

Nevada's Economy and the Intersection of Economic Growth and Economic Development



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Structural Differences within Nevada's Economy



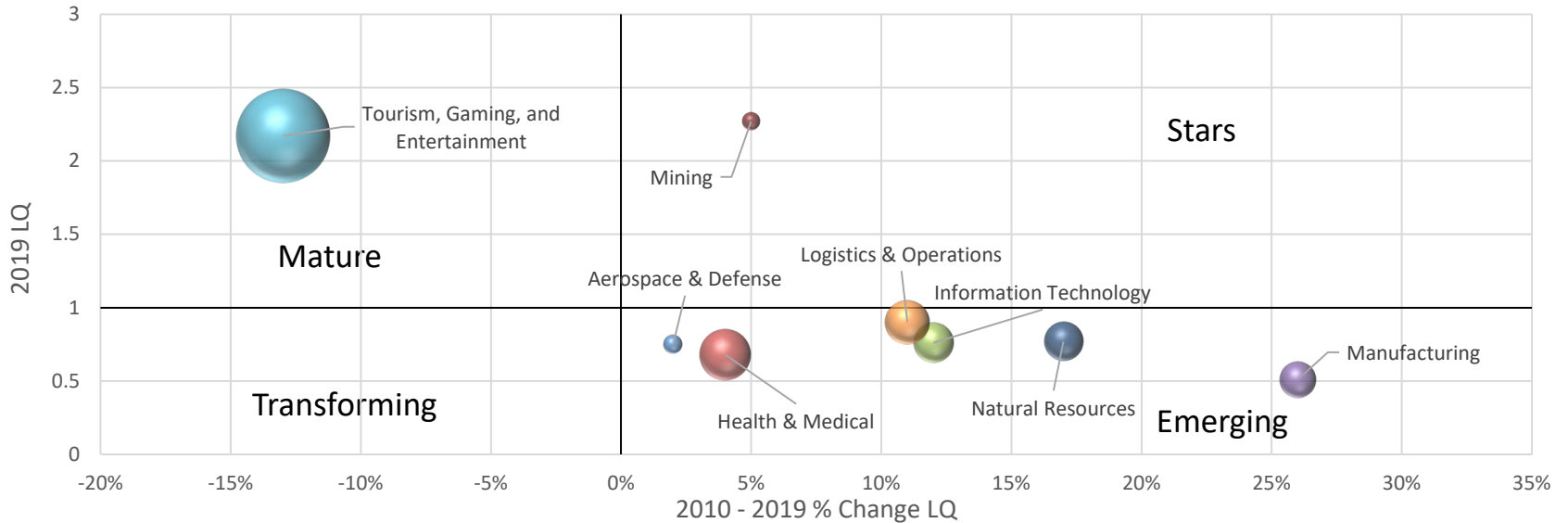
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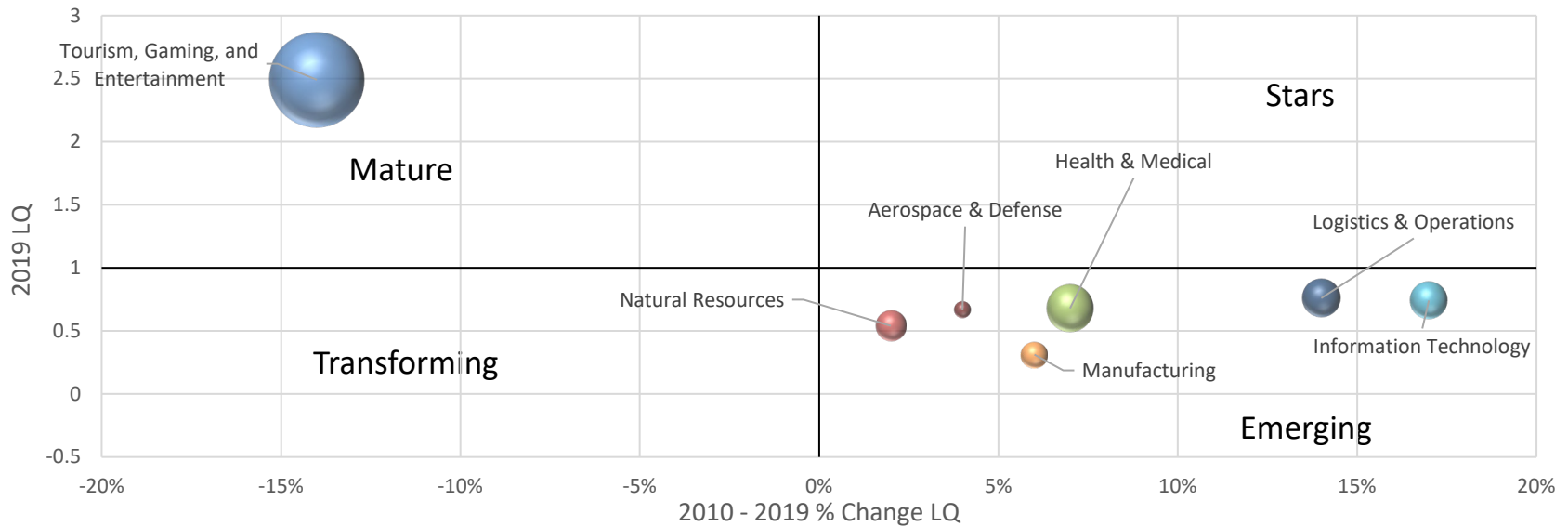
Nevada's Industry Base



