

2015 ANNUAL REPORT

**LINCOLN COUNTY COMPREHENSIVE
ECONOMIC DEVELOPMENT STRATEGY**



SUBMITTED TO:

**Mr. A. Leonard Smith
Regional Director
Economic Development Administration
Jackson Federal Bldg.
915 2nd Ave, Suite 1890
Seattle, WA. 98174-1012**

SUBMITTED BY:

**Board of Lincoln County Commissioners
P.O. Box 90
Pioche, Nevada 89043**

In Cooperation With:

**City of Caliente
P.O. Box 1006
Caliente, Nevada 89008**

and

**Lincoln County Regional Development Authority
P.O. Box 851
Caliente, Nevada 89008**

March 2016

Table of Contents

	<u>Page</u>
Preparation of This Annual Report	1
Changes in Regional Economic Conditions	7
Development Projects	15
Key Economic Development Activities during FY 2015	20
Effectiveness in Meeting Economic Development Goals	22
Strategy for FY 2016	25

Tables

Table 1. Lincoln County Regional Development Authority Board of Directors	2
Table 2. Annual Labor Force, Employment, Unemployment Trends; Lincoln County, Nevada; 2009-2013	9
Table 3. Average Annual Earnings by NAICS Industry Sector, 2013	10
Table 4. Lincoln County Top 25 Sectors by Compensation per Employee	11
Table 5. Lincoln County Master Plan Countywide Population Forecasts Assuming Development within the Coyote Springs and Toquop New Community Areas, 2017-2027	12
Table 6. Growing Industries-Lincoln County, Nevada	14
Table 7. Expected Biomass Yield from Pinyon-Juniper Thinning Activities in Lincoln County, Nevada	18

Figures

Figure 1. Pinyon and Juniper Woodlands Accessible for Biomass Harvesting Within 50 Miles of Central Lincoln County	17
--	----

Preparation of This Annual Report

Organized in 1998 through interlocal agreement between the Board of Lincoln County Commissioners and the Caliente City Council, the Lincoln County Regional Development Authority (LCRDA) has been vested with the responsibility to coordinate the development and implementation of economic development strategies within the County and City. The interlocal agreement establishing LCRDA was reaffirmed by the parties on April 5, 2012. Consistent with said responsibility, LCRDA has undertaken preparation of this annual report describing Lincoln County and City of Caliente progress with implementation of the Comprehensive Economic Development Strategy initially adopted for the area in October 1999 and updated annually thereafter. This 2015 Annual Report (FY 2015 – July 1, 2014 through June 30, 2015) suggests that while expansion and diversification of the Lincoln County economy has been a slow and evolving process over the past 14 years, continued investments in key infrastructure; introduction into and action by the U.S. Congress on HR 1815 to amend the Lincoln County Land Act (LCLA) and the Lincoln County Conservation, Recreation and Development Act (LCCRDA); progress by BLM in preparing a draft solar regional mitigation strategy for the 25,000 acre Dry Lake Valley North Solar Energy Zone and the County's strategic proximity to the Las Vegas metropolitan area remain key to positioning Lincoln County for significant opportunities for employment and income growth. As evidenced in this Annual Report Lincoln County, the City of Caliente and LCRDA have taken many steps during the past year to refine and implement said strategy in an attempt to capitalize upon strengths, overcome weaknesses, pursue opportunities and alleviate threats to economic development.

Since its inception, LCRDA has been responsible for industry retention/attraction activities within Lincoln County. The nine member Authority Board of Directors has been responsible for coordinating preparation of this annual report. Four members of LCRDA are appointed by the Lincoln County Commission, four members are appointed by the Caliente City Council and one member is appointed by the other eight. A listing of current LCRDA board members is included in Table 1. The LCRDA board includes representatives from all geographic areas of Lincoln County. Board members include small business owners, elected officials, farmers, ranchers, and women. The LCRDA board accurately reflects Lincoln County demographics. The LCRDA Board of Directors meet approximately every month, alternating between in-person and teleconference meetings. All LCRDA meetings are open to the public and noticed in accordance with the Nevada Open Meeting Law. LCRDA has been recognized by the Nevada Governor's Office of Economic Development (GOED) as a Regional Development Authority and as such has been awarded annual funding from, and maintains a close working relationship with, GOED.

In addition to GOED, during FY 2015, the Authority benefited from collaboration with the USDA's Rural Development Administration; Nevada Department of Agriculture; University of Nevada Small Business Development Center; corporate partners; Bureau of Land Management; the University of Nevada Reno Center for Economic Development; University of the Nevada Cooperative Extension, City of Caliente, Lincoln County, City of Mesquite and the Nevada Pinyon Juniper Partnership. The Board of Lincoln County Commissioners continued their long-standing financial support for LCRDA during FY 2015 by providing \$10,000 in cash to support the Authority's initiatives. The County also provides in-kind assistance to the Authority as its fiscal agent. The City of Caliente provided \$1,000 in cash support and important in-kind meeting

Table 1. Lincoln County Regional Development Authority Board of Directors

City of Caliente Appointees

Dr. Holly Gatzke
P.O. Box 728
Caliente, Nevada 89008
(University of Nevada, Cooperative
Extension)

Ms. Alice Rodowick
P.O. Box 653
Caliente, Nevada 89008
(Small Business Owner)

Mr. Cody Christensen
P.O. Box 286
Caliente, Nevada 89008
(Caliente City Councilman; School
Principal)

Ms. Stana Hurlburt
P.O. Box 782
Caliente, NV 89008-0782
(Mayor, City of Caliente)

Lincoln County Commission Appointees

Mr. Varlin Higbee
P.O. Box 354
Alamo, Nevada 89001
(Lincoln County Commissioner)

Mr. Carl Pyatt
P.O. Box 473
Caliente, Nevada 89008
(Retired Nevada Power Company
Executive)

Mr. David Hurd
P.O. Box 693
Caliente, Nevada 89008-0693
(Retired Civil Contractor)

Mr. Kyle Donohue
Lincoln County Power District
HC 74 Box 101
Pioche, Nevada 89043
(District Engineer)

At-Large Appointee

Mr. Jay Schofield
P.O. Box 47
Hiko, Nevada 89017
(Small Business Owner)

facilities and support services to LCRDA. During FY 2015, GOED provided the Authority with a basic operating grant of \$55,000. In addition, the Authority secured corporate financial contributions totaling \$2,000. Other grant funding was secured through a USDA Rural Business Enterprise Grant in the amount of \$8,000.00. Consequently, the important financial assistance provided by the Board of Lincoln County Commissioners was effectively leveraged by LCRDA with other cash, grants and in-kind services. Including accrued amounts in its Capital Projects/Grant Match Fund of \$132,883.34, financial resources available to LCRDA during FY 2015 totaled \$219,883.34.

During FY 2015, LCRDA continued its history of effectively utilizing its limited funding resources to position Lincoln County, the City of Caliente and the State of Nevada with improved prospects for substantial return on their investment in the Lincoln County economy. Examples of key initiatives undertaken by LCRDA on behalf of Lincoln County and the City of Caliente during FY 2015 follow.

Renewable Energy

In response to questions frequently posed by renewable energy developers considering sites in Lincoln County, LCRDA applied for and was awarded Rural Business Enterprise Grant (RBEG) funding from the USDA Rural Development Administration which enabled evaluation by a contractor of the interconnection costs to several existing Lincoln County Power District #1 electrical substations. The \$8,000.00 RBEG award was matched with \$2,000.00 in LCRDA funding. The sites chosen for evaluation were those substations located proximate to private property in Lincoln County. The completed analysis considered costs of interconnecting solar and biomass energy projects of 1, 3, 6, 10 and 20 megawatts in size. This information is intended for use by LCRDA in discussions with renewable energy developers to assist with them with identifying prospective project sites in Lincoln County.

In June of 2015, LCRDA sought, and USDA approved, expansion of the RBEG Scope of Work to allow expenditure of remaining grant funds to cover a portion of the costs of LCRDA staff attendance at the September 2015 Solar Power International Conference and April 2016 International Biomass Conference at which the information regarding interconnection costs to existing electrical substations in Lincoln County were and will be discussed.

In October of 2012, the Bureau of Land Management (BLM) issued a Record of Decision establishing the 25,000 acre Dry Lake Valley North Solar Energy Zone (SEZ) in Lincoln County. The SEZ is immediately adjacent to the NV Energy 500 kV On-Line electrical transmission line which was completed and energized in early 2015. The Dry Lake Valley North SEZ has the capacity to accommodate up to approximately 3,000 MW of solar energy generation which could be delivered into the NV Energy system and adjacent energy markets such as



California. During FY 2015, BLM completed work on a draft regional mitigation strategy to address impacts resulting from development with the Dry Lake Valley North SEZ. Lincoln County and LCRDA reviewed the draft regional mitigation strategy for the Dry Lake Valley

north SEZ and provided written comments to BLM. In addition, LCRDA has continued to monitor BLM rulemaking activities regarding a framework for competitive leasing of land with the Dry Lake Valley North SEZ. In addition, LCRDA furthered its efforts to attract solar developers to make investments in solar development on the only parcel of private land in Dry Lake Valley located immediately adjacent to the Dry Lake Valley North SEZ.

