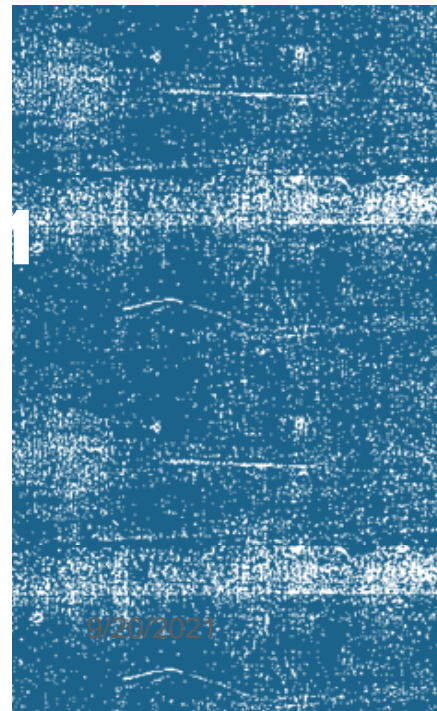

Storey County



Pioneers of Innovation



SR11 Committee for the Study of Innovation Zones
September 21, 2021

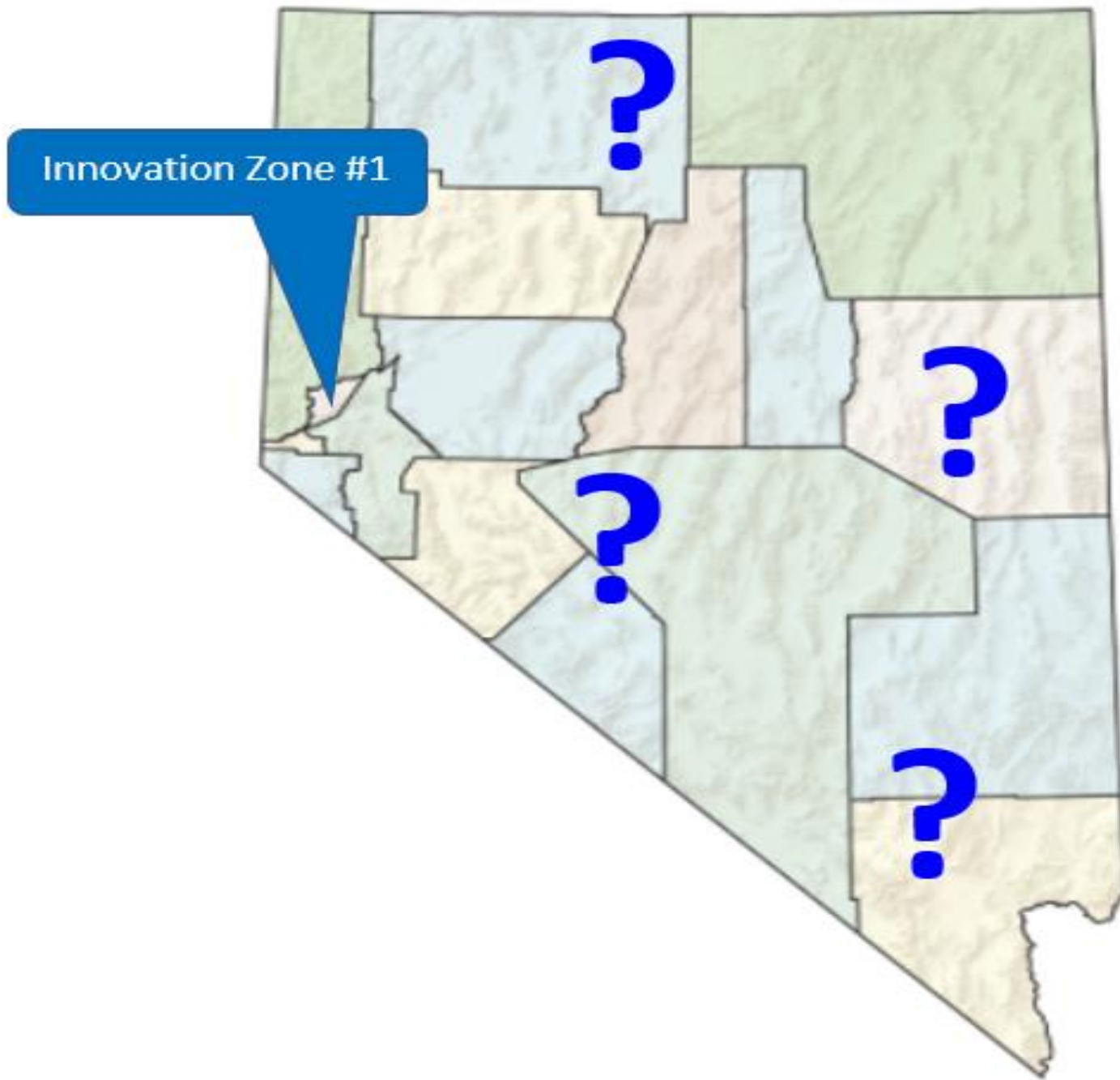


9/20/2021



Today's Presentation Objectives

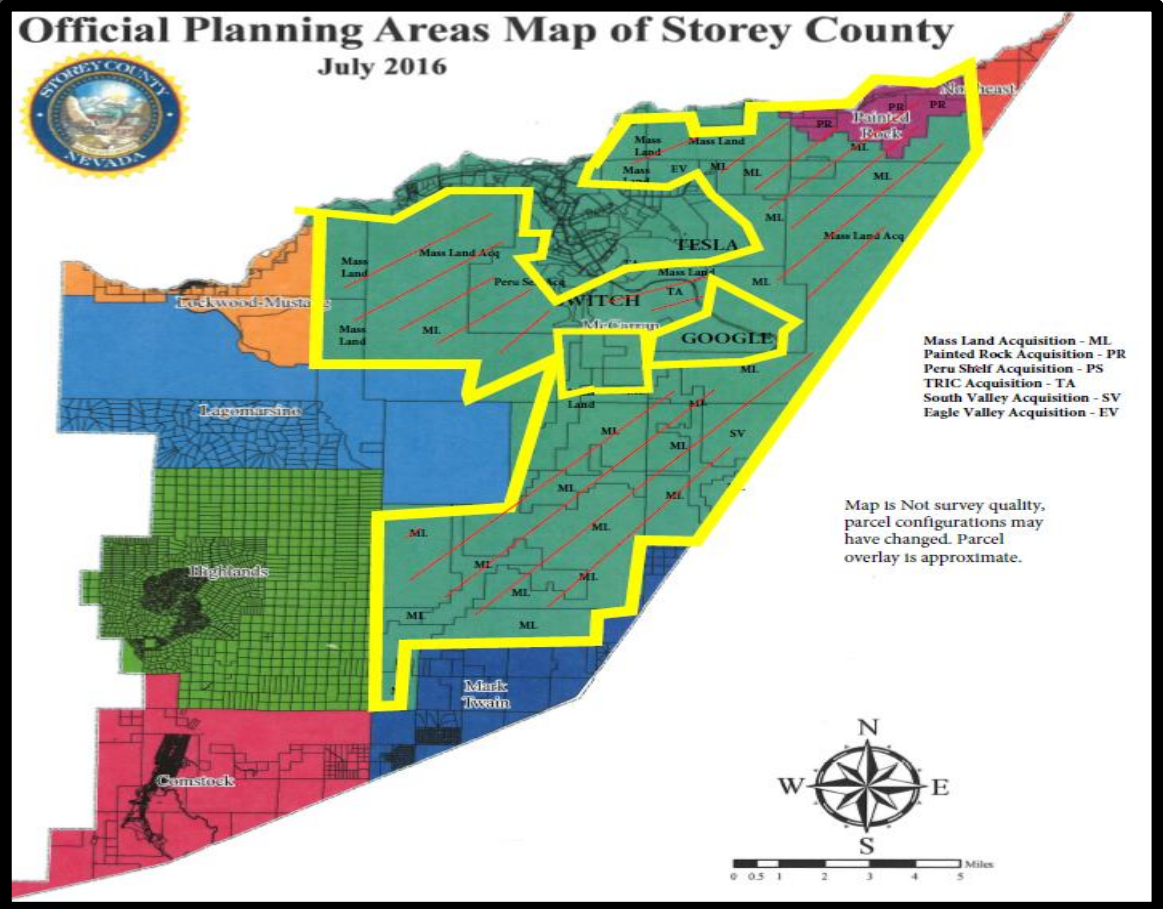
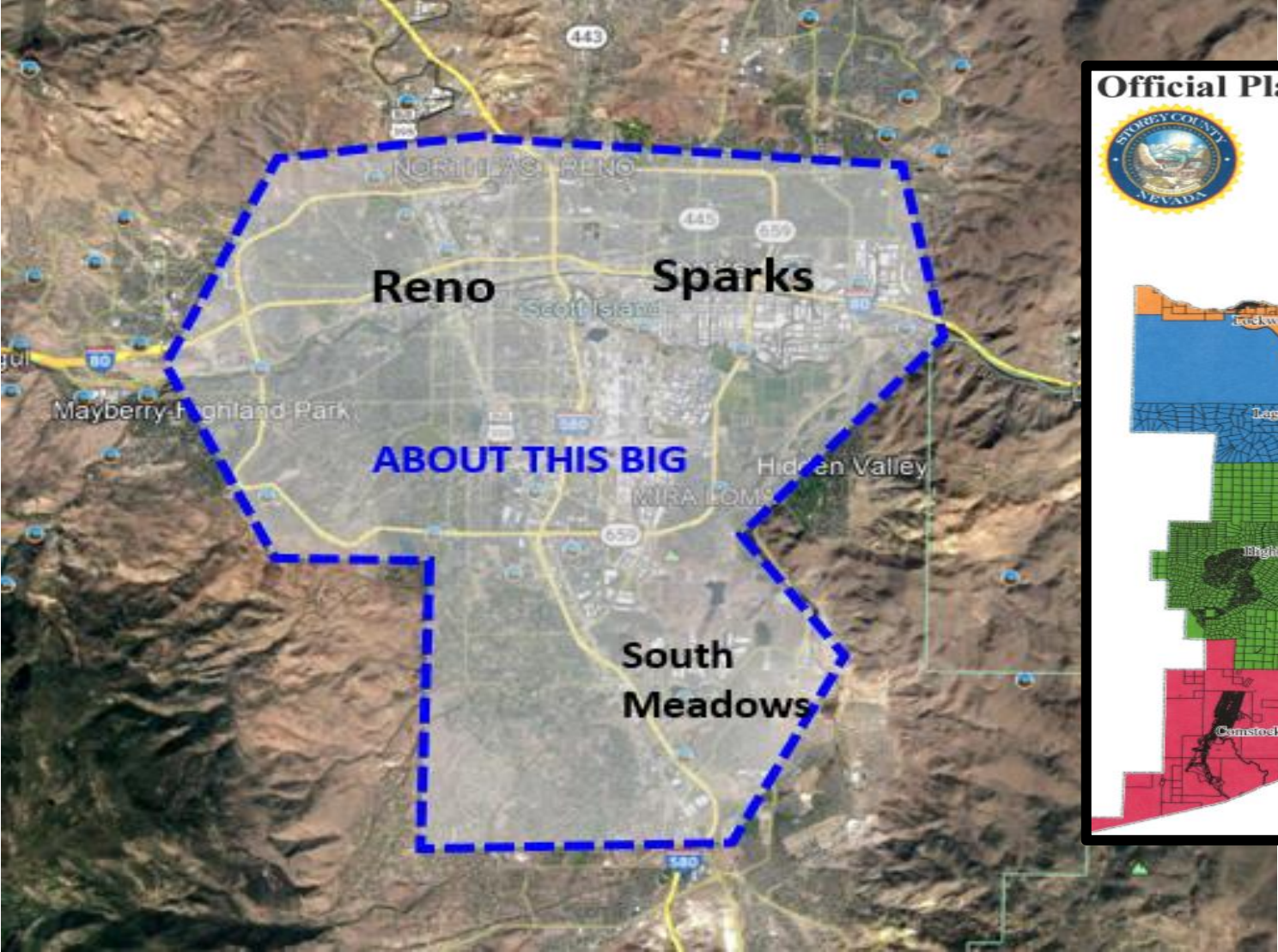
- **Today we will discuss –**
 - Storey County's transition into an economic leader in Northern Nevada
 - How the TRI Development Agreement promotes and sustains innovative development
 - How development agreements facilitate innovative uses and shield business from interference
 - Storey County's planning and preparation for residential development at Painted Rock
 - How economic, social, environmental, and life-safety systems are best served by local government



