

# Unify | Regionalize | Diversify

## An Economic Agenda for Nevada







169,802  
jobs lost in the recession



94,079

jobs lost in construction  
and real estate

29,146

jobs lost in tourism and  
gaming

17,422

jobs lost in retail trade

A.B. 449

ASSEMBLY BILL NO. 449—ASSEMBLYMEN OCEGUERA,  
KIRKPATRICK, CONKLIN, SMITH; BROOKS AND  
GOICOECHEA

MARCH 21, 2011

JOINT SPONSORS: SENATORS HORSFORD AND MCGINNESS

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to economic  
development. (BDR 18-726)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: Yes.

EXPLANATION — Matter in *italicized italics* is new; matter between brackets *(inserted text)* is material to be omitted.

AN ACT relating to economic development; creating an Advisory Council on Economic Development; prescribing the duties of the Advisory Council; creating the Board of Economic Development; prescribing the duties and powers of the Board; creating the Office of Economic Development; prescribing the duties and powers of the Office and the Executive Director of the Office; establishing a fund to provide grants to local governments for the purpose of economic development; establishing a fund to provide financial assistance to research institutions within the Nevada System of Higher Education for the development and commercialization of new technologies; amending provisions relating to the Commission on Economic Development, the Governor's Workforce Investment Board and the Secretary of State's business portal; transferring the duties and powers of the Commission on Economic Development to the Board of Economic Development; revising various provisions relating to economic development; and providing other matters properly relating thereto.