Throughout 2015, LCRDA continued efforts to attract solar energy projects to an area of approximately 8,000 acres of private land in the Lincoln County portion of the Coyote Springs project. LCRDA has referred various energy developers seeking sites to develop solar projects to Coyote Springs Investment staff.

Industrial Utilization of Pinyon Juniper Biomass

In response to BLM plans to thin approximately 700,000 acres of Pinyon-Juniper woodlands in the County over the next 20 years LCRDA continues to work with existing businesses, the BLM and the Nevada Pinyon Juniper Partnership to identify issues and strategies for industrial utilization of biomass in the County. LCRDA staff attended the April 2015 International Biomass Conference in Minneapolis. Meetings with several industrial users of biomass were pre-arranged and held during the conference at which the opportunities for use of pinyon and juniper biomass as feedstock in a variety of industries was discussed.



Also in June of 2015, LCRDA developed and submitted to USDA Rural Development Administration an application for Rural Business Development Grant funding in the amount of \$15,800.00 to enable 1) assessment of accessible pinyon and juniper biomass within a 50-mile radius of central Lincoln County and 2) chemical and performance characterization of pinyon and juniper wood chip samples derived from BLM-administered land in the County. The grant application was subsequently approved by USDA and work on the respective scopes of work was completed in March 2016. The results from these analyses will also be discussed in planned meetings between LCRDA staff and industrial users of biomass during the April 2016 International Biomass Conference.



LCRDA industry outreach initiatives have resulted in several companies expressing interest in seeking to develop energy and biofuel projects which would utilize pinyon-juniper biomass as feedstock.

Amendments to Lincoln County Land Act and Lincoln County Conservation, Recreation and Development Act

During FY 2015 LCRDA staff and Lincoln County officials continued to work closely with Senator Dean Heller, Senator Harry Reid and Congressman Crescent Hardy to secure introduction into the U.S. Congress of H.R. 1815 and S. 953. The identical bills would amend the Lincoln County Land Act (Public Law 106-298) and Lincoln County Conservation, Recreation and Development Act (Public Law 108-424).

Since passage and original amendment of Lincoln County Land Act (LCLA) and passage of Lincoln County Conservation, Recreation and Development Act (LCCRDA), the following key activities have occurred in Lincoln County:

- the BLM has completed the Ely Resource Management Plan (RMP) and the BLM has identified in excess of 700,000 acres of pinyon juniper woodland requiring thinning to reduce the threat of catastrophic wildfire and to enhance habitat for the sage grouse, a special status species being considered for listing as endangered under the Endangered Species Act
- the BLM's Ely RMP identified the locations of the first 56,000 acres of public land in Lincoln County suitable for disposal and to be processed for sale pursuant to the authorization in LCCRDA for BLM to dispose of 90,000 acres of public land in the County.
- Lincoln County has completed and is now implementing the Southeastern Lincoln County Habitat Conservation Plan
- Lincoln County is actively seeking to develop infrastructure to serve LCLA and LCCRDA land sale areas
- The Atlanta Mine Project has been proposed by Meadow Bay Gold in northeastern Lincoln County in an area partially encumbered by LCCRDA land use withdrawals within designated utility corridors

- BLM has designated the 25,000 acre Dry Lake Valley North Solar Energy Zone in Lincoln County

It has become apparent that the currently authorized uses by BLM and Lincoln County of LCLA and LCCRDA land sale proceeds and certain other provisions of the Acts do not serve to effectively facilitate the successful implementation of these important environmental protections and land use initiatives. To address these limitations, amendments to LCLA and LCCRDA have been requested by the Board of Lincoln County Commissioners which result in the following:

- 1) clarify that expenditure of land sale proceeds derived by BLM pursuant to LCLA can be expended by BLM for development and implementation of a multispecies habitat conservation plan in the County;
- 2) clarify that expenditure of land sale proceeds derived by the BLM pursuant to the Acts can be expended for planning, permitting, administration, implementation and monitoring of pinyon-juniper dominated landscape restoration projects within Lincoln County;
- 3) clarify that processing of applications for right-of-way submitted by a local government or regional government to serve lands conveyed pursuant to LCCRDA shall not require payment of cost recovery fees or payment of contributed funds;
- 4) include economic development as one of the allowable purposes for which Lincoln County can expend its share of LCCRDA land sale proceeds;
- 5) exclude Sections 3, 4, 5, 6, 7, 8, 9, 10, 11, 14, and 15 of Township 7 North, Range 68 East of the utility corridor alignment established pursuant to Section 301 of LCCRDA from the withdrawal requirements of Subsection (c) of said section;
- 6) clarify that BLM can enter into and utilize LCLA and LCCRDA land sale proceeds to fund cooperative agreements between BLM and Lincoln County for County-provided law enforcement and planning related activities regarding wilderness designated by LCCRDA; cultural resources identified, protected and managed pursuant to LCCRDA; planning, management and law enforcement associated with the Silver State OHV Trail designated by LCCRDA; and planning associated with land disposal and related land use authorizations associated with LCLA and LCCRDA.

H.R. 1815 was heard in the House Natural Resources Subcommittee on Federal Lands on November 4, 2015. On February 3, 2016 in a unanimous vote, H.R. 1815 was reported out of the House Natural Resources Committee to the full House of Representatives for a final vote. S. 953 is pending hearings in the Senate.

Marketing Initiatives

During 2015, LCRDA retained a contractor which designed and launched a new website for the Authority. Also during 2015, LCRDA engaged a contractor to design a logo for the Authority. As noted elsewhere, LCRDA staff attended the International Biomass Conference and held numerous meetings with industrial users of biomass regarding opportunities in Lincoln County.

Caliente Mountain Bike Trail System

LCRDA provided a \$15,000.00 grant to the City of Caliente to assist with the planning and design of a 50-mile plus mountain bike trail system. LCRDA's funds were coupled with those from the Bureau of Land Management (BLM), Lincoln County and the Nevada Division of State Parks to enable the International Mountain Bicycling Association (IMBA) to undertake the trail system planning and design. As a result of this work, the City of Caliente and BLM applied for and were awarded in excess of \$1 million in grant funds to construct the first phase of the bike trail system. When completed, the initial and later phases of the Caliente Mountain Bike Trail system will be a tremendous tourist asset in the Caliente area creating a demand for related visitor services and biking related businesses in the community.

Toquop Energy Project

LCRDA staff continued efforts to assist owners of BLM-issued rights-of-way for the proposed Toquop Energy Project to identify developers of the project and off-takers for the energy output of the proposed power plant for from BLM. With assistance from LCRDA, project proponents are working to secure a power purchase agreement and financing for the proposed 1,100 MW natural gas-fired power plant.

Building Lincoln County Revolving Micro Loan Fund (BLCRMLF)

Since making its first loan in January 2011, LCRDA has approved and funded 18 micro loans totaling \$78,500.00. Loan amounts range from \$500 to \$5,000 and have terms of 2-3 percent interest for up to 36 months. Examples of businesses funded include establishment of a laundromat; establishment of a beauty salon; establishment of a hunting firearms supply business; establishment of a food cart business; working capital for an existing Mexican restaurant; and inventory acquisition for existing tire shop and plumbing and HVAC repair and maintenance business. Collectively, the 18 businesses supported through the BLCRMLF employ an estimated 25 persons in Lincoln County. The BLCRMLF has been funded by two grants from the USDA Rural Development Administration totaling \$35,000.00 with \$43,500.00 in matching funds provided by LCRDA. As of June 30, 2015, eight micro loans totaling \$34,500.00 had been paid off. Total loan payments received through June 30, 2015 were \$53,004.15. LCRDA continues to service the balance of approved and performing loans.

Changes in Regional Economic Conditions

Lincoln County and its only incorporated city Caliente have witnessed their economies continue a gradual improvement during the past year as the area continues to recover from the 2008 recession. Recovery in Nevada and Lincoln County has been slow compared to the rest of the Nation. During FY 2015 unemployment in Lincoln County remained well above rates found in the balance of the United States and many locations in Nevada. Many local economic conditions which characterized Lincoln County in 1999 remained pervasive during 2015. The area remains largely dependent upon federal, state and local government employment. The County's economy is shaped in part by the extensive degree of federal land administration in the area in which approximately 97 percent of the land area of the County is administered by the federal government, principally the Bureau of Land Management. In addition, the Department of Defense, U.S. Air Force administers significant land areas in the County. Agriculture remains an

important component of the Lincoln County economy as is transportation (owing to the fact that the Union Pacific Railroad mainline and U.S. Highway 93 bisect the County). Given the presence of five Nevada State Parks and its proximity to the Las Vegas metropolitan area, tourism remains a key contributor to the Lincoln County economy.

The significant economic downturn in Southern Nevada during the height of the recession resulted in contraction of tourism and related travel sectors within the County. In addition, the market for second-homes and homes occupied by persons relocating to Lincoln County from the Las Vegas area was diminished. So too was progress slowed in developing the thirty thousand acre-plus Coyote Springs new community development straddling the Clark/Lincoln County line along U.S. Highway 93. During 2015, tourism travel and related spending has continued to rebound in the County. While the market for real estate in Lincoln County remains sluggish, accelerated real estate activity in the Las Vegas area has been observed during the past year. 2015 saw continued investment by Coyote Springs Investments in project related infrastructure on the 30,000 acre plus mixed use development which straddles the Clark and Lincoln County lines along U.S. Highway 93. Another sign of the improving regional economy during 2015 was action by certain owners of land within the 13,500 acre Lincoln County Land Act land sale area near Mesquite to refresh mixed use development plans and agreements with agencies of Lincoln County government.