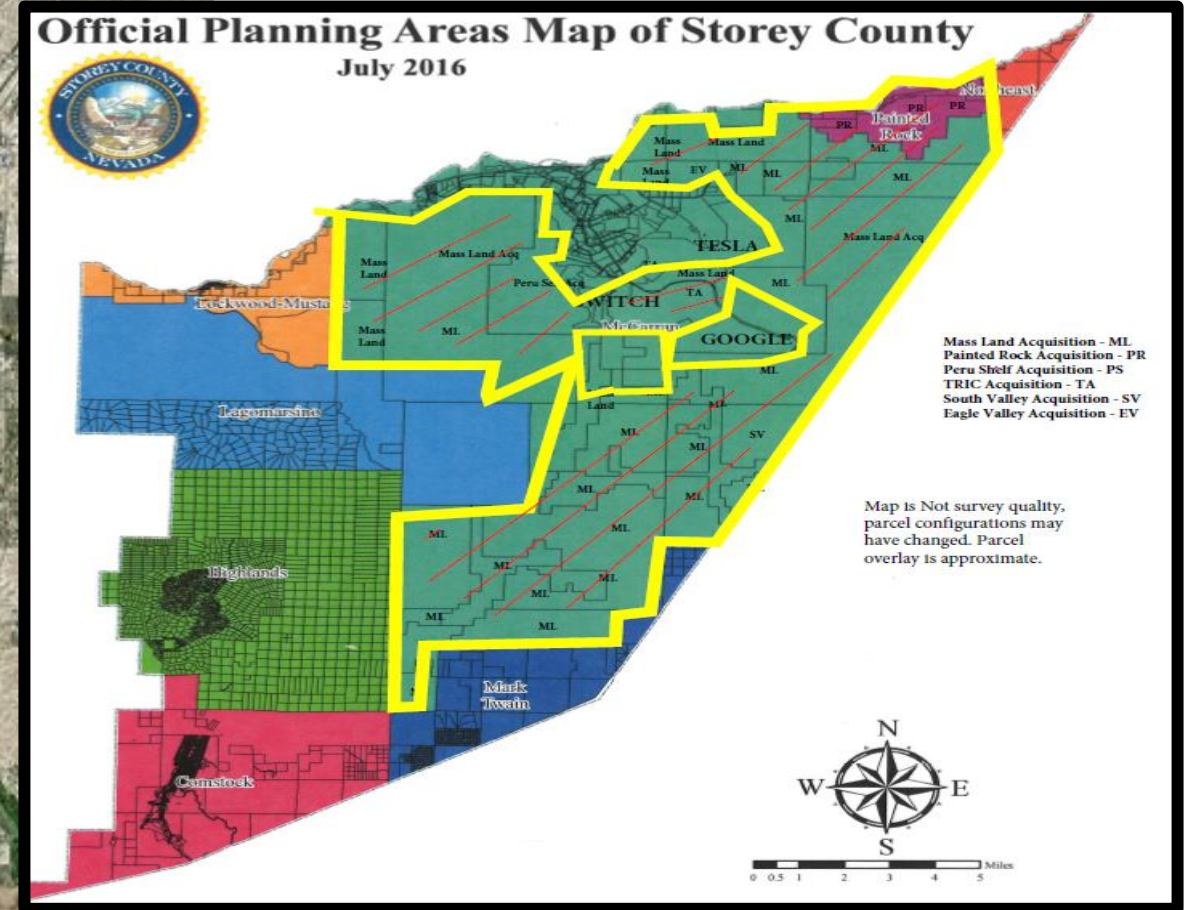
Innovation Zones –

This is a statewide matter!

How Big is the First Innovation Zone?



How Big is the First Innovation Zone?

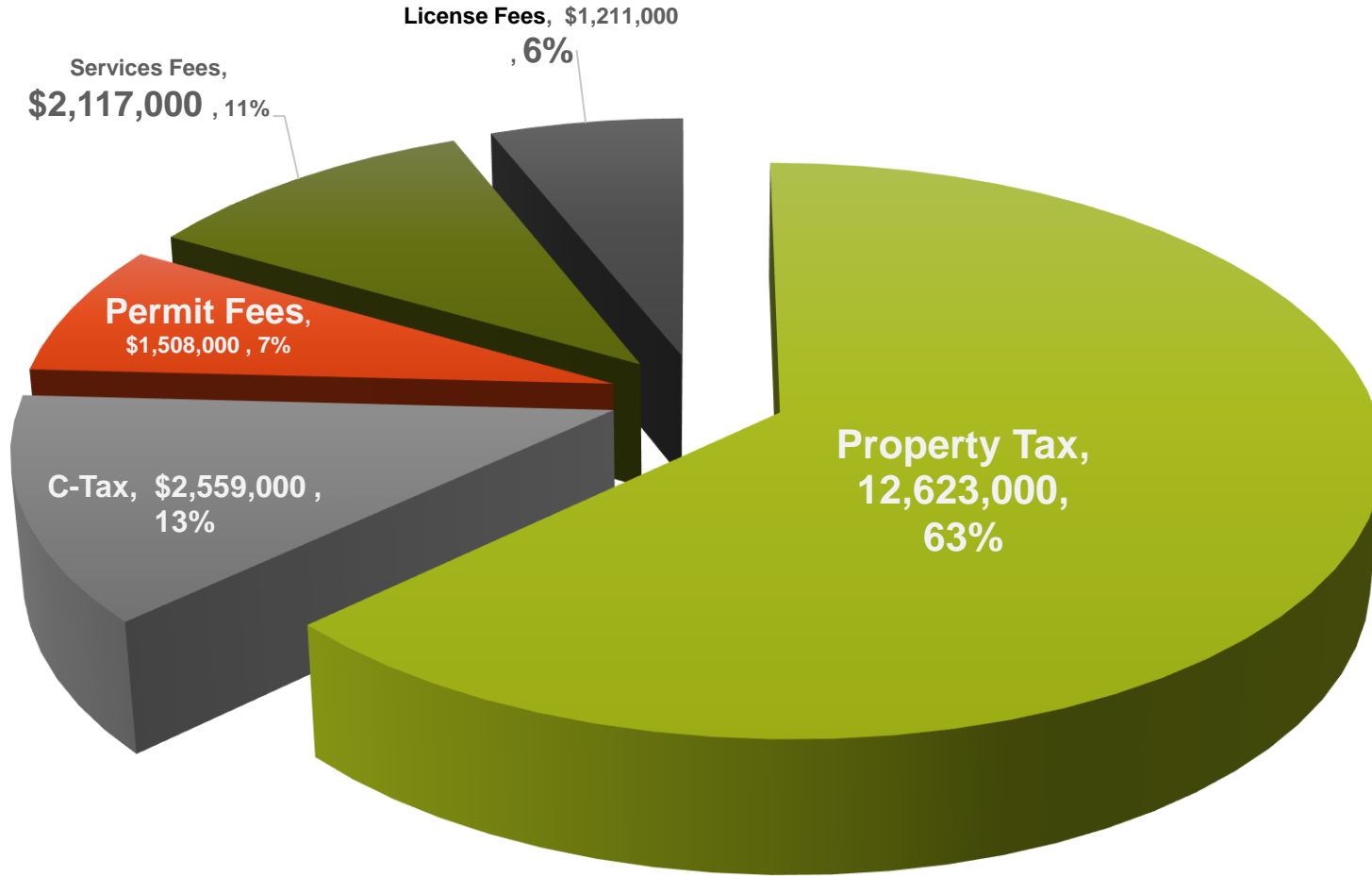




STOREY COUNTY

Fiscal Snapshot

2020 Audited General Fund



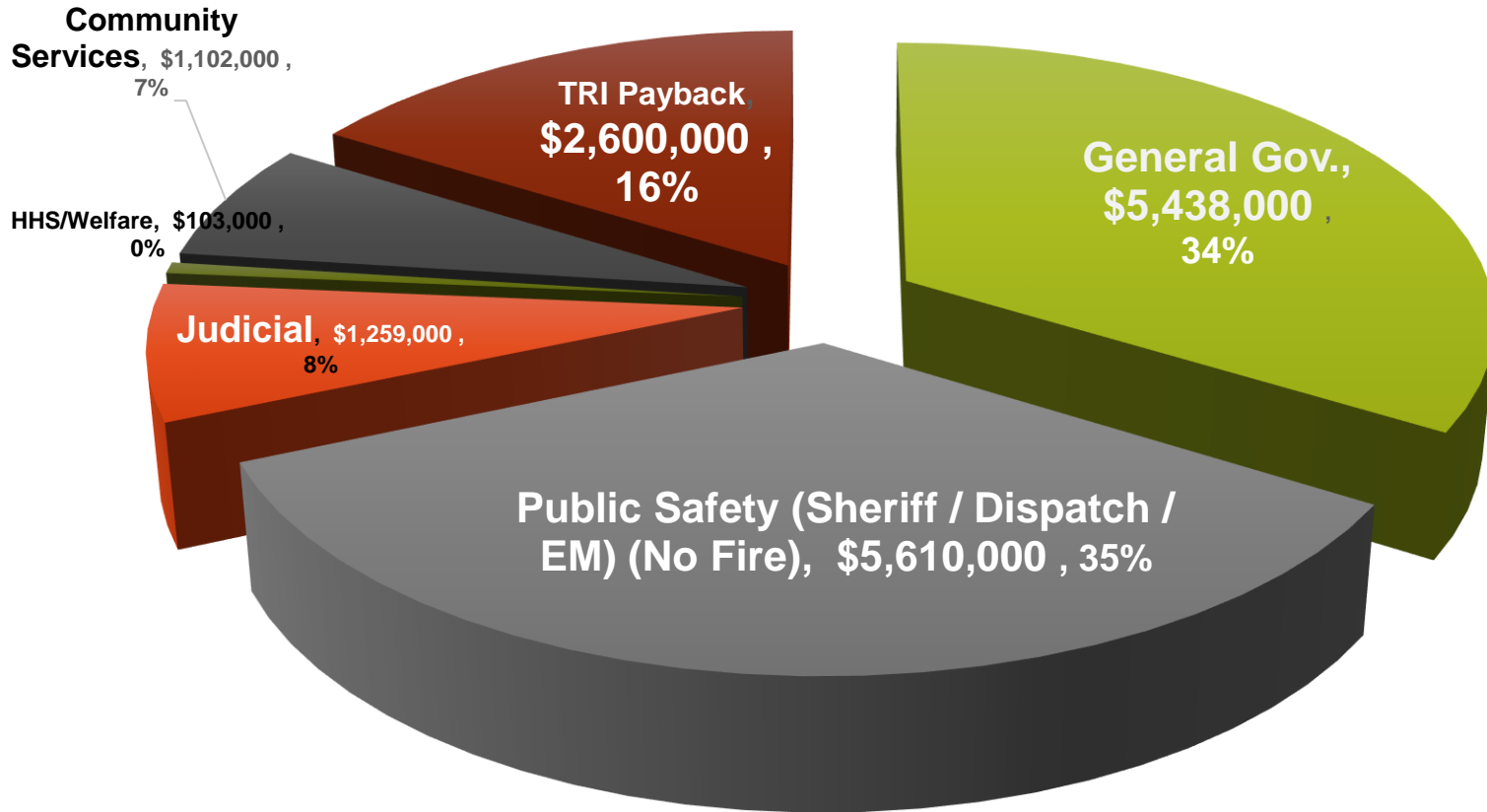
Revenues

- \$12.6M Property Tax
- \$2.5M Sales/C-Tax
- \$2.1M Services
- \$1.5M Permits
- \$1.2M Licenses

Total Revenues

- \$21M County
- \$14M Expenses
- Difference in Capital Projects Plan

2020 Audited General Fund



*TRI Payback based on budgeted numbers during 3-year audit.

