies/departments-of-commerce](https://www.sbir.gov/agencies/departments-of-commerce)
  - EPA: [https://www.epa.gov/sbir](https://www.epa.gov/sbir)
The U.S. Economic Development Administration

https://www.eda.gov/

The U.S. Economic Development Administration

- Economic Adjustment Assistance Program (https://business.usa.gov/program/economic-adjustment-assistance): these program funds are primarily used to support the following types of programs:
  - Projects that build on or create new industry clusters that enhance the competitiveness of a region.
  - Projects that support technology-led development.
  - Projects that support or advance community and faith-based social entrepreneurship in redevelopment strategies for regions of chronic economic distress.

“These (Economic Adjustment Assistant Program) grants are meant to enhance private investment in distressed communities to make them more competitive economically. Strategy grants help organize and carry out planning processes, resulting in a Comprehensive Economic Development Strategy (CEDS), tailored to the community’s specific economic problems and opportunities.”
The U.S. Department of Agriculture

http://www.usda.gov/wps/portal/usda/usdahome

• All USDA Programs (Business and Industry Direct Loans),
  http://www.rd.usda.gov/programs-services/all-programs
  – Rural Business – Cooperative Service
  – Rural Housing Service – Community Facilities
  – Rural Housing Service – Multi-Family Housing
  – Rural Housing Service – Single-Family Housing
  – Rural Utilities Service – Electric Programs
  – Rural Utilities Service – Telecommunications Programs
  – Rural Utilities Service – Water & Environmental Programs


• Rural Energy for America Program (REAP), http://www.rd.usda.gov/programs-services/rural-energy-america-program

• USDA Rural Development Intermediary Relending Program,
  http://www.rd.usda.gov/programs-services/intermediary-relending-program

• USDA Rural Development Rural Business Enterprise Grant (RBEG),

• USDA Rural Development Rural Business Development Grants,

• USDA Rural Development Value Added Producer Grants,
  http://www.rd.usda.gov/programs-services/value-added-producer-grants

• Rural Economic Area Partnership Program (REAP Zones),
Meet USDA Rural Development!

Sarah Adler
State Director
USDA Rural Development

Building a Stronger Nevada — Fundamentals of Economic Development
September 20, 2016
But How Much?
Best Guess at RD Investments in Fallon/Churchill, 2009-2016?

$81,630,353

Statewide, 2009-2016 over $1,000,000,000
Business Programs

- Guaranteed Business & Industry Loan Program (gB&I)
- Rural Energy for America (Loan & Grant) Program (REAP)
- Value-Added Producer Grant (VAPG)
- Rural Business Development Grant (RBDG)
Rural Housing = Rural Jobs

- Direct Loans
- Home Repair Loan/Grant
- Guaranteed Loan
Community Programs

Water and Waste Water Program

Community Facility Loan and Grant
Hey Local Foodies!

That’s you—small farmers, Farmers Market managers, Food Hub visionaries, organic farmers, & the organizations who support you.

Come spend a day with USDA and learn about:

- Microloans & other FSA loan programs (got a kid farmer anyone?)
- Hoop houses and how to fund them
- Local Food & Farmers Market Promotion Programs and other AMS grants
- Funding for renewable energy and marketing
- Financing food systems

WHEN: Wed., August 17, 2016 9 - 4
WHERE: NRCS/FAST State Office 1195 Corporate Blvd.
RSVP: Maitland Emmans, (775) 857-8500 Ext. 105
And in our spare time – Goal 2

And now, for some of those Fundamentals of Economic (and Community) Development, from a wise old woman.
Flora Community Capitals

- Built Capital
- Financial Capital
- Political Capital
- Natural Capital
- Cultural Capital
- Social Capital
- Human Capital

Healthy Ecosystem
Vital Economy
Social Well-Being
WHAT'S IT ALL ABOUT?

It's all about relationships

And some data and analysis
In our lives as community members, staff, and leaders, every day we are cooking away at recipes that we believe will lead to the success of our community. You’ve got two front burners, one is your favorite recipe, your passion; the other is what weighs on you, the pressure cooker. These can be projects, responsibilities, or goals (such as engaging youth). What’s on your Front Burner?

Your pressure cooker:

Your passion:

I live and/or work in:

What’s on your Front Burner?

Discovery Process  …..   Ask, Don’t Tell
Opportunity-Based Development

Opportunities Exist – Tesla? – Retirees?

Identifying & Understanding Genuine Development Opportunities

Determining the Right Fit

Making Sure You are Committed & Ready for Action
Using Research to Understand Opportunities

Who Lives in Your Community - Census Data

Who is Coming to the Area - Workforce Analysis

Likely Needs & Wants - ESRI Household Profiles

See How You are Doing - Interview New Residents

Cross Walk Needs & Wants with Your Assets

Build Your Game Plan & Execute It!
GENERAL KEYS TO SUCCESS

• Following/Anticipating Trends
• Awareness of Opportunities
• Commitment
• Public/Private Partnerships
• Pro-Active
• Be Entrepreneurial
• Understand & Use Your Tools
Mining Based

Relatively Near Urban

Retirement Influenced

Remote & Military

TRIC Effect

Tourism & Outdoor Recreation

I – 11? Logistics?
And if you think Mineral County and Lincoln County communities are remote, try Yomba, or Duckwater, or Duck Valley.
Why the Employees AND the Employers of TRIC Should Consider Rural

- Affordability
  - Land
  - Housing
- Access
  - Logistics
  - First String
- WTMBY
Meet AquaMetals

- New Technology
- First Commercial Scale Plant
- Tahoe-Reno Industrial Center Location

“We believe that we can do very well, while we are doing good.” – Steve Clarke, Chairman and CEO

& Dr. Martin Luther King, Jr.

I have the audacity to believe that peoples everywhere can have three meals a day for their bodies, education and culture for their minds, and dignity, equality, and freedom for their spirits.