Bubble size represents 2019 jobs in each sector

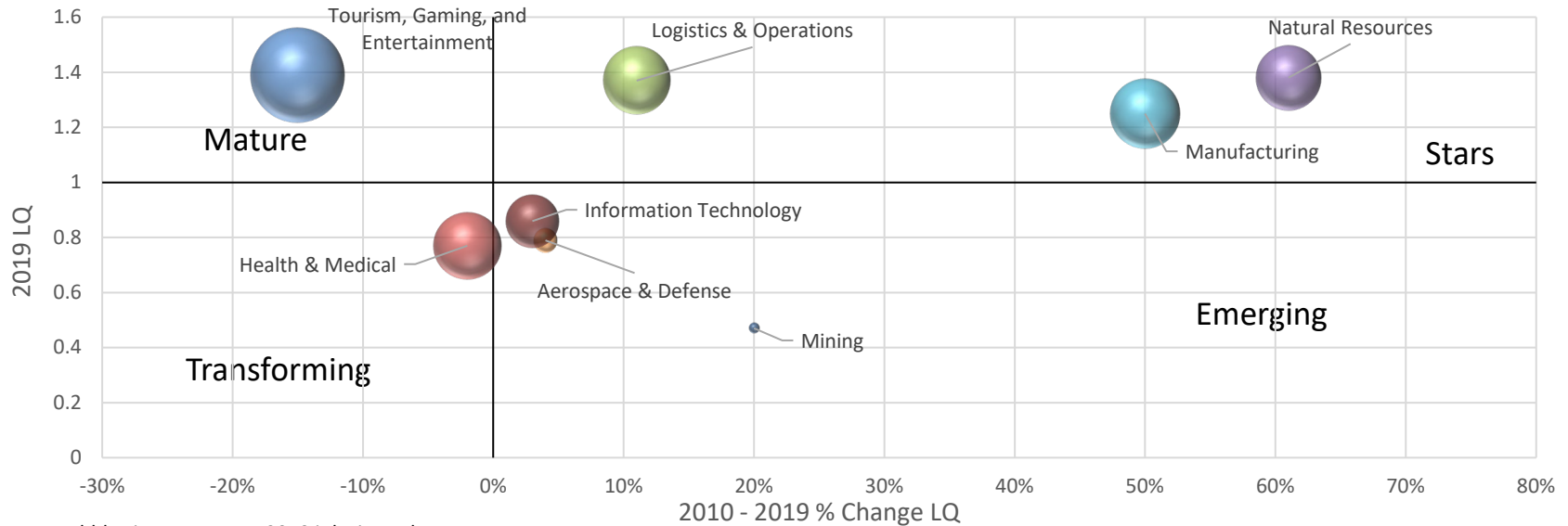
Sector	2019 Jobs	2010 LQ	2019 LQ	Percent Change LQ
Manufacturing	60,749	0.4	0.51	26%
Natural Resources	73,152	0.66	0.77	17%
Information Technology	76,497	0.68	0.76	12%
Logistics & Operations	92,930	0.81	0.9	11%
Mining	14,875	2.16	2.27	5%
Health & Medical	124,353	0.65	0.68	4%
Aerospace & Defense	16,250	0.73	0.75	2%
Tourism, Gaming, and Entertainment	433,405	2.51	2.17	-13%

