

# Perspective

BUILDING  
FOR THE FUTURE

MAY 15, 2018

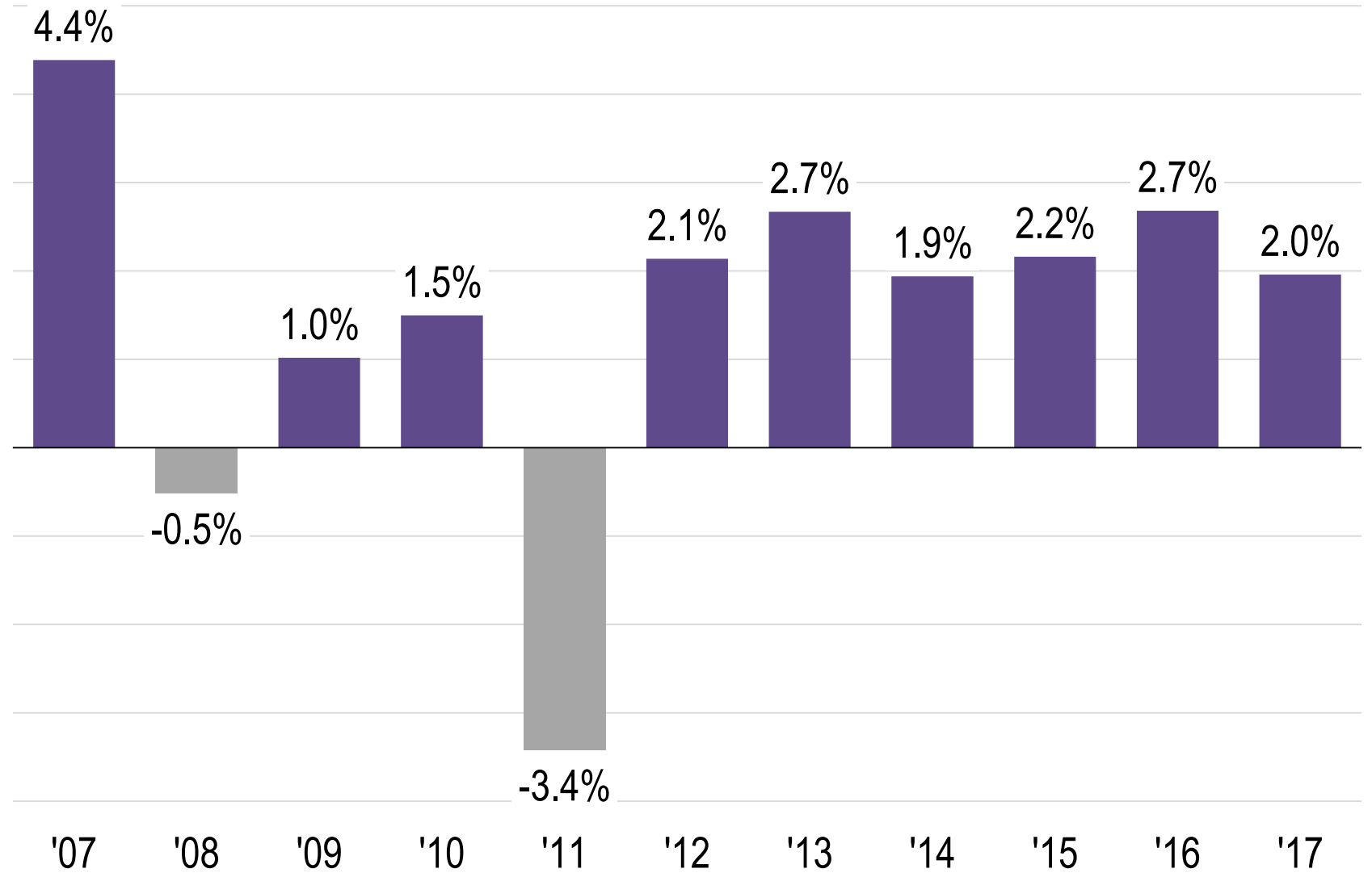
APPLIED  
ANALYSIS 

**4.9**

**24,900**

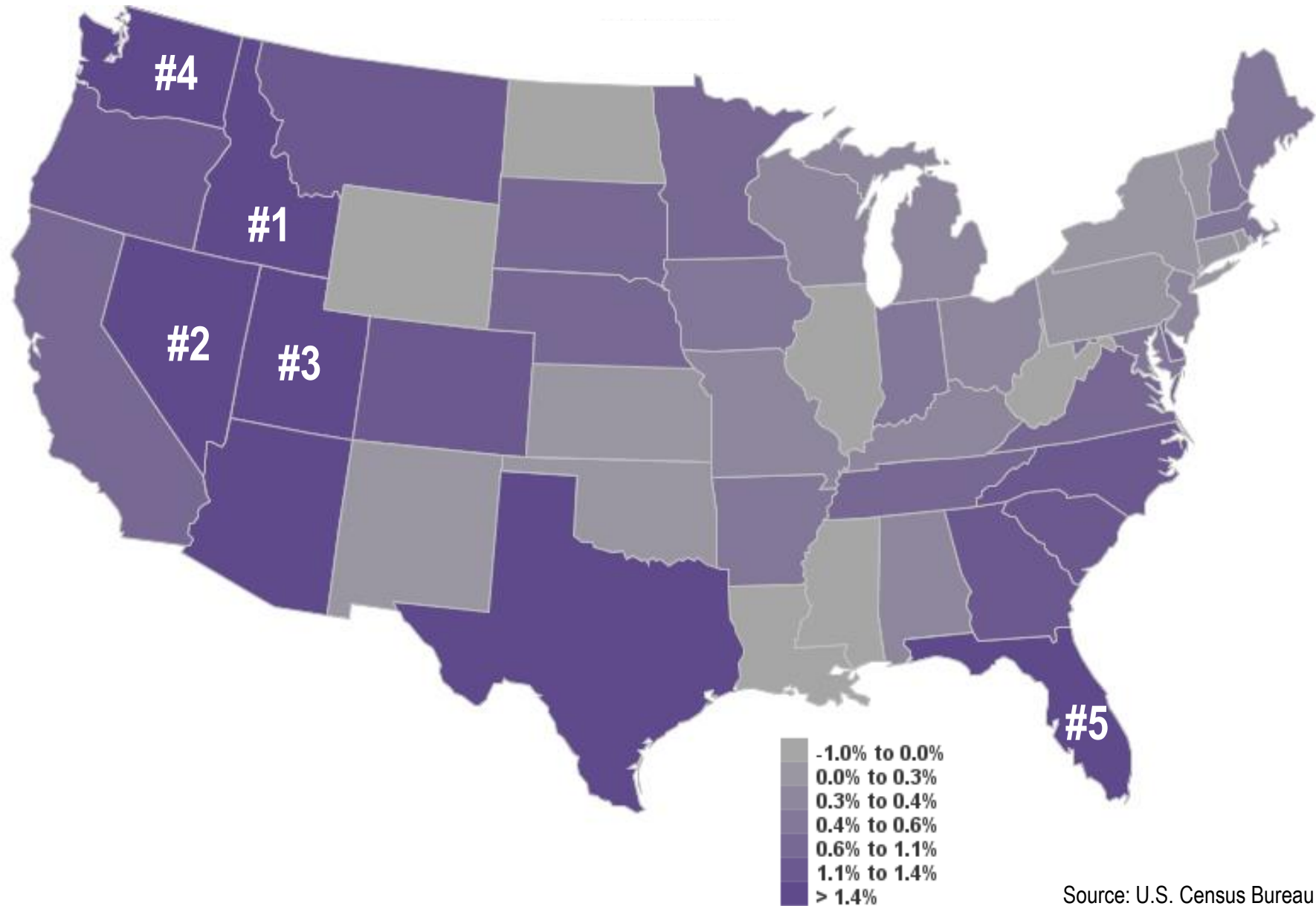
**\$18B**

# 4.9



Source: Clark County Comprehensive Planning

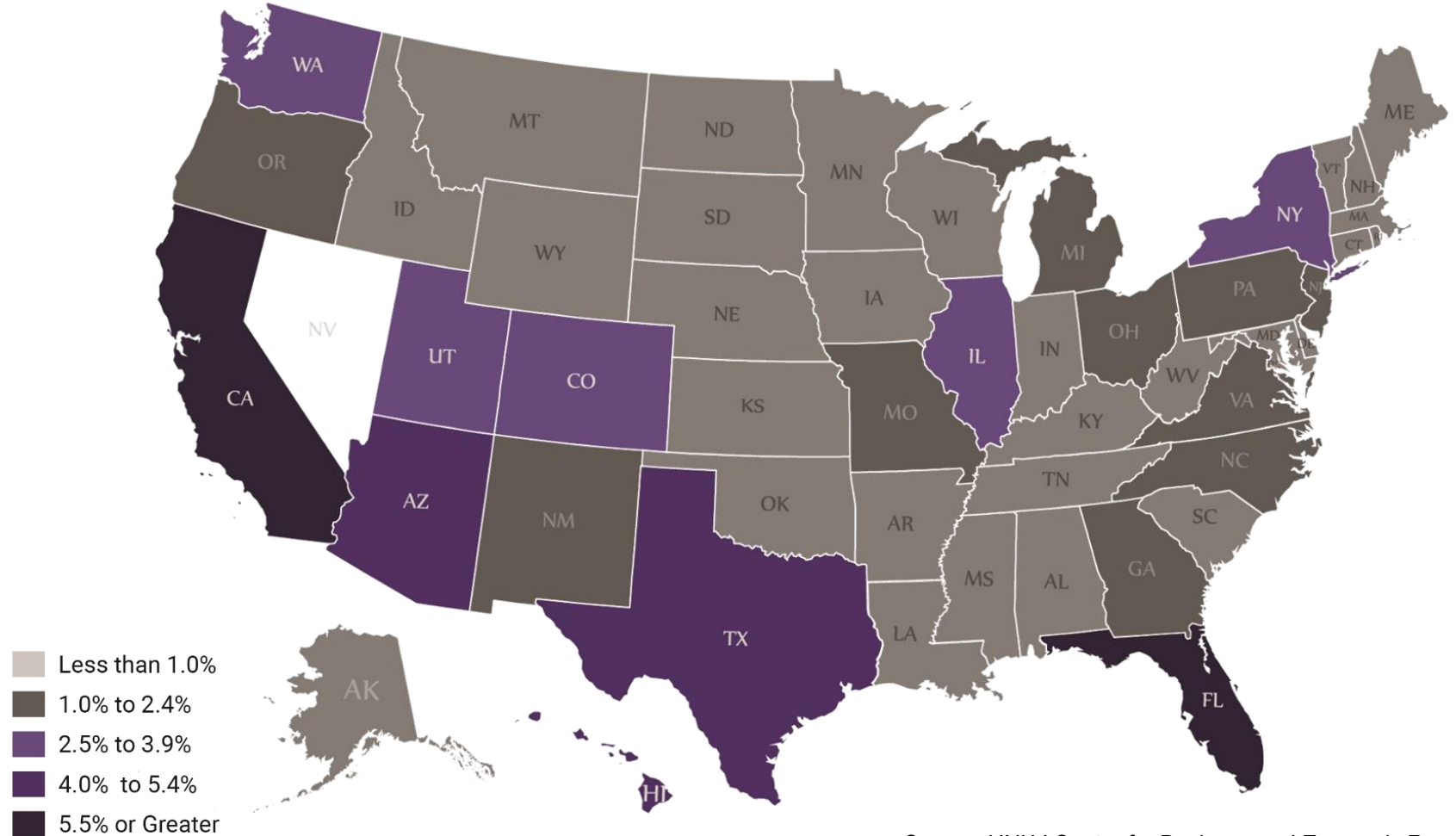
# 4.9



# State of Origin Based on Driver's License Surrenders

## Nevada Inflow Top States

State	Share of New Residents
California	34.0%
Florida	6.3%
Texas	5.1%
Arizona	4.9%
Illinois	3.8%



Source: UNLV Center for Business and Economic Research

# The New York Times

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## **SILICON VALLEY IS OVER, SAYS SILICON VALLEY**

*“...renting a U-Haul for a one-way trip from San Jose to Las Vegas now costs roughly **\$2,000**, compared with just **\$100** for a truck going the other direction.”*

Source: New York Times, March 4, 2018

## **THE BAY AREA'S HOUSING CRISIS CROSSES THE SIERRAS**

*“Californians are attracted by the Reno area's comparatively cheap homes, burgeoning tech sector and Nevada's reputation as a business-friendly state.”*

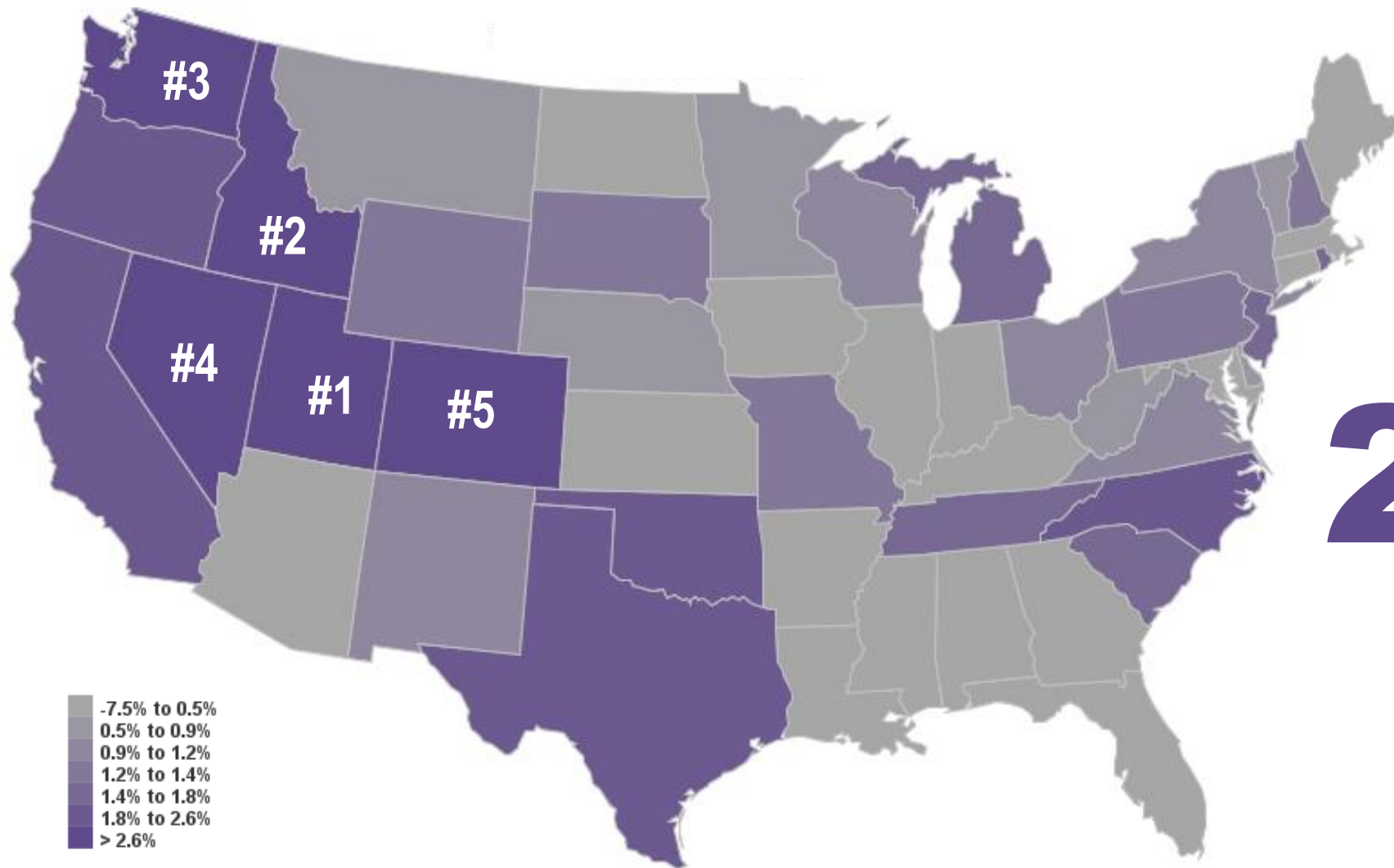
Source: Silicon Valley Business Journal, March 21, 2018

