

DIRECTOR'S REPORT

ECONOMIC DEVELOPMENT

Total CapEx Y-T-D	Total Companies Y-T-D	Employee Initial Y-T-D	Employee Built Y-T-D
\$7.6B	73	3,332	6,917
Job Creation (09/10 -09/18)	Unemployment Rate		
281,500	4.5%		

FILM OFFICE

NV Production*	Number of Productions*	NV Payroll*	Incentives Approved*
\$50M	333	\$6M	\$1,344,889

PTAC

Total Contracts*	Total Subcontracts*	Total Events*	Clients*
\$328M	\$14.7M	45	1,000

*FY 2018 numbers.

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INTERNATIONAL TRADE

1. Governor Brian Sandoval **signed the Letter of Intent with Marshal of Mazowieckie** (the wealthiest region in Poland) – a tangible result of Governor's visit last year to Warsaw. Mazowieckie Marshal Office is working with GOED to build a joint acceleration program under Nevada Global umbrella.
2. Another Nevada Global graduate company (after CMS4MEDIA) – IPA LLC, the US subsidiary of Netins Software, **became a member of the Reno Sparks Chamber of Commerce**. They also opened their office in Las Vegas. They collaborate with IGI UNLV and work on new innovative products for Las Vegas casinos. IPA LLC entered into the cooperation with Western Nevada College to jointly organize the Coding Academy (the project is scheduled to start in January 2019).
3. **Nevada Global Bootcamp and Demo Day was organized in Lublin Oct. 3-11** and was funded by Lubelskie Marshal Office. 8 mentors from NVG partners representing Northern and Southern Nevada agreed to judge companies (18 of firms competitively selected out of 30). 10 the highest scored companies, the most prepared to land in Nevada, will take part in the 2-weeks immersion program in Carson City, Reno and Las Vegas (1st cohort is scheduled to arrive Nov. 18th and 2nd cohort will start Jan. 15th). More than 20 NVG partners from Nevada will be involved in the program.
4. GOED's International Division took the lead in applying for a grant of the Polish National Academic Exchange Agency (NAWA) to **support 3 years of collaboration between UNR College of Business and Warsaw School of Economics focused on economic development, entrepreneurship and business collaboration** between Nevada and Poland. Under the grant awarded in Oct. 2018 the annual conferences involving 30 scientists from Reno and Warsaw as well as 10 Nevada's and Polish startups will be organized in Reno (Dec. 2018), Warsaw (2019) and Reno (2020).

ECONOMIC DEVELOPMENT

5. In September, Mr. Bob Potts and Ms. Patty Herzog assisted faculty from UNR in **leading a Fundamentals of CEDS (Comprehensive Economic Development Strategy) Workshop** in Tonopah. Developing an aligned CEDS not only provides a coordinated approach to statewide economic development priorities, but also enhances local entities ability to gain access to federal funds. In total there were 48 attendees from across the state.
6. On October 11th, **Mr. Potts and Mr. Matt Moore presented to the Economic Forum** discussing economic performance metrics and current pipeline activity. They built on this information by discussing the growth and structural changes that have occurred in Nevada's economy and how those trends are supported by initial findings from SRI International as they update the 2011 report "Unify, Regionalize, Diversify: An Economic Development Agenda for Nevada."
7. Last month Mr. Potts served as a panelist at the opening sessions for the University Economic Development Association's (UEDA) Annual Summit in Milwaukee, Wisconsin. The **focus of the panel was around rapid response workforce development** where Mr. Potts discussed challenges faced and strategies implemented in meeting workforce needs in the state.

8. Over the last three weeks, Mr. Potts has developed and presented **custom analysis identifying and outlining the underlying skills intrinsic to the top 25 in-demand occupations for each of the target sectors** to the Sector Councils. This initiated thoughtful conversation around core ways to continue growing and developing our target sectors.
9. GOED received the initial results on the incentive comparison study to evaluate the competitions of Nevada's current incentive package in advanced manufacturing and headquarters/shared service sectors. Based on stakeholder feedback this report will be finalized in November. **GOED has also contracted with SRI to conduct a comprehensive study to evaluate the effectiveness of the 2012 Nevada State Economic Development Plan.** This study kicked off on 27 August and SRI has completed over 130 stakeholder interviews throughout the state. Information from the initial draft deliverable was included in GOED's Nevada Economic Forum brief. This study is on track to be finalized by the end of December.

