Vision for regional growth cluster Southern Nevada will create and implement a long-term, transformational plan to fundamentally diversify and rebuild the regional economy for generations to come that is fully aligned with the region’s Comprehensive Economic Development Strategy (CEDS). This plan includes the advancement of four tightly aligned, coordinated, transformative projects that will dramatically accelerate the growth of the region’s General and Advanced Manufacturing industry cluster. Together, these high-impact projects represent a powerful opportunity to increase regional innovation, build assets and infrastructure to expand existing firms and attract new companies, catalyze private sector investment, and advance equity and support economically disadvantaged communities. Projects will deliver direct, indirect, and induced economic impacts immediately and over the next 20-years, including wage growth, job creation and placement, and increased economic output. Projects proposed in this application are expected to support $14.6 billion in wages and salaries and generate a total of $68.6 billion in economic activity over a 20-year time horizon.

Economic opportunity presented to target industry The Southern Nevada Regional Growth Cluster (SNRGC) will serve Clark County, Nevada’s most populous of 17 counties, with almost 2.3 million residents or 73.6% of the state’s population (U.S. Census, 2019). There are five major cities in Clark County – Las Vegas (the county seat), North Las Vegas, Boulder City, Henderson, and Mesquite; 20 other U.S. Census designated areas; and 13 smaller communities and unincorporated areas. In addition, 45 Census Tracts are Designated Qualified Opportunity Zones (IRS, 2018). Las Vegas is the largest city in Nevada and one of the fastest growing metropolitan areas in the nation.

The Southern Nevada region has been devastated by the COVID-19 pandemic and has been among the most economically impacted metropolitan areas in the U.S. (Klein & Smith, 2021). The region has faced unprecedented unemployment and economic challenges not seen since the Great Recession, when Nevada had the highest unemployment rate in the country – hitting 13.7% in the last months of 2009 – as Nevada lost more jobs in relation to its workforce than any other state, with Las Vegas losing the majority of those jobs. Few cities were hit as hard. Consumer spending eroded, home prices plummeted, and Nevada topped all states in bankruptcies and home foreclosures. Following this period, Nevada’s economy soared in 2017, and Las Vegas recovered all jobs lost as a result of the recession.

However, due to the state’s reliance on tourism and hospitality and lack of industry diversification, Clark County has again suffered brutal economic distress as the County faces the on-going impact of the COVID-19 pandemic. With sudden and massive job losses, the closure of entire industries, and incredible economic devastation to date, the region has faced higher rates of unemployment than other U.S. metropolitan areas, reaching 33.3% in April 2020 (DETR, n.d.a) – the highest rate ever recorded in U.S. history. As of June 2021, the local area’s 24-month unemployment rate of 10.74% was above the national average of 6.43% and the unemployment rate of 9.6% was above the national average unemployment rate of 6.09%, exceeding the economic threshold of greater than 1% above the national average (National Economic Resilience Data Explorer (NERDE), n.d.). As of October 2021, Nevada still has the highest unemployment rate in the country at 7.1%, and Clark County has a higher unemployment rate than the state at 8.2% (U.S. Bureau of Labor Statistics, 2021). Southern Nevada has three of the four cities that rank among the 20 cities nationally where unemployment rates have been most affected by the pandemic – Las Vegas, North Las Vegas, and Henderson (McCann, 2020). About 45,000 of Nevada’s service industry workers employed prior to the pandemic will not
have a job in our post-pandemic economy, and the region’s communities of color that experienced the highest rates of unemployment both pre- and post-recession were again significantly affected by the pandemic’s induced economic crisis (Guinn Center, 2020). The pandemic also created the need for a Special Legislative Session to address an historic budget shortfall (Rindels, Snyder, & Messerly, 2020) that resulted in cuts to education and state services. As of May 2021, the Local Area CEII value of Clark County was 0.95 (11.81% Percentile), indicating that the county’s economy is worse off than it was in January 2020 before the pandemic began (NERDE, n.d.).

Recently, Nevada’s economy has been on the road to recovery with Nevada’s Gross Domestic Product (GDP) growing by 10.9%, the fastest of any state’s GDP in the first quarter of the year (U.S. Bureau of Economic Analysis, 2021). However, these gains were led by accommodation and food services and aided by the impacts of federal assistance measures. In order to ensure the region builds long-term resilience into the economy and end the boom-and-bust cycle it has faced during the Great Recession and the coronavirus pandemic, economic diversification is top priority. The data show the incredible need for investment, economic recovery planning, and workforce retraining and realignment.

The SNRGC will directly address the economic opportunity presented by the need to diversify the regional economy by focusing on the growth of the General and Advanced Manufacturing industry in Southern Nevada. Prior to the pandemic from 2011 to 2019, General and Advanced Manufacturing demonstrated extremely high growth potential by increasing employment by 31.2% (LVGEA, 2021b) and recent target industry validation study shows that the region has significant potential to attract general and advanced manufacturing firms (LVGEA, 2021a). This study revisited Southern Nevada’s approach to economic diversification and identified new target industries to drive Southern Nevada’s economic diversification, including General and Advanced Manufacturing.