Despite depressed prices for precious metals having prevailed during 2015, Meadow Bay Gold has continued to undertake project planning for the proposed Atlanta Mine site in northeastern Lincoln County. Owners of the site anticipate the project to be a major employer once in operation with 300 or more persons employed during operations. As noted previously, LCRDA has been working with the Board of Lincoln County Commissioners and Nevada's Congressional Delegation to secure amendments to the Lincoln County Conservation, Recreation and Development Act (through H.R. 1815 and S. 953) to remove prohibitions on mineral exploration in certain areas of public land administered by the Bureau of Land Management (BLM) immediately adjacent to existing exploration activities.

During 2015, NV Energy completed construction and energized its On-Line 500kV electrical transmission project originating in the vicinity of Ely, Nevada and terminating in the Apex, Nevada area of Clark County. The line crosses Lincoln County and is adjacent to the BLM-designated Dry Lake Valley North Solar Energy Zone; private land in Dry Lake Valley adjacent to the SEZ and the Coyote Springs Investments solar development site in southwestern Lincoln County.

Recent Labor Force, Unemployment and Wage Trends in Lincoln County

As shown in Table 2, Lincoln County's labor force declined during the period of 2011 through 2015. The number of employed persons in the County grew during the period 2011 through 2012 from 1,838 to 1,880 persons followed by a decline in employment during the past three years to 1,836 persons in 2015. From a recession period unemployment rate of 13.1 percent in 2011, unemployment rates in Lincoln County have fallen to 6.6 percent in 2015. This compares to Nevada and U.S. unemployment rates during 2015 of 6.8 and 5.3 percent, respectively.

Table 2. Annual Labor Force, Employment, Unemployment Trends; Lincoln County, Nevada; 2011-2015 (Not Seasonally Adjusted)

Year	Labor Force	Employment	Unemployment	Unemployment Rate	Unemployment Rate: Nevada	Unemployment Rate: U.S.
2011	2,071	1,838	233	11.3	13.1	8.9
2012	2,102	1,880	222	10.6	11.2	8.1
2013	2,052	1,858	194	9.5	9.5	7.4
2014	1,944	1,793	151	7.8	7.8	6.2
2015	1,966	1,836	130	6.6	6.8	5.3

Source: <http://www.nevadaworkforce.com/cgi/dataanalysis/AreaSelection.asp?tableName=Labforce>, accessed February 3, 2016

A labor market survey completed for the Board of Lincoln County Commissioners during 2009, concluded that as high as 32.7 percent of the labor force in Lincoln County may be unemployed. Covered unemployment measured by the Nevada Department of Employment, Training and Rehabilitation during 2009 was 9.2 percent, significantly lower than that estimated in the Lincoln County study. This higher rate of unemployment is attributable to the 2009 survey having identified those in the labor force who were unemployed and no longer receiving unemployment benefits and those who for a variety of reasons were no longer seeking employment (“discouraged unemployed”). It is assumed that a similar situation existed at the close of 2015 with actual unemployment in Lincoln County likely being closer to 17-18 percent of the labor force, or approximately 344 persons.

The average annual earnings in Lincoln County were \$45,010 which was just 86 percent of the Nevada average of \$52,585. As shown in Table 3 those employed in the Transportation and Warehousing sector in Lincoln County earned the highest average annual wage (\$71,843) followed by Management of Companies and Enterprises (\$71,358).

Alternatively, the study *Lincoln County, Nevada: Targeting Industrial Sector Clusters for Economic Development*, (Larmore, Harris and Bonnenfant, 2012) revealed the top 25 economic sectors in Lincoln County by employee compensation per employee (see Table 4). As shown in Table 4, the highest paid employees in Lincoln County were employed in the Greenhouse, Nursery, and Floriculture Production sector, with employee compensation per employee of \$96,300. However, given that this sector only has 1.2 employees, and is essentially a sole proprietor type operation, this sector may not be a valid indicator of wage levels in Lincoln County. Other high paying sectors include Transport by Rail with employee compensation per employee of \$94,000, Water, Sewage, etc. at \$78,600, Employment and Payroll Only, Federal Government at \$75,600, and Other State and Local Government Enterprises at \$73,100. Collectively, these economic sectors employed an estimated 106 persons during 2010. (See Table 4) The data in Tables 3 and 4 underscore the importance of employment with and for (as contractors) the Union Pacific Railroad, particularly in the Caliente area where a significant rail corridor maintenance presence by UPRR is found.

The 2010 Census estimated Lincoln County’s population at 5,348. According to Census estimates, the Lincoln County population grew by 28.3 percent between 2000 and 2010. The Nevada State Demographer’s Office estimated in March 2015 that Lincoln County’s population

had fallen to was 5,045 yet projected population growth will occur in Lincoln County during the period between 2015 and the year 2019 to 5,128 persons. During that time the Nevada State Demographer forecasts the population of the County increase by a modest 1.6 percent over the projected period. Comparatively, the State of Nevada is projected by Nevada's State Demographer to grow by nearly 4.2 percent during the period 2015 through 2019.

Table 3. Average Annual Earnings by NAICS Industry Sector, 2015

NAICS	Industry Sector Description	Avg. Annual Earnings
11	Crop and Animal Production	\$22,473
21	Mining, Quarrying and Oil and Gas Extraction	\$47,530
22	Utilities	\$27,725
23	Construction	\$30,038
31	Manufacturing	\$46,296
42	Wholesale Trade	\$37,751
44	Retail Trade	\$25,049
48	Transportation and Warehousing	\$71,843
51	Information	\$62,644
52	Finance and Insurance	\$47,362
53	Real Estate and Rental and Leasing	\$19,192
54	Professional Scientific and Technical Services	\$28,817
55	Management of Companies and Enterprises	\$71,358
56	Administrative and Support and Waste Management and Remediation Services	\$25,185
61	Educational Services (Private)	\$15,397
62	Health Care and Social Assistance	\$28,418
71	Arts, Entertainment and Recreation	\$9,277
72	Accommodation and Food Services	\$17,428
81	Other Services (except Public Administration)	\$22,411
90	Government	\$64,188

Source: <http://www.diversifynevada.com/images/uploads/Lincoln.pdf>, accessed February 3, 2016

Clark County's population was projected by the State Demographer to be 2,088,149 persons in 2015. The Clark County population is expected to increase to 2,164,799 persons in 2019, growth of 3.7 percent. Clark County's proximity to Lincoln County will bear upon Lincoln County's growth in coming years.

Table 4. Lincoln County Top 25 Sectors by Compensation per Employee

Industry		Employee Compensation	Employment	Employee Compensation/Job
Code	Description			
6	Greenhouse, nursery, and floriculture production	\$ 116,454	1.2	\$ 96,278
333	Transport by rail	1,915,954	20.4	93,985
33	Water, sewage and other treatment and delivery systems	218,220	2.8	78,625
439	Employment and payroll only (federal govt, non-military)	3,669,374	48.6	75,571
432	Other state and local government enterprises	2,558,822	35.0	73,138
3	Vegetable and melon farming	317,075	4.7	67,574
427	US Postal Service	534,630	8.2	65,067
4	Fruit farming	52,307	0.8	62,212
430	State and local government passenger transit	67,752	1.1	60,847
381	Management of companies and enterprises	794,099	14.4	55,104
440	Employment and payroll only (federal govt, military)	627,158	11.5	54,676
161	Ready-mix concrete manufacturing	440,621	8.2	53,517
437	Employment and payroll only (state & local govt, non-education)	17,710,082	333.7	53,077
358	Insurance agencies, brokerages, and related activities	80,642	1.6	50,886
334	Transport by water	120,829	2.5	47,530
375	Environmental and other technical consulting services	5,256,219	115.4	45,558
438	Employment and payroll only (state & local govt, education)	10,034,074	224.4	44,720
345	Software publishers	17,566	0.4	44,526
371	Custom computer programming services	1,766,811	41.1	43,008
367	Legal services	2,636,581	61.7	42,734
317	All other miscellaneous manufacturing	54,912	1.3	41,433
319	Wholesale trade businesses	1,059,195	25.7	41,234
355	Nondepository credit intermediation and related activities	1,419,576	35.4	40,127
369	Architectural, engineering, and related services	3,624,601	90.6	39,991
38	Construction of other new residential structures	244,713	6.4	38,438

Source: *Lincoln County, Nevada: Targeting Industrial Sector Clusters for Economic Development*, Larmore, Harris and Bonnenfant, University of Nevada, Reno, Center for Economic Development, June 2012.