Southern Nevada's Industry Base



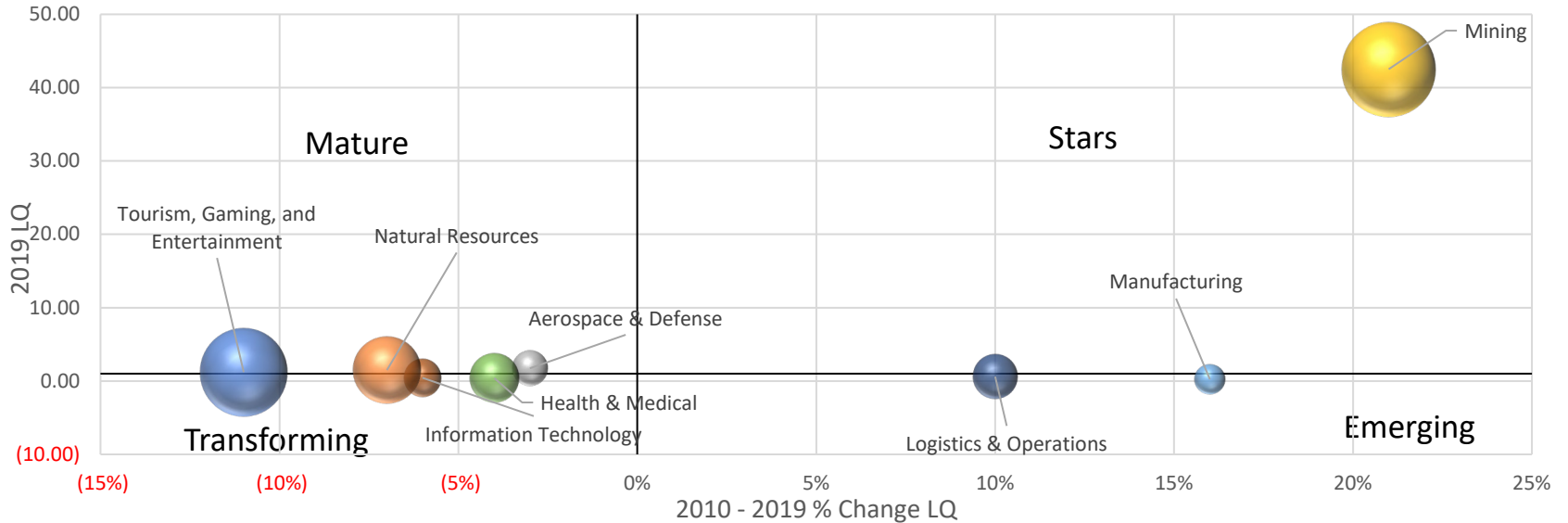
Sector	2019 Jobs	2010 LQ	2019 LQ	Percent Change LQ
Mining	515	0.07	0.11	51%
Information Technology	54,400	0.64	0.74	17%
Logistics & Operations	57,771	0.67	0.76	14%
Health & Medical	90,023	0.63	0.68	7%
Manufacturing	26,707	0.29	0.31	6%
Aerospace & Defense	10,568	0.64	0.67	4%
Natural Resources	37,222	0.52	0.54	2%
Tourism, Gaming, and Entertainment	361,006	2.88	2.49	-14%

Northern Nevada's Industry Base



Sector	2019 Jobs	2010 LQ	2019 LQ	Percent Change LQ
Natural Resources	28,673	0.86	1.38	61%
Manufacturing	32,649	0.83	1.25	50%
Mining	677	0.39	0.47	20%
Logistics & Operations	30,933	1.24	1.37	11%
Aerospace & Defense	3,750	0.76	0.79	4%
Information Technology	18,878	0.84	0.86	3%
Health & Medical	30,648	0.79	0.77	-2%
Tourism, Gaming, and Entertainment	60,242	1.64	1.39	-15%