**4.9**

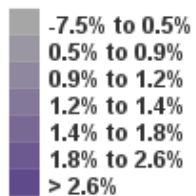
**24,900**

**\$18B**

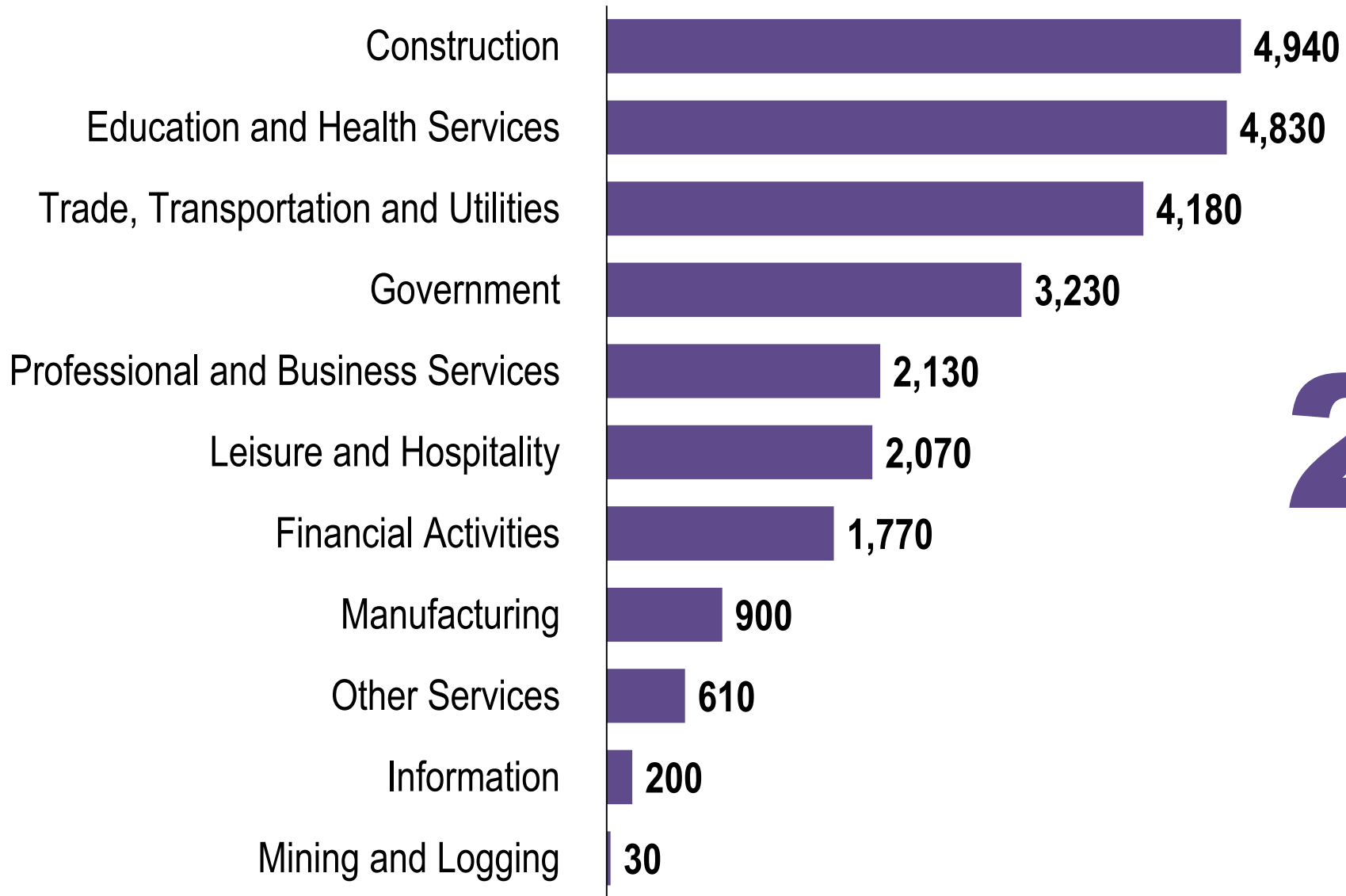




**24,900**



Source: Bureau of Labor Statistics



**24,900**

Source: Bureau of Labor Statistics

9,900

**4.9**

**24,900**

**\$18B**

**\$18B**



**Las Vegas Convention Center**

**Las Vegas Stadium**

**MSG Sphere Las Vegas**

**Project Neon**

# SO HOW DO WE BUILD FOR THE FUTURE?



# SO HOW DO WE BUILD FOR *THE RIGHT* FUTURE?



# SO HOW DO WE BUILD FOR THE *OPTIMAL* FUTURE?





# SO HOW DO WE BUILD FOR A *SUSTAINABLE* FUTURE?



# SO HOW DO WE BUILD FOR THE *BEST POSSIBLE* FUTURE?



# **ENSURING A PRO-BUSINESS AND PRO-RESIDENT ENVIRONMENT FOR SOUTHERN NEVADA'S 50,000 BUSINESSES AND THEIR EMPLOYEES**





# Most Entrepreneur-Friendly State



2017 Small Business Policy Index



# Most Favorable Tax and Business Climate

The  
**BOYD**  
**COMPANY** Inc

Leading Indicator Poll



**Top State for  
Business in the  
Western U.S.**

**Chief Executive**



**Best Job Creation  
Index in the U.S.**

**GALLUP**



**Best Economic Health  
Ranking in the U.S.**

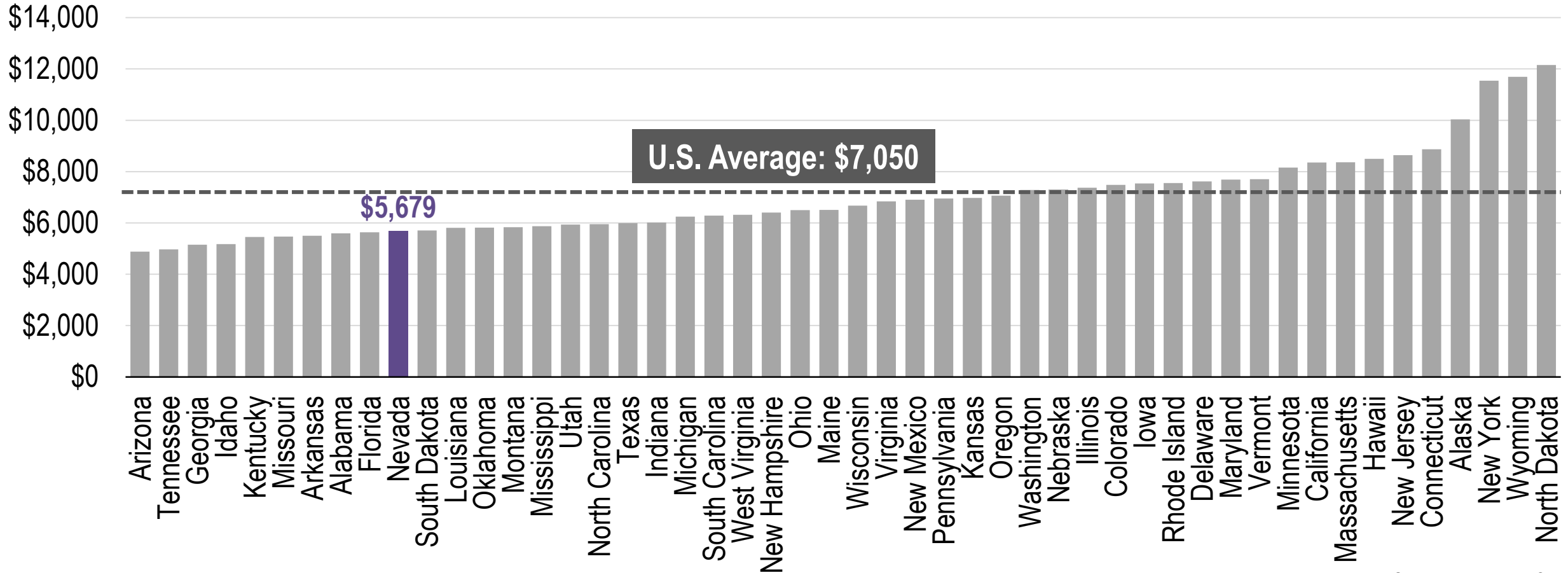
**Forbes**

American Dream Index





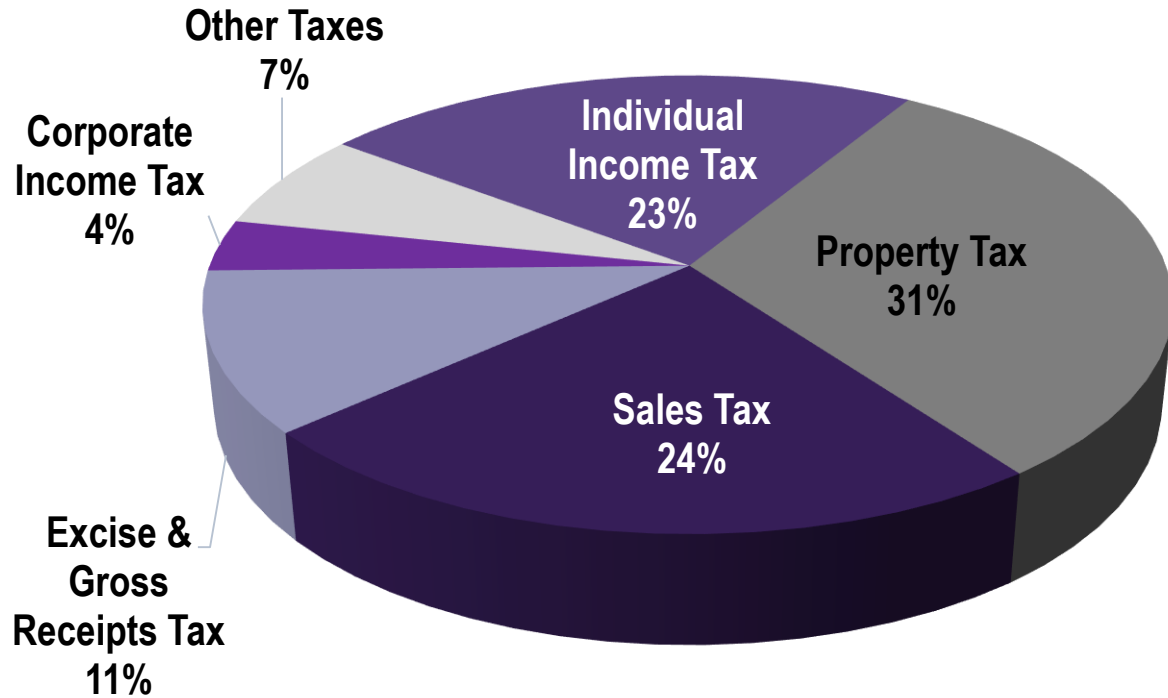
# State and Local Own Source Tax Revenue Per Capita