It is important to note that the projections of the Nevada State Demographer do not take into consideration population growth anticipated from development of the Coyote Springs and Toquop new communities, located in southwestern and southeastern Lincoln County, respectively. As noted in previous annual reports, residential and industrial development at Coyote Springs in southern Lincoln County would cause a substantial increase in the County. Increasingly, southern Lincoln County is being seen as a favorable location for large-scale planned communities seeking to offer an alternative to living in the metropolitan Las Vegas area. Limitations in land availability and cost of land in the Las Vegas Valley make Lincoln County

locations near the Clark County line on U.S. Highway 93 and the vicinity of Mesquite desirable industrial and residential development alternatives. More recently, the announcement by Farady Future that it will develop its electric car manufacturing facility at the Apex Industrial Park along U.S. Hwy 93 just 30 miles from the Coyote Springs area and employ an estimated 5,000 persons bodes well for subsequent development of residential, commercial and industrial projects at Coyote Springs. Proposed residential and industrial developments in southern Lincoln County are in various stages of preliminary development. This includes development that may occur in the 13,500 acres of land sold to developers in Lincoln County just north of Mesquite pursuant to the Lincoln County Land Act (LCLA); development on lands to be disposed of by BLM pursuant to the Lincoln County Conservation, Recreation, and Development Act (LCCRDA), and development in the Coyote Springs project area.

Approximately ninety-eight percent of Lincoln County is federally administered land, a reality that has severely limited economic development opportunities in the region. However, the Toquop and Coyote Springs new community areas include the development of approximately 21,000 acres of privatized residential, commercial and industrial projects in Lincoln County. During the past five years, these developments have been slowed by the recession and the deflated and over-supplied Las Vegas housing market. These initiatives are discussed in detail in a subsequent section of this report. Should the Coyote Springs and Toquop mixed-use development areas begin to see construction the Lincoln County Master Plan has projected population growth within the county to develop at a rate far in excess of projections by the Nevada State Demographer. (See Table 5) It is noted that the recession has slowed development in Lincoln County and pushed projects such as Coyote Springs and Toquop back by at least five years. Consequently, the low and high growth scenarios provided in Table 5 may now be unrealistic and delayed by at least five years. Hence, the low and high growth scenarios for 2017 might not be achieved until 2022.

Table 5. Lincoln County Master Plan Countywide Population Forecasts Assuming Development within the Coyote Springs and Toquop New Community Areas, 2017-2027

Year	Low Growth	High Growth	Change in Growth 5 year increments
2017	8000	75000	15%
2022	10000	125000	60%
2027	12000	165000	75%

Source: Lincoln County Building and Planning, 2006

Note: The Low and High columns are plausible scenarios based on factors including employment, public land disposals, Toquop and Coyote Springs Investments proposed development phasing, economy, market and migration trends.

As the U.S. and Nevada economies continue to recover from the recession and as residential, commercial and industrial growth in southern Lincoln County eventually occur, these developments will stimulate demand for tourist and related services in the northern portion of the County. Regional growth forecasts for the area continue to indicate that demand for highway commercial and other tourist related services could expand in Lincoln County well into the next century. Urban dwellers may find Lincoln County a preferred location to recreate and for

seasonal housing. A seasonal demand for housing is already apparent in northern Lincoln County communities. Prior to the recent economic downturn, immigrants from the Las Vegas area were relocating to all areas of Lincoln County. As the economic recovery continues in 2016, the Coyote Springs new community at the Lincoln/Clark County line, Meadow Valley Industrial Park in Caliente, the Alamo Industrial Park and the Lincoln Business Center in Rachel are likely to be attractive opportunities for small industries in the Las Vegas Valley or southern California looking to expand or small industries looking to locate in the Las Vegas Valley market but unable to do so due to limited and cost prohibitive industrial land availability in the Las Vegas area.

Demographic Characteristics

According to the 2014 American Community Survey, 83.4 percent of Lincoln County residents were White with persons of Hispanic or Latino origin making up the next largest ethnic group at 8.9 percent. Black persons and American Indians made up 2.4 percent and 4.0 percent of the Lincoln County population in 2014, respectively.

The 2014 American Community Survey estimated that 3,299 residents of Lincoln County (or 62.5 percent) were between the ages of 15 and 64, generally considered to represent age group for the labor force. Another 926 residents were 65 years and older (or 17.5 percent), an age group often associated with retirement. The balance of residents of the County (or 20 percent) were identified as being 14 years or younger. The comparable age distribution for the United States population as a whole is 15 to 64, 66.8 percent; 65 years and older, 13.7 percent; and 14 years and younger, 19.5 percent. Consequently, Lincoln County has a smaller percentage of its population which is generally considered to be of working age than does the United States as a whole. This reflects ongoing outmigration of young people from Lincoln County who must leave to pursue higher education and/or employment opportunities.

According to the 2014 American Community Survey results, a higher percentage of Lincoln County residents 25 years of age or older are high school graduates or higher (87 percent) than is true for Nevada as a whole (84.9 percent). However, a higher percentage of Lincoln County residents (23.9 percent) have a bachelor's degree or higher (21.6 percent) than do Nevada residents 25 years or older.

Per capita money income as measured in the American Community Survey in 2014 was \$25,523 dollars for Lincoln County, significantly less than that for Nevada as a whole at \$28,515. Similarly, median household income in Lincoln County at \$40,550 was significantly lower than that for Nevada as a whole at \$52,205. It should be noted that median household incomes for Nevada as a whole and Lincoln County have fallen during the past few years.

Identified Growth Sectors in Lincoln County

The previously noted study, *Lincoln County, Nevada: Targeting Industrial Sector Clusters for Economic Development* (Larmore, Harris and Bonnenfant, 2012) identified major economic growth sectors within the county. The following screening criteria were used to identify sectors that are sufficiently large to have an impact on Lincoln County, as well as those showing a history of growth and expansion. It should be noted, that because of the relatively small size of

the County, some criteria were lowered in order to insure a sufficient number of target sectors is obtained (See Table 6):

1. Number of locations above two (2) in 2011
2. Locations with fifteen (15) or more employees in 2011
3. Employment grew between 2006 and 2011
4. Location quotient (LQ) greater than 1
5. LQ grew between 2006 and 2011
6. Competitive position greater than zero (0) (Shift Share)

Table 6. Growing Industries-Lincoln County, Nevada

NAICS Code	Definition	2011 Locations	2011 Employees	% Empl. Change	2011 LQ	% LQ Change	Competitive Position
1119	Other Crop Farming	4.00	38.67	383.3%	64.16	541.1%	4.10
4451	Grocery Stores	5.00	79.67	26.5%	3.38	28.3%	0.29
4529	Other General Merchandise Stores	2.00	16.00	77.8%	1.09	63.3%	0.70
5171	Wired Telecommunications Carriers	3.00	29.00	26.1%	5.15	36.5%	0.35
6232	Residential Mental Retardation, Mental Health, Substance Abuse Facilities	2.00	124.33	25.6%	19.13	17.5%	0.20
7221	Full-Service Restaurants	4.00	52.67	139.4%	1.19	135.9%	1.39
9211	Executive, Legislative, and Other General Government Support	2.00	165.00	20.4%	5.70	26.0%	0.27
9241	Administration of Environmental Quality Programs	9.00	55.67	32.5%	17.64	36.1%	0.37

Source: *Lincoln County, Nevada: Targeting Industrial Sector Clusters for Economic Development*, Larmore, Harris and Bonnenfant, University of Nevada, Reno, Center for Economic Development, June 2012.

The aforementioned report indicates the following eight sectors were considered growing and expanding within the County between 2006 and 2011 and should be considered for the purposes of targeting business and industry for expansion and/or relocation to the County:

1. Other Crop Farming (Alfalfa Hay, Other Hay, Misc.)
2. Grocery Stores
3. Other General Merchandise Stores
4. Wired Telecommunications Carriers
5. Residential Mental Retardation, Mental Health and Substance Abuse Facilities
6. Full-Service Restaurants
7. Executive, Legislative, and Other General Government Support
8. Administration of Environmental Quality Programs

Since 201, Lincoln County has lost one grocery store (in Pioche); has seen a few new general merchandise stores; experienced the opening and closing of food establishments and saw little if any change in the number of other types of businesses listed above.

Development Projects

Coyote Springs Investment (CSI) is developing the Coyote Springs new community in the area of the Clark County/Lincoln County line along U.S. Highway 93. Lincoln County is poised for significant residential, commercial and industrial growth along its southern border as a result of the Coyote Springs project. Just 40 miles south of Alamo, the 159,000 unit Coyote Springs new community is under construction with the current focus upon water, sewer, electrical, drainage and transportation infrastructure. Two-thirds of the 35,000 acre plus project area is located in Lincoln County. Among the nearest communities to Coyote Springs are Las Vegas and Alamo, both approximately 40 miles via U.S. 93. The planned development includes a variety of housing options, golf courses, resort hotels, commercial centers and industrial sites. Ground was broken and construction began in late 2005 and has continued aggressively, despite the recession, through 2015 on the Clark County side of the project. With the down-turn of the national housing trend beginning in late 2008 and continuing through 2014, residential development work at the CSI project was largely placed on hold. Housing construction is now planned to commence in early 2017. Despite the recession, extensive work has continued on important elements of infrastructure and golf course improvements. Completed infrastructure includes an operating championship 18-hole golf course; water and wastewater treatment facilities; electrical substation; water production wells, transmission lines and storage tanks; and major storm water retention structures. To date in excess of \$300 million has been invested in infrastructure at the Coyote Springs Project.

The **Lincoln County Water District (LCWD)** has secured permits for an initial 1,000 ac. ft. of groundwater rights in the Kane Springs Valley and has obtained from the Bureau of Land Management (BLM) a right-of-way to develop well field and water transmission facilities to deliver water to the Coyote Springs project area. Coyote Springs Investments has rights to up to 80,000 acre-feet of additional groundwater in the region for use at the new community.