A.B. 449

# UNIFY REGIONALIZE DIVERSIFY

AN ECONOMIC DEVELOPMENT AGENDA FOR NEVADA



**B** Metropolitan Policy Program  
at BROOKINGS



BROOKINGS | UNLV  
BROOKINGS MOUNTAIN WEST



1 2 3

1 Nevada has economic assets and industry strengths in the next economy

1 2 3

2

Nevada's assets and strengths vary across its disparate regions



1 2 3

3

Nevada must unify, regionalize and diversify to grow and prosper

1 2 3

1 Nevada has economic assets and industry strengths in the next economy



# NEVADA INDUSTRY AND COMPETITIVE ANALYSIS

PRELIMINARY ASSESSMENT



November

# NEVADA INDUSTRY AND COMPETITIVENESS ANALYSIS

IDENTIFICATION OF INDUSTRY OPPORTUNITIES



November 14, 2011

## Core Industries

Tourism, Gaming  
& Entertainment



Mining, Materials  
& Manufacturing

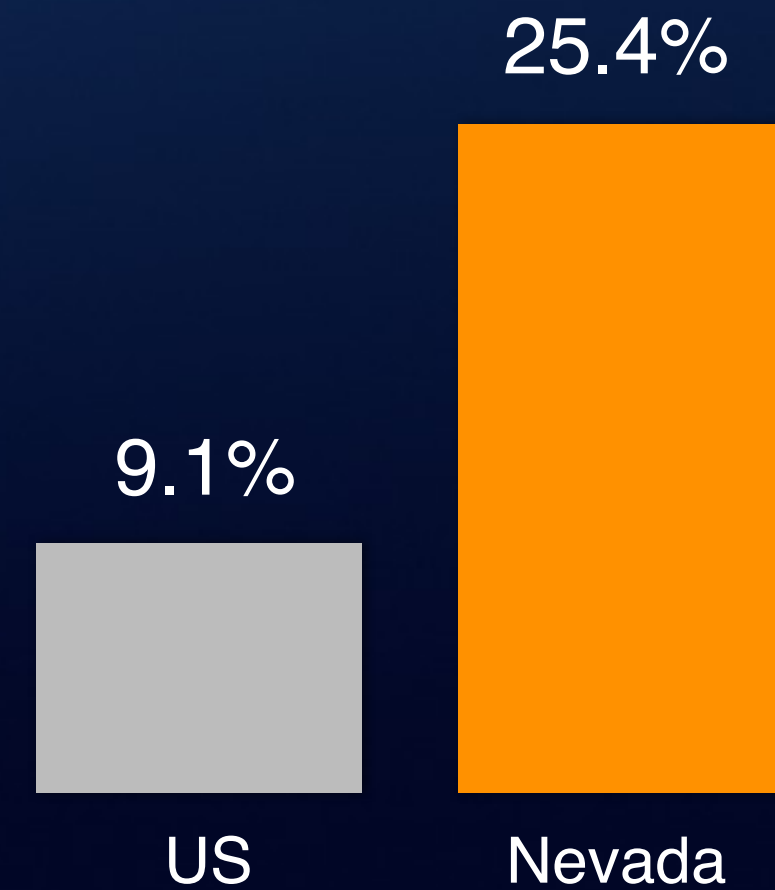




## Tourism, Gaming & Entertainment



## Tourism, Gaming & Entertainment Share of Employment



## Core Industries

Tourism, Gaming  
& Entertainment



Mining, Materials  
& Manufacturing



## Underperforming Industry

Health & Med  
Services





## Health & Med Services



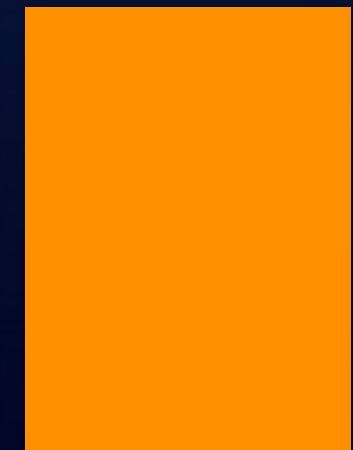
## Health and Medical Services Share of Employment