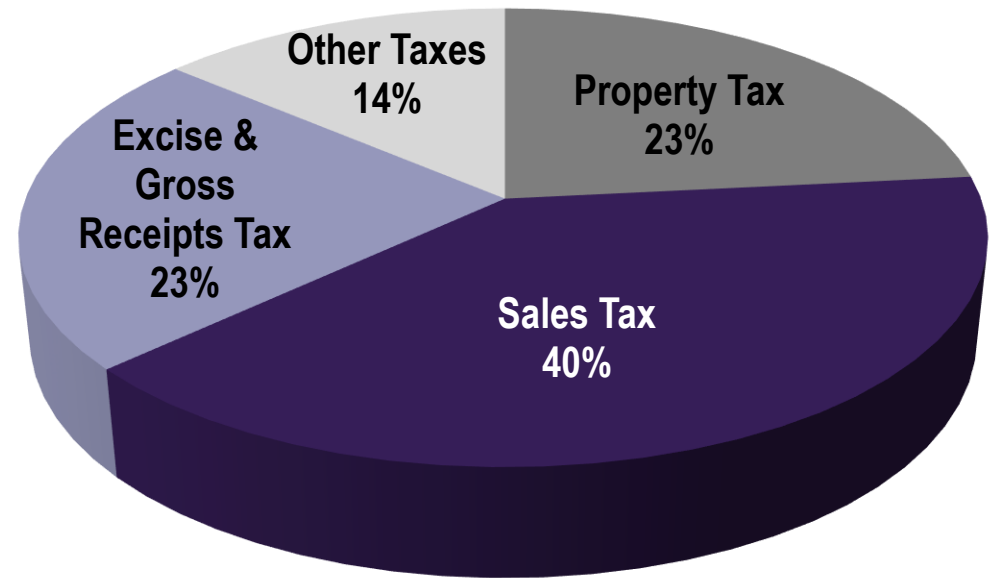
Source: Tax Policy Center

# Tax Collection Comparison by Tax Type

## U.S. Average

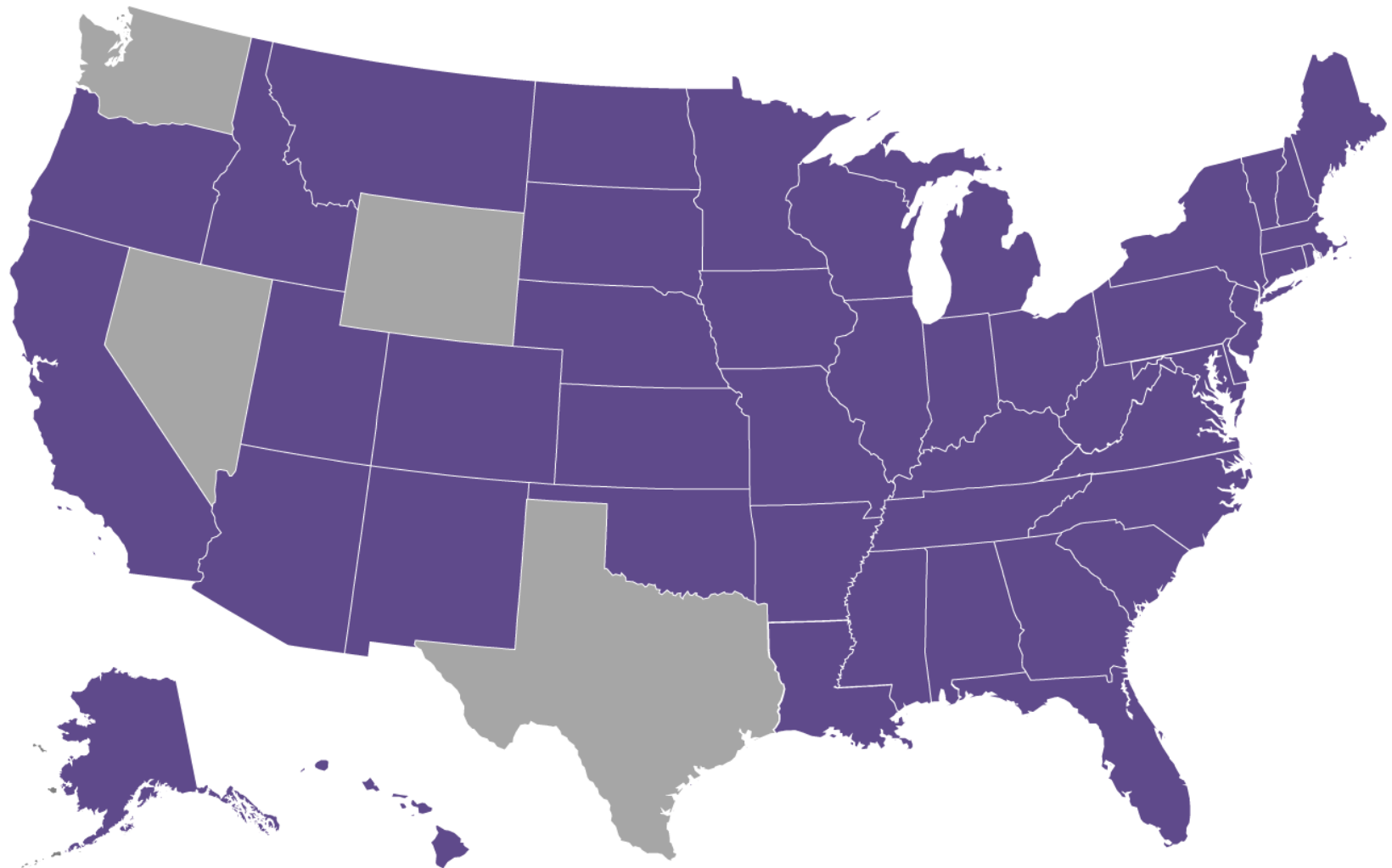


## Nevada

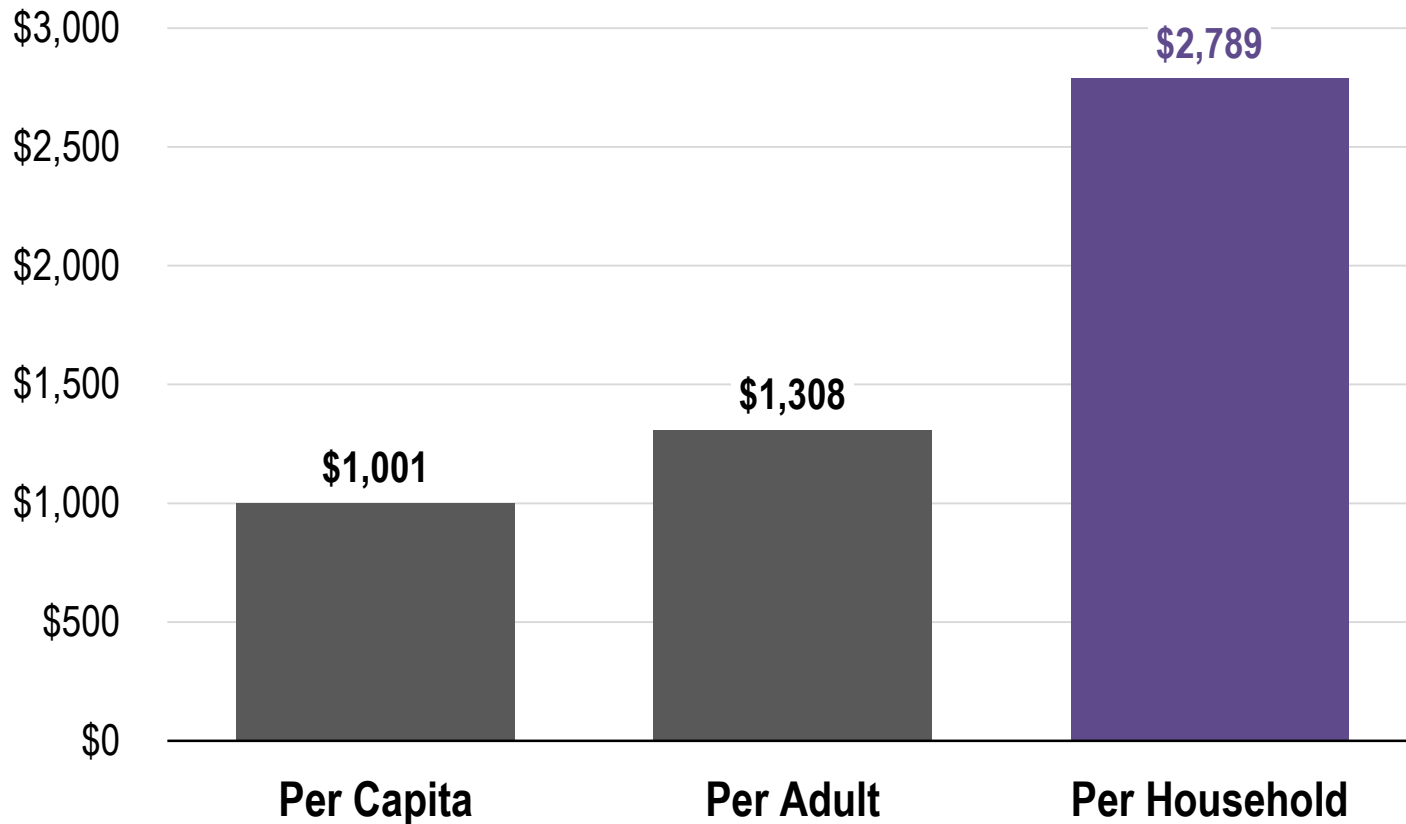


Source: U.S. Census Bureau

# States Collecting Personal and/or Corporate Income Tax



# Clark County Local Tax Savings Due to Tourism



**Tourism Industry Tax Contributions**

**\$2.2 Billion**

**Fiscal Year 2017**

# The American Dream



# Las Vegas Affordability

Cost of Living Index

102.5

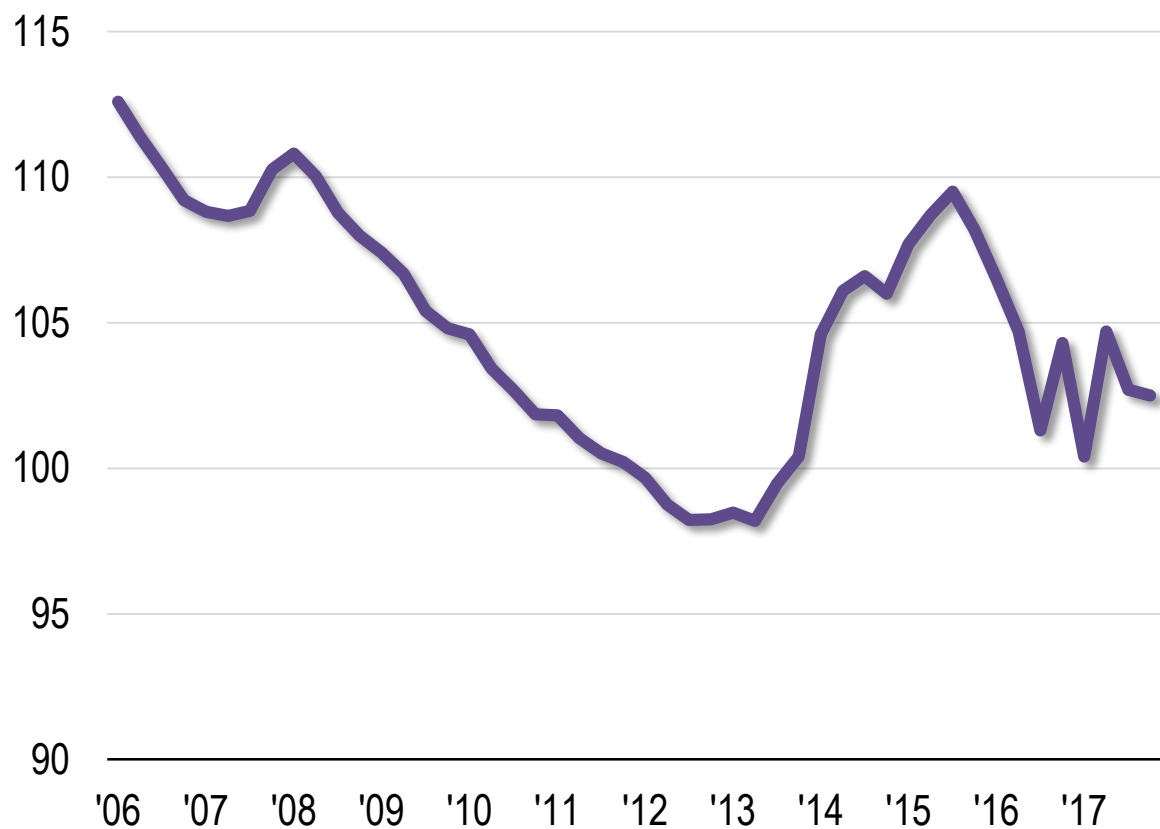
Housing Opportunity Index

58.7

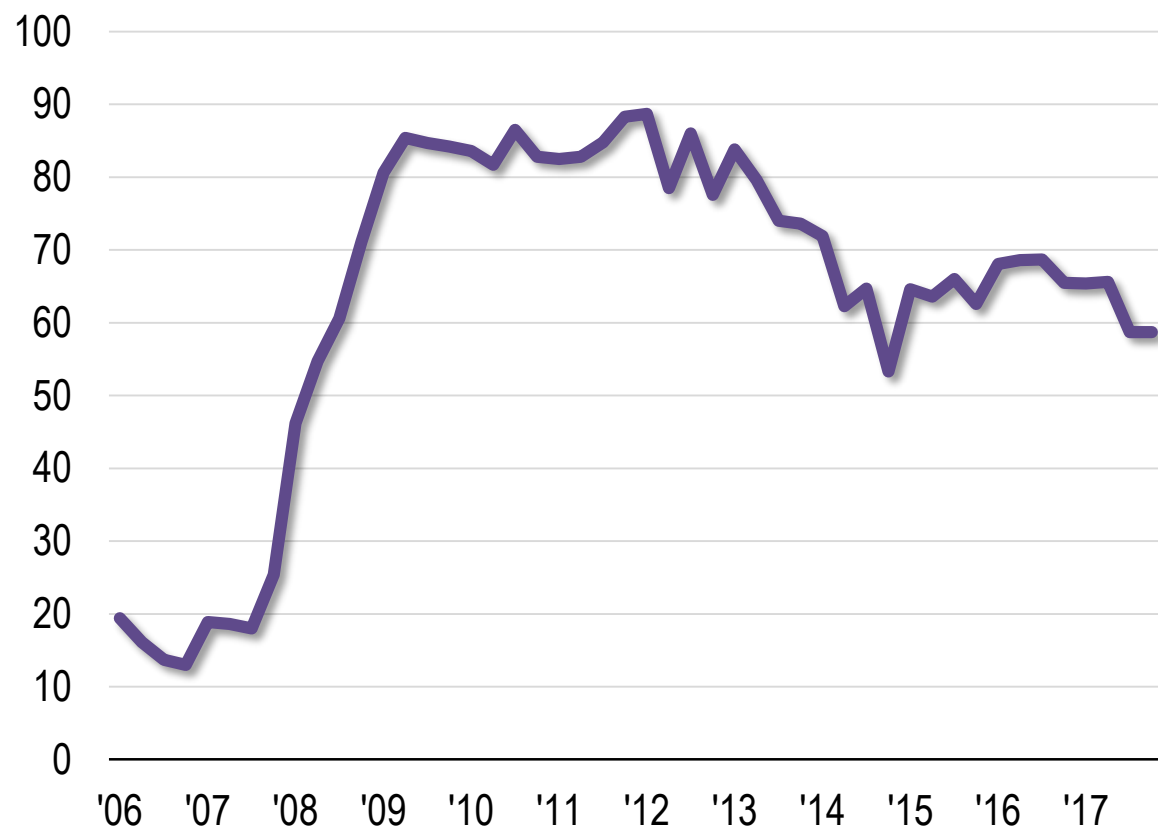
Source: The Council for Community and Economic Research; National Association of Home Builders

# Las Vegas Affordability

## Cost of Living Index



## Housing Opportunity Index

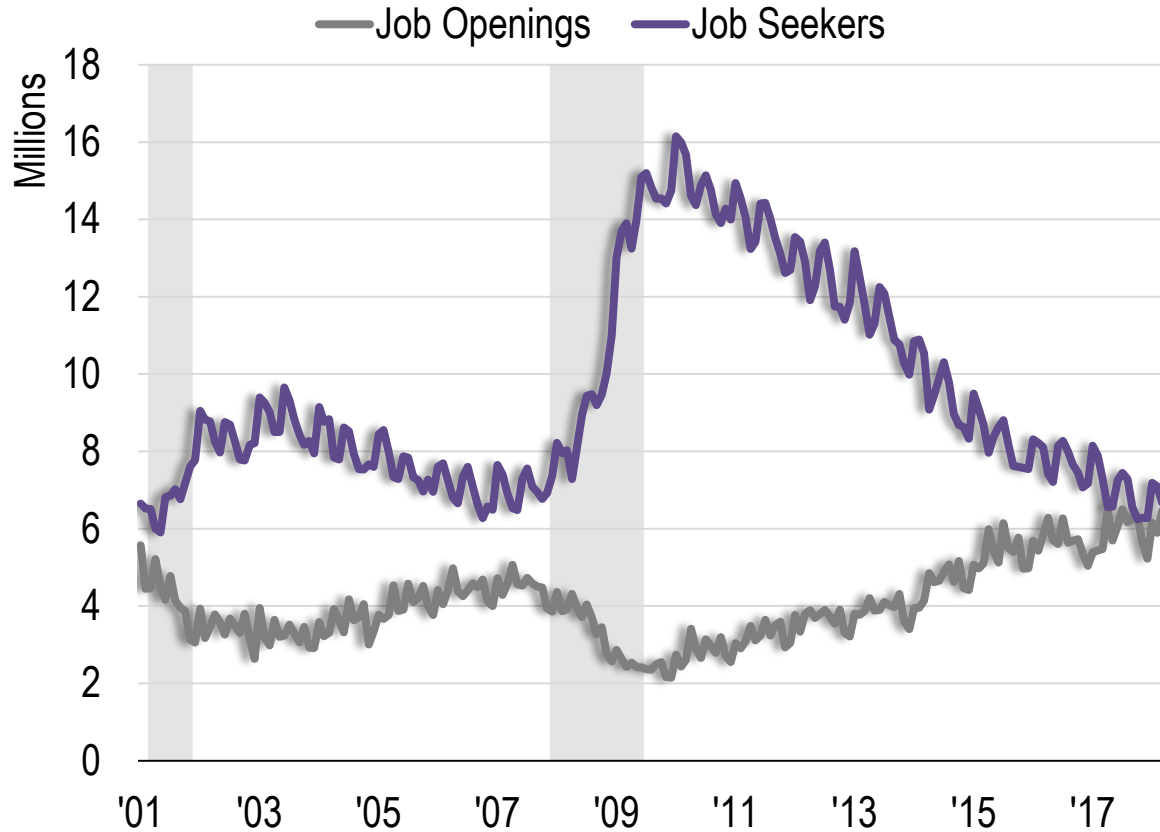


Source: The Council for Community and Economic Research; National Association of Home Builders