Efforts to re-open the **Atlanta Mine** continue, albeit in a subdued manner, by Meadow Bay Gold. Extensive exploration has occurred at the site as has mining and milling design and operations planning. The depressed price of gold and related limitations in access to capital for exploration and mining have slowed progress at the project. Upon completion of permitting and construction of mill facilities the mine is estimated to employ as 300 or more persons LCRDA has assisted Meadow Bay Gold in getting federal legislation introduced into the current session of Congress (H.R. 1815 and S. 953) to amend the Lincoln County Conservation, Recreation and Development Act (LCCRDA) to remove BLM land use constraints in an area of desired mineral exploration and development. H.R. 1815 recently was reported out of the House Natural Resources Committee and is awaiting a vote by the full House of Representatives.

Pursuant to the **Lincoln County Land Act (LCLA)** (Public Law 106-298) passed by Congress in October 2000, 13,500 acres in southeastern Lincoln County were sold in February 2005 for community development purposes. Five individual developers paid a total of \$47,500,000 for the

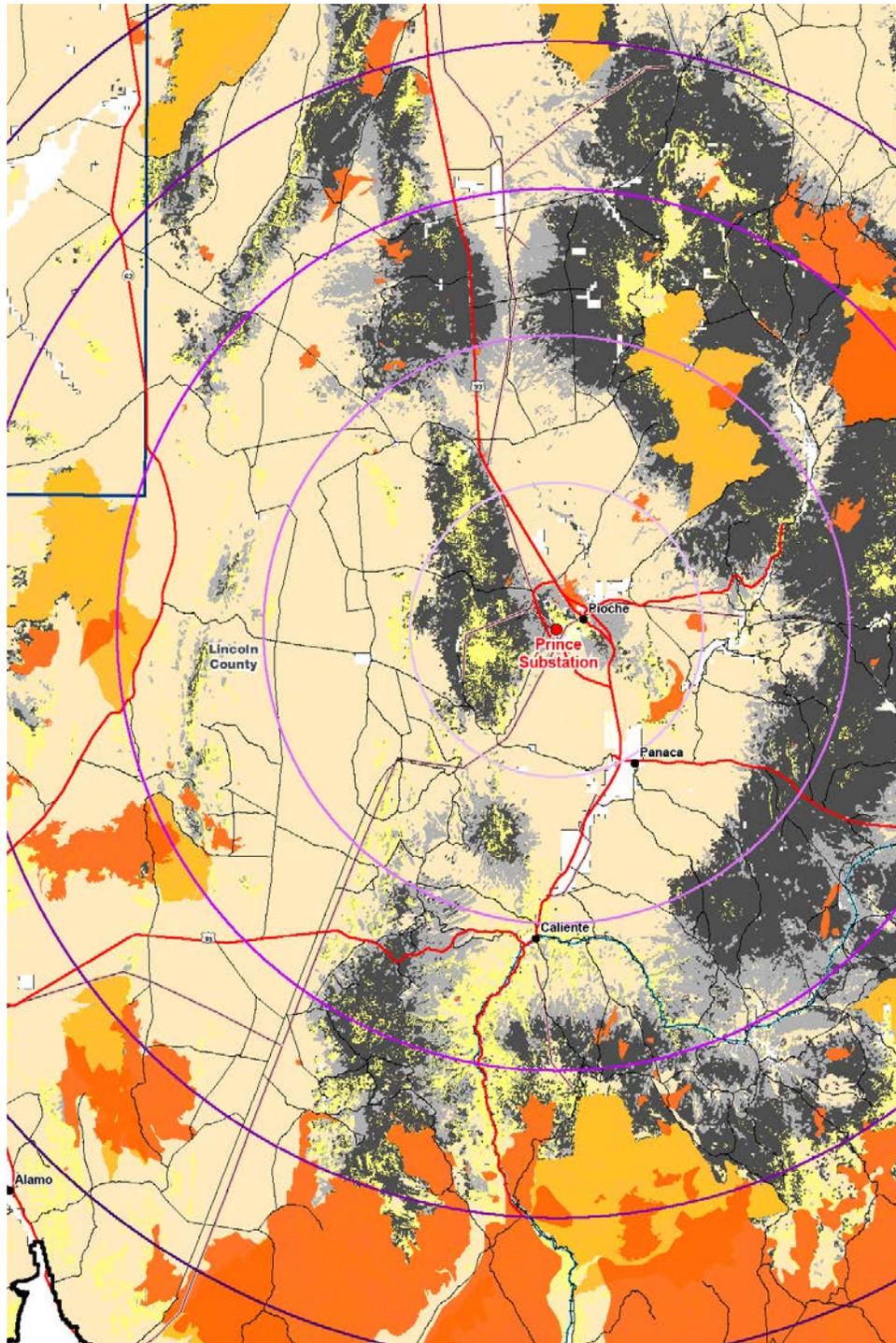
eight parcels auctioned in the sale by the Bureau of Land Management. The Lincoln County Land Act area (otherwise known as the Toquop development area) is located immediately north of the City of Mesquite, which has in the past been one of the fastest growing communities in the United States. It is envisioned that the Toquop area will be developed as a mixed use community including single and multi-family residential, commercial, municipal, industrial, recreation and open space land uses. It is estimated that up to 40,000 residential units could be constructed in the Toquop development area. The State Engineer has approved an initial block of water rights from applications pending before the Nevada State Engineer for nearly 25,000 acre-feet of groundwater to serve the Toquop development area. The BLM has approved rights-of-way for the LCWD to develop groundwater well fields and water transmission facilities required to deliver water from the Tule Valley to the Toquop area.

The recession had placed on hold plans by the various land owners/developers to design and build mixed-use residential communities within the LCLA land area. Recently however, one of the major developers owning land in the area has come before the Board of Lincoln County Commissioners to initiate work on refinements to a development agreement with the County governing development of its mixed-use project. The Bureau of Land Management has granted right-of-ways to the Lincoln County Water District needed to bring water, electricity and natural gas transmission infrastructure into the Toquop development area.

The **Lincoln County Conservation, Recreation, and Development Act (LCCRDA)** (Public Law 108-424) signed into law during November 2004 directs the Secretary of the Interior to sell up to 90,000 acres of federal land in Lincoln County for privatized development initiatives. It is expected the sale and development of these lands will take place over the next 30 years. The act also designated utility corridors in Lincoln County for use by the Southern Nevada Water Authority (SNWA), the Lincoln County Water District (LCWD) and others seeking to bring infrastructure into the Las Vegas metropolitan area and the lands disposed of by BLM pursuant to LCCRDA. In the 2010 Ely Resource Management Plan (RMP) the Bureau of Land Management, in consultation with the Board of Lincoln County Commissioners, identified approximately 57,000 acres of public land, largely adjacent to existing communities in Lincoln County, for disposal through competitive auction. Through 2015 the Board of Lincoln County Commissioners has identified and nominated to BLM approximately 3,000 acres of public land in numerous parcels located proximate to existing communities to be processed for competitive sale by BLM. It is anticipated that annual nominations by Lincoln County of public lands to be sold by BLM pursuant to LCCRDA will occur. The sale of these lands is intended to facilitate community expansion and encourage economic development. The aforementioned H.R. 1815 includes a provision enabling Lincoln County to utilize a portion of its BLM land sale proceeds (the County received 10 percent of all LCLA and LCCRDA land sale proceeds) to fund economic development activities of the Lincoln County Regional Development Authority.

Pinyon-Juniper (P-J) Biomass Industrial Utilization Project - The Bureau of Land Management (BLM) has identified over 700,000 acres of pinyon-juniper (PJ) woodland in Lincoln County, Nevada requiring treatment through thinning or clearing to reduce the threat of catastrophic wildfire; prevent encroachment into sage grouse habitat; improve watersheds and provide other environmental benefits. Biomass resulting from PJ landscape restoration projects

Figure 1. Pinyon and Juniper Woodlands Accessible for Biomass Harvesting Within 50 Miles of Central Lincoln County



Note: Areas of dark coloring represent accessible pinyon and juniper woodlands.
Source: The Beck Group, Biomass Heat and Power Feasibility Study, prepared for Lincoln County, NV and A-Power Energy Generation Systems, Ltd, Portland, Oregon, April 2011.

contemplated in the BLM's Ely Resource Management Plan and related Environmental Impact Statement is estimated at 6 -7 tons per acre. Table 7 depicts the expected yield of biomass from pinyon and juniper thinning projects on Bureau of Land Management administered land within 50 miles of central Lincoln County. The table implies that nearly 5,000,000 tons of biomass resulting from Bureau of Land Management woodland thinning projects may be available for industrial use during the expected 20-30 year implementation period of the Ely Resource Management Plan.