AUTONOMOUS SYSTEMS

10. **FAA-designated Nevada UAS Test Site received a 5-year extension** with the approval of the FAA Reauthorization bill. This extends the FAA designation and allows NIAS to continue to lead across the UAS Industry.
11. The FAA-designated Nevada UAS Test Site and **NIAS is in the process of responding to a major NASA proposal issued to the State of Nevada.** This NASA RFP calls on Nevada to conduct aerial missions in the heart of an Urban City. NIAS has identified the City of Reno as the Primary location with the support of the Reno Mayor.
12. The FAA-designated Nevada UAS Test Site and NIAS is standing by for a DOT Secretary Choe announcement on the award of the Unmanned Traffic Management (UTM) Pilot Program. The award to the selected UAS Test Sites have been pending since 14 Sept 2018.

OPPORTUNITY ZONES

13. On November 27th, The Federal Reserve Bank of San Francisco, The Nevada Governor's Office of Economic Development, and The State Department of Business and Industry will be **hosting the "Understanding Opportunity Zones in Nevada" one-day conference.** The conference will be held at the City of Las Vegas Council Chambers and registration is open.
14. **As a result of SB 126, GOED and Bank of Nevada approved one more Nevada Opportunity Fund Loan for \$25,000.** The Opportunity Loan program has now approved 9 of 14 applicants for a total of \$425K of the \$1M allocated.

CDBG/ MAINSTREET

15. On October 29, 2018 HUD office in SFO sent FY2018 Annual Action Plan letter and executed grants. **Nevada ranks in the top 4 nationally for spending its CDBG funds on time**, though, the past six months the spend rate has slowed. This is a result of community grant administrator turnover, delays in environmental reviews, and bid busts that require rebidding or redesigning/value engineering a project.
16. Eureka County, Lander County and White Pine County, members of Northeastern Nevada Regional Development Authority (NNRDA), each have existing CEDS documents that are set to expire within the next six to 12 months. **A process for developing CEDS for communities in NNRDA is being coordinated with UNR, USDA, NNRDA, and GOED.** The plan will utilize localized strategic plans or CEDS to complete regional CEDS for NNRDA. Once a regional CEDS is completed, NNRDA may elect to apply for a certified Economic Development District status with EDA. Funding for the CEDS process is proposed through a USDA grant, with matching funds from counties, NNRDA, and/or industry donations.
17. A Nevada Main Street presentation was given at a board meeting of the Reno Downtown Partnership (BID) on October 18. Community workshops led by Ms. Kathy LaPlante of Main Street America were held October 8-9 in Lovelock and October 10-11 for the City of Wells. Work plans were developed around transformational strategies for downtown revitalization. Informational meetings were held in Winnemucca on October 9 and Elko on October 11.
18. An internal realignment of SSBCI program responsibilities to bring program management in-house is near complete.

HEALTH CARE

19. Dr. Gillian Barclay, GOED's Health Care Industry Specialist has worked with the UNLV School of Nursing to diversify the nursing profession with a focus on educators and researchers in southern Nevada. This has **led to the development of the Southern Nevada Leadership and Healthcare Taskforce with an upcoming meeting scheduled for November 16th, 2018.** The Taskforce is focused on the following immediate goals.
 - a. To develop and implement actionable approaches to expand and retain Nevada's graduate-level nursing research, education, and clinical workforce to best meet Nevada's changing urban and rural population health needs.
 - b. To develop and evaluate innovative nursing leadership models to meet the Triple AIM goals in Nevada's urban and rural communities.
 - c. To align graduate nursing education partnerships with graduate medical education expansion.
 - d. To identify new and strengthen existing partnerships between graduate nursing programs and community partners; advance leadership and research initiatives to enhance population health outcomes.
20. Dr. Barclay has worked with the University of Nevada Las Vegas Schools of Medicine and of Community Health Sciences, Touro University, the University Medical Center of Southern Nevada and Valley Health Care System on additional training programs for medical residents. Training will be aligned to the new graduate medical education (GME) expansion sites in southern Nevada. These programs will **diversify the southern Nevada health care sector beyond clinical care by producing cohorts of physicians with new skills in R&D.** This will strengthen health sector capacity and infrastructure for R&D, innovation, and

new product commercialization. New training will be offered in clinical research and development, disaster life support, genetics, big data analytics, epidemiology, technology research and development to improve population health outcomes.