# Attracting and Retaining Talent

National Job Openings vs. Job Seekers

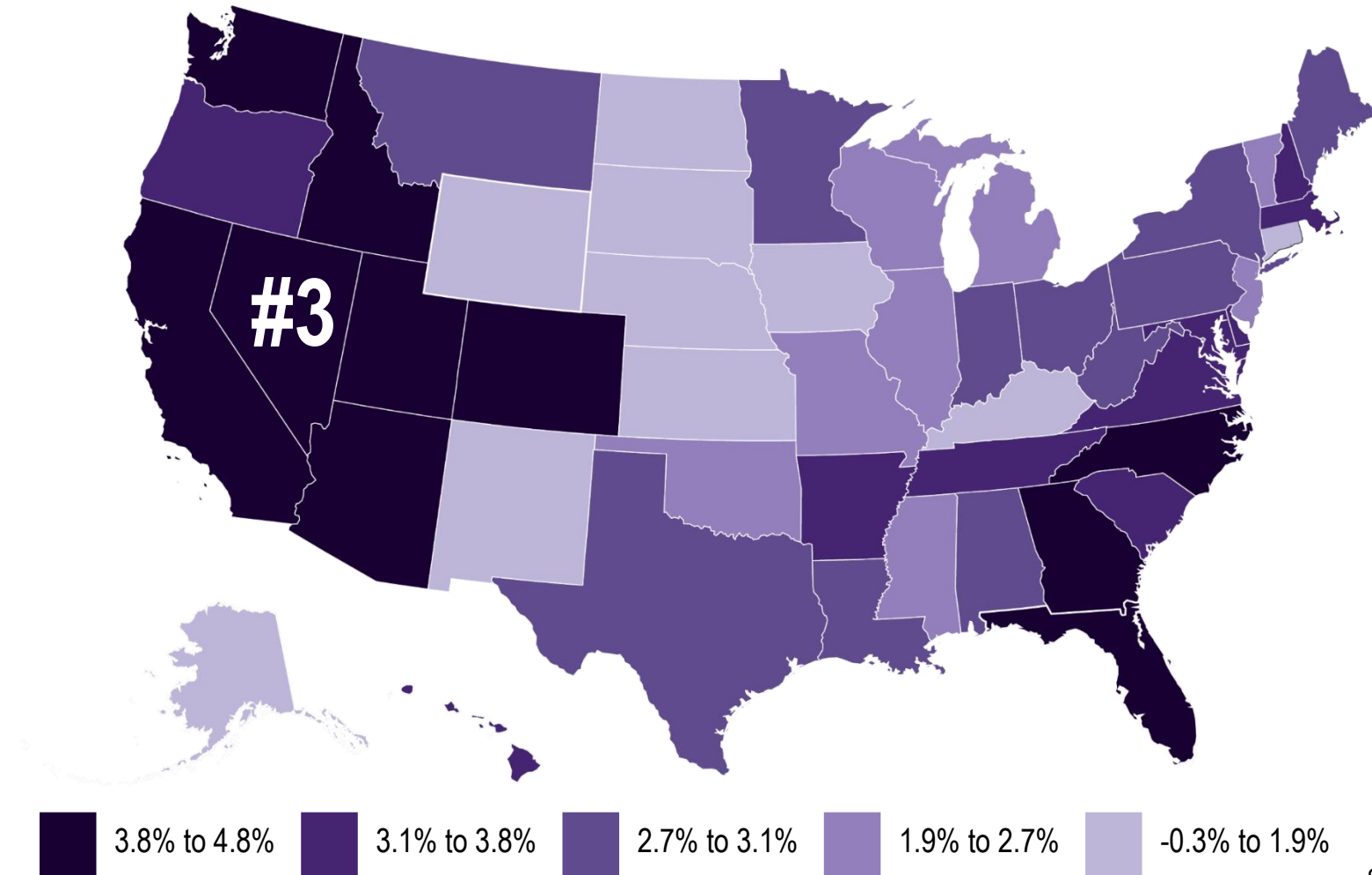


## Reason for Moving to Nevada

Reason	Proportion
Job	36%
Retirement	34%
Family	17%
Lifestyle	17%
Health	8%

Source: U.S. Bureau of Labor Statistics; United Van Lines

# Personal Income Growth



Source: U.S. Bureau of Economic Analysis

Self-  
Actualization

Esteem

Love/Belonging

Safety

Physiological

# Quality of Life

FOOD



AIR



WATER



EDUCATION



SHELTER



PHYSICAL SAFETY



ENTERTAINMENT



HEALTH/WELLNESS



COMMUNITY



JOB SECURITY





T-Mobile ARENA

58

VEGAS

STRONG

NEHL FACE-OFF



BRIAN FRASER  
 KERRY GALVAN  
 SHINA GARDNER  
 ANGELA GOMEZ  
 ROCIO GUILLEN  
 CHARLESTON HARTFIELD  
 CHRIS HAZENCOM  
 DENISE SALMON BURDITUS  
 SANDY CASEY  
 ANDREA CASTILLA  
 DENISE COHEN  
 AUSTIN DAVIS  
 THOMAS DAY JR.  
 CHRISTIANA QUARTE  
 ETIENNE STICHEBER  
 JENNIFER IRVINE  
 NICOL KIMURA  
 JESSICA KLYMCHUK  
 EARLY KREIBAUM  
 WANDA LEROUCQUE  
 VICTOR LINK  
 JORDAN MCILDOON  
 KELSEY MEADOWS

LA MEDIG  
 KY MELTON  
 JY MEYER  
 TIM MEYER  
 DAN MURPHY  
 MEL PARKER  
 STEVE PARKS  
 LARA NOE SMITH  
 LISA ROMEO  
 CHRISTOPHER WENZEL  
 JAMES WINTTS  
 SCHENBERGER  
 EMILEY SCHWEITZER  
 LAURA SHIFF  
 ERICK SILVA  
 COLBY PARSONS  
 LUCY PATTERSON  
 JOHN PHIPPEN  
 MELISSA RAMIREZ  
 JORDYN RIVERA  
 QUINTON ROBBINS  
 CAMERON ROBINSON  
 SUSAN SMITH  
 BRENNAN STEWART  
 DERRICK TAYLOR  
 HEYSA TORRES  
 NICHELLE VO  
 KURT VON TILLOW  
 BILL WOLFE JR.

Source: Sports Illustrated



Source: NHL



Source: Las Vegas Review-Journal



Source: Las Vegas Review-Journal





# **OPENING MARKETS AND MINIMIZING REGULATORY COSTS**



# Opening Markets for Innovation

Autonomous vehicles in Nevada roll forward with new legislation



The nation's first completely autonomous, fully electric shuttle was deployed in Las Vegas on Tuesday, Jan. 10, 2017.

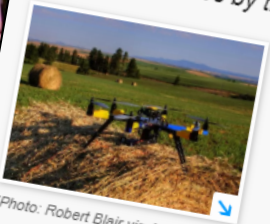
By Mick Akers (contact)  
Tuesday, June 20, 2017 | 2 a.m.

Nevada displayed its dedication to refining autonomous vehicles, with the passage of [Assembly Bill 69](#), industry officials said.

## FAA names 6 sites for testing drones

Bart Jansen, USA TODAY  
Published 11:04 a.m. ET Dec. 30, 2013 | Updated 4:44 p.m. ET Dec. 30, 2013

Congress envisions unmanned aircraft sharing the skies with passenger planes by the end of 2015.



(Photo: Robert Blair via AP)

CONNECT TWEET LINKEDIN COMMENT EMAIL MORE

The Federal Aviation Administration named six teams across the nation that will host the development and testing of drones to fly safely in the same skies as commercial airliners.

### STORY HIGHLIGHTS

- Test sites are in Alaska, Nevada, New York, North Dakota, Texas and Virginia
- Industry is projected to create 100,000 jobs and generate \$82 billion in economic activity
- FAA received 25 applications for the test sites

The announcement represents a major milestone toward the goal of sharing the skies by the end of 2015, in what is projected to become an industry worth billions of dollars. But technical hurdles and privacy concerns remain in a regulatory program that's already a year behind schedule.

"The test-site news is a glimmer of hope, but there is still much standing in the way of catching up to other countries that are ahead of us on this new technology revolution," said Brendan Schulman, a New York lawyer who heads commercial drone practice for the law firm Kramer Levin.

“With safety at the forefront, we have created the opportunity for innovative companies to... test and operate their **autonomous vehicles** in our state.”

-Governor Brian Sandoval

# Opening Markets for Innovation

## ESports Betting Now Fully Recognized Under Nevada Law, Gov. Sandoval Signs Parimutuel Bill

MAY 30, 2017 BY [DAVID SHELDON](#)

ESports betting is finally getting the type of recognition the rap deserves. Over the weekend, Nevada Governor Brian Sandov competitive video gaming fully legal.



Nevada Governor Brian Sandoval has officially made eSports betting a legal activity.

By signing a bill that adds the tournaments to the state's parimutuel betting, Sandoval solidified the legality of eSports betting in the state of Nevada.

## 'First of its kind' esports arena opens on the Las Vegas Strip



The interior at the Esports Arena hours before the grand opening at the Luxor in Las Vegas 2018. Chase Stevens Las Vegas Review-Journal @csstevensphoto

Esports · May 09, 2018

## UMG Announce Partnership with World Series of Poker to Bring Esports Back to Las Vegas

Calum Patterson

COMMENTS

9 SHARES

SHARE TWEET



One of the top online gaming tournament websites and event organizers, UMG, have announced a groundbreaking partnership with the most prestigious poker tournament organizer, World Series of Poker.

A World Series of Poker bracelet is regarded as the top prize within the world of professional poker, and has been a mainstay annual event in Las Vegas for many years.

# Opening Markets for Innovation

“In addition to serving as the **first direct interstate through Phoenix and Las Vegas**, and eventually the first Mexico-to-Canada corridor, this project will pay dividends in trade and tourism for our region and nation for generations to come.”

*-Arizona Governor Jan Brewer*



# **NEVER FORGET WHO THE CUSTOMER IS**



# 42.2 Million

Annual Visitors

# \$34.8 Billion

Total Visitor Spending



Source: Las Vegas Convention and Visitors Authority; Applied Analysis

# Las Vegas Does It Better Than Anywhere Else





# Living The Brand



# Living The Brand



# Living The Brand



# Living The Brand



# Living The Brand



# Living The Brand



# Living The Brand



# Living The Brand





# Living The Brand



# What is the Impression Visitors are Left With?



# **IN A GROWING ECONOMY, TIME TO TRADE QUANTITY FOR QUALITY**



# Looking Back

Indicator	2010	Present	Growth
Population	1,952,906	2,204,079	+12.9% ▲
Establishment-Based Employment	803,642	982,742	+22.3% ▲
Unemployment Rate	13.8%	5.2%	-8.6% ▼
Private Businesses	47,316	54,827	+15.9% ▲
Average Weekly Wages Earned	\$666	\$784	+17.9% ▲
New Home Permits	5,469	13,850	+153.0% ▲
Taxable Retail Sales	\$28.3 B	\$41.8 B	+47.6% ▲
Visitor Volume	37.3 M	42.0 M	+12.6% ▲
Convention Attendance	4.47 M	6.49 M	+45.0% ▲
McCarran Passengers	39.8 M	48.8 M	+22.8% ▲
Gross Gaming Revenue (Clark County)	\$8.9 B	\$10.0 B	+12.7% ▲
Trustee Deeds (Foreclosures)	8,236	350	-95.8% ▼

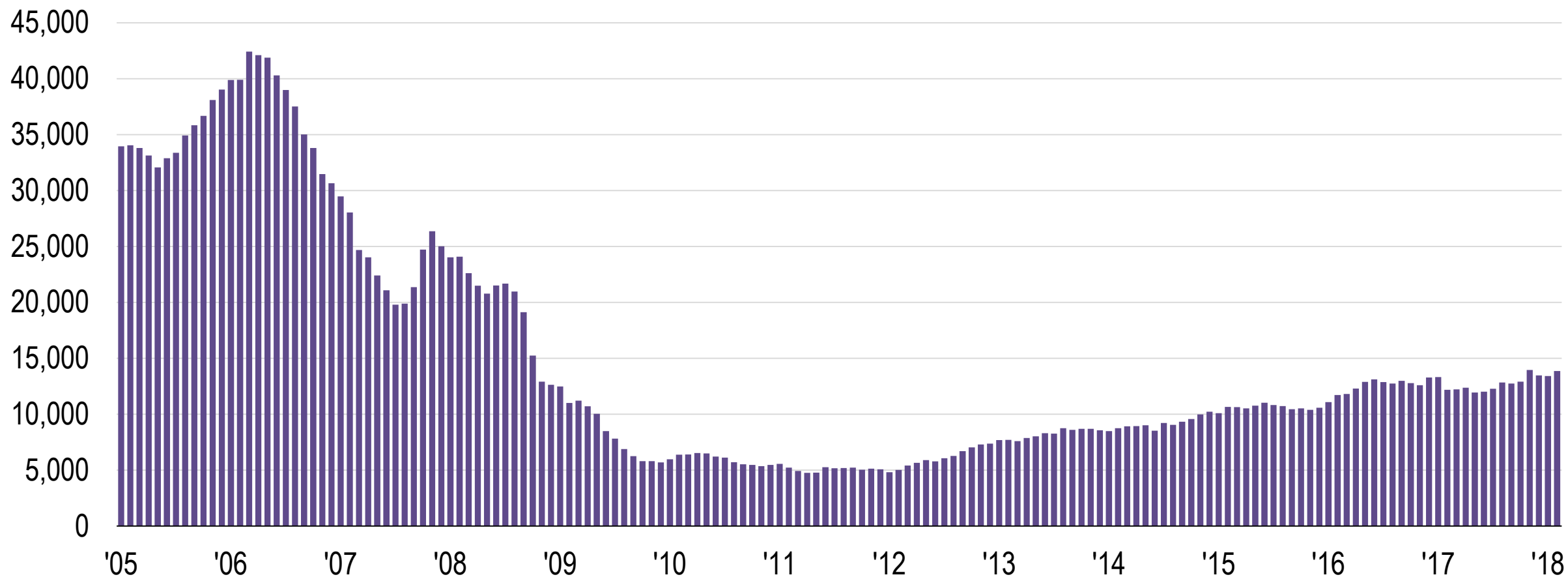
Note: Figures expressed as trailing 12-month values.