Table 7. Expected Biomass Yield from Pinyon-Juniper Thinning Activities in Lincoln County, Nevada

Distance from Prince Site (mi.)	Phase I 3.5 BDT/AC	Phase II 10.2 BDT/AC	Phase III 20.3 BDT/AC	Within Zone	Cumulative
0 to 10	8,500	17,100	8,500	34,100	34,100
11 to 20	30,700	61,400	30,700	122,800	159,600
21 to 30	82,200	164,300	82,200	328,700	485,600
31 to 40	49,600	99,300	49,600	198,500	684,100
41 to 50	9,500	19,000	9,500	38,000	722,100
Total	180,500	361,100	180,500	722,100	n/a
Harvest	2.6 BDT/AC	5.1 BDT/AC	17.3 BDT/AC	Wtd. Avg.	6.9 BDT/AC

Source: The Beck Group, Biomass Heat and Power Feasibility Study, prepared for Lincoln County, NV and A-Power Energy Generation Systems, Ltd, Portland, Oregon, April 2011.

During FY 2015 LCRDA developed and submitted a Rural Business Development Grant (RBDG) application to USDA Rural Development Administration to enable 1) expansion of the assessment of available biomass within a 50-mile radius of central Lincoln County (see Figure 1) to include the Utah portion of said 50-mile radius and 2) chemical and performance characterization of pinyon and juniper biomass derived from Lincoln County. The RBDG application was selected for funding by USDA. USDA will provided \$15,800.00 in RBDG funding and LCRDA is providing \$3,950.00 in matching funds to complete the scope of work. LCRDA has contracted with The Beck Group of Portland, Oregon to complete the pinyon and

juniper availability assessment and Idaho National Laboratory/Battelle Energy Alliance to complete the chemical and performance characterization of pinyon and juniper biomass. The work is scheduled to be completed in late March 2016.

LCRDA staff continued coordination with BLM Ely District staff in their review of a proposed Stewardship Agreement between the Authority and BLM regarding the treatment of up to 10,000 acres of Pinyon-Juniper biomass annually and the related disposition of the approximate 70,000 bone dry tons of biomass derived from said treatments. Also during 2015, LCRDA staff work closely with staff to Congressman Crescent Hardy and Senators Reid and Heller to have introduced and processed federal legislation to amend the Lincoln County Land Act and Lincoln County Conservation, Recreation and Development Act to enable land sale proceeds to be expended by the BLM to plan, permit, administer, implement and monitor PJ dominated landscape restoration projects consistent with the Ely Resource Management Plan. As a result, H.R. 1815 was introduced into the U.S. House of Representatives and S. 953 was introduced into the U.S. Senate. A hearing on H.R. 1815 was held before the House Natural Resources Subcommittee on Federal Lands on November 4, 2015 and the bill was reported out of the full House Natural Resources Committee by unanimous consent on February 3, 2016.

During 2015 LCRDA staff attended the International Biomass Conference held in Minneapolis during which several meetings with companies looking for biomass feedstock were held to introduce them to the pinyon and juniper biomass available in Lincoln County. LCRDA staff remain in contact with several of said companies which remain interested in the possibility of developing biomass utilization projects in Lincoln County. Passage of the aforementioned federal legislation (H.R. 1815 and/or S. 953) and execution of the aforementioned Stewardship Agreement by BLM and LCRDA (which in BLM's case is contingent upon passage of H.R. 1815 and/or S. 953) are issues of interest to companies interested in developing biomass utilization projects in Lincoln County.

As mentioned previously, environmental permitting on the proposed 1,100 MW natural gas-fired **Toquop Energy power plant** is nearly complete. During 2015, LCRDA staff continued to work with owners of the project permits to identify off takers for electricity to be generated by the project as well as a developer to fund, construct and operate the project.

Throughout 2015, the Obama Administration and the U.S. Department of Energy (DOE) maintained their decision to withdraw the application for a license to construct the **Yucca Mountain geologic repository** for spent nuclear fuel at Yucca Mtn. in neighboring Nye County. In conjunction with the Yucca Mountain repository, DOE had proposed to construct and operate a rail line originating near Caliente and running across Lincoln County to serve the proposed repository site. In its Record of Decision, DOE had selected shared-use by commercial rail traffic as a use for the proposed Caliente Rail Alignment. Collectively, construction and operation of the Yucca Mountain nuclear waste repository system, including transportation, had been expected to result in hundreds of construction and dozens of operations jobs in Lincoln County. The Administration's decision was challenged through litigation by several states and local governments which have relied on the proposed Yucca Mountain Project to dispose of nuclear waste currently stored or expected to be generated within each state. A decision by the U.S. Court of Appeals for the District of Columbia on the Yucca Mountain licensing related lawsuits

was issued during late 2013 which ordered the Nuclear Regulatory Commission (NRC) to restart the Yucca Mountain licensing proceeding. As a consequence, the NRC has re-initiated work on the licensing processing but without further appropriations from the Congress will not have enough funding to complete the process which will likely be suspended by NRC due to lack of funds again during 2016. Given uncertainty regarding the future of the Yucca Mountain project no date as to when construction of the rail line and related facilities could begin is known.

The On-Line transmission line passes immediately to the eastern edge of the 25,000 acre **Dry Lake Valley Solar Energy Zone (SEZ)** designated in 2012 by the BLM. The proximity of the On-Line transmission line to the Dry Lake Valley North SEZ is anticipated to facilitate utility-scale solar PV development with the SEZ. During FY 2015 LCRDA assisted the Board of Lincoln County Commissioners in reviewing and providing comments to a Department of Interior proposed federal rule addressing how land in the Dry Lake Valley North SEZ and other BLM-designated SEZ's would be competitively leased. LCRDA staff also assisted the Board of Lincoln County Commissioners in reviewing and providing comments to a draft Regional Mitigation Strategy developed by BLM for the Dry Lake Valley North SEZ.

During FY 2015, **Vanatta Worldwide** continued efforts to develop and finance a proposed waste-to-energy project to be located in Caliente. The firm is proposing to develop and operate a 3 to 6 megawatt electrical and thermal energy generation facility which would utilize both municipal solid waste from Caliente and pinyon-juniper biomass as feedstock. Recently, Vanatta announced it had secured funding to develop the proposed project and that it had incorporated an operating unit of its business in Nevada to develop the project in Caliente. Work on project design and permitting is expected to proceed during the balance of 2016.

Key Economic Development Activities during FY 2015

- Coordinate with Coyote Springs staff and others to develop and submit site proposals to the Governor's Office of Economic Development regarding Project Blaze, Project M and Training Facility.
- Organize and lead tours of Lincoln County industrial sites and biomass resources for representatives of Quantum Energy and E2G.
- Procured and shipped samples of Lincoln County derived pinyon and juniper wood chip samples to Abengoa in Spain for analytical testing.
- Preparation and submission to the BLM of a proposed Stewardship Agreement between LCRDA and the BLM regarding thinning of up to 10,000 acres of pinyon and juniper biomass annually producing approximately 70,000 tons of biomass for industrial use.
- Continued close coordination with the Nevada Pinyon Juniper Partnership.
- Review and provision of draft comments to the Board of Lincoln County Commissioners regarding BLM's proposed federal rule regarding competitive leasing of lands within solar energy zones and a proposed Regional Mitigation Strategy for the Dry Lake Valley north Solar Energy Zone.
- LCRDA Executive Director participated in July 17, 2014 Nevada Pinyon Juniper Partnership Conference as invited panelist.
- Planning and participation in September 15, 2014 Procurement Outreach Workshop held in conjunction with Nevada Governor's Office of Economic Development staff.

- Apply for and manage \$8,000.00 RBEG grant awarded by USDA RDA to LCRDA for evaluation of interconnection costs to existing Lincoln County Power District #1 electrical substations.
- Manage contractor preparation of USDA RBEG and LCRDA funded evaluation of the costs of interconnecting to existing Lincoln County Power District #1 electrical substations.
- Participate in December 3-4, 2014 GOED Regional Development Authority retreat.
- Design and implementation of an email-blast/direct mail marketing campaign focused primarily at small California manufacturing firms.
- Preparation of the 2013 Annual Update of Lincoln County Comprehensive Economic Development Strategy (CEDS).
- Provision of a \$15,000.00 grant to the City of Caliente to assist with funding of the planning and design of a 50-mile plus mountain bike trail system in and around Caliente.
- Arranging and participation by LCRDA Executive Director in February 11-12, 2015 meetings in Washington, DC with members and staff of Nevada's congressional delegation to discuss legislation amending LCLA and LCCRDA.
- LCRDA Executive Director attendance at the April 21-22, 2015 International Biomass Conference in Minneapolis.
- Coordination and hosting of a May 27-28, 2015 tour of Lincoln County and meetings with elected and appointed officials for staff of the Nevada Governor's Office of Economic Development.
- Executive Director participation in the Desert Research Institute May 12, 2015 Biochar Field Day.
- Contract for and manage development of a new LCRDA logo.
- Contract for and manage development of a new LCRDA website.
- Servicing of 18 LCRDA awarded Building Lincoln County Revolving Micro Loans. During FY 2015 six loans were repaid entirely and four loans were restructured.
- Preparation and submission of quarterly reports to the Nevada Governor's Office of Economic Development.
- Preparation and submission of quarterly reports to the U.S Department of Agriculture's Rural Development Administration.
- Assistance to various industrial prospects considering Lincoln County including:
 - Community Energy
 - First Choice Green Solutions
 - Biocompacter
 - Abengoa
 - Quantum Energy
 - Pegasus Energy
 - E2G
 - Soventix
 - Window Peak Trace Minerals
 - SynSel
 - Biogas Equity 2, Inc.
 - Enginiuty Worldwide
 - Forest Concepts