9.0%



US

5.9%



Nevada

## Core Industries

Tourism, Gaming  
& Entertainment



Mining, Materials  
& Manufacturing



## Underperforming Industry

Health & Med  
Services



## Emerging Industries

Business IT  
Ecosystems



Clean Energy



Logistics &  
Operations



Aerospace  
& Defense



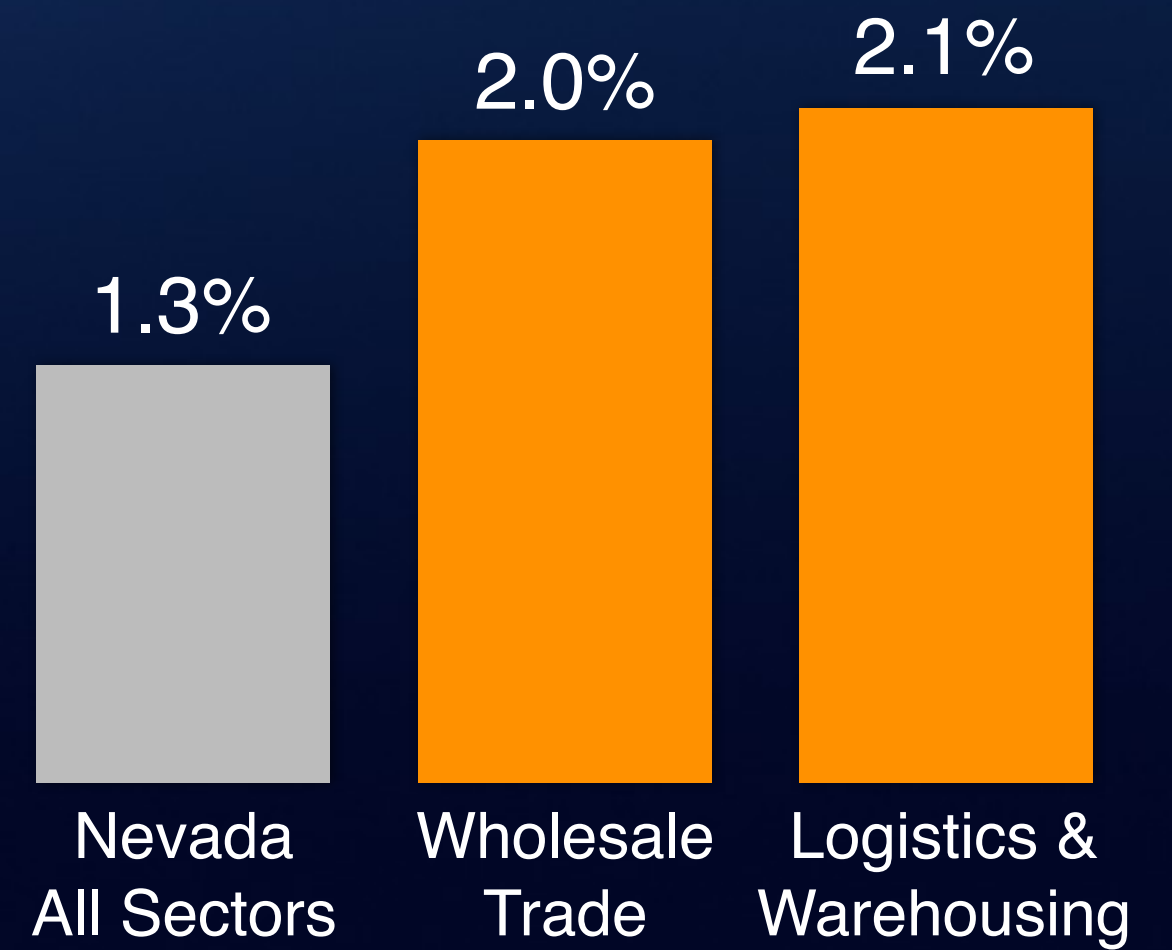


## Logistics & Operations



## Logistics & Operations

Projected Annual Growth Rate, 2011-2016



1 2 3

2

Nevada's assets and strengths vary across its disparate regions



# Northern Nevada



Clean Energy



Mining, Materials  
& Manufacturing



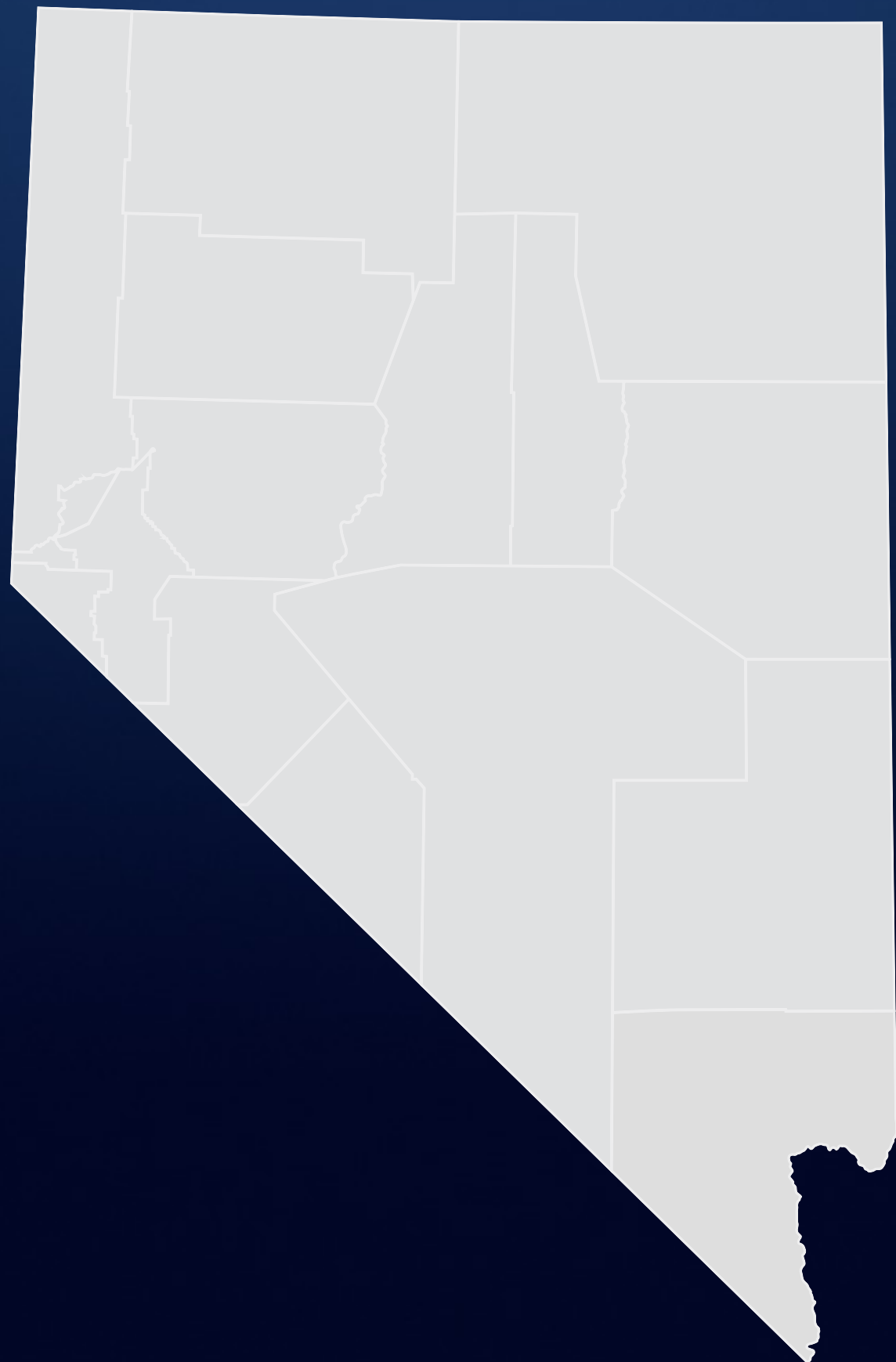
Logistics &  
Operations



Aerospace &  
Defense



Business IT  
Ecosystems



# Rural Nevada



Tourism, Gaming  
& Entertainment



Mining, Materials  