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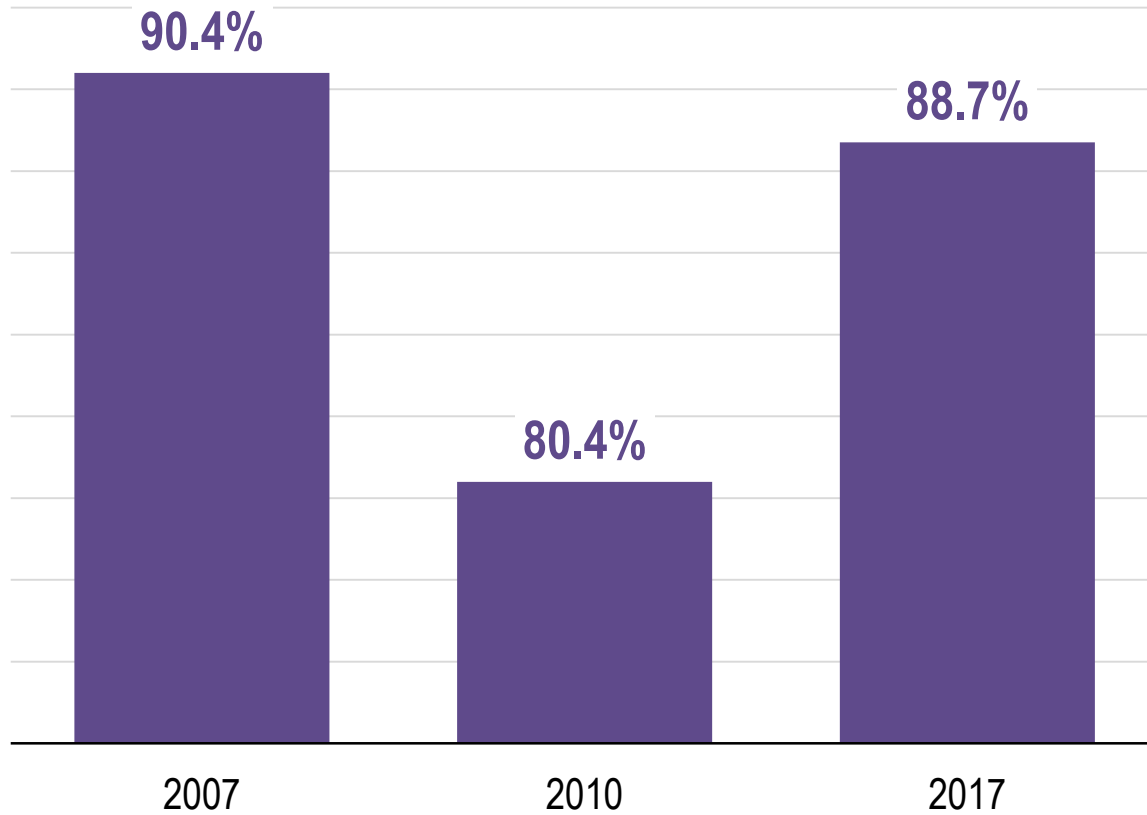
# New Residential Units Permitted



Source: U.S. Census Bureau

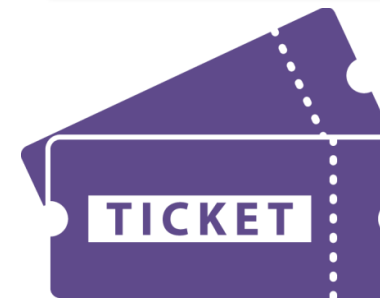
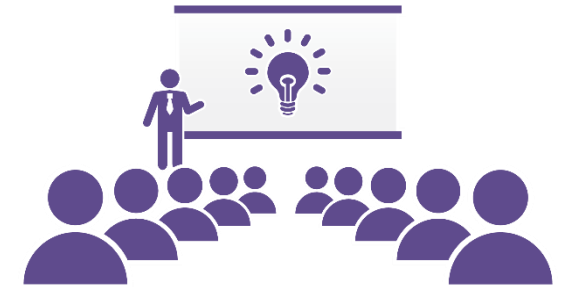
# Value vs. Volume

## Hotel/Motel Occupancy Rate



**International  
Visitors**

**Convention  
Visitors**

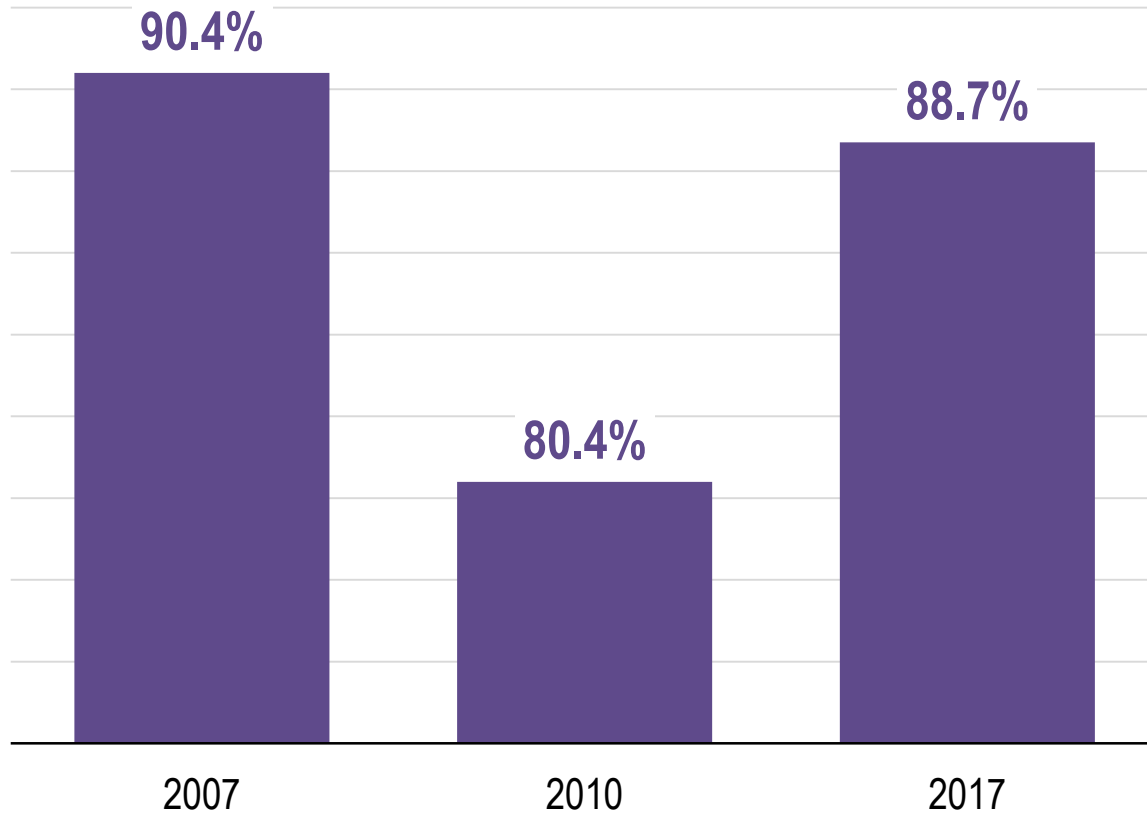


**Special Events  
Visitors**

Source: Las Vegas Convention and Visitors Authority

# Value vs. Volume

## Hotel/Motel Occupancy Rate



## International Visitors

**\$1,400**

Non-Gaming Spending Per Visitor

## Domestic Visitors

**\$770**

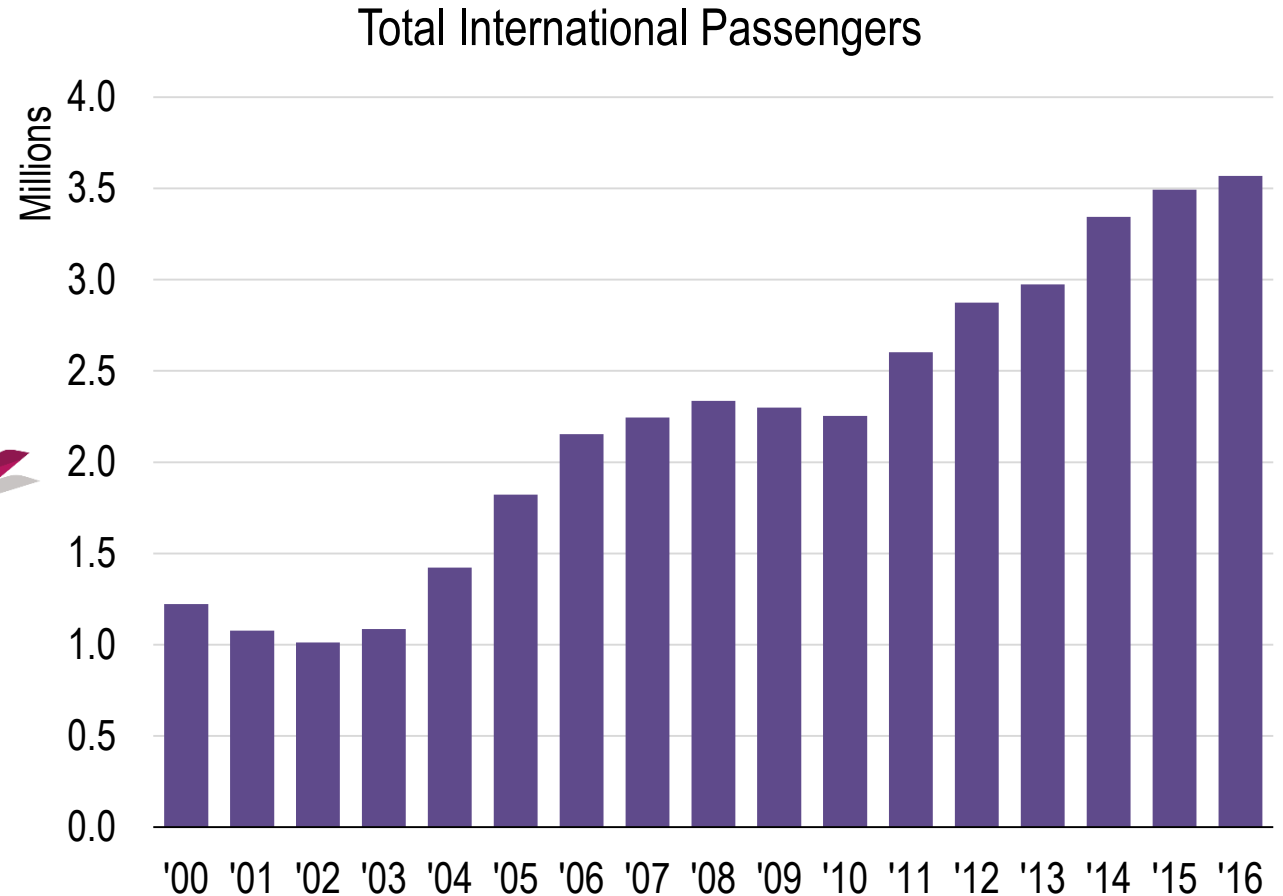
Non-Gaming Spending Per Visitor

Source: Las Vegas Convention and Visitors Authority



# New Global Direct Flight Destinations at McCarran International Airport

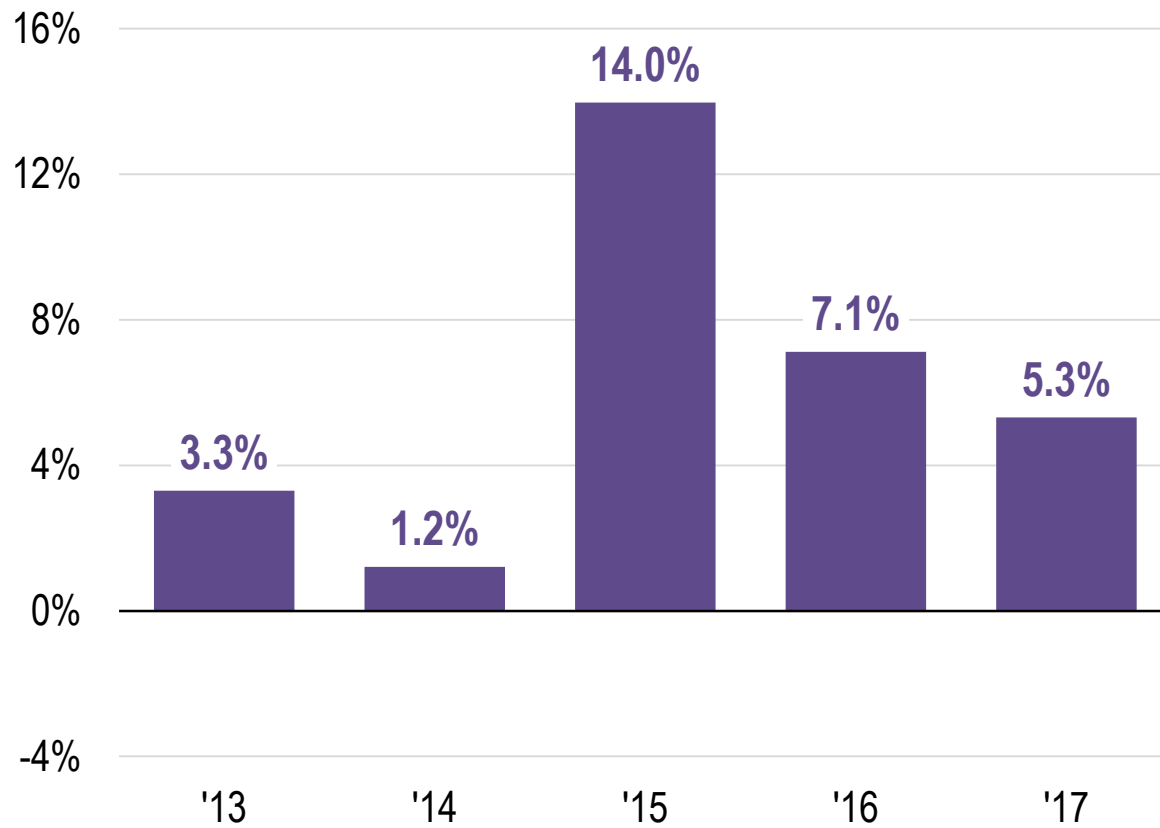
## New International Flights at McCarran



