There were 1,321 assisted jobs added to Nevada’s economy in the third quarter of 2016. These jobs were brought in by 22 companies; 16 are new to Nevada and 6 are existing companies expanding operations. Of the 22, eleven were manufacturers, five were logistics and operations related, and four were aviation companies.

The average hourly wage paid by assisted companies in the third quarter was $20.86. This reflects a $2.57 hourly increase from the previous quarter, and $.68 from a year ago. Worker pay for companies receiving incentives was $21.05 per hour as compared to non-incentivized company pay of $19.28 an hour.

As new incentivized companies add staff, the number of actual jobs has exceeded those contracted for.
Capital investment by assisted companies came in at $201.0 million in the third quarter. This reflects an improvement of 377.6 percent from the previous quarter, and a 58.7 percent decline from investments reported a year ago.

Note: Excludes large-scale projects like Boulder Solar Power ($1B), Apple ($1B), Tesla ($5B), Faraday ($1.4B), or companies that qualified for Aviation or Data Center abatements.

RECRUITMENT ACTIVITY

2015 Q3 - 2016 Q3

There were 22 wins in the third quarter. This represents a 120 percent increase from the second quarter.

The number of New Leads and Prospects as reported by RDAs across the state also grew considerably over the period. This increased activity in the earlier stages of the recruitment pipeline sends positive signals for future job and investment growth in the state.

PERFORMANCE INDICATORS

AVIATION COMPANIES

Capital investment made by companies approved for Aviation Tax Abatements in the third quarter came in at $239.5 million. Since July 2015, there have been fourteen aviation companies approved for the abatement. In total, these companies are expected to invest $1.1 billion.

DATA CENTERS

No companies applied for the Data Center Tax Abatements in the third quarter. Since inception in July 2015, total capital investment by the four companies approved for Data Center abatements was $3.2 billion.
GLOBAL RECRUITING

The recent Governor-led trade mission to Australia and an advanced mission to Europe has led to one win, 90 new leads and 12 new prospects.

The current inventory of all active global leads and prospects now stands at 134 and 19, respectively.

INTERNATIONAL TRADE

- Governor Sandoval led a trade mission to Australia which included a trade delegation of six companies, a higher education delegation with representatives from UNR, UNLV and DRI, and a mining delegation represented by the Nevada Mining Association and Newmont Mining Corporation.
- Trade delegates on the Australia trade mission participated in 60 business-to-business meetings leading to over $50,000 in export sales with an additional $530,000 expected in the next 6-18 months.
- Education delegates from UNLV entered into an agreement with University of Sydney to study the relationship between sporting and gaming, and UNR established an agreement with ATP Innovations in Sydney to pursue collaboration on commercialization.
- During the Australia trade mission, Governor Sandoval signed a Statement of Intent with the Premier of Queensland indicating a desire to work together economically on mining and water technology innovation and commercialization.
- Pakka Jaks, a company that builds lifting systems for servicing mining equipment, was successfully recruited to Nevada during the Australia trade mission and has recently opened its operation in Elko.
- The September advance trade mission to Europe generated 17 leads and nine prospects. Countries visited during the mission included Spain, Poland, and Italy.
Procurement Technical Assistance Center

Overview FY2017

» With consistent communications, client counseling time, and quality outreach events, the Nevada Procurement Technical Assistance Center (PTAC) continues to serve Nevada businesses by increasing their access to and prospective contract opportunities with local, state, and federal government agencies and their prime contractors.

» Under its cooperative agreement with the U.S. Defense Logistics Agency (DLA) for the new program year, the PTAC will be providing new cumulative metrics to DLA such as counseling time hours and combined number of outreach events whether sponsored or participated in by the PTAC.

Emerging Small Business Program

Overview

» The current number of Certified Emerging Small Businesses (ESB’s) has expanded by 18.3 percent since the end of last year to a total of 742.

» The number of ESB’s solicited to submit a quote, bid, or proposal on a contract in the first half of 2016 was down by 25.8 percent over the previous period.

» The number of contracts grew by 41.8 percent and contract amount by 26.7 percent.

» Average contract amount for the first half of 2016 is 12.7 percent above the historical average of $6,961.
### Nevada Film Office

**Annual Production Revenue**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>No. of Productions</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>789</td>
<td>$120,208,978</td>
</tr>
<tr>
<td>2006</td>
<td>776</td>
<td>$102,945,418</td>
</tr>
<tr>
<td>2007</td>
<td>425</td>
<td>$113,748,400</td>
</tr>
<tr>
<td>2008</td>
<td>436</td>
<td>$82,727,400</td>
</tr>
<tr>
<td>2009</td>
<td>361</td>
<td>$91,900,600</td>
</tr>
<tr>
<td>2010</td>
<td>367</td>
<td>$81,130,250</td>
</tr>
<tr>
<td>2011</td>
<td>479</td>
<td>$102,525,600</td>
</tr>
<tr>
<td>2012</td>
<td>520</td>
<td>$88,783,700</td>
</tr>
<tr>
<td>2013</td>
<td>559</td>
<td>$67,571,708</td>
</tr>
<tr>
<td>2014</td>
<td>370</td>
<td>$58,716,755</td>
</tr>
<tr>
<td>2015</td>
<td>500</td>
<td>$65,159,732</td>
</tr>
<tr>
<td>2016</td>
<td>495</td>
<td>$73,160,712</td>
</tr>
<tr>
<td>2017YTD</td>
<td>94</td>
<td>$15,088,087</td>
</tr>
</tbody>
</table>

**Client Satisfaction Index**

- **Very Good**: 101.5-100.9
- **Good**: 100.9-100.3
- **Average**: 100.3-99.7
- **Poor**: 99.7-99.1
- **Very Poor**: 99.1-98.5

Customer responses to the Nevada Film Office Client Satisfaction Survey were slightly less optimistic in the most recent quarter, but were still very positive, falling within the “very good” range of 101.5 and 100.9.