& Manufacturing



Clean Energy

# Southern Nevada



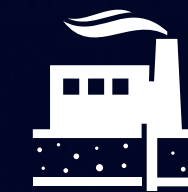
Tourism, Gaming  
& Entertainment



Business IT  
Ecosystems



Health & Medical  
Services



Clean Energy



Logistics &  
Operations

## Northern Nevada



Clean Energy



Mining, Materials  
& Manufacturing



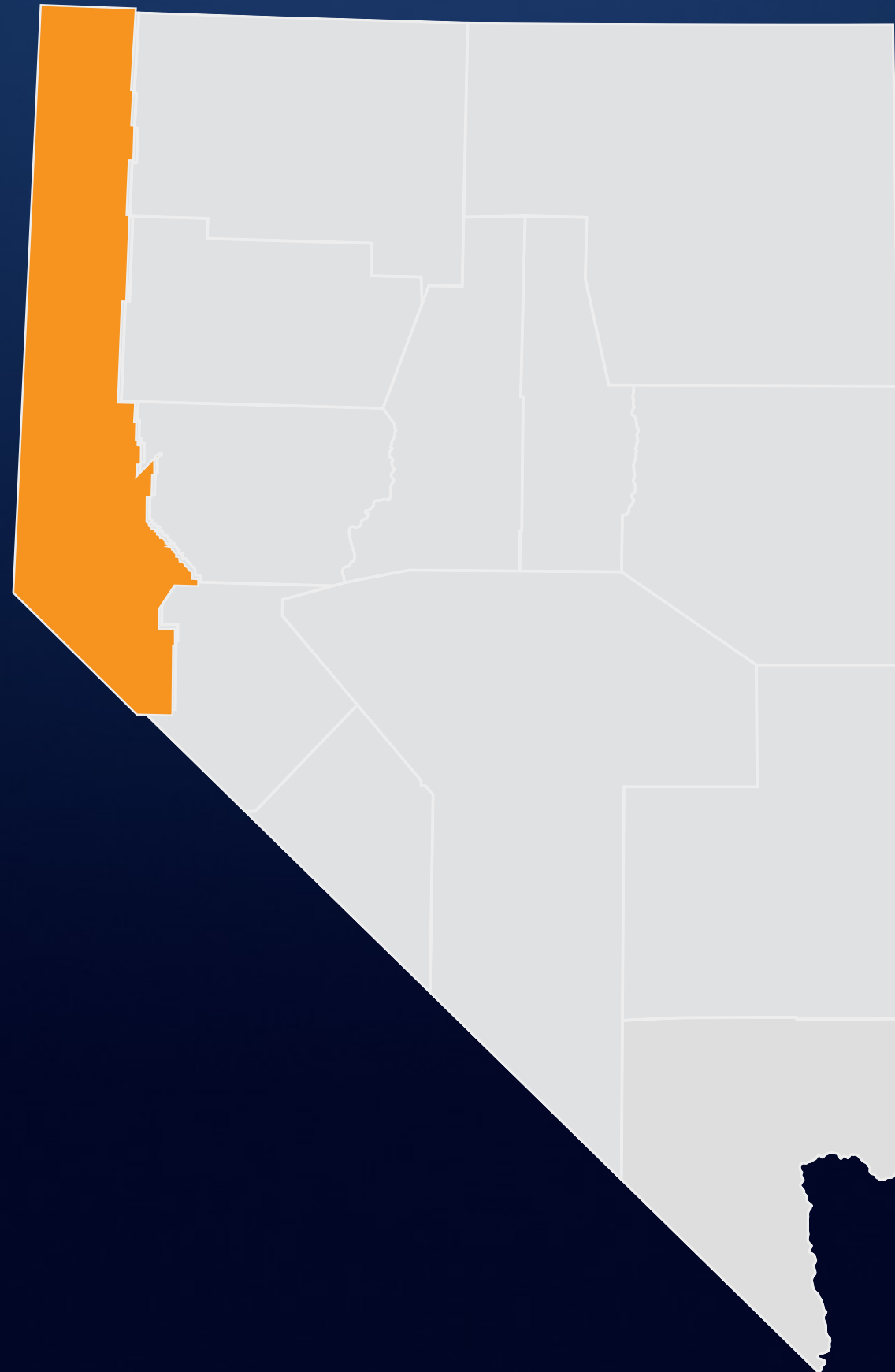
Logistics &  
Operations

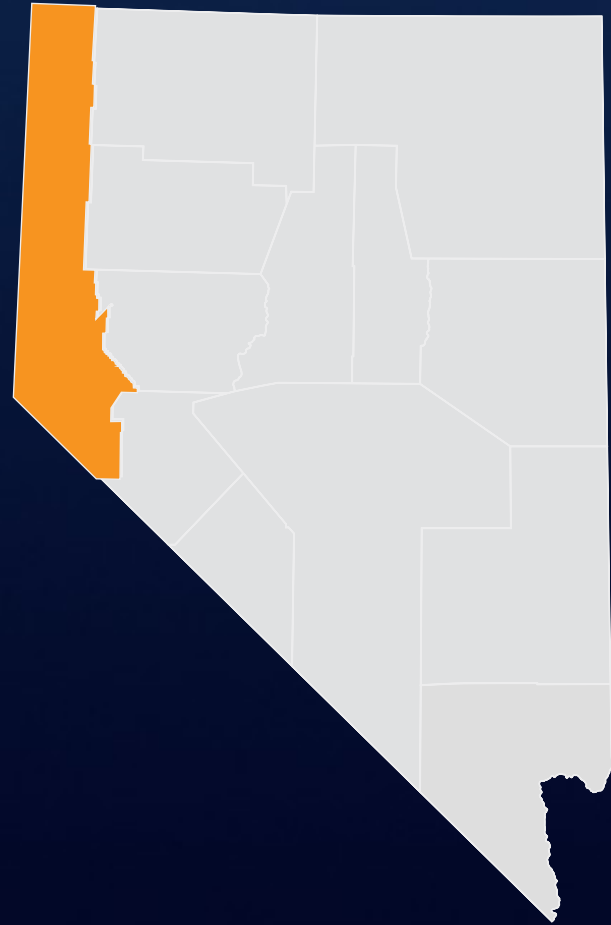


Aerospace &  
Defense








Business IT  
Ecosystems





**Northern Nevada**  
Industry Opportunities

|  | Strength  | Potential  |
|--|---|--|
| <div>Clean Energy</div> <div></div>                          | Installed geothermal capacity   | Become knowledge and production center for geothermal energy     |
| <div>Mining, Materials &amp; Manufacturing</div> <div></div> | Metal/plastics, electronics/medical and industrial/commercial manufacturing | Broader national/global supply chains, higher-tech manufacturing |
| <div>Logistics &amp; Operations</div> <div></div>          | Distribution and transportation companies and infrastructure                | Expand logistics, air cargo, assembly-based manufacturing, etc.  |
| <div>Aerospace &amp; Defense</div> <div></div>             | Aerospace and defense manufacturing activities                              | Focus on niche areas of industry: UAV manufacturing and MRO      |
| <div>Business IT Ecosystems</div> <div></div>              | Call/center/customer service and e-commerce-related companies               | Broader range of business services and back office activities.   |



