

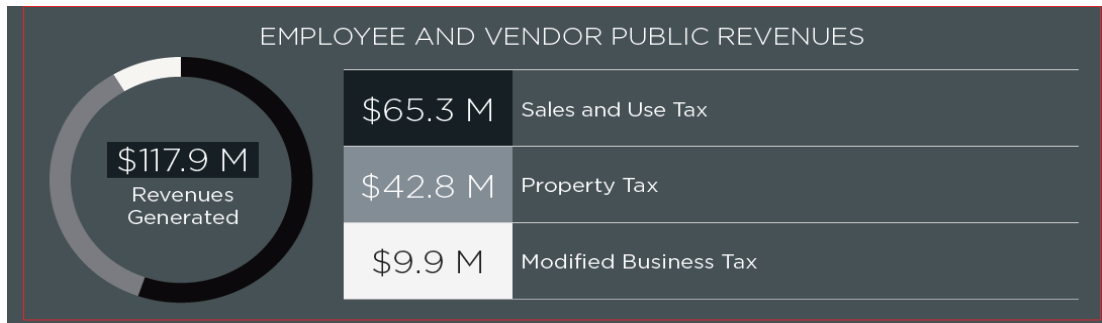


**Executive Summary to the 2023
Storey County Regional Impacts Report
(03/27/23)**

A. BENEFIT TO THE REGION

1. What benefit has the Gigafactory brought to Washoe County and Nevada?

- Since 2015, employment, earnings, and support for existing and new businesses brought:
 - \$17.1 billion in economic activity in Nevada.
 - Salaries and wages of \$4.2 billion across 65,000 employees.
 - *Sales tax and other tax dollars are primarily generated where people live.* About 66% percent of Storey County employees live in Washoe County.
- Between Fiscal Years 15 and 22, Washoe, Reno, and Sparks saw an increase of:
 - \$249 million property tax and consolidated tax combined.
Storey County's increase was \$9.5 million, 3.8% of the tax revenue received by Washoe, Reno, and Sparks.
- **\$117.9 million revenues have gone to the following between Fiscal Years 15 and 22.**
 - Nevada State Treasury
 - Nevada Department of Education
 - Area cities and counties including Washoe, Storey, Reno, and Sparks.



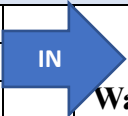
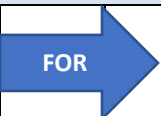
Source: “Tesla Gigafactory Nevada Economic and Fiscal Impact Analysis, 2022”

- **Washoe County’s General Fund Balance grew:**
 - **\$4.9 million** **12%** During 7 years *before* Tesla construction.
 - **\$113.3 million** **221%** During 7 years *after* Tesla began construction.
 - *Benefits were similar for Reno and Sparks.*

- **Washoe County Fiscal Year 22 budget describes benefits from regional development including Tesla, Switch, and Google located in Storey County including:**
 - 4.9% Unemployment in 2021 versus 14% in 2010.
 - 22% Increase in median household income between 2017 and 2021.
 - 10% Higher estimated median household income than Nevada.
 - 24% Higher per-capita personal income than Nevada.
 - 43% Assessed valuation increase 2016 - 2022 (14.34 to 20.55 billion).
 - 61% Taxable sales increase 2011 – 2018.
 - 6.3% Average annual increase in sales tax 2011 - 2020.
 - 6.2% (\$11.9 million) projected property tax revenue increase for FY-22.
 - 4.5% (\$5.7 million) projected C-Tax revenue increase for FY-22.

2. Does supporting housing cost more than housing generates for Washoe, Reno, and Sparks?

- A March 2023 fiscal impact analysis on housing impacts shows net positive fiscal impacts.

Net Positive Revenues Are Generated				
Single-Family Detached		Reno		General Fund
Single-Family Attached		Sparks		Fire Fund
Multi-Family		Washoe County		Roads Fund

- \$27.6 million in revenue compared to \$20.5 million over 15 years.

Note: In Sparks, street funds sometimes are made whole from general fund. City officials consider a project a “positive impact” if general fund can cover street fund. Storey County is similar.

3. What other regional cooperation is Storey County involved with?

- **Saved Washoe County \$150 million** by diverting nitrate-rich water away from the Truckee River and toward economic development.
 - This was done in lieu of needed sewer treatment plant upgrades in Washoe County. **Storey County will contribute up to \$25M to this project.**
- Storey County Fire District is the primary responder to I-80 emergencies per automatic- and mutual-aid agreements.
- Law enforcement mutual aid services.
- Promoting Truckee Meadows lands bills for land development and transportation.
- Workforce training, transportation, and social/health services through regional cooperation.
- Flood mitigation and conservation projects.