Expenses

- \$5.6M Public Safety
- \$5.4M General
- \$2.6M TRI Infrastructure
- \$1.2M Judicial

Revenues v. Expenses

- \$21M Revenues
- \$14M Expenses

Abated Taxes

▪ Cumulative Tax Abatements for Properties in Storey County

▪ Personal Property Tax	2008-2019	\$305 million
▪ Real Property Tax	2008-2019	\$111 million
▪ Total		\$416 million

▪ 2020 Tax Abatements for Properties in Storey County

▪ Personal Property Tax	2020	\$39 million
▪ Real Property Tax	2020	\$6 million
▪ Sales and Use Tax	2020	\$23 million
▪ Total		\$68 million

*Includes SB1 data centers, Gigafactory, LEED, GOED qualified, and other abatements.

*May include local, state, school, etc.

*Data is estimated and for viewing purposes only.

Gigafactory	Data Centers
100% Sales Tax 20yrs.	100% Sales Tax 20yrs.
100% Property Tax 10 yrs.	75% Personal Prop. Tax 20 yrs.



STOREY COUNTY

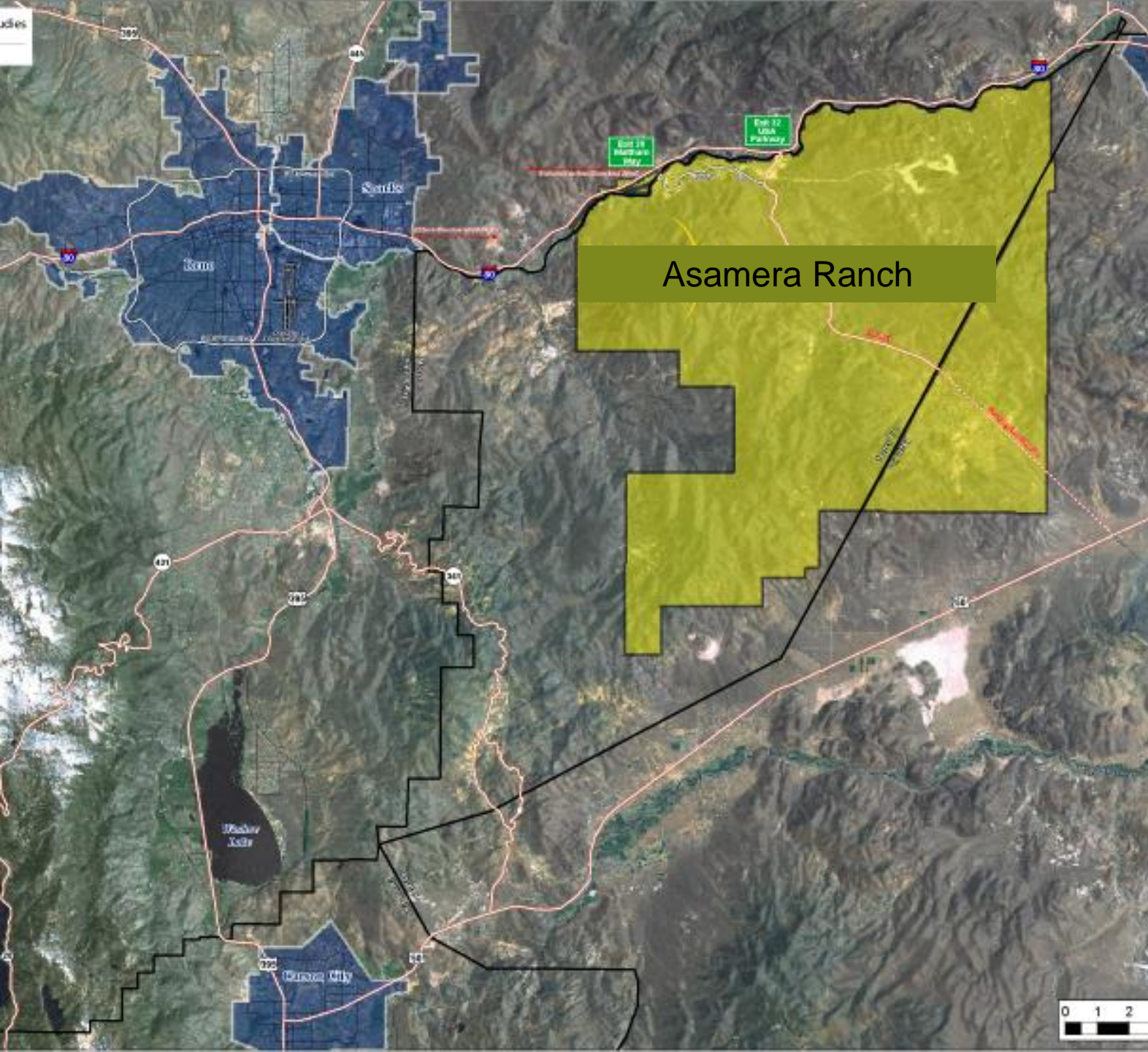
Business Background 1999-2000



Seasonal & Volatile Economy

(1990-2000)

- **Tourism**
 - Overflow from Reno and Lake Tahoe
 - Daytime tourism
 - Seasonal
 - TV Show “Bonanza”
- **Brothels**
 - Joe Conforte
- **Agriculture / Mining**
 - 1 percent or less of economy



Regional Decline of Transition (1990-2000)

- Sale of Asamera Ranch (107,000 ac.)
- Hunting refuge plan
- Hummer test area plan

Then...

- Roger, Lance, and Dean new vision
- Industrial park along I-80
- Kal Kan and Alcoa early arrivals
- Partnership discussed w. county



STOREY COUNTY

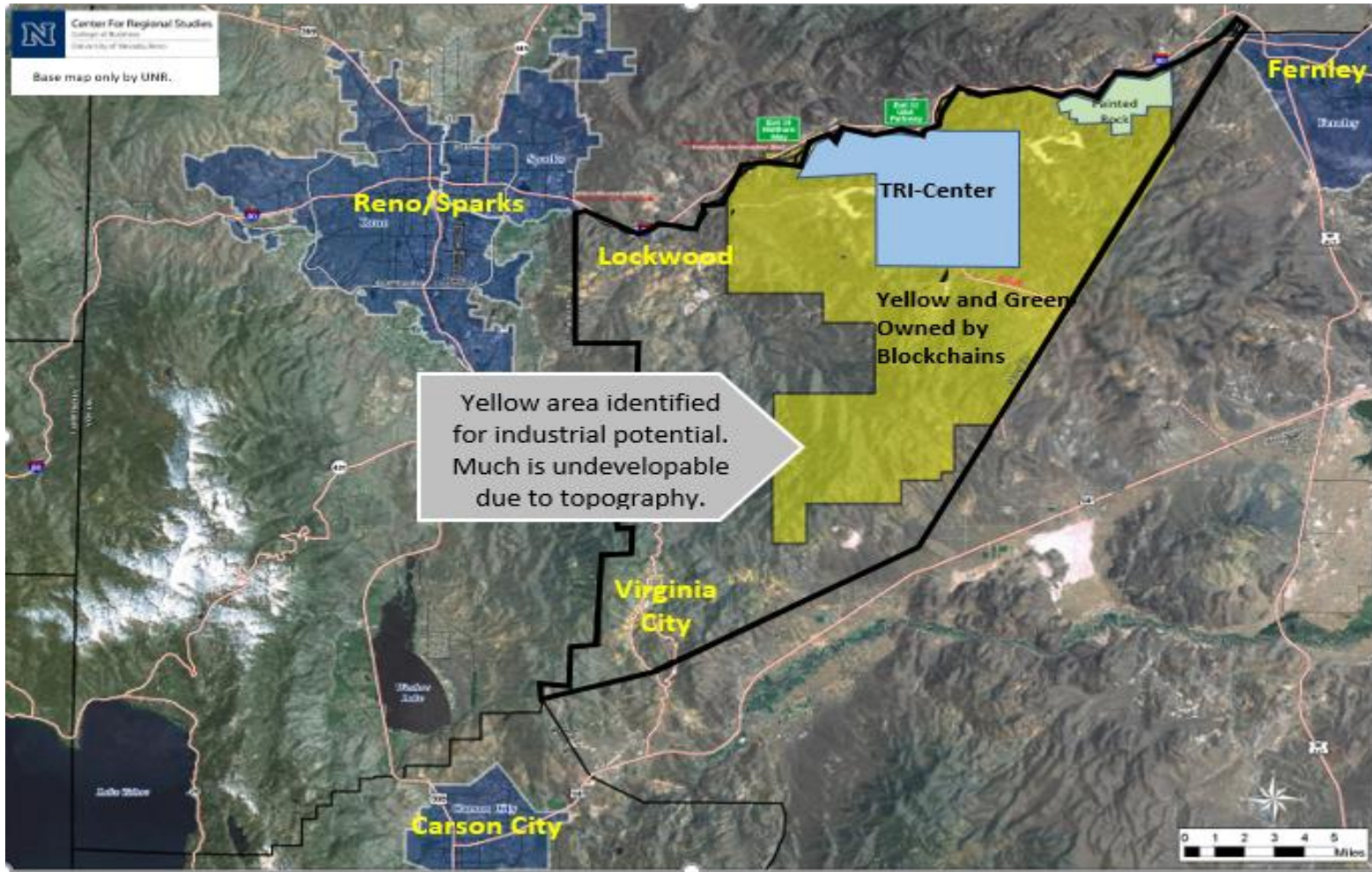
Business Background 2000-2021

**From
Vision to
Reality**



Mars/Kal Kan, 1999

Private-Public Partnership



TAHOE RENO

INDUSTRIAL CENTER



**Secure &
Predictable
Business
Climate**

- **Private-Public Partnership**
 - Storey County
 - TRI-Center, LLC

- **By Development Agreement (2000)**
 - Mutually beneficial
 - Fiscally motivated
 - GID water/sewer

