

**The Economic Pulse**  
**Fall 2020**

**A Message from the Executive Director**  
**Michael Brown**

When the Governor's Office of Economic Development Board of Directors approved abatements for Google and Lithium Nevada Corp., it felt like Nevada was back open for business for the first time since COVID-19 hit more than six months ago.

These are great companies that will together invest more than \$1 billion in our state, create 163 permanent high-skilled, high-wage jobs and in the interim produce more than 5,000 construction jobs. Governor Steve Sisolak should be lauded for striking a creative balance between boosting our economy and guiding the development of corporate social policy that is in the state's best interests.

Over the past year, GOED has advised potential applicants that they simply do not meet the wage levels required for an abatement. As Executive Director I have the authority to make changes to the Abatement Standards which I plan to bring to our Board at our next meeting on December 2<sup>nd</sup>. I will be recommending that we raise the requirement for an abatement to 125 percent of the average hourly wage. I will also recommend that 90 percent of the employees engaged in a project must be Nevada resident. With the Board's approval, there will be an effective date with some applicants being grandfathered in under the current requirements.

I believe a company receiving an abatement should demonstrate a larger commitment to the state and its residents. We are encouraging applicants to demonstrate their commitment to corporate social responsibility and to be active partners in the community.

During much of 2020, GOED has been redeployed to deal with pandemic matters. Most of the agency has returned to its regular line of work but added the responsibility – together with Treasurer Zach Conine and Terry Reynolds at the Department of Business & Industry – to implement economic relief programs for small businesses and reemploy dislocated workers. Not since the Great Depression Relief programs and War Mobilization efforts in the age of Franklin Delano Roosevelt, have we seen such a large number of programs deployed through the states. It is estimated the federal government has deployed \$19 billion into Nevada. GOED is functioning as the “Symphony Conductor” working with various branches of state government to coordinate implementation of the economic assistance programs. That activity may continue well into next year.

The first program is the Commercial Rental Assistance Grant that will soon be followed with a grant program to directly assist small businesses, minority businesses, veterans, and cultural organizations.

In rural Nevada, we are the lead agency for federal Community Development Block Grant funding and are beginning to roll out millions of dollars in relief.

I would also like to call out my appreciation for Jim Murren and his team's efforts in leading the Nevada COVID-19 Response, Relief and Recovery Task Force. There is a short roundup in this newsletter of the yeoman's work involved in securing critical funding from the private sector for the most urgent needs during this crisis.

The leadership at GOED has been outstanding and I am grateful to everyone for pivoting to do what is needed.

- Deputy Director Bob Potts has convened weekly meetings with the state's leading economists as well as the directors of our Regional Development Authorities to ensure Governor Sisolak's administration has the most current economic data.
- In conjunction with the developing SRI recovery plan, Deputy Director Kris Sanchez has been working to identify infrastructure gaps that impede economic development. We anticipate this work will lead to a great discussion at our December 2<sup>nd</sup> board meeting.
- Director of Strategic Programs Karsten Heise helped the Governor's Office of Workforce Innovation earn a \$13 million federal grant to help support short-term job training programs to prepare unemployed and underemployed individuals for in-demand occupations in Nevada.
- The Film Division has seen an uptick of activity with three films in production in Northern Nevada and television series in Las Vegas.
- Our Procurement Technical Assistance Center (PTAC) received a major award from the Association of Procurement Technical Assistance Centers.
- Our International Division has adapted well to our virtual world and continues to finish its work with the seven State Trade Export Program Grants from the SBA that has assisted 68 Nevada businesses.
- I have been working closely with Karsten Heise, Director of Strategic Programs, to create the Nevada Innovation Fund during the next legislative session that will build on the tremendous work of the Knowledge Fund over the past decade.
- I am grateful for several members of GOED's staff who willingly took on additional duties both internally and for other state agencies during this health crisis.