### Community Development Block Grants

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of Grants</th>
<th>Allocation</th>
<th>Average Grant Award</th>
<th>Percent Economic Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>32</td>
<td>$2,612,161</td>
<td>$81,630</td>
<td>16%</td>
</tr>
<tr>
<td>2012</td>
<td>27</td>
<td>$2,170,726</td>
<td>$80,397</td>
<td>11%</td>
</tr>
<tr>
<td>2013</td>
<td>22</td>
<td>$2,445,704</td>
<td>$111,168</td>
<td>14%</td>
</tr>
<tr>
<td>2014</td>
<td>24</td>
<td>$2,439,168</td>
<td>$101,632</td>
<td>25%</td>
</tr>
<tr>
<td>2015</td>
<td>20</td>
<td>$2,544,500</td>
<td>$127,225</td>
<td>65%</td>
</tr>
<tr>
<td>2016</td>
<td>14</td>
<td>$2,239,406</td>
<td>$159,958</td>
<td>50%</td>
</tr>
</tbody>
</table>

**2016 Grants**

- 7 Economic Opportunity grants totaling $1,493,108
- 6 Suitable Living Environment grants totaling $546,298
- 1 Housing grant for $200,000

**Grant Progress**

- During the third quarter, CDBG staff closed seven grants in five rural communities representing $344,569 in CDBG funds. Collectively, these seven projects contributed an additional $148,436 in leveraged funds.
- Closed grants in the quarter impacted over 5,500 Nevadans, of which, 60 percent were considered Low to Moderate Income.
- There are currently 30 open grants: 3 from 2014, 13 from 2015, and 14 from this year’s program funds.

**Strategic Overview**

- Since GOED was established, the goal for the CDBG program has been to award fewer, but larger grants with greater economic development impact in rural communities. By 2016, the average grant award was $159,958 – a 96 percent increase from 2011. 2016 grants that focused on economic development represented 50 percent of the awards versus 16 percent in 2011. This trend is expected to continue in the 2017 grant cycle.
In September, Nevada’s job count was 2,000 above its pre-recession high and now stands at 1,299,600. This is an improvement of 188,400 positions over the same month six years ago when the State’s job count was at its recessionary low of 1,111,200.

Over the same period, the unemployment rate has dropped almost 58 percent from the recessionary high of 13.7 percent to the current rate of 5.8 percent.

In Nevada’s Aerospace and Defense sector, the job count leveled off at 13,200 in the third quarter while annual earnings grew by $700. Those employed in the sector now make, on average, $82,000 per year.

There are currently 59,700 workers in Nevada’s Business Information Technology sector after the addition of 315 jobs to the industry group. Average annual earnings, however, dipped by $500 and now stand at $46,500.
Both earnings and job counts improved in Nevada’s Health and Medical sector in the third quarter. An additional 1,300 jobs were added to the industry group for a total of 107,550 employees making an average of $54,900 per year.

Nevada’s Natural Resource Technologies sector gained 1,400 jobs and $1,000 in annual earnings in the third quarter. These gains are largely the result of overall improvements in Nevada’s economy and demand for construction infrastructure positions. Currently, the sector represents 50,500 jobs that pay an average annual wage of $64,000.

The number of jobs in Nevada’s Manufacturing and Logistics sector expanded in the third quarter with the addition of 2,000 positions. Earnings were essentially unchanged with a slight drop of $100 per year. Currently, there are 118,700 people employed in the sector making an average annual wage of $57,000.

Nevada’s Natural Resource Technologies sector gained 1,400 jobs and $1,000 in annual earnings in the third quarter. These gains are largely the result of overall improvements in Nevada’s economy and demand for construction infrastructure positions. Currently, the sector represents 50,500 jobs that pay an average annual wage of $64,000.

Jobs and earnings sent mixed signals in Nevada’s Manufacturing sector with the addition of 313 workers and the loss of $400 in annual earnings. Overall, Nevada’s manufacturing sector now employs 42,800 workers with average annual earnings of $56,000.
TOURISM, GAMING, AND ENTERTAINMENT

Both the number of jobs and annual earnings grew in Nevada’s Tourism, Gaming, and Entertainment sector in the third quarter. When compared to last quarter, an additional 900 jobs were added to the sector, with average earnings improving $170 a year. In total, Nevada’s largest industry sector now employees 408,000 workers who make, on average, $32,400 per year.

The three-year downturn in mining jobs reversed course in the second quarter and continued on that trend in the third quarter with the addition of another 200 positions. During the downturn, the sector shed slightly over 3,700 jobs, while average annual earnings grew by $7,200. Currently, there are 13,600 workers employed by the mining industry with average annual earnings of $92,000.