- **Many Allowed Uses**
 - 1999 zoning ordinance
 - Over-counter commercial zone changes

- **Guaranteed Permitting**
 - Fast-track
 - Concurrent plan review
 - 50-year protection

Innovative Features of the TRI-Development Agreement

50-Year Agreement

Infrastructure Up-Front

County Pays Back Infrastructure

Build to Suit

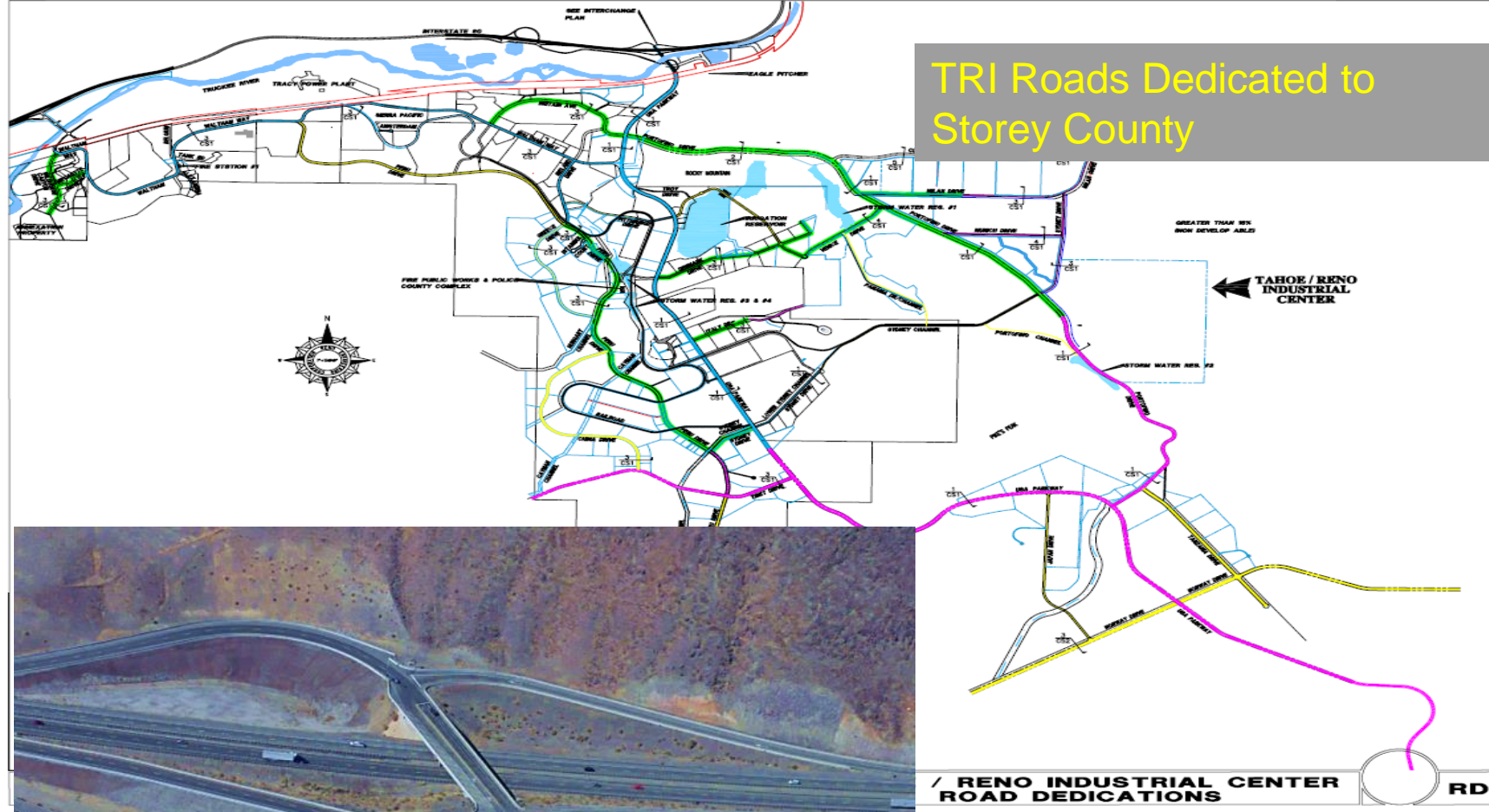
1999 Zoning Frozen

1999 Fees Frozen

GID Water and Sewer

Water Conservation

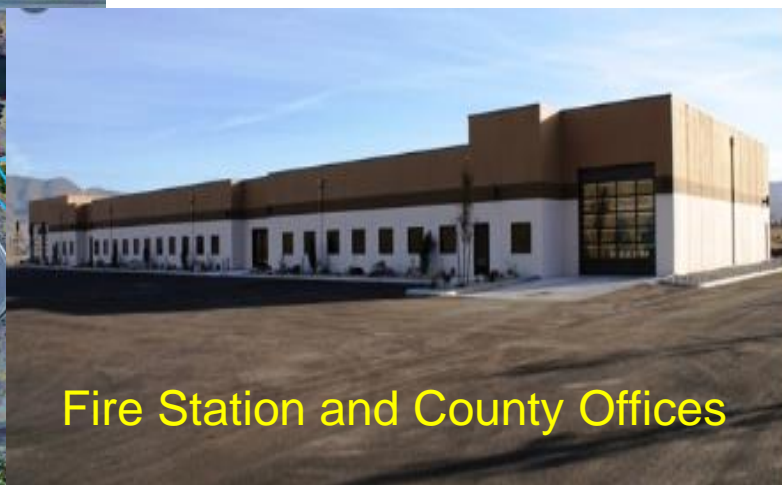
TRI Roads Dedicated to Storey County



Infrastructure Payback

\$48 million owed back to TRI Developer

- \$11 m – I80 Interchange
- \$17 m – USA Parkway
- \$17 m – Other Roads
- \$3 m – Fire Station 75 / Offices
- \$2 m – Fire Station 76 (future)
- \$2 m – Fire Station 77 (future)



Allowed Uses

Commercial

- Retail, food, beverage
- Gaming and entertainment
- Auto sales and maintenance

Industrial

Manufacturing
Lithium Production
Energy Production
Research & Development
Biotechnology
Data & Cloud Storage
Distribution & Fulfillment
Waste to Energy

Extended Lodging

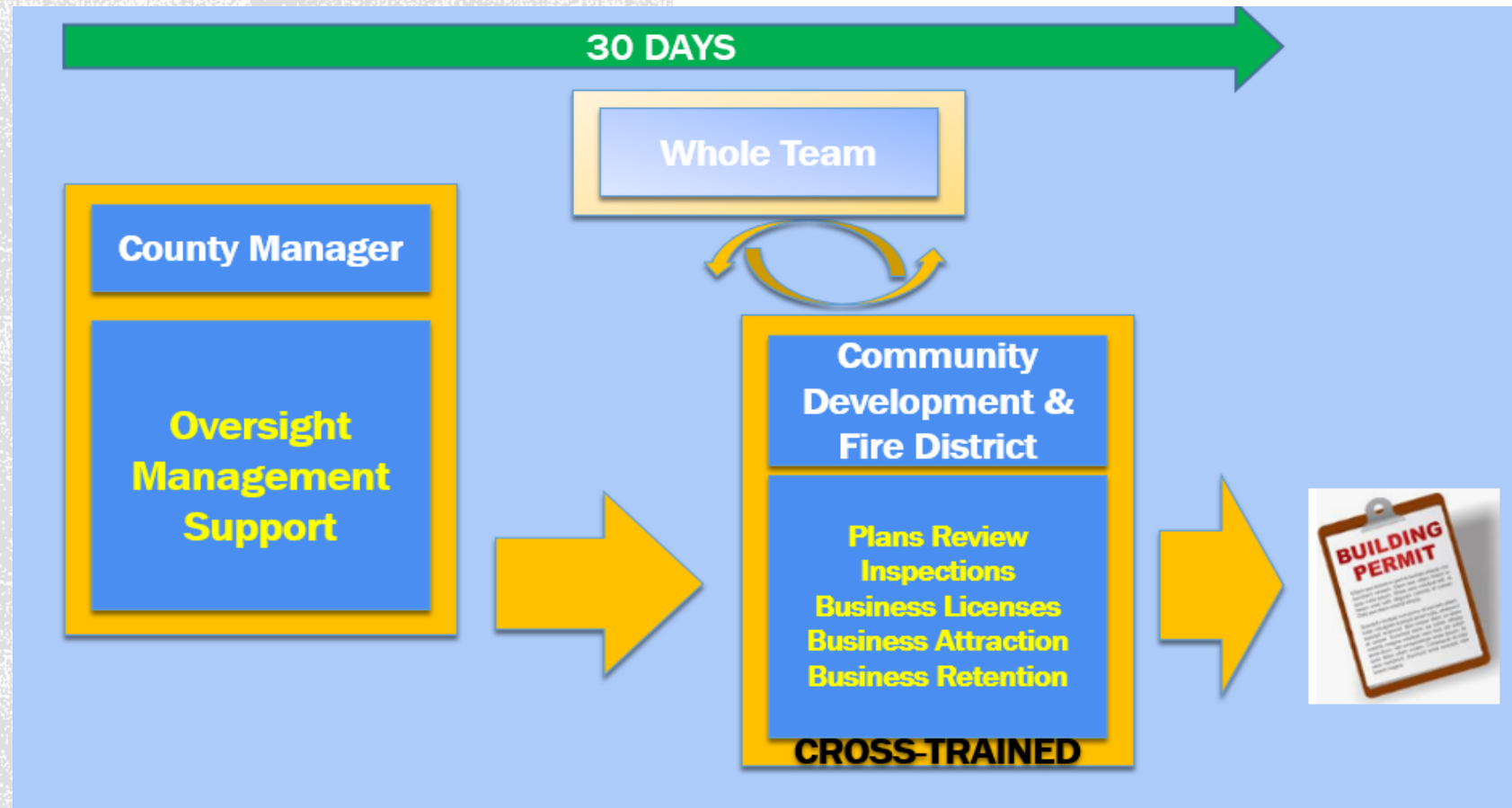
Hotels
Extended Stay Hotels
Extended Stay RV Parks



9/20/2021

Fast-Track Permitting

- 5-day grading permit
- 30-day building permit
- 24/7 accessible
- Direct line to senior officials
- Committed team
- Nimble and adaptable



Concurrent Inspections



Leaders in Attracting & Retaining Innovative Business

Companies already at TRI-Center

- Tesla
- Panasonic
- Switch
- Google
- Fulcrum Bioenergy
- Golden Gate Petroleum
- US Ordnance
- Ryze Renewables
- AUECC electronics chemicals
- Harris Gas
- 5 Power Plants
- Walmart, PetSmart, Chewy, Zulily...