## Southern Nevada



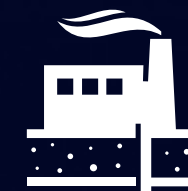
Tourism, Gaming  
& Entertainment



Business IT  
Ecosystems



Health & Medical  
Services

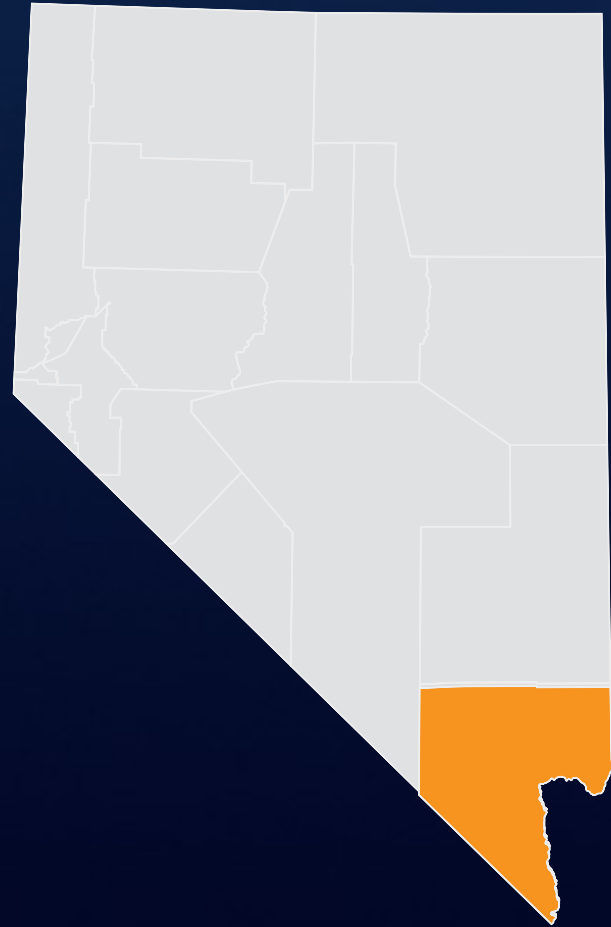


Clean Energy




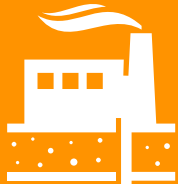



Logistics &  
Operations





**Southern Nevada**  
Industry Opportunities

|  | Strength  | Potential  |
|--|---|--|
| <b>Tourism, Gaming &amp; Entertainment</b><br> | Global hub for the gaming industry                                  | Online gaming, intellectual capital of global gaming, film/media, niche tourism    |
| <b>Business IT Ecosystems</b><br>              | Base of business service activities, specialization in data centers | Back office/call centers, e-commerce, cloud computing, cyber security              |
| <b>Health &amp; Medical Services</b><br>     | Population concentration in Southern Nevada                         | Expansion of service availability and quality, with surgical/geriatric specialties |
| <b>Clean Energy</b><br>                      | Installed capacity of solar energy and hydropower                   | Expansion of facilities, design/manufacture of energy systems/components           |
| <b>Logistics &amp; Operations</b><br>        | Distribution, logistics, transportation activities/infrastructure   | Increase position as West Coast hub/gateway, expansion of activities               |

**Rural Nevada**



Tourism, Gaming  
& Entertainment



Mining, Materials  
& Manufacturing






Clean Energy





**Rural Nevada**  
Industry Opportunities

|  | Strength                              | Potential   |
|--|---------------------------------------|---|
| <div>Mining, Materials &amp; Manufacturing</div> <div></div> | High concentration of mining activity | Expansion of exploration and mine-site services, and supply chain for minerals used in renewable energy |
| <div>Tourism, Gaming &amp; Entertainment</div> <div></div>  | Natural landscape                     | Expansion of rural/outdoor segment of tourism, leverage visitor traffic to Las Vegas and Reno           |
| <div>Clean Energy</div> <div></div>                        | Available land and natural resources  | Off-the-grid renewable installations in wind and solar energy   |