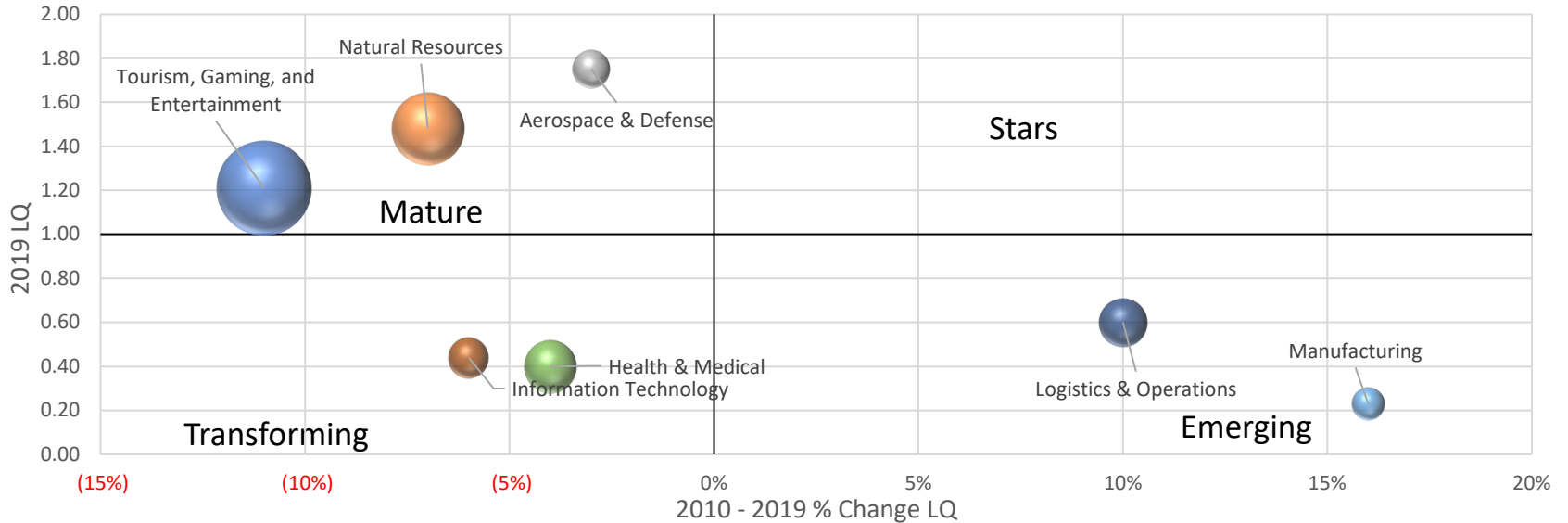
Balance of State Industry Base



Bubble size represents 2019 jobs in each sector

Sector	2019 Jobs	2010 LQ	2019 LQ	Percent Change LQ
Mining	13,684	35.04	42.49	21%
Manufacturing	1,374	0.20	0.23	16%
Logistics & Operations	3,040	0.54	0.60	10%
Aerospace & Defense	1,874	1.80	1.75	(3%)
Health & Medical	3,643	0.42	0.40	(4%)
Information Technology	2,158	0.47	0.44	(6%)
Natural Resources	6,953	1.59	1.48	(7%)
Tourism, Gaming, and Entertainment	11,847	1.36	1.21	(11%)

Balance of State – a Diversifying Economy?