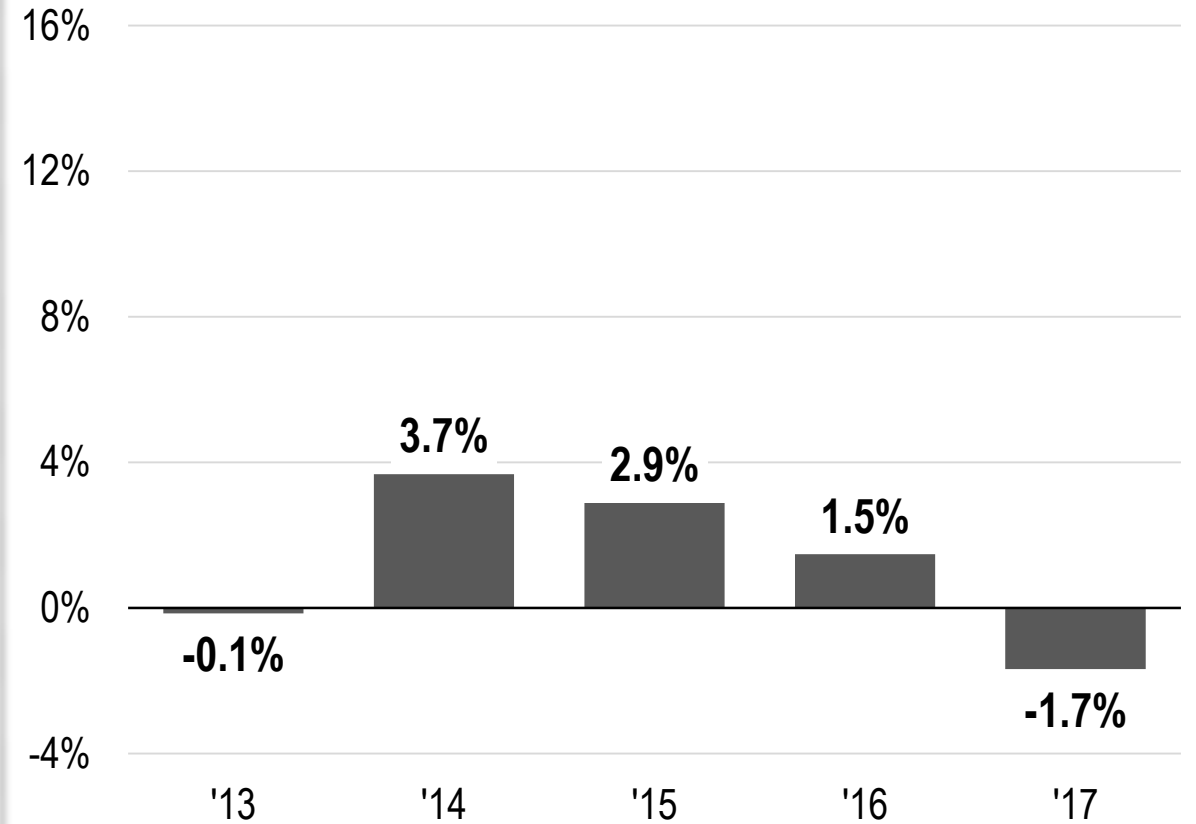
Source: McCarran International Airport

# Las Vegas Visitors Annual Growth Rates

## Convention Attendance



## Overall Visitors



Source: Las Vegas Convention and Visitors Authority

# Work Smarter, Not Harder



2018 Las Vegas Perspective

# LEVERAGING OUR ASSETS

BUILDING  
FOR THE FUTURE





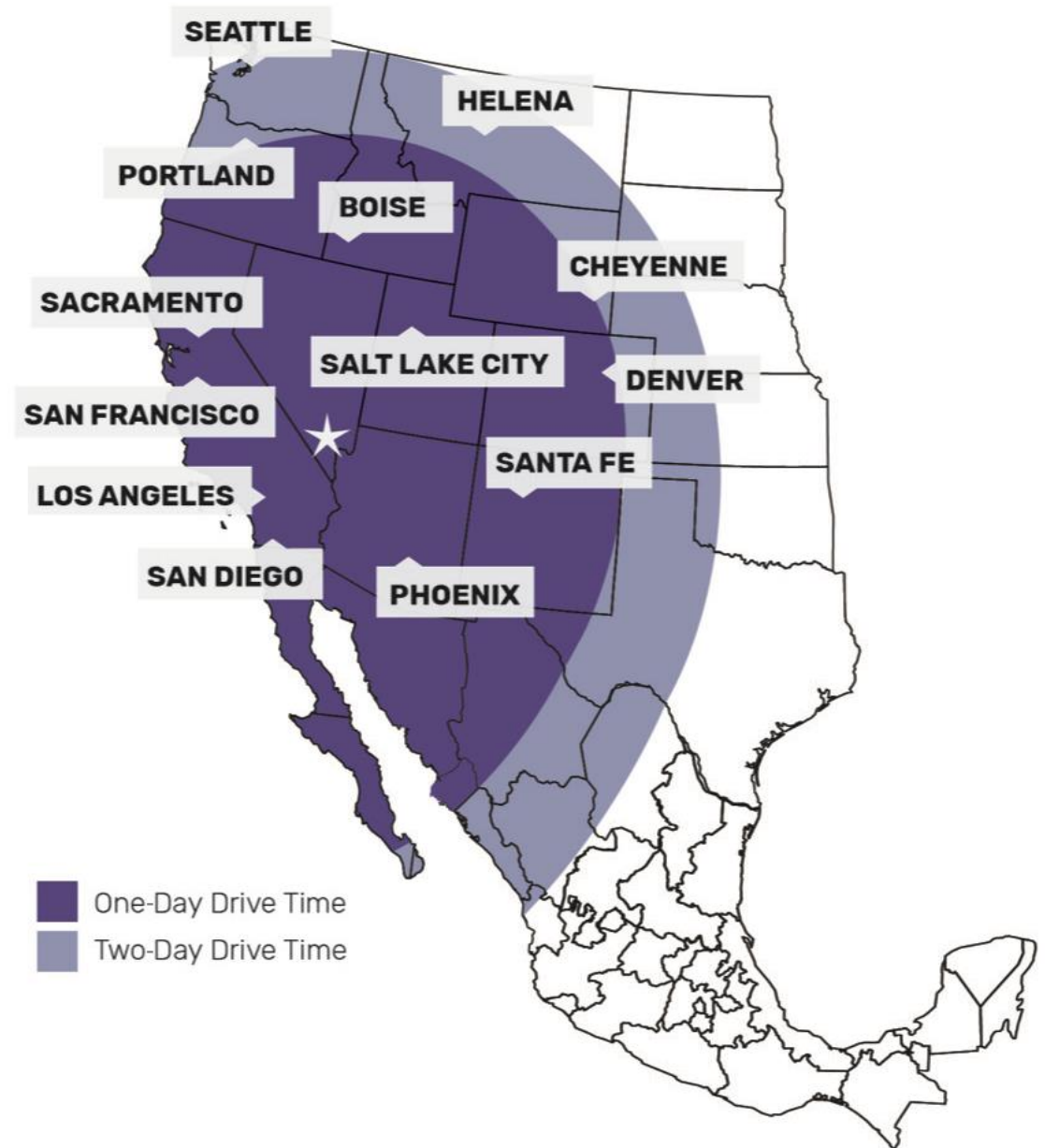
# Location Advantage

**60 Million**

Consumers Within a  
One-Day Drive

**9%**

Of U.S. Population Within a  
Five-Hour Drive

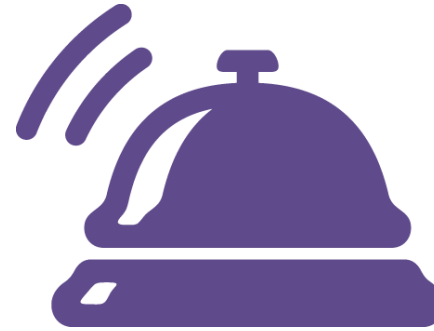


Source: NV Energy

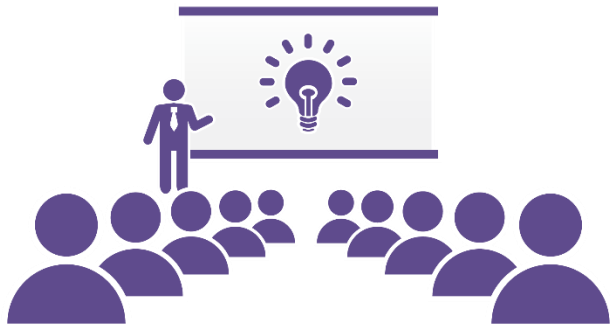
# Tourism Assets



**148,000**  
Hotel Rooms



**89%**  
Average Hotel/Motel  
Occupancy Rate

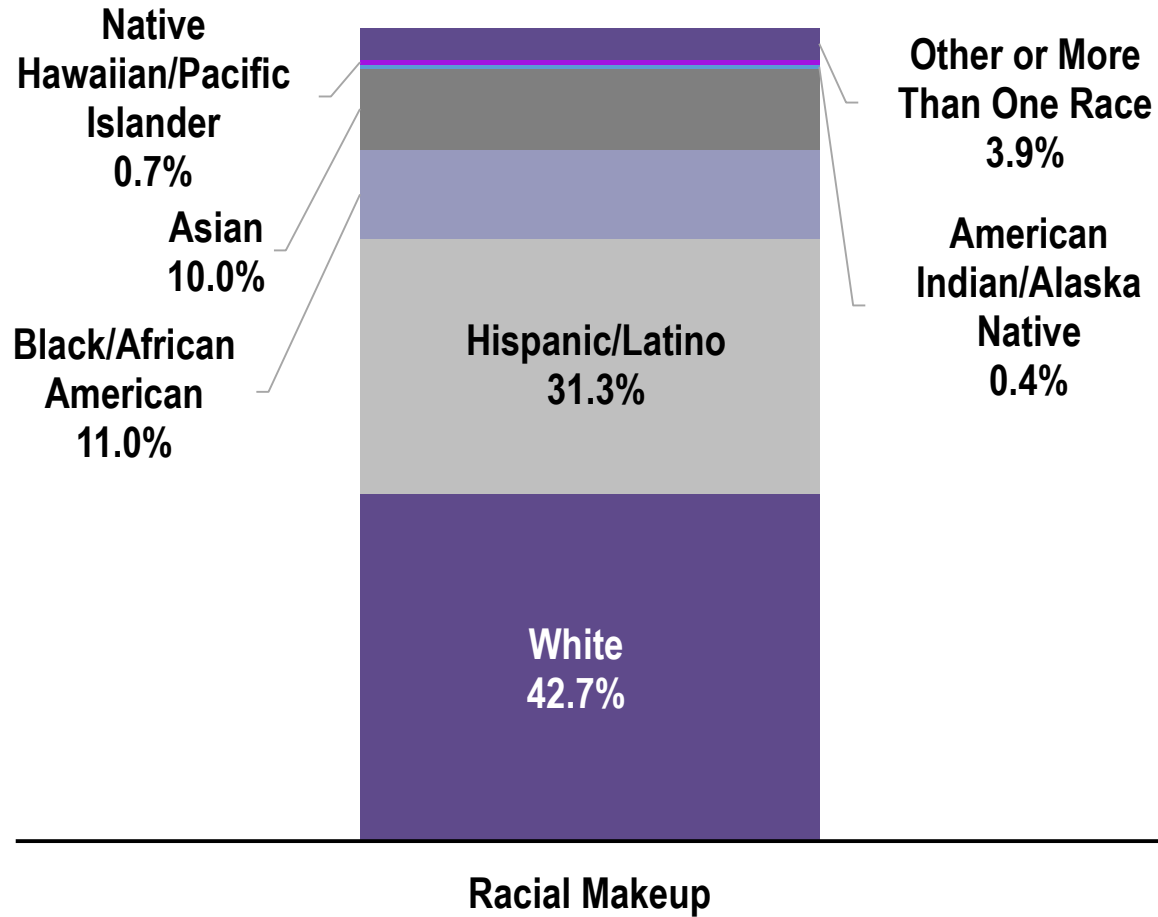


**11.4 M**  
Square Feet of  
Convention Space



**2<sup>nd</sup>**  
Busiest Origin and  
Destination Airport in  
U.S.

# Southern Nevada's Diversity



## Cultural Diversity





# New and Robust Infrastructure



# Nellis Air Force Base



# Creech Air Force Base



**SOUTHERN NEVADA HAS  
NOTHING TO APOLOGIZE FOR,  
BUT WE NEED TO BE HONEST  
WITH OURSELVES**



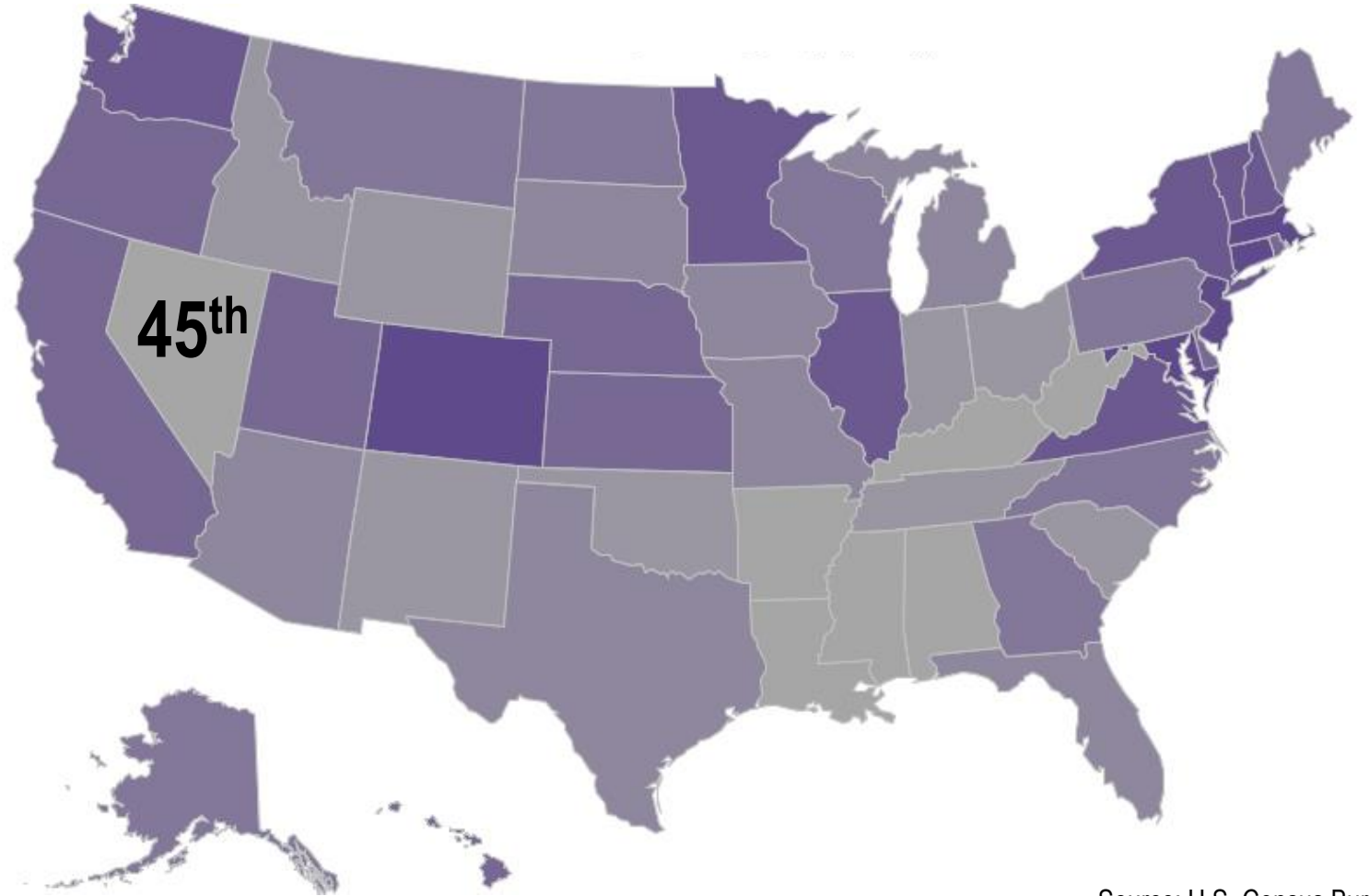
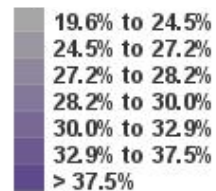
# Percent of Bachelor's Degree or Higher Population 25+ | 2016