- Agri Recycle
- The Earth Partners
- Dedicated to You
- Participation in various meetings with BLM staff and review and comment preparation on documents regarding the Dry Lake Valley North Solar Energy Zone.
- LCRDA staff coordinated with owners of private industrial sites in Lincoln County regarding industrial marketing and sites for industry leads.
- LCRDA management of contractor initiatives to design a new LCRDA logo and to design and launch a new LCRDA website.
- The LCRDA Executive Director attended the October 19-22, 2014 International Economic Development Council's Annual Conference in Fort Worth, Texas.
- LCRDA staff continued to meet with various local existing business owners/managers to identify operating constraints and expansion opportunities.
- LCRDA provided funding to and LCRDA staff continued its coordination with the University of Nevada Small Business Development Center (SBDC) small business training staff to coordinate provision of small business training in Lincoln County.
- LCRDA Executive Director participated in numerous regularly scheduled teleconference calls with NCED staff and other rural development authority Executive Directors.
- Preparation of the 2013 Lincoln County Comprehensive Economic Development Strategy Annual Report and submission of same to the U.S. Economic Development Administration.
- LCRDA staff provided fulfillment of information requested by industrial leads.
- During FY 2015, the Lincoln County Regional Development Authority Board of Directors met on the following dates:
 - July 14, 2014
 - August 25, 2014 (via teleconference)
 - September 15, 2014
 - October 27, 2014 (via teleconference)
 - November 24, 2014
 - January 6, 2015 (via teleconference)
 - February 2, 2015
 - March 9, 2015 (via teleconference)
 - April 13, 2015
 - May 18, 2015 (via teleconference)
 - June 15, 2015
- Lincoln County continued to provide financial administration of all LCRDA funds. Pursuant to Nevada Revised Statute, Lincoln County's outside auditor completed the audit of County administered funds (including all LCRDA monies which are administered by Lincoln County) for FY2015.

Effectiveness in Meeting Program Goals

A description of the extent to which implementation goals contained within the Lincoln County Comprehensive Economic Development Strategy were met follows.

Devise a County-wide Economic Development Organization: LCRDA continues to effectively serve Lincoln County and the City of Caliente as a regional economic development authority and continues to be recognized as such by the Nevada Governor's Office of Economic Development. The LCRDA Board of Directors met 11 times during FY 2015 and on various occasions met with industrial leads touring Lincoln County

Document and Communicate Inter-jurisdictional Dependencies: During FY 2015, LCRDA continued as a source of information to the Desert Southwest Brownfields Coalition. LCRDA staff also continued coordination with staff to the Mesquite Business Alliance and the Las Vegas Global Alliance for Economic Development regarding regional economic development. LCRDA also continued work with BLM to identify and capitalize upon economic development opportunities associated with public land in Lincoln County. **Continued efforts to identify and capitalize on regional benefits and inter-regional cooperation and are needed.**

Identify Appropriate Benefit Sharing Strategies: LCRDA continued work to identify procurement opportunities for Lincoln County vendors with the Department of Energy (DOE), the United States Air Force (USAF), the Bureau of Land Management (BLM) and their contractors. LCRDA staff assisted GOED staff in planning and holding a procurement workshop in Caliente. Continued procurement outreach activities of LCRDA are focused primarily at assisting existing businesses. Lincoln County was re-designated by the U.S. Small Business Administration in early FY 2015 as a HubZone area owing to the high unemployment and low income levels in the County. Lincoln County is one of only six Nevada counties designated as SBA HubZone areas in FY 2015. LCRDA efforts were continued to identify additional Lincoln County businesses which might become SBA HubZone certified.

In the past LCRDA has also assisted the City of Caliente in engaging representatives of the Southern Nevada Water Authority (SNWA) in discussions regarding location of SNWA water project development and maintenance facilities in Caliente. **Continued coordination with SNWA is required. Identification and pursuit of other benefit sharing opportunities and strategies continues to be needed.**

Evaluate Feasibility of Utilizing Pinyon-Juniper as a Feedstock for Industrial Activities: LCRDA has overseen preparation of two studies in recent years evaluating the feasibility of developing pinyon-juniper biomass-fired electrical power plants at sites in northern and southern Lincoln County. While the studies have suggested potential feasibility, constraints to obtaining long-term stable supplies of required quantities of biomass from public lands in Lincoln County remain an issue. In addition, industries have had questions regarding the costs of interconnecting to existing electrical substations; the chemical and performance characteristics of pinyon and juniper and the availability of funding to enable BLM to undertake landscape scale thinning of woodlands in Lincoln County. In response to these concerns, LCRDA applied for and was awarded a USDA Rural Business Enterprise Grant to enable retention of a contractor to estimate the costs of interconnecting to existing electrical substations in Lincoln County. This study was completed in late FY 2015 and LCRDA has used these study results in subsequent meetings with biomass using industries. **Continued work to identify industrial users of, and to secure the long-term availability of, biomass derived from public lands for use by industry in Lincoln County is required.**

Construct Improvements for Alamo Industrial Park: Lincoln County, Lincoln County Power District No. 1, Alamo Power District and LCRDA have previously supported cost-sharing agreements for 1) an engineering evaluation of the infrastructure needs and costs to provide electrical service to the Park; 2) an environmental study to complete requirements of the Bureau of Land Management to process an application for right-of-way to enable construction of electrical infrastructure to serve the Park; and 3) engineering design and updated infrastructure cost estimates for the Park. **Further work is needed to 1) identify and apply for grant funding, such as EDA Infrastructure funding and/or 2) develop a Request for Proposals regarding exchange of Phase I construction services for Phase I land needs to be developed and issued for the Alamo Industrial Park.**

Final Design and Construction of Union Pacific Mainline Siding and Trans-loading Improvements for the Meadow Valley Industrial Park: Funding for this activity has not been obtained. **Funding partnerships with Union Pacific Railroad and other state/federal entities to develop rail spur/transloading capabilities at the Meadow Valley Industrial Park are required. Following completion of Phase I engineering and construction drawings, development of funding/development partnerships with state/federal entities and/or private construction firms is needed.**

Develop Industrial Marketing Strategies: The Authority continues to evaluate the need for and to design and implement targeted industry marketing efforts for the Alamo Industrial Park, Coyote Springs industrial sites; Lincoln Business Center and Meadow Valley Industrial Park. Through June 30, 2015, LCRDA had undertaken seven such marketing initiatives which collectively have resulted in more than 76 leads. To date, no business expansion or relocation to Lincoln County sites has resulted from said marketing campaigns. One such marketing initiative was undertaken during FY 2015 resulting in 11 leads but no industry expansions/relocations to Lincoln County. Also during FY 2015, the Authority Board of Directors elected to shift its marketing focus from targeting specific industry types in California with email blast/direct mail marketing campaigns to attendance at select trade shows in which meetings with attending representatives of select industries are arranged in advance of each conference. During FY 2015, the LCRDA Executive Director attended the International Biomass Conference in Minneapolis at which meetings were held with staff of 11 biomass industries

Also during FY 2015, LCRDA retained a vendor which created the new LCRDA logo and designed and launched the new LCRDA website. LCRDA also sought and was granted approval by USDA Rural Development Authority to utilize remaining RBEG funds to attend the Solar Power International Conference in Anaheim in September 2015 and the International Biomass Conference in Charlotte, North Carolina in April 2016. LCRDA staff do however continue to be in contact with industrial leads identified during previous marketing initiatives. **Continued development and implementation of marketing strategies for the Meadow Valley Industrial Park; Alamo Industrial Park; Lincoln Business Center; Coyote Springs industrial sites; Western Elite industrial sites as well as other industrial and renewable energy project sites such as the Dry Lake Valley North Solar Energy Zone in Lincoln County is needed.**

Pursue Grant Funding to Facilitate Design and Construction of High-Priority Community Infrastructure Needs: Continuation of this initiative is required.

Strategy for FY 2016

LCRDA has reviewed economic conditions, goals and strategies outlined in the original 1999 Lincoln County CEDS. The LCRDA board has made recommendations for new goals and strategies for FY 2014, which are documented in this report. This 2015 Annual Report was reviewed and adopted by LCRDA, the City of Caliente and the Board of Lincoln County Commissioners.

Leadership Development

Planned Inputs/Activities

- LCRDA will continue to retain a highly qualified Executive Director whom has been recognized by the International Economic Development Council as a Certified Economic Developer (CEcD).
- The nine-member LCRDA Board of Directors will continue to volunteer their time to oversee and provide strategic guidance to the activities undertaken by the Authority.
- LCRDA will make semi-annual presentations to the Board of Lincoln County Commissioners and to the Caliente City Council on the economic development activities of the Authority.
- The LCRDA Executive Director will attend at least one International Economic Development Council Conference.
- LCRDA will maintain an Investor Partnership Program to secure private funding and engage private firms in the activities of LCRDA.
- LCRDA will provide at least one press release describing Authority initiatives to the Lincoln County Record each quarter.