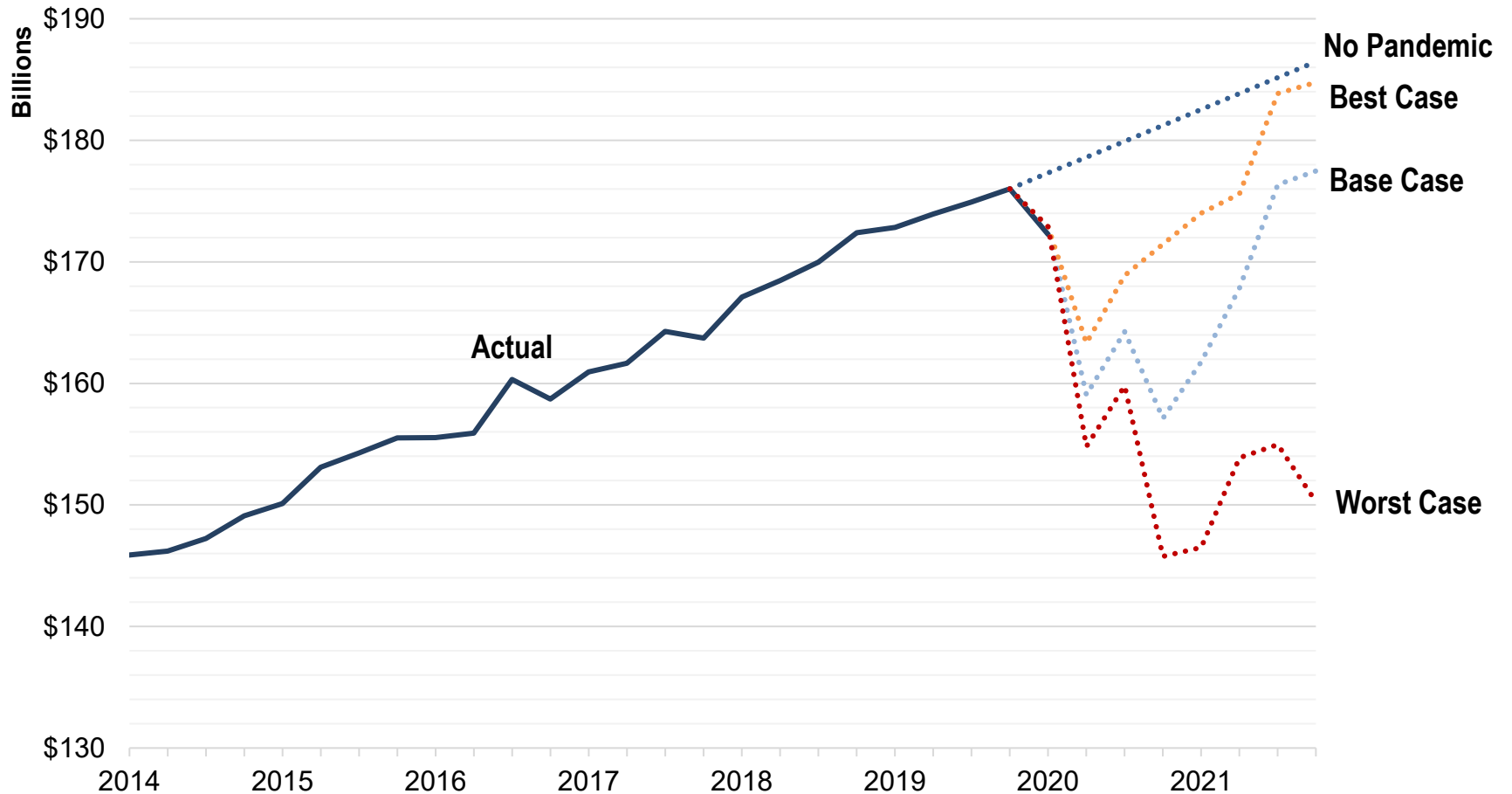
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Economic Overview