**23.5%**

Nevada

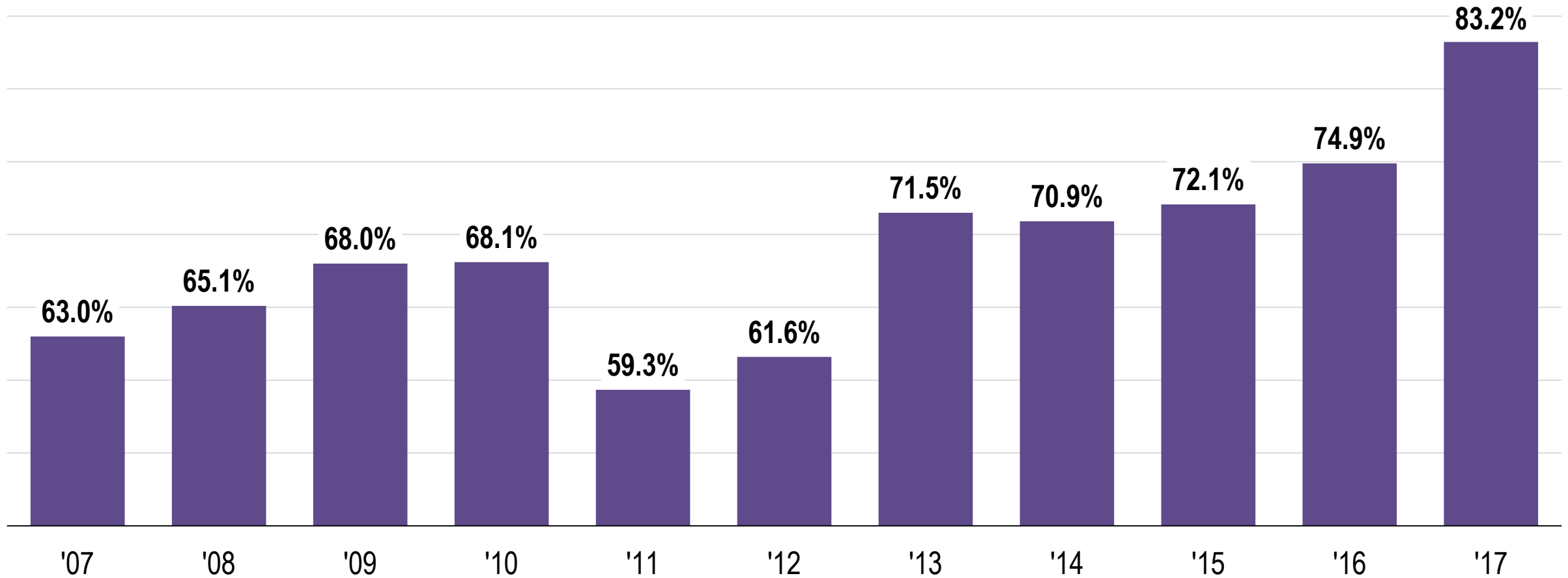
**30.3%**

U.S. Average



Source: U.S. Census Bureau

# CCSD Graduation Rate



Source: Nevada Report Card



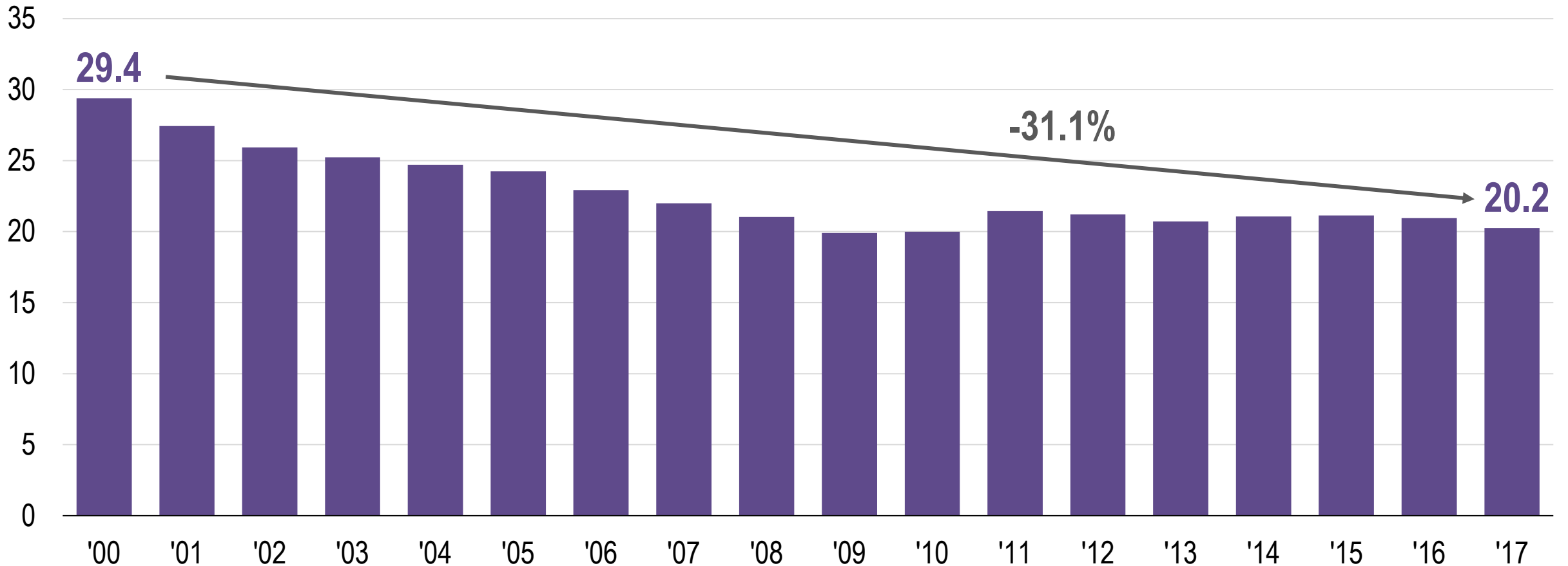
- ✓ INCREASING GRADUATION RATES
- ✓ TRANSPARENCY IN EDUCATION FUNDING
- ✓ STUDENTS GRADUATING FROM CLARK COUNTY SCHOOLS WHO COMPLETED ALL GRADES IN CLARK COUNTY
- ✓ NON-NATIVE ENGLISH SPEAKING STUDENTS IN CCSD VS. BILINGUAL FACULTY



EDUCATION OR  
SOCIOECONOMIC  
ISSUE?

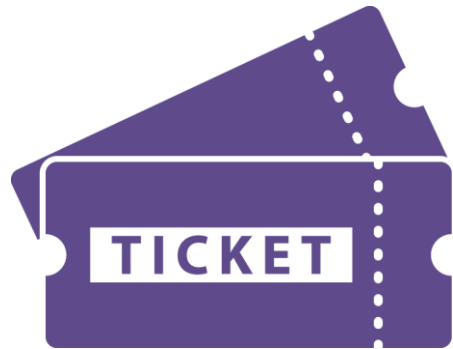


# Clark County Visitors Per Capita



Source: Las Vegas Visitors & Convention Authority, Clark County Comprehensive Planning

# Nevada's Business Incentives



**Film Tax Credits**

**\$22 M**



**Scholarship Tax Credits**

**\$33 M**



**Economic Development  
Tax Credits**

**\$76 M**

Source: Economic Forum (FY 2018 and FY 2019)

# Nevada's Tax Environment



**Property Tax Caps**



**Sales Tax Limitations**



**Business Tax Biased  
Towards Out-of-State  
Companies**

# Piecing Together All Areas of Improvement for Economic Success

Limited Land Availability

Small Healthcare Sector

Conservation Efforts

Homelessness

Roadways

Equality



# **CYCLES HAPPEN; DON'T FORGET THE LESSONS OF THE DOWNTURN**



# Dealing with Staffing Issues: Nevada Employers Struggle with Labor Shortage

## Employment Woes Ripple Through the Construction Industry

October 2005  
In an...  
When...  
that...  
stead...  
pool...  
Some...  
than...  
of qu...  
more...  
mana...  
and c...  
capa...

## Up, Up and Away: New Airport Construction Taking Flight

June 1, 2004 By Nevada Business Magazine — Comments



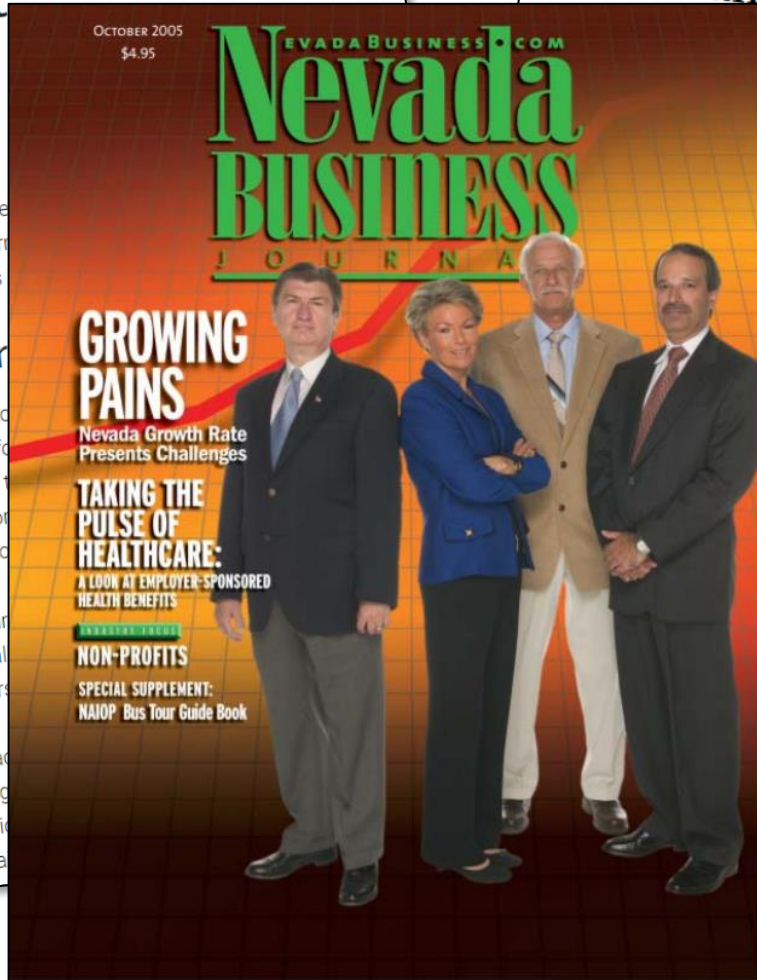
Despite setbacks caused by the Sept. 11 tragedies, the airline traveling more than ever. Passenger volume, security concern aggressive construction and expansion at nearly all airports

## McCarran International Airport

One of the top 10 busiest airports in the world, nearly half of McCarran International Airport, making it a major driving force billion per year to the local economy. "In addition to these community asset that links Southern Nevada to the nation world to Las Vegas," said Randy Walker, director of aviatio

More than 36 million passengers passed through McCarran hotel room means an additional 330 passengers annual McCarran's maximum capacity of 50 million passengers

Clark County's Department of Aviation has plans in place an increase in passengers takes more than just adding airfield can handle this projected growth to up 50 million baggage claim facilities and roadways servicing the a



# Demand for Nurses Likely to Continue Real estate investors cast watchful eye on Las Vegas' high stakes housing game

Kelly Zito, Chronicle Staff Writer Published 4:00 am, Monday, March 7, 2005

## Soaring growth lies ahead for popular airport

about to get a little busier.  
for expanding the airport to accommodate related business on the grounds and spur community.

in 1988 had its newest tenant, Papillion much its Boulder City service on Monday four tour flights a day.

day from Boulder City within the next copter hub at McCarran International nies will be phased out.

ronmental review at a cost of up to \$100,000 that will be covered by a Armantrout, the city's community development director.

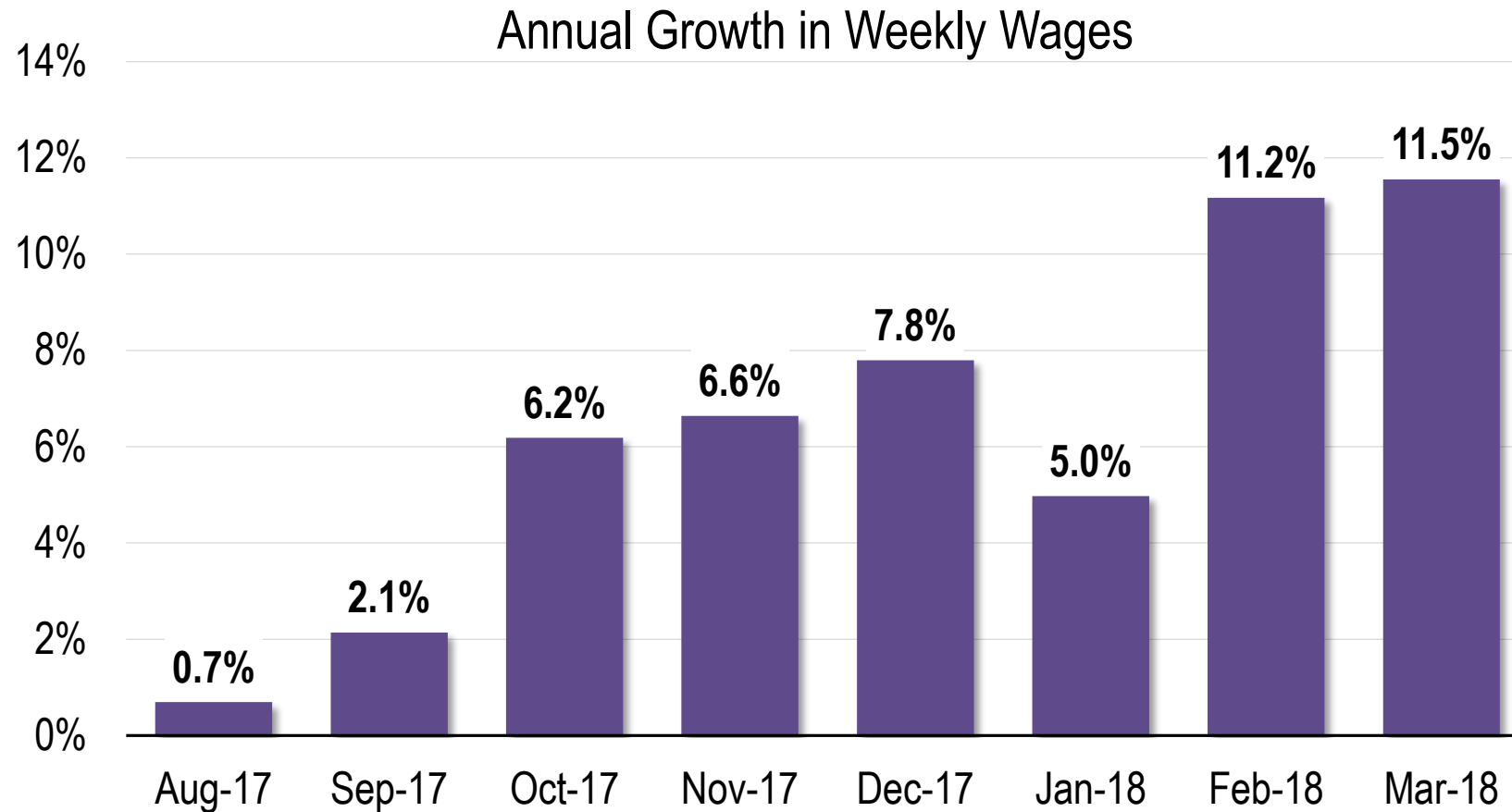
at whether Indian artifacts and endangered species could be is the first step before the city can apply for \$1 million to \$2 million a year from now.