Although Advanced Manufacturing is a relatively small industry today, it has been essential in adding jobs, increasing economic output and diversifying Southern Nevada’s industrial base (LVGEA, 2021b). As of August 2021, the industry employs an average of 24,600 individuals in the Las Vegas metro area, an increase of 4.7% from the prior year (U.S. BLS, 2021). Long-term industry projections (2018-2028) show an 18.5% increase in employment in manufacturing with an annual growth rate of 9.26% (DETR, n.d.a). The industry also offers growth of higher-skill, higher-wage occupations with average earnings of more than $74,500, and Manufacturers contribute to the economy in Nevada, with $8.38 billion in manufactured goods exports in 2019 (NAM, 2021). The Southern Nevada landscape for manufacturing is one marked by the strong tandem of the region’s strategic geographic location and existing assets, industrial capabilities, regional connectivity, and the state’s business-friendly tax climate. Because of this, from 2019-2021, the region expanded and attracted 27 manufacturing companies to the region adding good paying jobs and increasing the region’s revenue. However, during the same period, the region lost out on a significant number of companies due to the lack of infrastructure. In fact, earlier this year, the region lost out on two potential massive manufacturing operations (3,000+ jobs) in part because the region simply did not have the needed infrastructure. Although many manufacturing and logistics firms explore locating or expanding job creation projects in the region, all too often projects are never realized due to limited infrastructure, sites, and buildings. Growth in the region’s target industries will require significant investments in infrastructure, workforce development, and new methods of collaboration (LVGEA, 2021b).
Coalition members, role, and commitment  Coalition members are diverse stakeholders that drive innovation, job growth, provide leadership, and are actively engaged in the region’s CEDS, economic development activities, and regional collaborations. Each is committed to collaborate to develop and implement strategies, workforce training and infrastructure to diversify the regional economy and create long-term job growth in the General and Advanced Manufacturing industry (see Coalition Members Letters of Commitment in Attachments). Coalition members include LVGEA (see Key Coalition Member and Lead Institution in Attachments), City of North Las Vegas, Clark County, City of Henderson, City of Las Vegas, City of Mesquite, College of Southern Nevada (CSN), and University of Nevada, Las Vegas (UNLV).

Projects to support cluster  Component projects include four (4) complementary, collaborative and aligned construction and non-construction projects. Total funding requested from EDA for these projects is $77,642,459. If funded, these four projects will deliver a transformative economic impact in Southern Nevada. According to a recent initial economic impact analysis completed on behalf of LVGEA by Applied Analysis, the primary and follow-on construction activity could support nearly $6.0 billion in total economic activity, $2.5 billion in wages and tens of thousands of jobs over the next 20 years. From a recurring operations perspective, on average (over a 20-year time frame), 11,680 annual jobs are programmed with an overall average wage of $60,910 per employee ($711.4 million annually). Further, $3.5 billion of economic output is estimated to be contributed to the overall Southern Nevada economy per year (on average). In aggregate over a 20-year time horizon, a total of $68.6 billion in economic activity is estimated be generated, supporting $14.6 billion in wages and salaries. The proposed projects are directly tied to the future vitality of our region and state. Without funding, economic recovery will be delayed by at least five years, and for our most at-risk communities, much longer. The four component projects are described below:

**Project 1 – Apex Water Line Phase 3 Expansion** will open up development opportunities on 2,500+ acres of industrial land in the region’s largest area designated for manufacturing projects. The demand for APEX development is currently hindered by the lack of water infrastructure. The addition of this project to the City’s water line can dramatically jumpstart development in the northern areas of APEX to increase economic diversity and quality jobs in the region in the near-term. **Project Lead: City of North Las Vegas.**

**Project 2 – Development of Sloan Manufacturing Area:** 1) **Interchange at I-15 & Via Nobila:** Proposed interchange provides the most direct connection to fast-growing West Henderson and is a key access point to future development at the Sloan Industrial and Manufacturing Park. The interchange will be built within existing Nevada Department of Transportation right of way. An environmental study has been completed for the I-15 corridor including the interchange. **Project Lead: City of Henderson;** 2) **Design for Sloan Industrial and Manufacturing Park:** Conduct a formal development study and land plan designs for Sloan Industrial and Manufacturing Park. As conceptualized, the park is a 350 +/- acre master plan development in Sloan focused on General and Advanced Manufacturing with an estimated 5.6 +/- million sq. ft. of buildable space allowing for approximately 11,000 new jobs and an estimated $5 billion in economic impact within the first 6 years. The majority of land in Sloan is owned by the federal government and managed by the Bureau of Land Management (BLM) within the current BLM disposal boundary. A request has been made to BLM to purchase the land. In addition, in order to serve the Sloan area, early design work is required for projects such as a below grade reinforced concrete reservoir, reservoir inlet pipe, pumping station discharge pipeline, and above grade reservoir.
The proposed project would provide the design of necessary water facilities west and east of the I-15 corridor. **Project Lead: Clark County.**