B. HOUSING

4. What has Storey County done to support workforce housing?

- 1,699 Existing vacant parcels are currently zoned and ready for home construction.
- 3,600 Homes were approved at Painted Rock in 2006 – Master plan supports this today.
 - 5,299 potential residential parcels with NO master plan action needed.

Population in Storey County may increase from

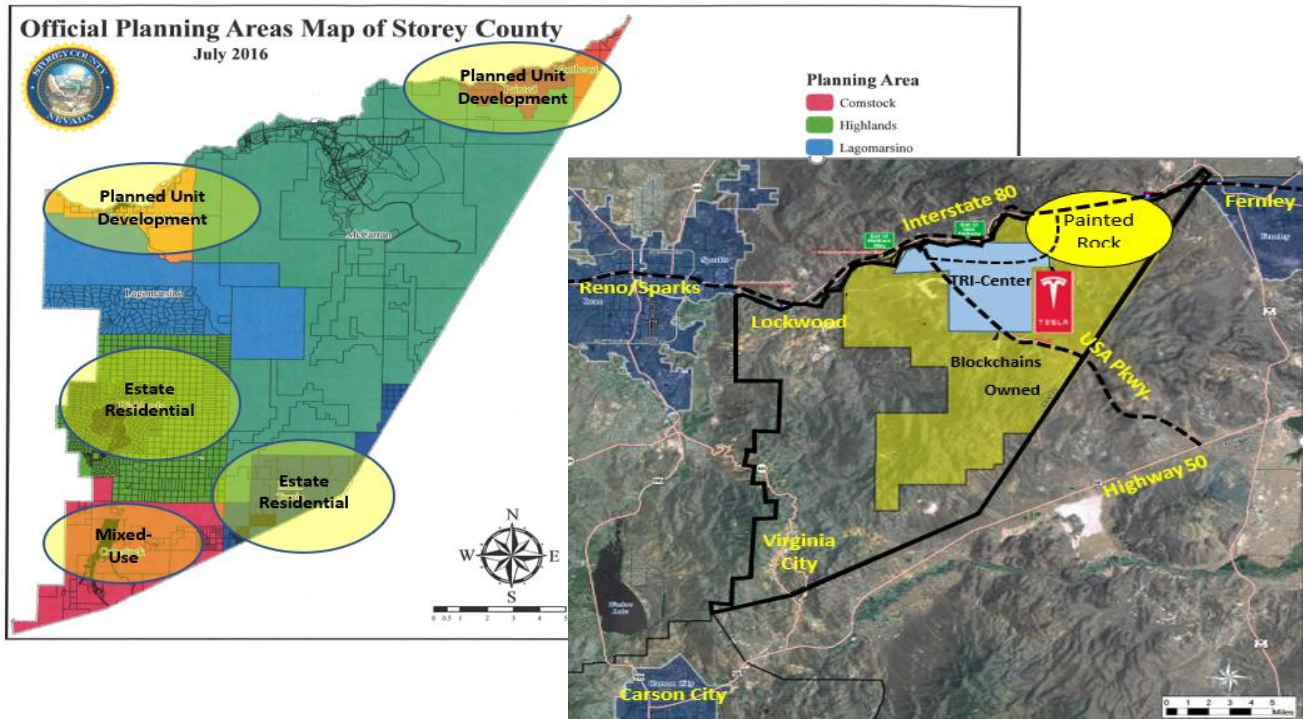
4,333 to 26,000

500%

- *Storey County has acted through its master plan and development codes to encourage and facilitate affordable housing for industrial center workers.*
- *Storey County has some of the most generous residential zoning codes in Nevada.*

• Mixed Uses	• Tiny Houses	• Extended Stay Hotel
• Planned Unit Development	• Accessory Dwellings	• Alternative Building
• Multi-Family	• Live-Work Dwellings	• Off-Grid Living

- *Storey County has retained qualified civil engineers to review any PUD application.*
- **Residential areas in Storey County are depicted in the map below.**



5. What other actions does Storey County take to house TRI-Center workers?

- Residential uses are contractually prohibited in the annexed areas of the Tahoe-Reno Industrial Center.
- Residential uses are incompatible with intense and volatile companies located at the industrial center.

However –

Extended stay boarding is provided at TRI-Center

- 100 Complete and occupied units
- 50 Complete RV spaces
- 135 Near-complete hotel units
- 50 Near-complete RV spaces
- 200 Additional units in review
- Many more units planned
- **1,070 Vehicles per day removed from Interstate-80**



Studio 6 and Comstock RV Park provide 250 extended-stay accommodations for workers.