## Northern Nevada

### Clean Energy

Become knowledge  
and production  
center for  
geothermal energy



## Rural Nevada

### Clean Energy

Off-the-grid renewable  
installations in wind  
and solar energy

## Southern Nevada

### Clean Energy

Expansion of facilities,  
design/manufacture of  
energy systems/  
components

1 2 3

3

Nevada must unify, regionalize and diversify to grow and prosper

**Drift & Fragmentation**

**No Cohesive Regional Identity**

**No Platform for Diversification**



**1 Unify**  
Install an operating system for 21st century economic development

**2 Regionalize**  
Support smart sector strategy in Nevada's regions

**3 Diversify**  
Set a platform for higher-value growth through innovation and global engagement

# Unify

# Regionalize

# Diversify

| Set a strategy for innovation & diversification—and lead  | Structure partnerships among regional actors  | Build the information base and use it to drive performance  | Support conveyings of target industry actors in regions   | Support cluster initiatives and other bottom-up strategies   | Align the state’s existing policies & programs with regional approaches  | Bolster innovation and accelerate commercialization  | Expand global engagement  | Align higher education & workforce development to strategic opportunities  |
|---|---|---|---|--|--|--|---|--|
| Produce state plan for economic diversification through innovation<br>—<br>Brand and communicate new direction<br>—<br>Help regions align with state economic dev strategy<br>—<br>Name industry-specific “sector champions”<br>—<br>Deploy Catalyst Fund to build target sectors | Use RDA selection to promote aligned, collaborative execution<br>—<br>Use RDA funding and performance management to drive impact and reward achievement<br>—<br>Create prizes, innovation grants, or competitions to incite creative parter initiatives | Improve the range of economic development information available<br>—<br>Improve the packaging of economic development information<br>—<br>Use information to define and drive success | Foster cluster organizations in target sectors<br>—<br>Speak at sector conveyings and join working meetings with sector associations or business leaders<br>—<br>Task “sector champions” to work with regional clusters | Establish a competitive grant program to support cluster initiatives<br>—<br>Encourage regional business planning in regions<br>—<br>Support the development of regional export plans to boost global engagement<br>—<br>Support building-out of regional innovation districts | Prioritize collaboration applications in awarding competitive grants<br>—<br>Tune department and program objectives and offerings to cluster needs<br>—<br>Organize incoming federal resources to help coordinate local cluster-building efforts | “Impact scholars” to boost research<br>—<br>Incentivize univ-industry research collaboration<br>—<br>Boost industry R&D w/tax incentives<br>—<br>Leverage fed resources to catalyze R&D<br>—<br>Assist SMEs in winning SBIR/ STTR funds<br>—<br>Commericalization infrastructure<br>—<br>Increase access to risk capital | Make int’l trade and global engagement a key priority<br>—<br>Make FDI a component of global agenda<br>—<br>Build global engagement information base<br>—<br>Leverage resources of other organizations’ export promotion/ FDI attraction<br>—<br>Advocate on behalf of global engagement priorities | Raise STEM standards throughout K-12<br>—<br>Leverage community colleges to deliver skilled workforce<br>—<br>Expand research universities’ role in workforce development<br>—<br>Reorganize and re-energize workforce investment system |