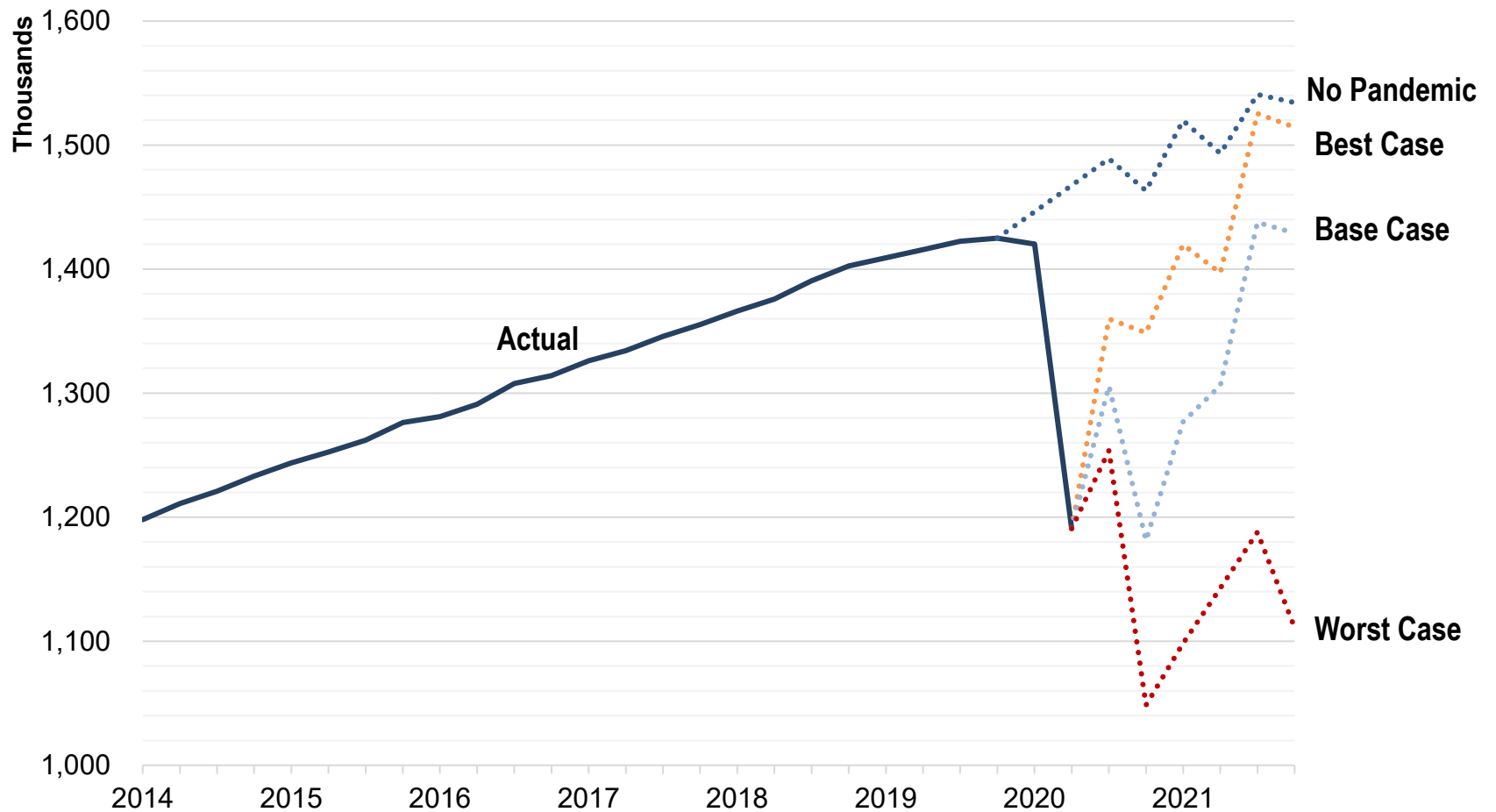
- August jobs: 1,289,800
 - Up 0.5 percent in August; 1.3 percent in July; 8.5 percent in June
- April lost 287,300 jobs with an unemployment rate of 30.1 percent
- As of August, we have recovered 52 percent or 150,800 of lost jobs
- 242,000 of the 287,300 lost jobs were in Clark County (84 percent)
- Service based industries most exposed to the economic downturn
 - Service producing down 22 percent vs. goods producing down 3 percent
- August state unemployment: 13.2 percent.
 - August Las Vegas unemployment at 15.5 percent and Reno at 7.2 percent
- Week ending October 2 regular continued UI claims at 190,613
- Headwinds
 - Severity of COVID-19 through fall and winter and into 2021
 - Vaccine availability and efficacy
 - Fear and uncertainty
 - Additional tranche of financial virus-related relief