- ***20M more square-feet of diverse industries***

Wage & Career Performance

Average Wages Per Industry

Industry	Storey	Nevada
Construction	\$95,425	\$66,984
Manufacturing	\$84,765	\$72,845
Info. Tech.	\$103,509	\$78,353
Science Tech.	\$95,329	\$47,093

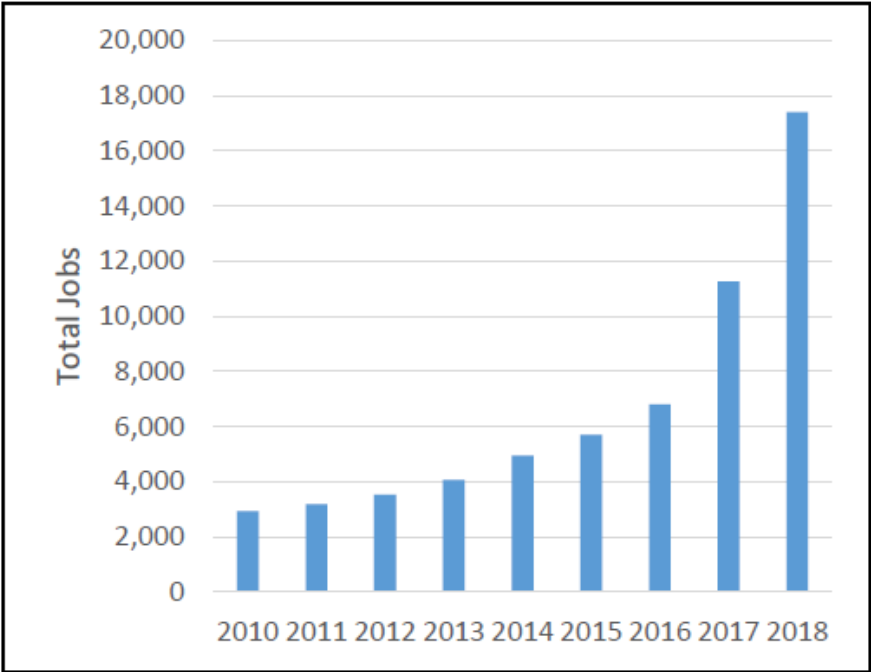
Storey Growth by Occupation

Industry	2010	2018
Management	113	1,070
Tech. and Math	16	289
Engineering	14	679
Office/Admin.	546	2,545
Production	323	5,656
Trans./Logistics	892	3,483

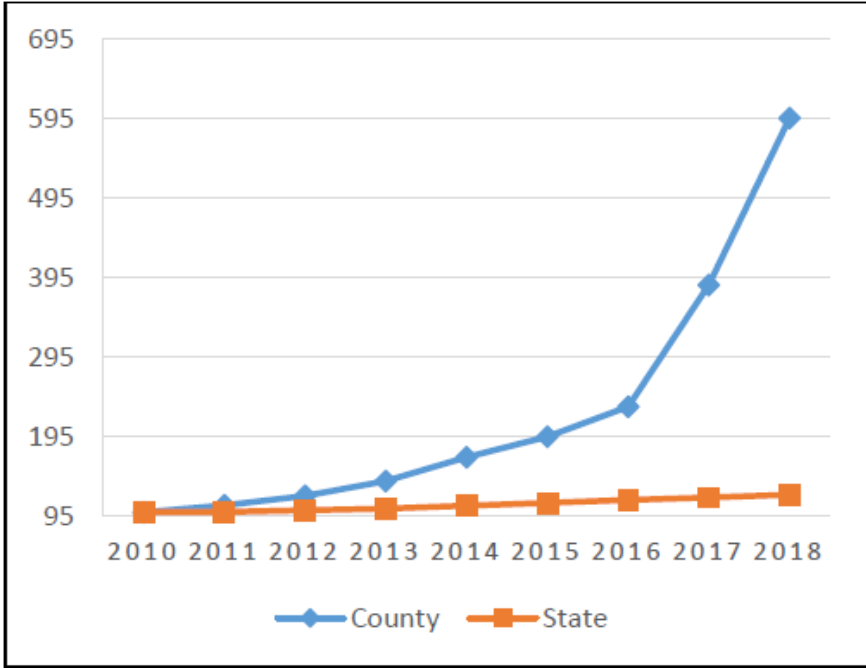
Source: Emsi 2019.4; QCEW, Self-Employed. Retrieved from UNR Cooperative Extension, National Economic Assessment Project, 2019

Job Growth Performance

Storey County Job Growth



Storey County v. Nevada Job Growth



Index 2010 = 100 (2,918 SC and 1,212,305 NV)

Source: Emsi 2019.4; QCEW, Self-Employed. Retrieved from UNR Cooperative Extension, National Economic Assessment Project, 2019



*The operations of the Gigafactory have created significant **economic benefits for Storey and Washoe counties.***

*The Gigafactory has not only created close to 7,060 new jobs, but there has also generated significant regional economic growth based on **primary and secondary demand from local vendors and employee spending.***

--GOED, 2018

Regional Economic Output

Direct Output to Region

Activity from Tesla Operations	Regional Output
Tesla operations jobs	7,059
Tesla payroll	\$379 million annual
Tesla total output	\$2.2 billion annual
Tesla 20-year output	\$101 billion / 20 yrs.
Tesla 20-year employee spending	\$1.5 billion / 20 yrs.

Total Multiplier Effect on Region

Activity from Direct, Indirect, and Induced	Regional Output
Total jobs	15,296
Total payroll	\$845 million annual
Total output	\$3.5 billion annual
Manufacturing jobs	55% increase
<i>2018 estimate</i>	

Source: GOED 2018 Economic Impact of Tesla on Washoe and Storey Counties

Regional Economic Output

Tax Generation to Washoe and Storey

Tesla Operations	Spending and Other Output
Tesla indirect tax revenue to Washoe MSA	\$29 million annual
Tesla indirect tax revenue to state	\$12 million annual
Total state, local, and school revenue	\$58 million annual
<i>"Generated at full unabated rate"</i>	



Source: GOED (2018) Economic Impact of Tesla on Washoe and Storey Counties

WE PROVIDE NORTHERN NEVADA...

Careers	17,000 of region's 252,000* labor force
High-intensity business	Power plants, fuel manufacturers, waste-to-energy, lithium manufacturing , LNG to diesel, weapons manufacturing, regional landfill , methane recovery, paramilitary, mining...
High-tech business	Data centers , biotech., semiconductors , electric and autonomous vehicles, material science, R&D , robotics...
The region's energy	800mW power plant , 4 secondary power plants, lithium batteries, diesel and gasoline production, jet fuel production, natural gas