21. Dr. Barclay, has worked with the Valley Health System, UNLV School of Nursing, and the College of Southern Nevada School of Business, Hospitality and Public Services to develop a new program that aims to reduce health care costs in the pre-hospital phase of care. General Electric Healthcare, a global leader in health technology, has been engaged as the industry partner for this work. **Current work will focus on the use of point of care ultrasound and the integration of autonomous system technology to reduce health care costs for the state.** General Electric Healthcare will also work together with the Valley Health Care System, the UNLVSON and the CSN on additional new innovations that integrate technology systems to improve population health outcomes and reduce health care costs in rural Nevada.
22. **The inaugural smart and connected health symposium will be convened in Las Vegas on November 14th.** This symposium will include global and southern Nevada companies in the smart and connected health sector, the University of Nevada Las Vegas, the Valley Health System, transportation and home health care sectors.

RURAL / MINING

23. The **Consulate General of Canada's office hosted a networking meeting in Elko, NV** between Canadian technology companies and representatives from mining and utility companies located in Northeastern Nevada. Mr. Joel Lenz, GOED's Mining Industry Specialist coordinated and presented at the event. The event occurred on September 20.
24. Austmine, the Australian mining technology association, brought a delegation of thirteen representative companies to Nevada in early October. The delegation participated in tours and discussions with KHGM Robinson Mine near Ely, Kinross' Round Mountain Mine, Barrick's Goldstrike Mine near Elko, and Newmont's Long Canyon Mine near Wells. A business-to-business event was held in Elko for the Austmine delegation.
25. Mr. Lenz issued a document in October reviewing proposed mining projects in Nye and Esmeralda Counties. Eight mining projects were identified that could potentially be constructed in the next two to eight years. **If all were constructed it would represent \$1.75 billion of investment and the mines could create 1,500 to 2,000 permanent jobs.** While a positive development, available resources such as housing and service businesses in the communities could be strained. Access to capital and the cyclical nature of metal prices could adversely impact these developments.

KNOWLEDGE FUND

26. **GOED completed the 2018 annual report for the Knowledge Fund.** NRS 231.1595 requires the Executive Director to report annually to the Governor and to the Director of the Legislative Council Bureau (LCB) on the progress of the Knowledge Fund.

27. **In October 2018, GOED released the Knowledge Fund catalog which provides a comprehensive look into the projects that have been supported by the fund.**
28. GOED entered in contract with UNR to support the 'Laser-Proton Project' through the Knowledge Fund. **UNR will be collaborating with HIL Applied Medical Ltd. (HIL) for the development of a proof of concept for proton cancer therapy with the objective to attract funding from Venture Capitalists in the future.** HIL has its global headquarter located in Jerusalem and its North American headquarter in Sparks, Nevada. The UNR-HIL research collaboration will enable the company to access both equipment as well as subject-matter expertise at the Nevada Terawatt Facility (NTF).
29. **Battle Born Growth Escalator, Nevada's State Venture Program, is currently completing the second tranche of its investment in CircleIn, Inc. after the company has reached the required milestones.** CircleIn is Las Vegas based and developed a student-to-student tutoring app for both the K-12 and College segments.
30. The TMCC Cyberphysical factory training lab for Industry 4.0 manufacturing skills officially opened with a well-attended press event. **Karsten Heise, Director Strategic Programs, was one of the speakers and highlighted the lab's role in GOED's LEAP Advanced ICT framework.** The lab was funded both by WINN as well as TMCC's own resources.