**1 Unify**  
Install an operating system for 21st century economic development

**2 Regionalize**  
Support smart sector strategy in Nevada's regions

**3 Diversify**  
Set a platform for higher-value growth through innovation and global engagement

# 1 Unify

## Install an operating system for 21st century economic development



PRODUCE A  
STRATEGY FOR  
INNOVATION AND  
DIVERSIFICATION



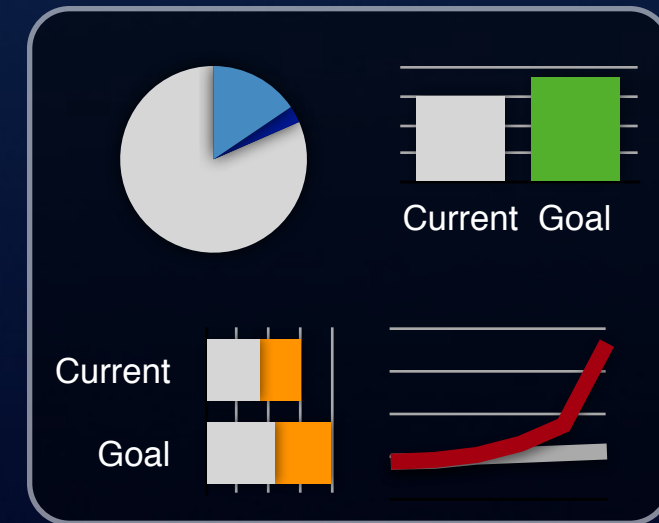
STRUCTURE  
REGIONAL  
PARTNERSHIPS



NAME SECTOR  
CHAMPIONS

\$10 million

CATALYST  
FUND



BUILD  
INFORMATION BASE  
TO DRIVE  
PERFORMANCE



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## 2 Regionalize

Support smart sector strategy in Nevada's regions



BOTTOM-UP REGIONAL  
ECONOMIC DEVELOPMENT

SECTOR CHAMPION



ALIGN STATE POLICIES,  
PROGRAMS & INITIATIVES  
WITH REGIONAL PLANS

**1 Unify**  
Install an operating system for 21st century economic development

**2 Regionalize**  
Support smart sector strategy in Nevada's regions

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Set a platform for higher-value growth through innovation and global engagement

# 3

## Diversify

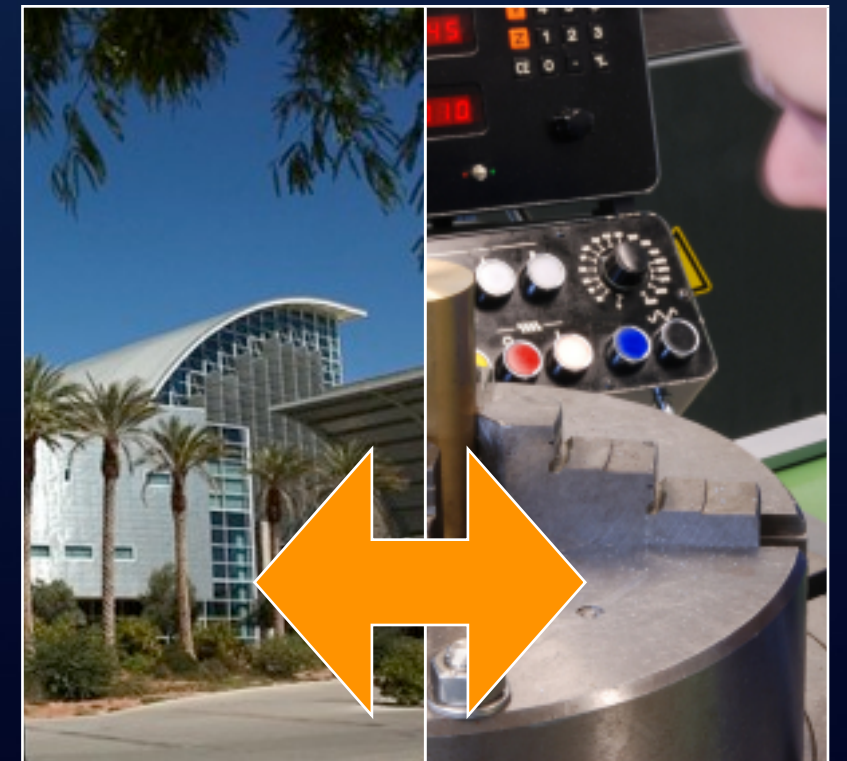
Set a platform for higher-value growth through innovation and global engagement



BUILD CAPACITY FOR  
INNOVATION AND  
COMMERCIALIZATION



EXPAND GLOBAL  
ENGAGEMENT



ALIGN HIGHER-ED &  
WORKFORCE DEVELOPMENT  
RESOURCES WITH  
INNOVATION



# Unify | Regionalize | Diversify

## An Economic Agenda for Nevada