**We are
pioneers of
“New Nevada”**

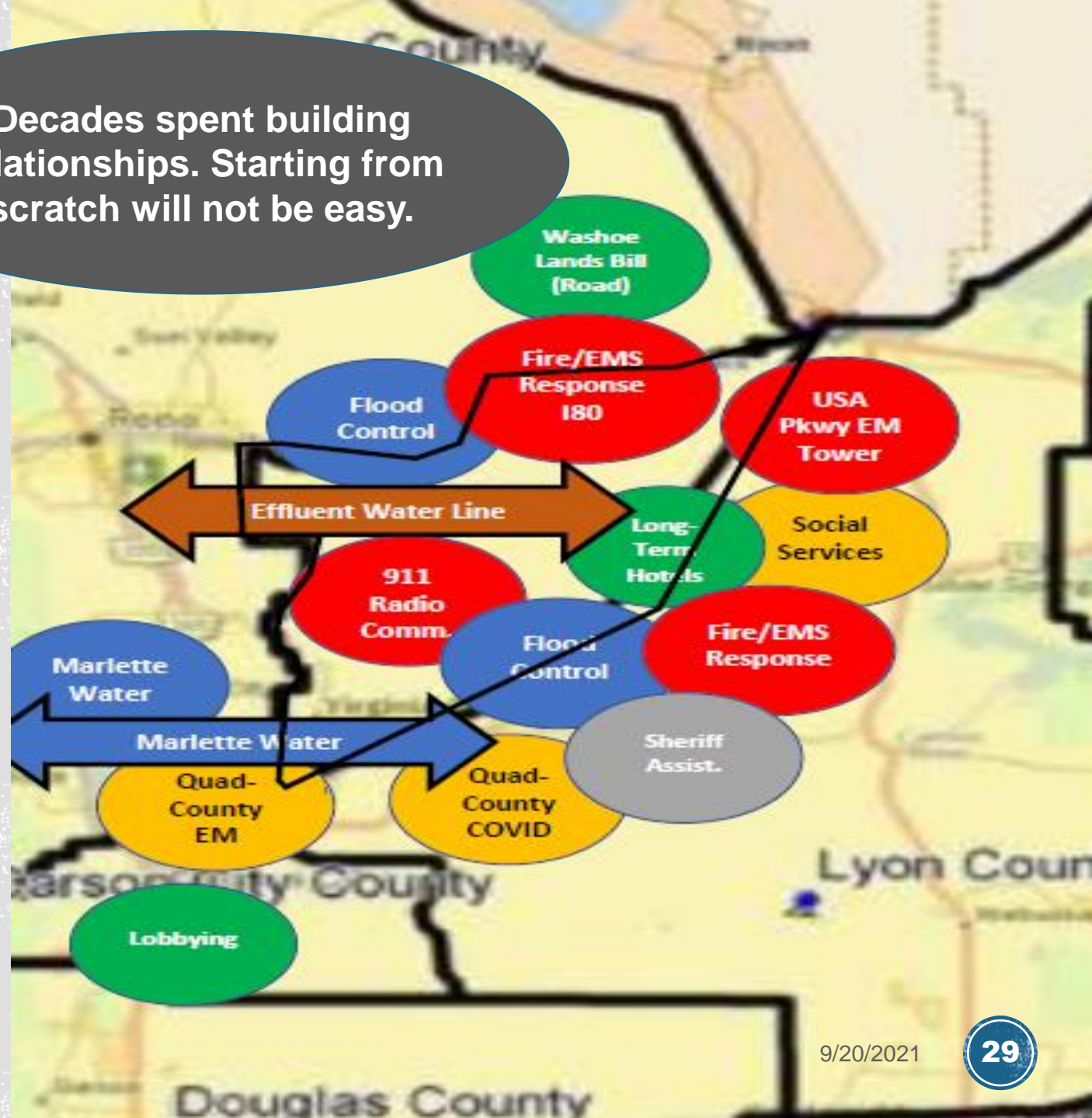


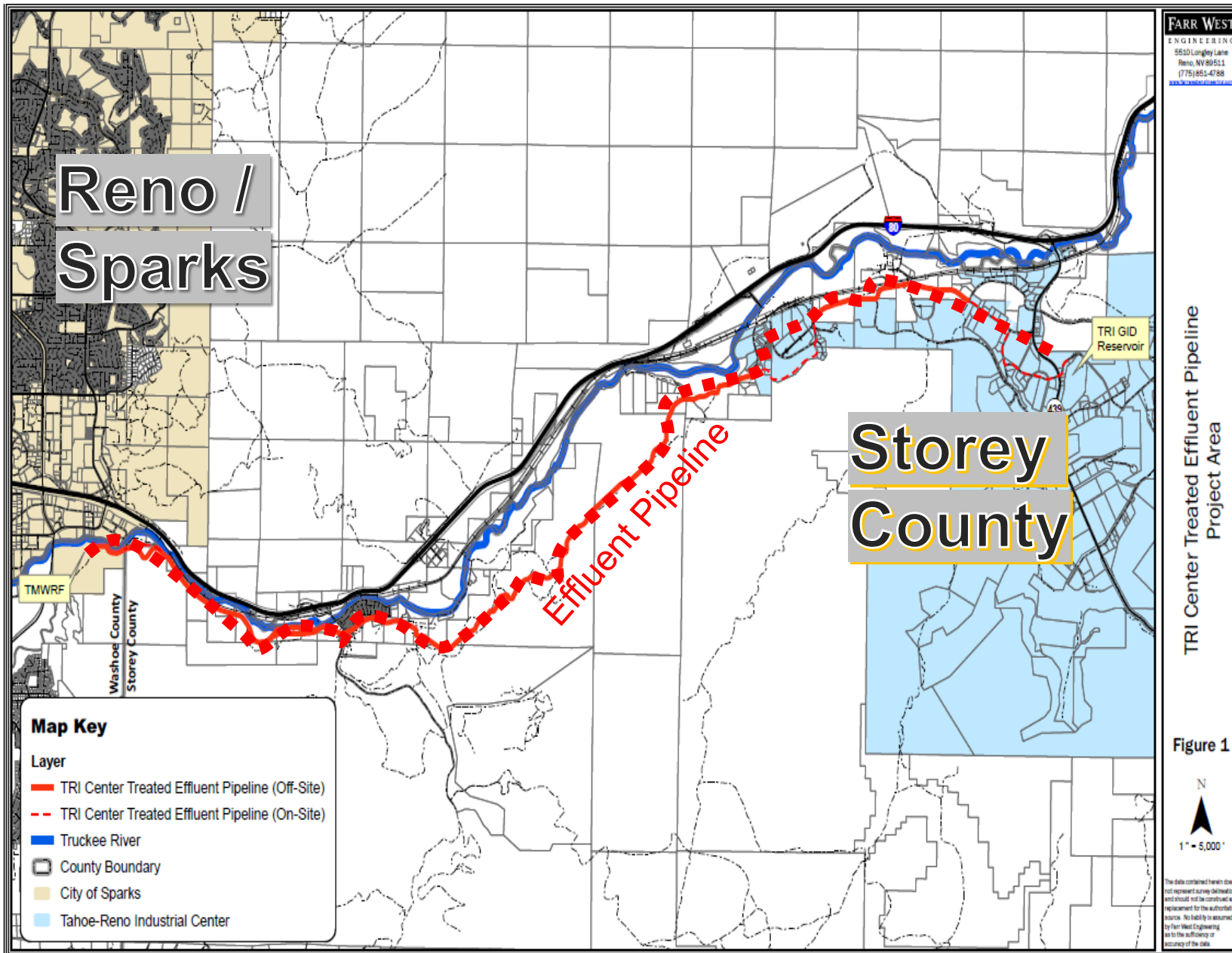
*DETR, Reno-Sparks MSA, 2021

Regional Cooperation

- Carson Water Subconservancy District
- Carson-Truckee Conservancy District
- Lockwood and Mark Twain flood mitigation
- Effluent pipeline
- Fire and EMS aid agreements
- Emergency management
- 911 infrastructure
- Quad-Counties Health Coalition
- Adult and youth services
- Marlette water system
- Federal lands bills
- Transportation
- Quad-counties legislative representation

Decades spent building relationships. Starting from scratch will not be easy.





From Effluent to Affluence

Through regional cooperation, Washoe County's \$100 million effluent problem became a regional economic generator.

Source: Farr West Engineering, Engineer's Report for Storey County Tax Increment Area, TRI Center Treated Effluent Pipeline, 2018

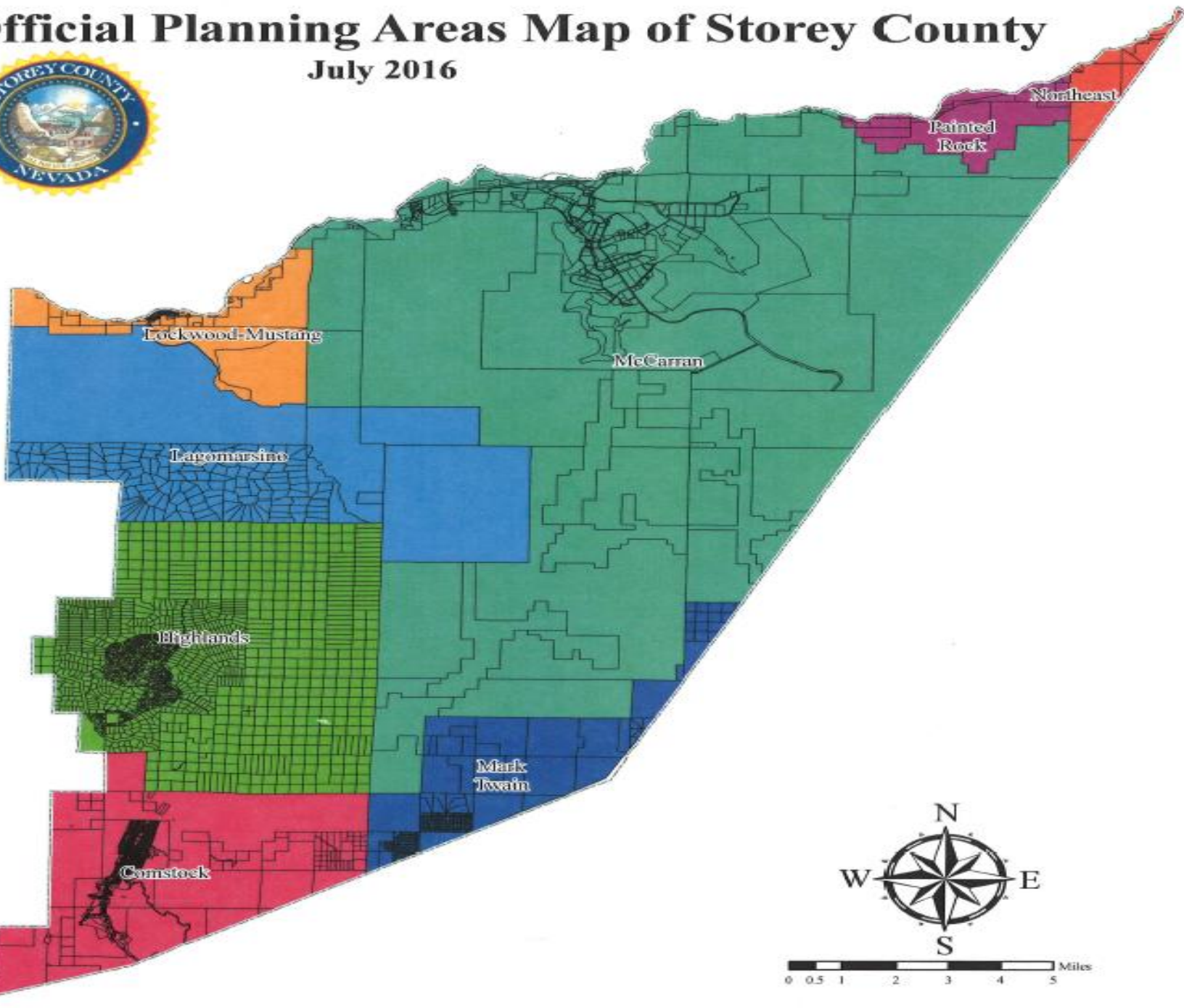


STOREY COUNTY

Residential Background 2000-2021

Official Planning Areas Map of Storey County

July 2016

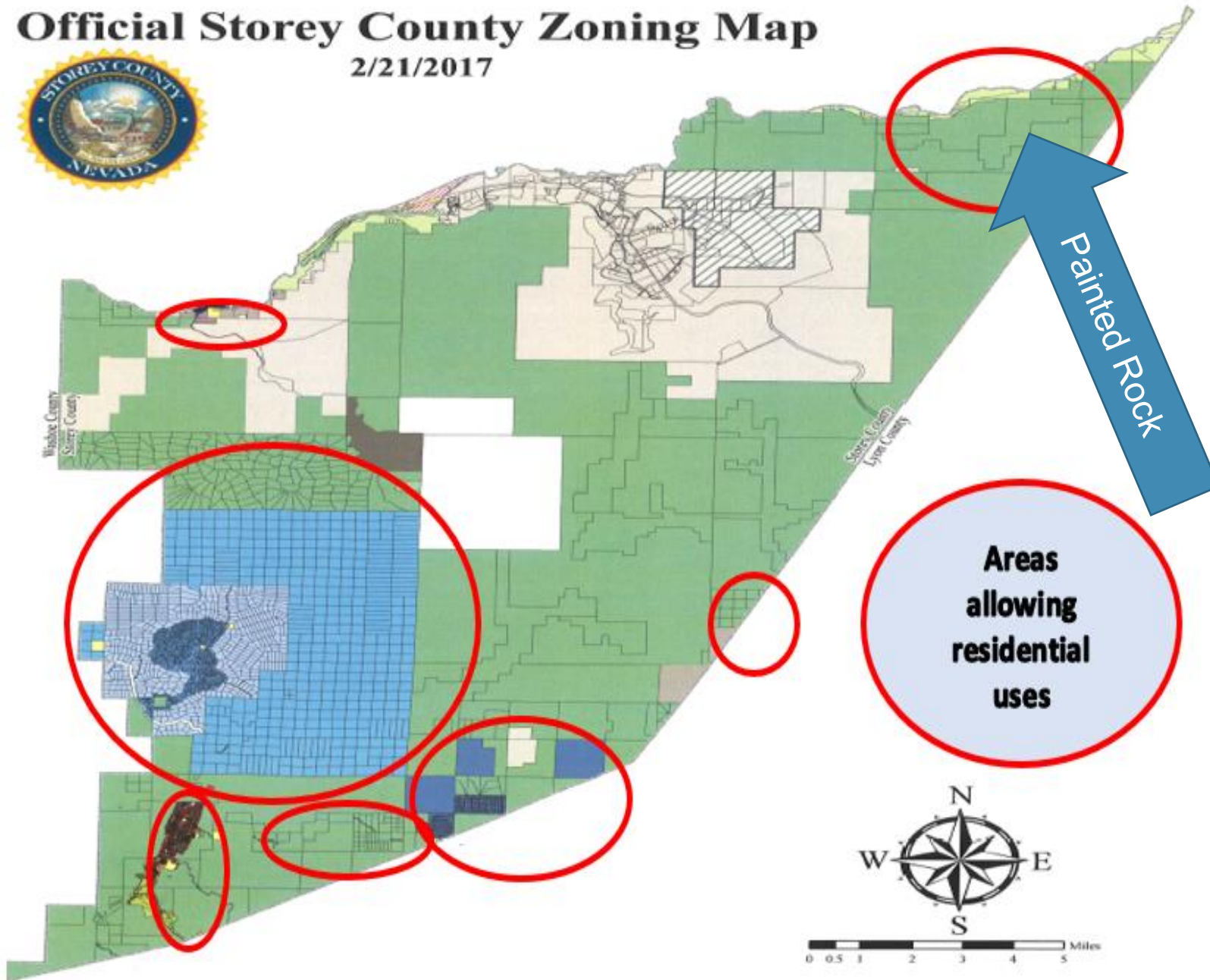


Storey County Master Plan Areas

- **8 MASTER PLAN AREAS**
 - 7 allow residential
 - 4 allow major residential
 - 4 allow mixed-use residential
 - 7 allow commercial/industrial