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Single-Family Attached				
Multi-Family				

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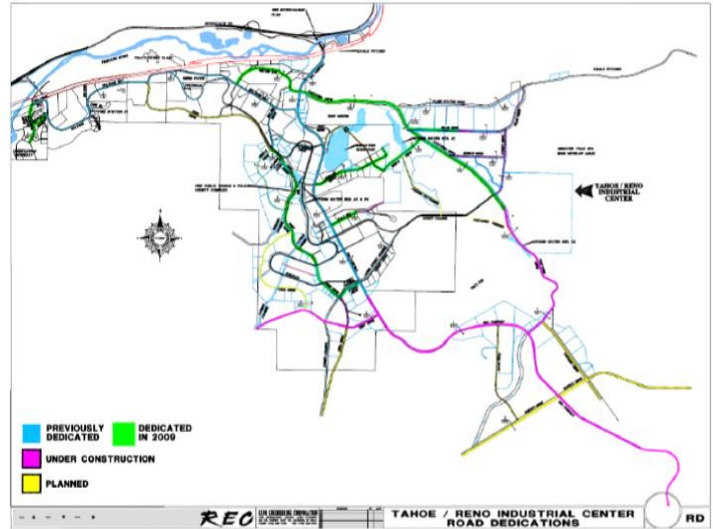
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- New housing in Storey County will help it, too, generate sales tax and other revenues.

C. OBLIGATIONS

1. Are roads at the Tahoe-Reno Industrial Center free to Storey?

- Storey County accepts dedication of roads like in other counties.
 - In TRI-Center, however, **Storey County must reimburse the developer 100%** for roads, fire station, and other capital improvements at TRI-Center.



- *Formula: Revenue – operating costs x 35% = annual payback*

- \$32 of \$48 million is owed to TRI-Center by Storey County today.
- **\$90 million** in future infrastructure will be owed.

2. Does Storey County get free water from the regional effluent pipeline?

- Storey County will pay up to **\$25 million** toward the regional effluent pipeline project.
- This project **saved Washoe County ratepayers \$150 million** by diverting nitrate-rich water away from the Truckee River and toward companies.
- This was done in lieu of making EPA-mandated sewer treatment plant upgrades.
- Tahoe-Reno Industrial Center dedicated 1,500 AF of clean water to the Truckee River.
- The project was coordinated and supported by:
 - Reno, Sparks, Washoe County, TMWRF, NDOT, Storey County, and the TRI-GID.

3. Does Storey County hold debt obligations?

- Debt-Liability Per Capita (CAFR 2022):
 - Washoe County \$286 per person.
 - Sparks \$137 per person.
 - **Storey County \$35,962 per person.** *(Mostly TRI infrastructure costs).*

4. How much will it cost to modernize Storey County’s water systems?

- Virginia City has only 1 source of water, the Marlette Water System. Built in 1878, this system transports water from the Sierra Nevada to Virginia City.
- Planned costs include (in millions):
 - **\$12** Transmission lines.
 - **\$6** Distribution lines.
Virginia City, Gold Hill, and Silver City
 - **\$43** Residential buildout needs.
 - **\$127** Transmission to Highlands.
 - **\$22** Transmission to Mark Twain.
 - **\$210 million total costs.**



Blowouts, boil-water notices, and conserve mandates occur often, sometimes weekly. The photo shows a blowout geyser along the Silver City water transmission line. Storage and flows oftentimes do not meet fire response needs.

- *The small ratepayer base makes improvements only by user-fees impossible.*

5. \$600 million is needed to repair and upgrade county facilities and infrastructure.

- **\$142 million** **Total 5-year CIP plan.** **(\$14 million admin./engineering est.)**
- **\$600 million** **Total 10-year CIP plan.** **(\$60 million admin./engineering est.)**
 - *\$24 million* *Courthouse. Storey County jury trials must now occur in Carson City.*
 - *\$2.6 million* *Courthouse seismic, electrical, plumbing, and structural.*
 - *\$10 million* *Jail and Sheriff substation.*
 - *\$40 million* *Road and drainage maintenance and improvements.*
 - *\$7 million* *Pay off debt of sewer improvements in Virginia City and Gold Hill.*
 - *\$3 million* *Pay off debt of water improvements in Virginia City and Gold Hill.*
 - *\$34 million* *Fire stations at TRIC, Mark Twain, and Lockwood.*
 - *\$10 million* *Modernize Virginia City fire station built in 1964.*
 - *\$10 million* *Move offices to soon-vacated school district buildings.*
 - *\$10 million* *Replace public swimming pool built in 1964.*
 - *\$20 million* *Flood mitigation projects in Lockwood and Mark Twain.*
 - *\$30 million* *Partner with school district to consolidate 3 schools in Virginia City for safety. (Ex.: The middle school, built in 1937, uses a major public road as its playground.)*