Nevada GDP Growth: 2014Q1 – 2021Q4



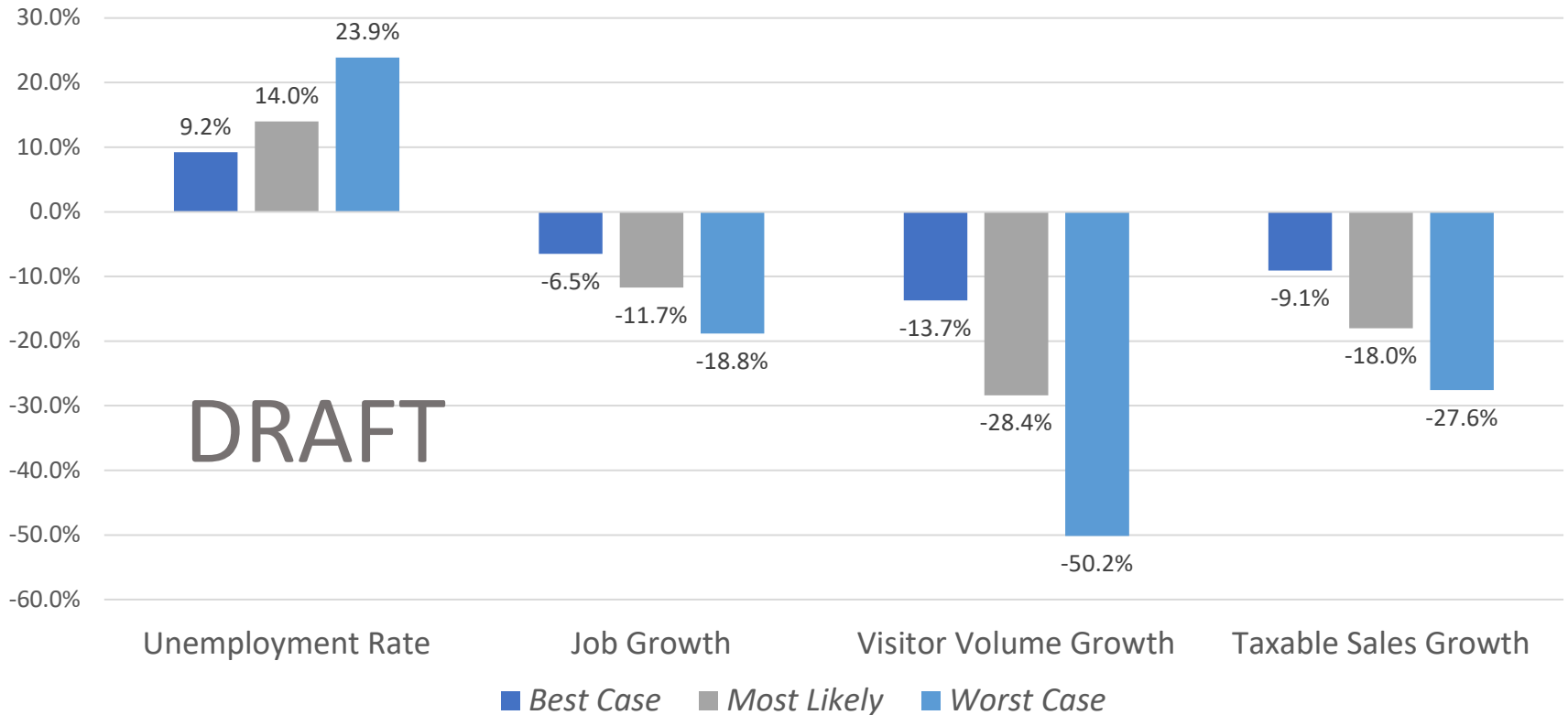
Source: RCG Economics

Nevada Nonfarm Jobs: 2014Q1 – 2021Q4



Source: RCG Economics

March 2021 Consensus Scenario Projections Based on Pandemic Conditions as of 10/1/2020



Note: Growth rates as compared to February 2019.

Business Development Pipeline

	Prospects		Active Projects		Submitted Applications				
	Last Year	Currently	Last Year	Currently	Last Year	Currently			
Companies	6	12	↑	5	9	↑	13	3	↓
Jobs	1,420	6,831	↑	5,067	2,230	↓	581	185	↓
Build-out Jobs Estimate	3,217	15,475	↑	11,479	5,052	↓	1,316	419	↓
Capital Investment	\$0.9B	\$1.7B	↑	\$2.0B	\$1.1B	↓	\$185.5M	\$43.1M	↓

Prospecting = Company has expressed interest in Nevada as a location for its project and has begun initial discussions.