Official Storey County Zoning Map

2/21/2017

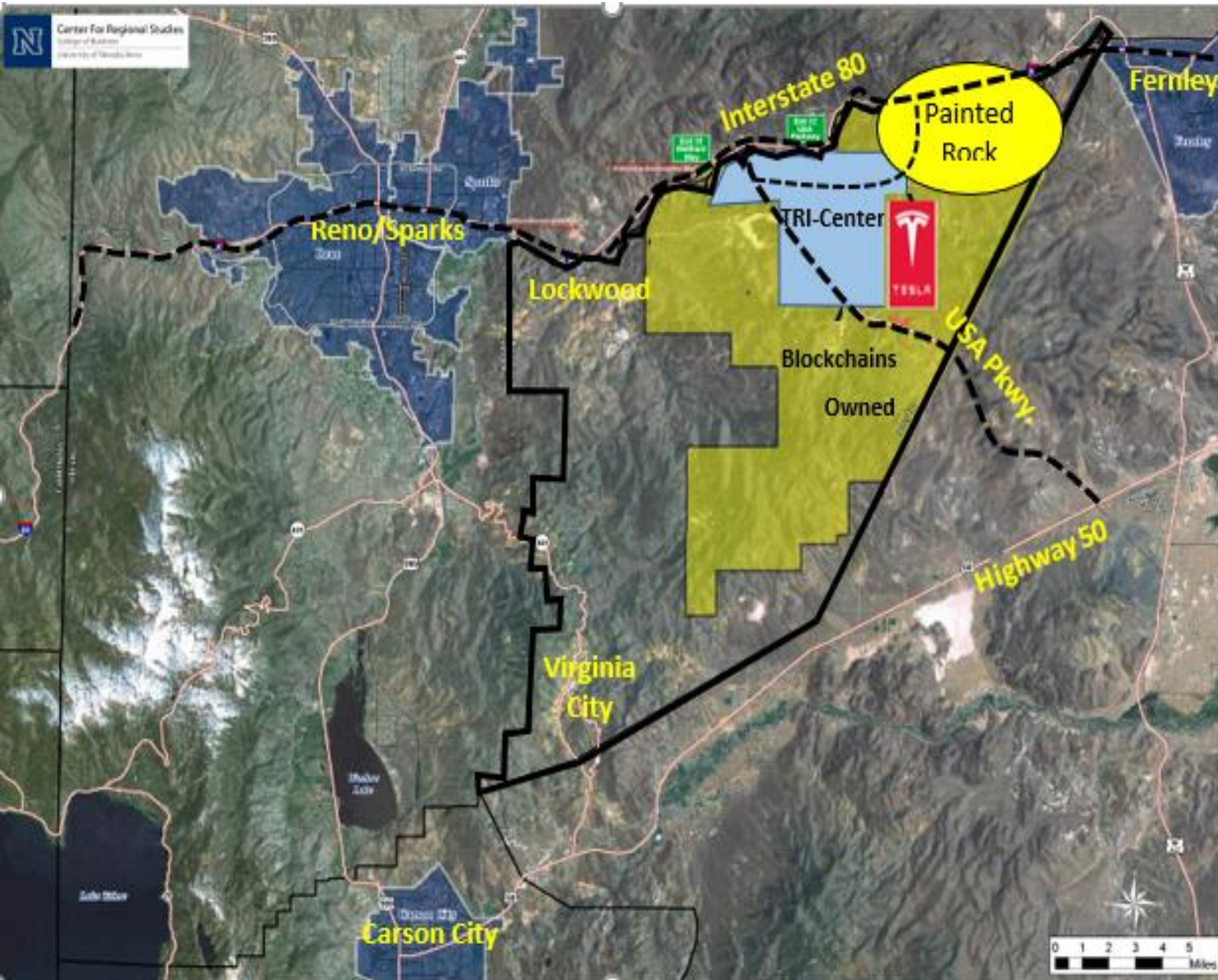


Storey County Residential Areas

Residential Parcels

- Virginia City* 1,200
- Highlands 1,500
- Lockwood 1,000
- Mark Twain 500
- Other 200
- Painted Rock PUD Approval

*Virginia City and Gold Hill



Painted Rock – Location

- 16 miles east of Sparks
- 8 miles west of Fernley
- 8 miles drive from TRI
- 4 miles potential from TRI



The image portrays the built living environment that a planned unit development in Painted Rock should achieve. Source: American Planning Association (APA), North Carolina Chapter, "Great Places", 2015

Excerpt from 2016 Storey County Master Plan

Painted Rock – Master Plan Goals

- Diversify uses and reduce conflicts
- Mixed-use
- Clustered density
- Discourage “urban sprawl”
- “Complete Streets”
- Rail and multi-modal
- Community-centered schools
- Direct connection to TRI-Center



Painted Rock – Master Plan “Fit”

*This is Storey County’s vision
for Painted Rock too!*

**The above is Blockchains’ rendition of
proposed “Smart City”, 2021**
Retrieved from www.innovationzonefacts.com

Painted Rock – School District Goals

- K-12
- Post-secondary
- Vocational and STEM
- TRI internships
- Physical center of community
- Storey County students
- Regional magnet school

*Excerpt from 2016 Storey County
Master Plan.*

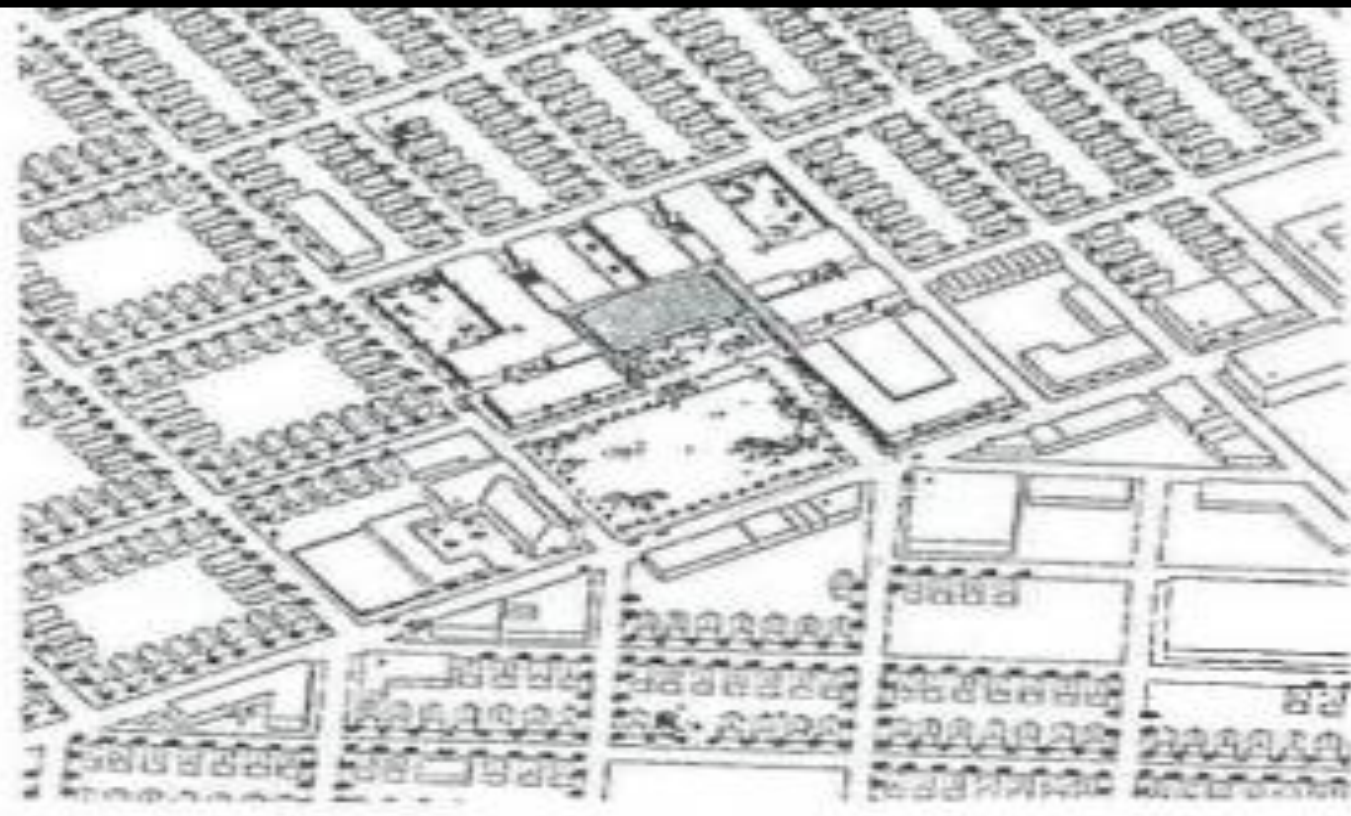
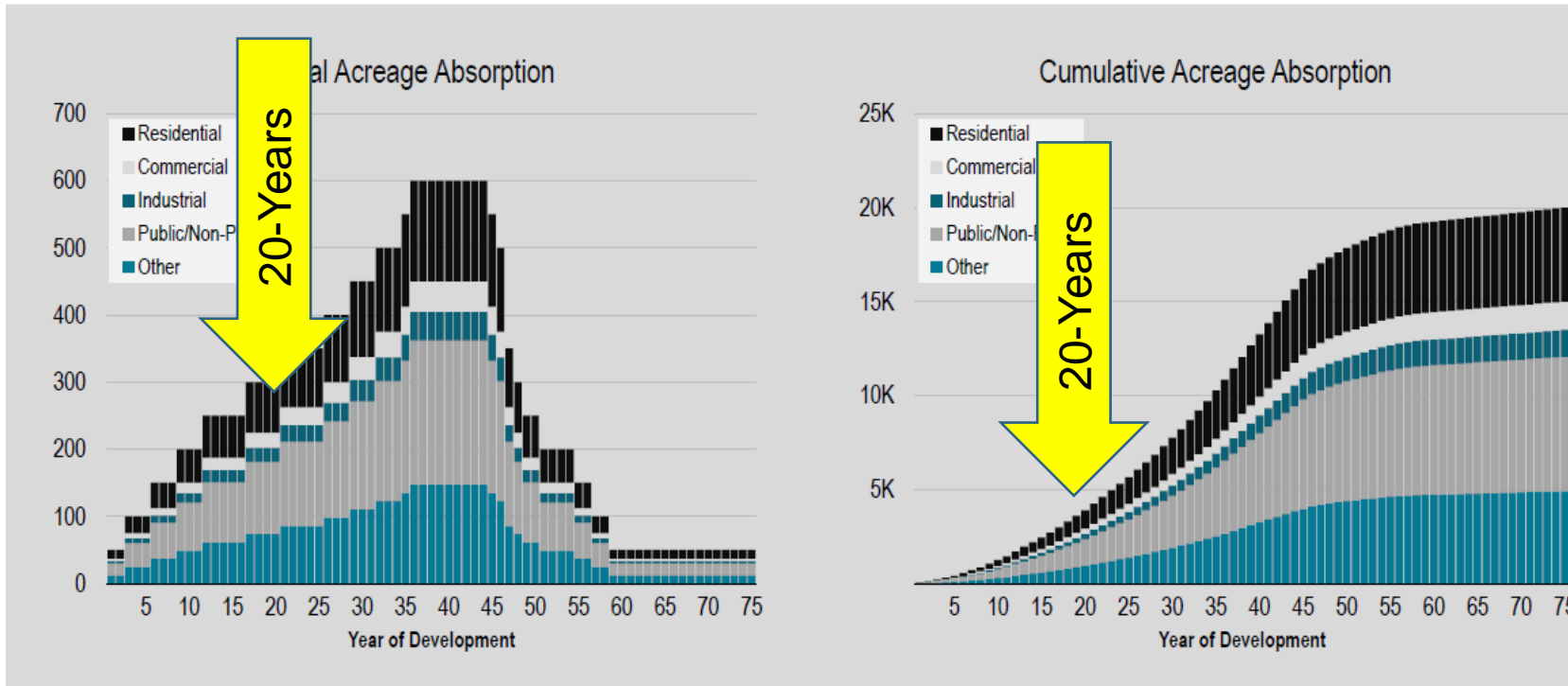


Figure 3.4-42: Schools should be integrated into the surrounding community, and may be ideally collocated with other public services within the facility, thus providing access to all groups in the community.
(Source: Copa and Pease, 1992)

Land Absorption by Use

Upon full build-out, Painted Rock will consist of multiple land uses generally reflective of other high-tech cities, with public or non-profit uses accounting for the largest portion of land use.