**Project 3 – Education, Acceleration, and Support for Advanced Manufacturing:**

1) **Biomedical Advanced Manufacturing Building:** Leveraging an already-built Tech Park facility, UNLV pledges to convert a building into an Advanced Manufacturing and wet lab space, to support critical biomedical, bioengineering, and biotechnology programs, bringing existing clustered resources from all of UNLV’s Health Sciences programs. **Project Lead: UNLV**;

2) **Regional Startup Initiative for Advanced Manufacturing:** To accelerate the startup ecosystem growth in Southern Nevada, this initiative will provide support services with a focus on high-growth Advanced Manufacturing industries such as autonomous and electric vehicles, transportation and logistics, and biotechnology. Funding will allow for the expansion of resources to grow startup companies specifically in the Smart Mobility industry. Funds will build additional hardware and networking infrastructure capabilities to support the full deployment of autonomous vehicles in mixed traffic flow. **Project Lead: City of Las Vegas;**

3) **Advanced Manufacturing Training and Associate of Applied Science Pathway:** Renovate and retrofit classrooms and infrastructure at CSN’s Henderson campus to train credit and non-credit students on either Machining or Automation stackable credentials Pathways for rapid reskilling and upskilling, leading to high-demand, high-wage jobs in the Advanced Manufacturing sector. **Project Lead: CSN**;

4) **Advanced Manufacturing Support (AAS) Services:** To ensure success of projects, a new position, VP of Manufacturing Strategy & Development, will be created. VP will oversee key support programs, studies, and promotion activities, including manufacturing industry forecast, manufacturing strategy development, lead generation, marketing and promotion. **Project Lead: LVGEA.**

**Project 4 – Mesquite Site Grading:** Grading is needed for approximately 100 acres of land adjacent to Mesquite and Technology and Commerce Center to create large shovel-ready sites for Advanced Manufacturing companies. **Project Lead: City of Mesquite.**

These projects are significant, geographically wide-spread, interconnected, and align with and address EDA Investment Priorities. Projects support **Equity** and will advance equity across the region and benefit underserved populations and communities (see Appendix IV); **Recovery & Resilience** and will build economic resilience by diversifying the local economy; and **Workforce Development and Manufacturing** and will support the planning and implementation of infrastructure for skills training centers with a focus on manufacturing, job creation and technical education aimed at retraining Nevada’s workforce; and will effectively address the creation and/or retention of high-quality jobs. In addition, the proposed components directly align with **Goal 3: Southern Nevada’s New Target Industries, Objective 3.1 Expand Southern Nevada’s manufacturing base** of the region’s CEDS to: 1) Expand multi-purpose advanced manufacturing and logistics parks that centralize the production and movement of goods produced in the region; 2) Attract manufacturing companies that specialize in the production of Southern Nevada's strengths, such as water and gaming technologies, 3) Explore the potential for micromanufacturing facilities in vacant buildings throughout the region; 4) Expedite infrastructure build-out at the APEX Industrial Park to accommodate accelerated growth at the park; and 5) Advance the development of a manufacturing training center to support growth in the manufacturing industry.

**Proposed metrics of success**

- Increased anticipated job creation; improved wage growth;
- Anticipated regional GDP growth; reduced unemployment; number of workers and students placed in quality jobs; demographic breakdown of populations benefiting from investments;
number of students achieving certification; increase in patents awarded to Southern Nevada companies. For infrastructure projects, metrics of success may include: total linear feet of pipeline constructed; total water flow available for industry use; total dollars of manufacturing investment and commercial investment in target area.

**Matching funds for Phase 2** Each coalition member has identified matching funds and other complementary investments for Phase 2 that would be sourced to other private non-federal funds. Some examples of match funds include local fuel tax, state capacity funds, city development funds, and city general fund. In addition, LVGEA will be offering support services including strategy development, business retention and expansion services, and international business recruitment of manufacturing firms.

**Barriers and strategies to mitigate** The SNRGC has faced historic barriers, but each issue has a member and project in the Coalition for addressing. 1) Physical infrastructure lacking - strategy to mitigate: prioritize physical improvements and work with municipalities and state to implement projects; 2) Lack of adequate building and sites - strategy to mitigate: work with local governments, developers, utility providers, and industrial development corporations, communities with actively assembled land, develop appropriate sites and structures, and encourage the extension of infrastructure and utilities to underserved areas; and 3) Lack of well-trained or retrained workforce to supply cluster industry - strategy to mitigate: organize community leaders and cluster industries to design programs in conjunction with local community colleges, and colleges and universities.

**Timeline**

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<tr>
<th>Proj.</th>
<th>Activities/Tasks</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Member</th>
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<tbody>
<tr>
<td>1</td>
<td><em>Apex Water Line Phase 3 Expansion Design</em> Expansion Construction</td>
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<td><em>Interchange at I-15 &amp; Via Nobila</em> Design Sloan Industrial and Manufacturing Park</td>
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<td><em>Mesquite Site Grading Plan and Site Grading</em></td>
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