Active Projects = Company has completed and submitted RFI and is working with GOED to determine feasibility.

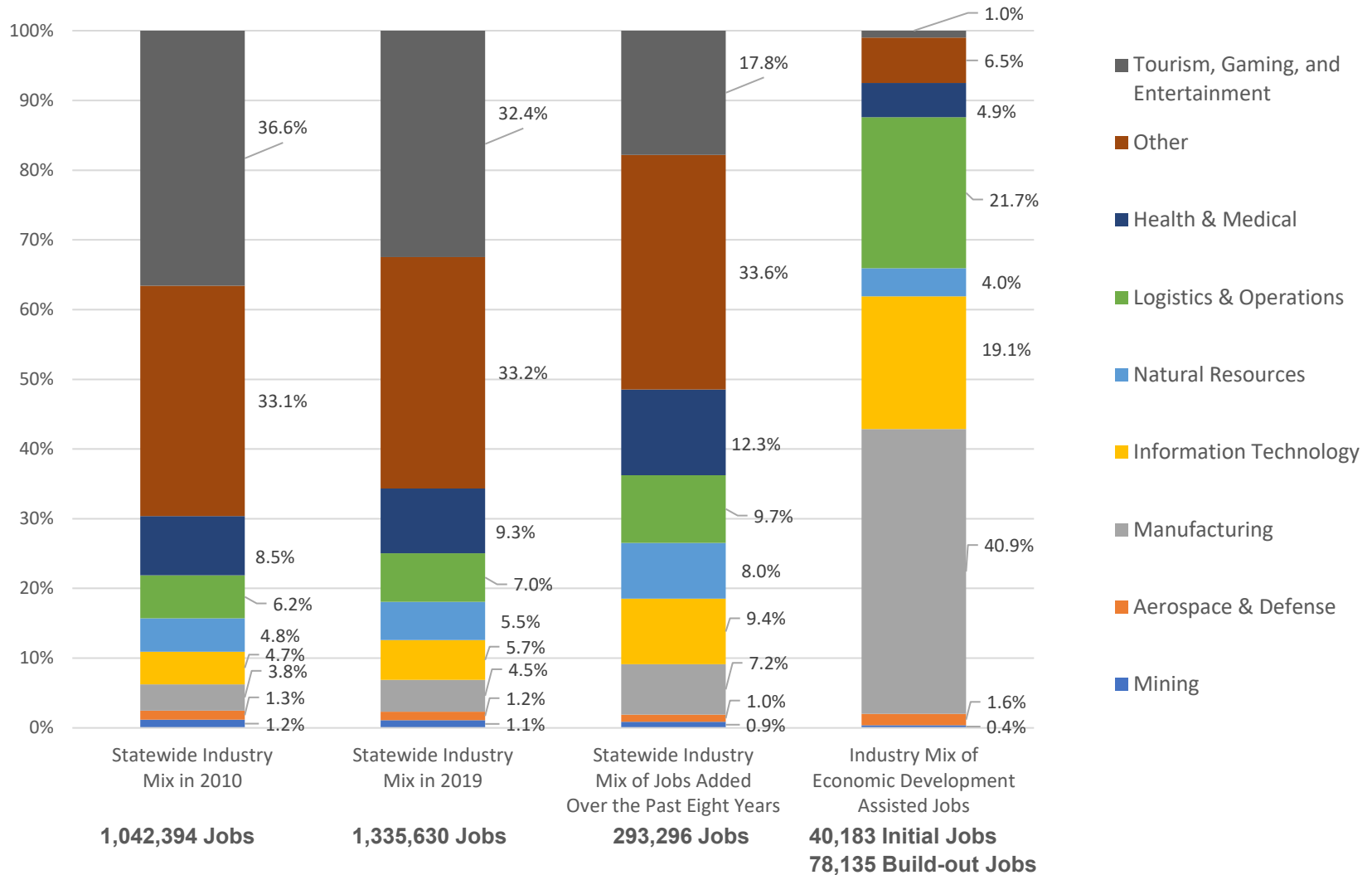
Submitted Applications = Company has submitted an incentive application to GOED.

Strategic Location Drivers

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

Source: Site Selection Magazine

Nevada's Diversifying Economy



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