Painted Rock – Population

20-Year Standard Planning Timeframe

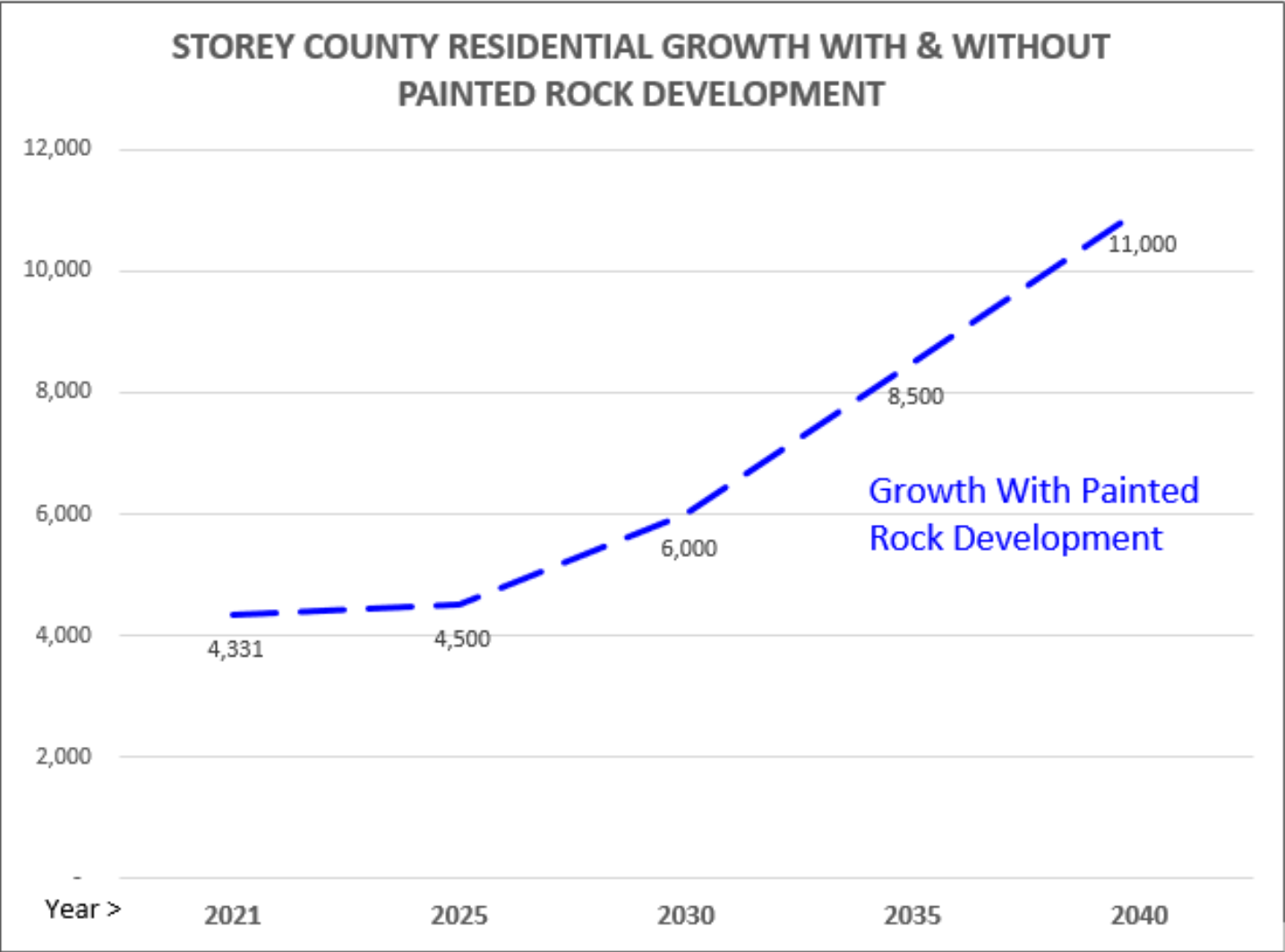
Base chart from Applied Analysis' August 12, 2021, presentation to the Legislative Interim Committee.

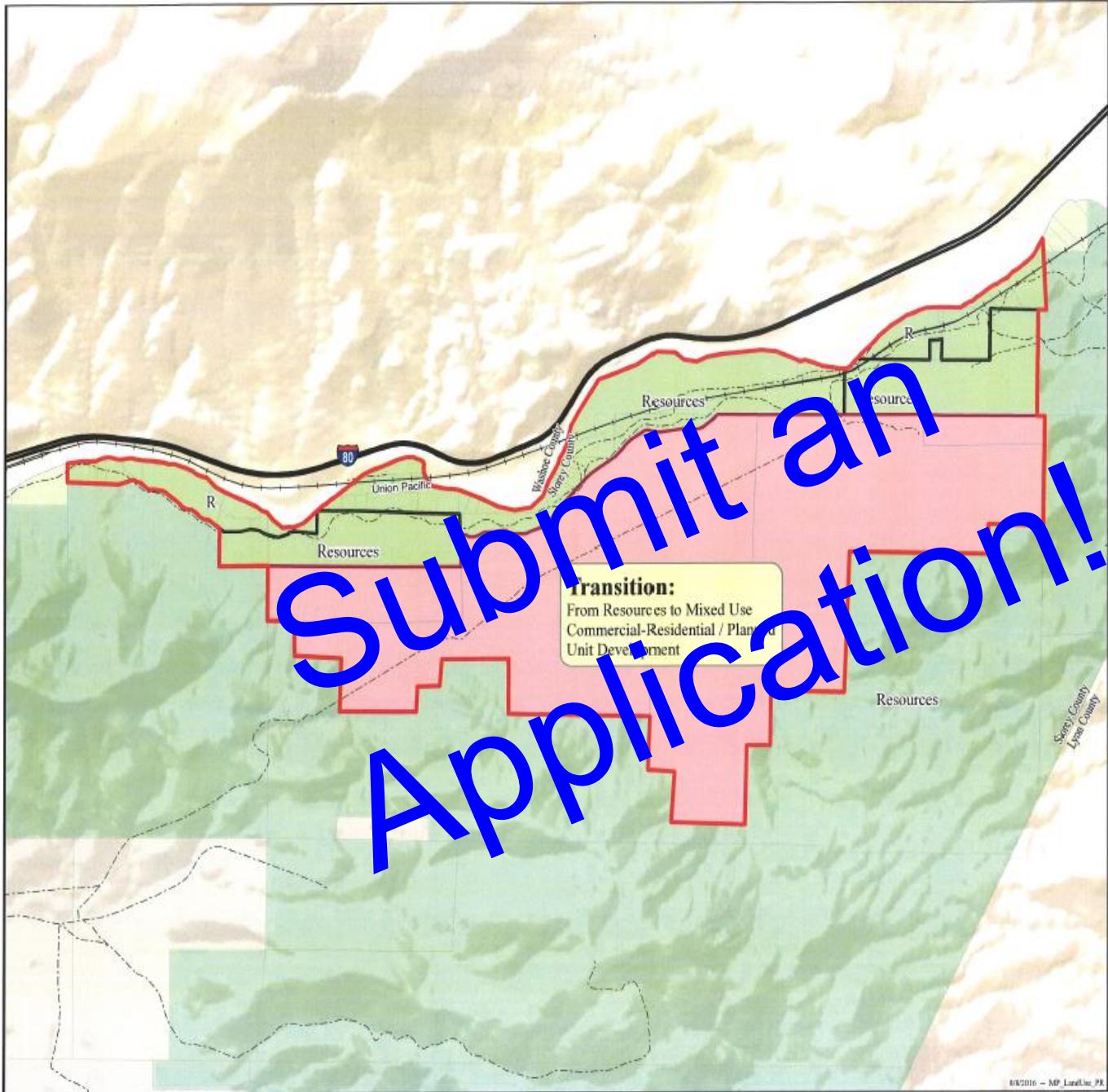
Painted Rock – Population

- **Washoe County**
 - 21% 20-Year Growth
 - 0.97% Annual Avg. Growth

- **Storey County**
 - 150% 20-Year Growth
 - 4.2% Annual Avg. Growth

Painted Rock projection aligns with Blockchains' August 12, 2021, presentation and 2016 Storey County Master Plan.



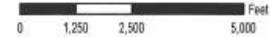


**Official Master Plan
Map of Storey County
Painted Rock**
Adopted by Planning Commission
August 4, 2016



Master Plan - Land Use

- Resource - R
- Historic Resource Interface - HRI
- Single-Family Residential - SFR
- Multi-Family Residential - MFR
- Single-Family Estate - SFE
- Rural Residential - RR
- Commercial - C
- Mixed-Use Commercial-Residential - MUCR
- Industrial - I
- Industrial-Professional - IP
- Public Facilities - PF
- Pyramid Lake Paiute Tribe - T
- Transition



The data contained herein has been compiled as a Geographic Information System for the use of Storey County. The data does not represent survey information and should not be construed as a replacement for the authoritative source, plat maps, deeds, easements, etc. No liability is assumed by Storey County as to the sufficiency or accuracy of the data.

This is to certify that this is the Official Master Plan Map of Storey County

[Signature] 8/4/16
Jim Hindle Date
 Storey County Planning Commission Acting Chairperson

[Signature] 8-4-16
Lyndi Renaud Date
 Storey County Planning Commission Secretary


Painted Rock – No Master Plan Amendment Needed

- No map amendment required
- No text amendment required



STOREY COUNTY

Conclusion & Recommendations



**Let's not fix
something
that is not
broken.**

- Innovation Zone governance is not comparable to Disney World; Reedy Creek Improvement District; or Songdo, South Korea.
- TRI Development Agreement provides a successful template for future innovative and “smart city” development, and it protects against undue government interference.
- Proposed parallel governance structures will cripple planning and delivery of competent, reliable, and equitable public services.
- Storey County already approved a mixed-use residential development at Painted Rock and updated its master plan and codes to support this development.
- Storey County is a proven Nevada leader in economic development, technological advancement, and land development.
- Economic activity in Storey County directly and indirectly benefits Northern Nevada.
- Reasons given for need of innovation zone legislation are unfounded.



1

- Examine the TRI Development Agreement as a successful private-public partnership stimulating growth and preventing undue government interference.

2

- Submit an application enabling Storey County to facilitate innovative technologies and “smart city” development.

3

- Apply Storey County’s creative practices to innovation in other parts of the state.



Questions

Presenters

- Clay Mitchell, Storey County Commissioner
- Austin Osborne, Storey County Manager
- Jeremy Loncar, Storey County Fire District Chief
- Jennifer McCain, Storey County Comptroller
- Gerald Antinoro, Storey County Sheriff
- Eileen Herrington, Storey County Justice of the Peace
- Todd Hess, Storey County School District Superintendent
- Mary Walker, Walker & Associates
- Will Adler, Silver State Government Relations

Contact

- Storey County Commissioners' Office
- 775.847.0968
- commissioners@storeycounty.org

Rainbow Bend PUD,
Lockwood 2016