Desired Outputs/Outcomes

- LCRDA will be run professionally.
- The credibility and effectiveness of LCRDA economic development initiatives will be enhanced.
- LCRDA activities and priorities will be informed through the counsel of key business and community leaders.
- LCRDA will be the central point of contact for GOED, other agencies and the public for economic development services and information within Lincoln County and the City of Caliente.
- Members of the Board of Lincoln County Commissioners and the Caliente City Council will better understand the local economic development process, initiatives and outcomes.
- Support for LCRDA economic development initiatives among members of the Board of Lincoln County Commissioners and Caliente City Council members and others in the County will be enhanced.
- LCRDA's stable of Corporate Partners will be increased to 5 or more.
- Total funds provided by Corporate Partners will be increased to \$5,000.

Workforce Development

Planned Inputs/Activities

- Coordination with Department of Employment, Training and Rehabilitation (DETR)
- Coordination with Lincoln County School District staff.
- Coordination with Governors Office of Economic Development (GOED) Train Employees Now (TEN) program staff.
- Coordination with major employers in the County to identify employee retention, attraction and training needs, opportunities and constraints.
- Assist other parties to implement recommendations in 2009 Lincoln County Labor Market Survey Report.

Desired Output/Outcomes

- Identification of labor requirements and issues at major Lincoln County employers.
- Identification of workforce training services and other technical support available through DETR, the Lincoln County School District and GOED.
- Accurate characterization of existing Lincoln County labor market conditions.
- Reduced unemployment rate in Lincoln County.
- Local availability and provision of workforce training/education opportunities.

Community Capacity Building

Planned Inputs/Activities

- Identification of technical assistance and infrastructure grant opportunities.
- Development, submission and defense of technical assistance and infrastructure grant applications.
- Coordination with Bureau of Land Management to finalize mitigation planning for the Dry Lake Valley North Solar Energy Zone (SEZ).
- Coordination with Lincoln County, Lincoln County Power District #1, Alamo Power District #3, Alamo Sewer and Water GID, and the Town of Alamo regarding continued development, parceling and infrastructure development within the Alamo Industrial Park.
- Coordination with the City of Caliente regarding further infrastructure development at the Meadow Valley Industrial Park.
- Coordination with the Bureau of Land Management to encourage long-term pinyon-juniper thinning contracts.
- Coordination with SNWA regarding location of water project related facilities in Lincoln County.
- Continued coordination with Nevada's congressional delegation to secure passage of HR 1815 and S. 953, Lincoln County Commission requested amendments to the Lincoln County Land Act and the Lincoln County Conservation, Recreation and Development Act authorizing BLM to utilize land sale proceeds to plan and implement pinyon-juniper thinning projects in Lincoln County; remove land use constraints facing the Meadow Bay Gold Company at the Atlanta Mine site; and enable Lincoln County to use LCLA/LCCRDA land sale proceeds to fund economic development activities.

- Encourage the Board of Lincoln County Commissioners and the Caliente City Council to nominate approximately 3,000 acres of BLM administered land annually for disposal pursuant to the Lincoln County Conservation, Recreation and Development Act.

Desired Output/Outcomes

- Enhanced understanding of and greater level of participation in economic development activities by County officials, existing business owners/managers, land owners and others in Lincoln County.
- Adoption by LCRDA, the City of Caliente and the Board of Lincoln County Commissioners of a 2016 Comprehensive Economic Development Strategy (CEDS) Annual Report.
- Reaffirmation by the Economic Development Administration as to Qualification of Lincoln County and the City of Caliente to receive EDA Technical Assistance and Infrastructure Grants
- Award of one or more economic development related technical assistance or infrastructure grants applied for by LCRDA, Lincoln County and/or the City of Caliente.
- Parceling and infrastructure development within the Alamo Industrial Park.
- Identification of funding sources for development of rail siding and rail-to-truck transloading capability at the Meadow Valley Industrial Park.
- Agreement by BLM to enter into a long-term Stewardship Agreement with LCRDA for thinning of up to 10,000 acres of pinyon-juniper woodlands annually in Lincoln County.
- Commitments from developers of major utility infrastructure such as SNWA to locate support facilities in Lincoln County.
- Identification of markets for Lincoln County derived biomass and agricultural products.
- Increased flow of economic and fiscal benefits from DOE and DOD facilities into Lincoln County.

Existing Business Development

Planned Inputs/Activities

- Continue LCRDA funding to University of Nevada Small Business Development Center for assistance to entrepreneurs in Lincoln County.
- Continued servicing of outstanding Building Lincoln County Revolving Micro Loan Fund loans.
- Coordination with SBA to ensure that Lincoln County maintains its designation as an SBA designated HubZone area.
- Cooperate with GOED and SBA in planning and holding a procurement outreach forum for small Lincoln County businesses
- LCRDA assistance to entrepreneurs interested in becoming SBA HubZone certified.
- Coordination with University of Nevada Cooperative Extension staff regarding entrepreneurial opportunities for agricultural and horticultural products sales.
- Coordination with developers of Coyote Springs regarding opportunities for Lincoln County entrepreneurs to develop businesses to supply products and services supporting development at Coyote Springs.

- Meetings with existing business owners/managers to identify existing operating constraints and opportunities.
- Meetings with managers and procurement staff of DOE and DOD prime contractors to encourage use of Lincoln County vendors at Nellis Air Force Base and Nevada National Security Area (formerly Nevada Test Site).

Desired Outputs/Outcomes

- Enhanced decision-making by local entrepreneurs.
- Start-up of 2-3 new small businesses in Lincoln County.
- Awareness among entrepreneurs of opportunities to supply developers of projects in Lincoln County with products and services.
- Servicing of approximately \$20,000.00 in outstanding micro loans made by LCRDA to 5 small businesses in Lincoln County.
- Increased sales by Lincoln County businesses to federal agencies operating within the County.
- Reduced number of small business failures in Lincoln County.
- Increased number of small business expansions in Lincoln County.

Recruiting

Planned Inputs/Activities

- Coordination with GOED regarding leads and prospect/client portfolios.
- Continued development of targeted industry contact lists for the following sectors:
 - Small California manufacturers
 - Utility scale solar energy developers
 - Small-diameter logging/woodland thinning
 - Small-diameter biomass-based wood products
 - Biomass energy developers
 - Biofuels
 - Biochemicals
- Update marketing collateral materials as required (brochures/fact-sheets).
- Design and implementation of multiple marketing strategies to attract small manufactures, biomass industries, solar developers and geothermal developers to Lincoln County.
- Contract for targeted marketing campaign(s).
- Participation in select regional trade-shows.
- Lead management/follow up/information fulfillment.
- Site and other visits with clients.
- Assistance to clients with local, state and federal permitting agency coordination.
- Assistance to clients in developing and defending applications for GOED incentives.

Desired Outputs/Outcomes

- LCRDA targeted industrial marketing initiative(s) fully integrated with and informed by GOED marketing initiatives.
- Increased number of GOED generated leads with interest in Lincoln County.
- Increased number of LCRDA generated leads.

Regional Development Initiatives

Planned Inputs/Activities

- Coordination with Mesquite Business Alliance and Las Vegas Global Alliance for Economic Development (LVGAED) regarding development of the Lincoln County Land Act (LCLA) and Coyote Springs areas.
- Coordination with NV Energy, Clark County, City of North Las Vegas, City of Henderson and LVREDA regarding development of California Integrated System Operator (CALISO) certified electrical transmission between Coyote Springs and NV Energy's El Dorado Substation.
- Coordination with the Nevada Pinyon-Juniper Partnership and White Pine County regarding industrial utilization of pinyon-juniper biomass derived from Bureau of Land Management lands.
- Coordination with LVGAED, Clark County and Nye County regarding retention/expansion of Department of Energy missions at the Nevada Test Site and the Department of Defense missions on the Nellis Testing and Training Range; the Nellis Bombing and Gunnery Range and at the Groom Lake Operating Area.
- Coordination with major casino/hotel establishments in the Las Vegas area to enhance market opportunities and demand for agricultural products and food products produced in Lincoln County.
- Coordination with GOED and representatives of Faraday Future regarding the provision of employee housing and siting of cluster industries at Coyote.

Desired Outputs/Outcomes

- Establishment of a cooperative initiative with Mesquite Business Alliance and Las Vegas Global Alliance for Economic Development for marketing development opportunities in the LCLA and Coyote Springs areas.
- Initiation of planning for the Coyote Springs to El Dorado Substation transmission project.
- Identification of purchasers and increased demand for biomass derived from public land in Lincoln County.
- Purchases by major casino/hotel establishments in the Las Vegas area of agricultural products and food products produced in Lincoln County.
- Increased employment of Lincoln County residents at the Nevada National Security Area; Nellis Testing and Training Range; the Nellis Bombing and Gunnery Range and at the Groom Lake Operating Area.

Program Management/Administration

Planned Inputs/Activities

- Monthly meetings of the LCRDA Board of Directors.
- Quarterly reporting to Nevada Governor's Office of Economic Development (GOED).
- Lincoln County administration of LCRDA funds.
- Quarterly reporting to USDA Rural Development Administration.
- Lincoln County will include audit of LCRDA within annual County audit.
- LCRDA will develop, negotiate and administer contracts for professional services and technical assistance.

- LCRDA agendas posted pursuant to Open Meeting Law.
- LCRDA agendas provided to GOED.
- LCRDA meeting minutes provided to GOED.

Desired Outputs/Outcomes

- Increased public awareness of LCRDA meetings and activities.
- Fiscal accountability and openness.
- Compliance in fulfilling GOED contract requirements.
- Effective contractor/project management.