FILM OFFICE

31. As of October 31, 2018, the status of the Nevada Film Tax Incentive is summarized below:

Nevada Film Office										
Transferable Tax Credit for Film and Other Productions										
FY 2018 Funding										
Completed Hearings on Tax Applications										
Production Title	Total Budget	NV Direct Expenses	Out of State Payroll in NV	NV Resident Payroll	Total Payroll	Total Nevada	Total FTES	NV FTES	Approved Incentive	Actual Incentive Awarded
Completed Productions										
					\$ -	\$ -				
					\$ -	\$ -				
In Progress Productions										
Smiley Face Killers	\$ 1,690,390	\$ 563,247	\$ 444,927	\$ 481,625	\$ 926,552	\$ 1,489,799	9.0	7.1	\$ 257,323	
Who Wants to be a Millionaire - Season 16	\$ 9,485,389	\$ 2,818,547	\$ 3,321,723	\$ 950,473	\$ 4,272,196	\$ 7,090,743	38.0	12.7	\$ 1,183,067	
Mustang	\$ 4,562,668	\$ 1,319,077	\$ 1,279,911	\$ 829,923	\$ 2,109,834	\$ 3,428,911	16.8	8.6	\$ 818,830	
Vegas Cakes, Season 2	\$ 1,174,744	\$ 385,940	\$ 311,075	\$ 477,729	\$ 788,804	\$ 1,007,239	8.1	6.1	\$ 197,141	
LVCVA Commercial	\$ 1,054,077	\$ 310,325	\$ 132,100	\$ 389,996	\$ 522,096	\$ 832,421	4.1	3.4	\$ 162,521	
Who Wants to be a Millionaire - Season 17	\$ 9,727,053	\$ 2,701,127	\$ 4,348,747	\$ 869,208	\$ 5,217,955	\$ 6,162,648	38.0	12.6	\$ 1,154,760	
7 Days Alive Eps 1-6	\$ 2,280,000	\$ 1,259,666	\$ 390,653	\$ 501,217	\$ 891,870	\$ 1,783,151	22.9	12.9	\$ 355,962	
7 Days Alive Eps 7-12	\$ 2,280,000	\$ 1,259,666	\$ 390,653	\$ 501,217	\$ 891,870	\$ 1,783,151	22.9	12.9	\$ 355,962	
7 Days Alive Eps 13-18	\$ 2,280,000	\$ 1,259,666	\$ 390,653	\$ 501,217	\$ 891,870	\$ 1,783,151	22.9	12.9	\$ 355,962	
7 Days Alive Eps 19-24	\$ 2,280,000	\$ 1,259,666	\$ 390,653	\$ 501,217	\$ 891,870	\$ 1,783,151	22.9	12.9	\$ 355,962	
TOTAL	\$ 36,814,321	\$ 13,136,927	\$ 11,401,095	\$ 6,003,822	\$ 17,404,917	\$ 27,144,365	205.6	102.1	\$ 5,197,490	\$ -
									Total Incentives Available	\$ 10,000,000
									Remaining to be Issued	\$ 10,000,000
									Remaining for Applications	\$ 4,802,510

32. **November 2-6 the Nevada Film Office will be in Santa Monica meeting with industry executives and exhibiting at the American Film Market Locations Expo.** Held annually in Santa Monica, the AFM show

is an opportunity to connect with producers, directors and executives to market Nevada to the film industry.

33. Year to date over the same period last year, traffic at our website at www.nevadafilm.com has gone up 86% (119k to 221k pageviews) and does an average of about 28k pageviews a month with the Directory and Filming Locations being the most visited pages of the site other than the homepage.
34. The Nevada Film Production Directory sign up period ends on October 31, 2018. The production directory is the yellow pages for the film industry in Nevada and connecting productions with the crew and vendors they need to complete productions in Nevada. The printed directory will be available in early 2019 and online immediately.
35. **Film Office Director Eric Preiss has been named to a position on the Board of Directors for the Association of Film Commissioners International.** The organization represents over 300 film office around the world.

PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC)

36. The Nevada Procurement Technical Assistance Center (PTAC), Procurement Outreach Program sponsored the How to Do Business With JT4, LLC workshop in Las Vegas on September 7, 2018. The event was held at the Clark County Government Center. **There were 57 business representatives who attended the function** to learn about the variety of contracting opportunities available with JT4, which was recently awarded a federal government prime contract by the U.S. Department of Defense. JT4 provides operation and maintenance services for U.S. military test and training ranges in the western U.S. The JT4 contract is valued at \$3.1 billion over 15 years, if all contract options are exercised.
37. The Nevada PTAC also sponsored the **How to Do Business with The Bureau of Land Management (BLM) workshop in Reno on October 5, 2018.** The function was held at the Washoe County Government Center. **There were 22 business representatives in attendance who learned that the BLM, a U.S. federal government agency, manages and protects 84% of Nevada's lands with diverse programs such as fire, grazing, planning, and energy.** The programs offer contracting and subcontracting opportunities for Nevada businesses.
38. On September 11, 2018, the Nevada PTAC conducted an overview presentation regarding its free procurement technical assistance services at the Humboldt County Chamber of Commerce. The presentation was attended by about 30 business owners from Winnemucca and the surrounding area.

39. The **Nevada PTAC participated in the Regional Business Development Advisory Council's Committed to Our Business Community event**. It was held on September 20, 2018 at the Las Vegas Convention Center, and the PTAC had an outreach table and led a panel discussion for a breakout session. There were 20 business representatives who expressed an interest in receiving the PTAC's free services and had the opportunity to meet with procurement professionals from local, state, and federal government agencies.
40. The first annual National PTAC Day was on September 26, 2018. To mark the special occasion, the Nevada PTAC held a networking mixer event in Carson City and in Las Vegas. The purpose of the mixers was for **Nevada small businesses to capitalize on the opportunity to meet potential teammates pursuing government-related contracts and subcontracts**. Between the two functions, 25 business representatives were in attendance.
41. On October 18, 2018, the **Nevada PTAC had an outreach table and its Director served as a panelist for a breakout session at the Governor's Conference on Business**. There were 12 business representatives who were interested in receiving the PTAC's free services.
42. The Nevada PTAC held its annual small business matchmaker event on October 24, 2018 at the Fallon Convention Center. **Small business representatives had the opportunity to meet one-on-one with procurement professionals from local, state, and federal government agencies**, and market their companies' product and/or service capabilities. They also met with other business resource organizations, many of which provide free services like the Nevada PTAC.
43. Nevada PTAC client, Vision Control Associates of Nevada, Inc., with offices in both Reno and Las Vegas, is a certified Woman-Owned Small Business (WOSB). The company provides audio, surveillance, network, and software programming services. The **WOSB won a federal government contract awarded by the 99th Contracting Squadron, Nellis Air Force Base**. The contract is to provide audio-visual equipment upgrades and installation. The business was able to create one full-time position and retain one part-time position.
44. Nevada PTAC client, Ms. Olivia Carlos, LLC, based in Las Vegas, is a WOSB and certified Nevada Local Emerging Small Business. This client provides construction-related services. **The business was awarded a subcontract by Northcom, Inc., to provide drywall repair, texture services, and painting services. Northcom, Inc. was awarded a prime contract by the 99th Contracting Squadron, Nellis Air Force Base**.

WORKFORCE DEVELOPMENT (WINN)

45. Stacey Bostwick, Workforce Development Program Coordinator, GOED facilitated Workforce Development integration opportunities and WINN systems information sharing with: White Pine HS, Communities in Schools of Nevada, Southern NV Home Builders Association, City of Las Vegas and Gear Up.

46. Stacey Bostwick, Grace Chou, Karsten Heise of GOED met with education programs staff at DRI to **explore opportunities to braid cybersecurity training investments and internship programs.**

STAFF ANNOUCEMENTS

47. In October 2018, GOED welcomed **Mr. Kris Sanchez as its new Director of International Trade.** Mr. Sanchez, has previously work for GOED in the same role and successfully facilitated and conducted Governor led trade missions to China, South Korea, Mexico, Israel, Canada, Ireland, the UK, Germany, Poland, and Italy. Prior to GOED Mr. Sanchez worked as a Congressional staffer in the United States House of Representatives. Mr. Sanchez holds Master's Degrees in public administration and military history from Norwich University, and a Bachelor's Degree in political science from California State University, Stanislaus.
48. In November 2018, GOED welcomed Mr. **Ash Azmak** as its new **International Business Manager.** Mr. Azmak has a master's degree in International Affairs and Global Enterprise. For the past 6 years, he has held directorial positions with the Regional Training Institute of the Four Corners Region. Mr. Azmak speaks fluent Farsi and has an intermediate knowledge of Turkish and Arabic.