port plans in the next two months. Grading work and utility development may start this summer.

her cities for the grant that will be used to construct 120 hangars ld. The city is also considering leasing space for developers to

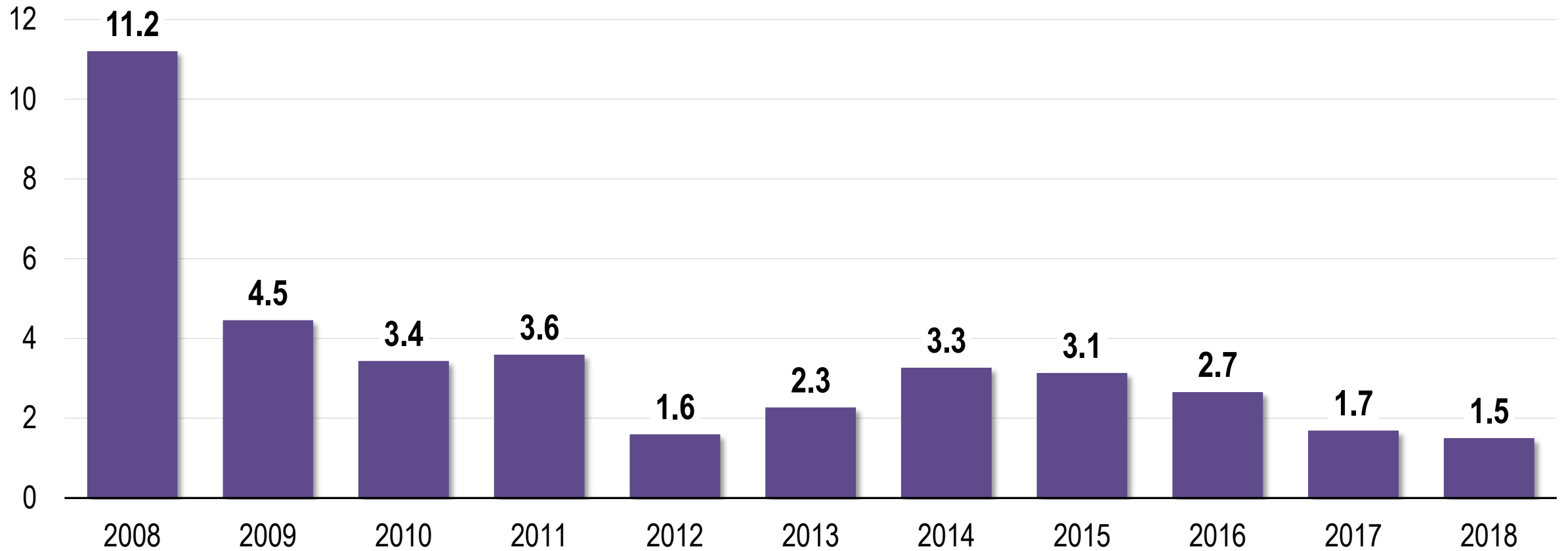
gars for planes in addition to two large maintenance hangars and plan allows companies to build their own hangars and other ere are even plans for a restaurant.

# Wage Inflation is Real...Particularly in Construction



Source: U.S. Bureau of Labor Statistics

# Effective Months of Resale Availability



Source: GLVAR/MLS; Applied Analysis



# The Missing Middle

1 in 4

Southern Nevada Households  
Fall into The Missing Middle



Low-Income  
Households

The Missing  
Middle

High-Income  
Households

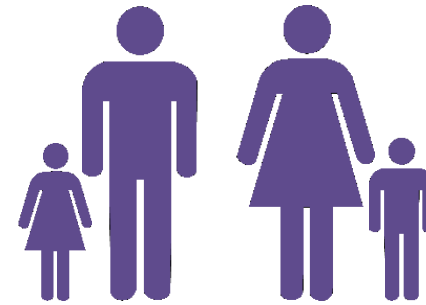
Source: Applied Analysis

# Who is The Missing Middle?



**186,000**  
Households

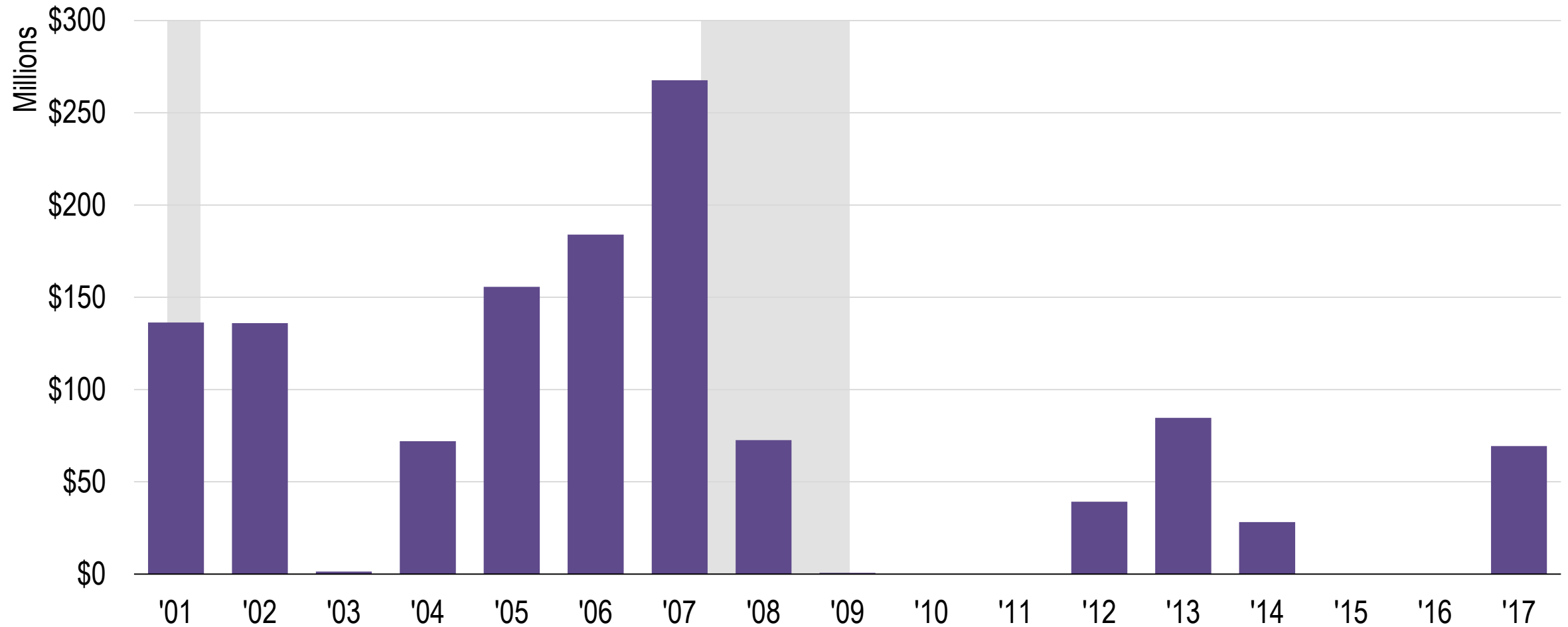
**48%**  
Homeowner Households



**72,700**  
Households with Children

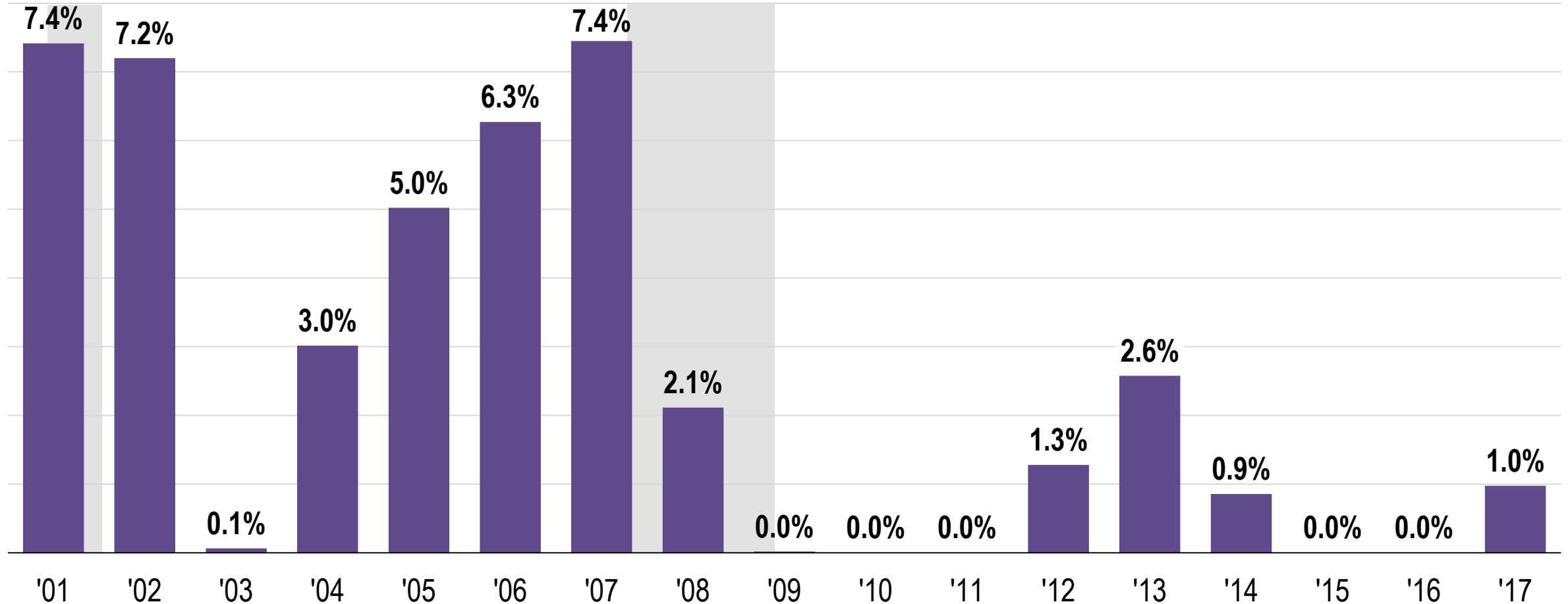
Source: U.S. Census Bureau, Applied Analysis

# Nevada's Rainy Day Fund Ending Balance



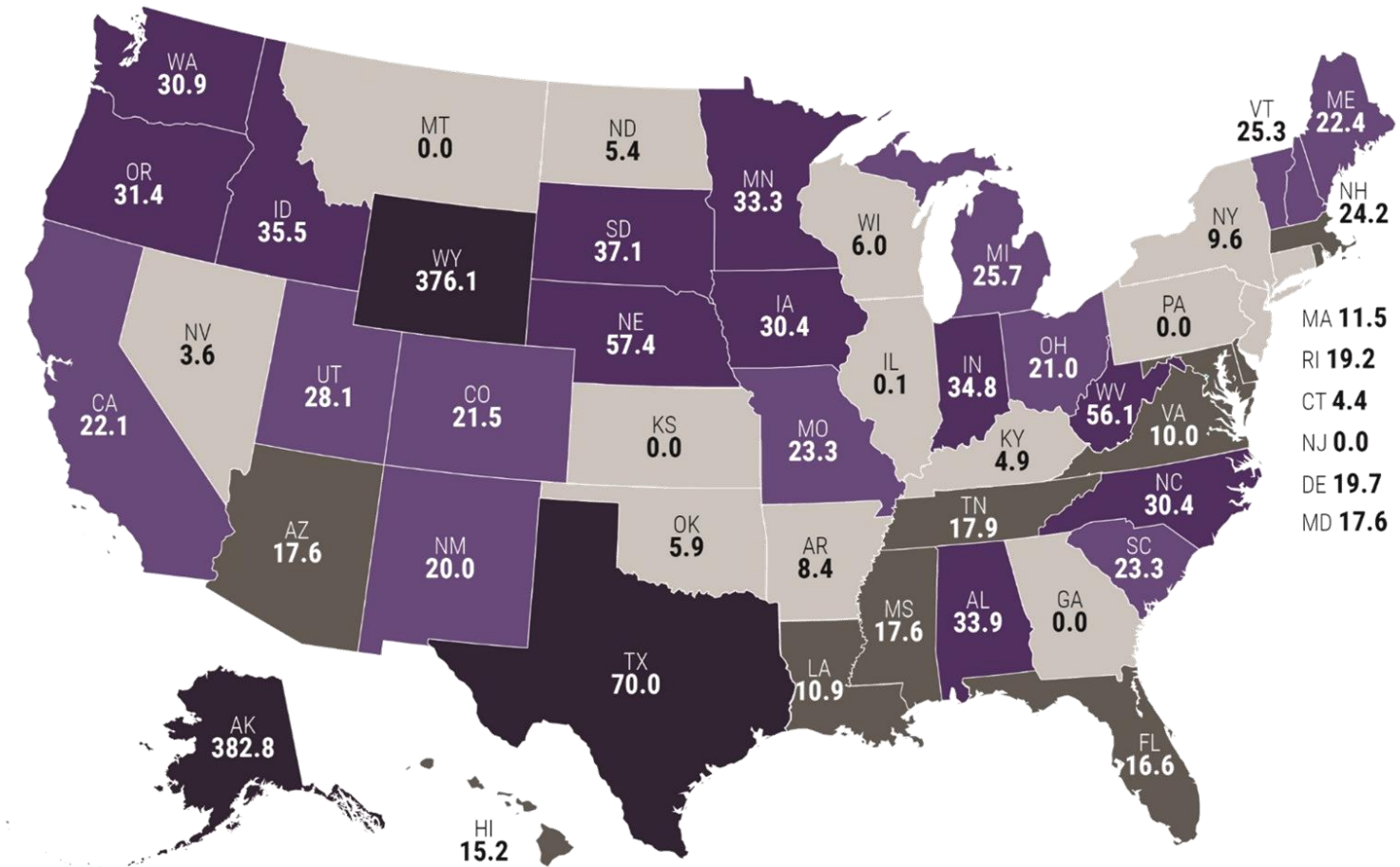
Source: The Pew Charitable Trusts, The State of Nevada; In Fiscal Years

# Nevada's Rainy Day Fund As a Percentage of Expenditures



Source: The Pew Charitable Trusts, The State of Nevada; In Fiscal Years

# Days Each State Could Run on Only Rainy Day Funds in Fiscal Year 2017

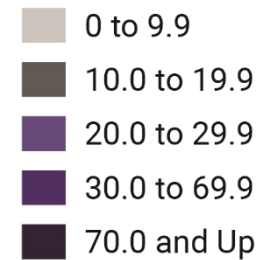


**3.6**

Nevada

**19.8**

U.S. Median



Source: The Pew Charitable Trusts



# Efficiency Matters

2018 Las Vegas Perspective

# SO HOW DO WE BUILD FOR THE *BEST POSSIBLE* FUTURE?



# Perspective

BUILDING  
FOR THE FUTURE

MAY 15, 2018

APPLIED  
ANALYSIS 