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Office of Governor Steve Sisolak

February 25, 2022

The Honorable Gina M. Raimondo
Secretary
U.S. Department of Commerce
1401 Constitution Ave, NW
Washington, DC 20230

RE: FY 2021 American Rescue Plan Act Build Back Better Regional Challenge Notice of Funding Opportunity EDA-HDQ-ARPBBB-2021-2006976- Phase II

Dear Madam Secretary:

It is my pleasure to write in support of the Las Vegas Global Economic Alliance (LVGEA) and the Southern Nevada's Build Back Better Coalition's grant proposal. I commit to providing the availability of my Governor's Office of Economic Development (GOED), cabinet and applicable resources at their disposal for Phase II of this funding opportunity.

The Silver State was hit hard by the Coronavirus Pandemic. At its height, unemployment was nearly 30% and Nevada's tourism industry, 23% of the state's economy, was greatly affected by the drop in visitor volume. Further, communities of color, still not recovered from job losses during the Great Recession, were disproportionately hit again during the pandemic. African American and Latino populations had the highest unemployment rates during and following the Great Recession, and jobs lost during the pandemic were heaviest in gaming and hospitality, where members of diverse racial and ethnic groups are employed in disproportionately higher rates (Impact of COVID-19 on Communities of Color in Nevada, The Guinn Center).

Thanks to the coordination of entities and leaders across the state, recovery has been swift. The unemployment rate has dropped to 6.4% and activities that came to a standstill are once again moving. However, recovery is incomplete. Nevada has been susceptible to economic downturns in the past most recently during the Great Recession, and it still has one the highest unemployment rates in the country.

Our State economy is still heavily reliant on tourism and the development of diverse, high-skill sectors are nascent and require further development in order for them to flourish.

Despite historic impacts of economic downturns, there is immense opportunity for southern Nevada. In its *Manufacturing Career Cluster Occupational Mapping*, my GOED predicts 73,144 manufacturing jobs in the Las Vegas area by 2025- a five-year growth of 6.6%, where the predicted U.S. growth is only 2.2%. The region is also geographically well situated. Las Vegas is part of the ‘Southwest Triangle megapolitan cluster,’ which includes Southern California and Arizona’s ‘Sun Corridor’ megapolitan area (Phoenix and Tucson). Together these regions now contain about 34 million people and form the second most populous megapolitan cluster behind the ‘Northeast Megalopolis.’

Immediate and long-term efforts to recover and reimagine Nevada’s economy will be completed through collaborative efforts between state and local leaders, stakeholders from the business community, higher education, and workers. Nevada’s recovery effort align with the EDA investment priorities of equity, recovery and resilience, workforce development and manufacturing, establishing a strong foundation for this application.

In summary, your support of this grant request will help transform, strengthen, and diversify the economy of southern Nevada, where over 70% of the population resides; will assist our most populous region in accessing high-quality jobs and increased wages; and will build economic diversity and resiliency to mitigate impacts of future economic disasters as well as recover from this pandemic.

I thank you for your office’s consideration of this request.

Sincerely,



Governor Steve Sisolak
State of Nevada

cc: John Edmond, EDR
Carleen Herring, EDR