

**A SUMMARY OF THE APRIL 17, 2015 LYON COUNTY LOCAL
GOVERNMENT SUMMIT**



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1.0 Executive Summary

Overview

On April 17, 2015, representatives from Lyon County, the Dayton area, the City of Fernley, the Silver Springs area, the City of Yerington, the Lyon County School District, and representatives from various public agencies within the county came together for a day-long Lyon County Local Government Summit facilitated by faculty from the University Center for Economic Development and the Bureau of Business and Economic Research located within the College of Business at the University of Nevada, Reno. The summit began a discussion on strategy development for the county and various local governments located throughout Lyon County in order to manage and prepare for the potential impacts of new economic growth.

Major economic development projects such as the Tesla Gigafactory located in adjacent Storey County and the Nevada Copper project in southern Lyon County represent strategic economic development opportunities for the county and the county's various local communities. As a whole, Lyon County continues to slowly recover from the impacts of the Great Recession of 2008 and 2009 and these projects, along with general recovery, could instantaneously transform the county's social, cultural and economic profile.

Despite an already fairly diversified economic base, many key indicators of overall economic performance suggest that Lyon County's recovery from the Great Recession has been slower than the state of Nevada in general and slower than the recovery currently being experienced in neighboring counties. Compounding this problem is the observation that overall economic recovery has not been even throughout the county. For example, the number of occupied housing units in the City of Fernley and the county as a whole grew at a rate significantly faster than the rate of growth for occupied housing state-wide or in the Silver Springs area and in the City of Yerington between 2000 and 2010. However, the rate of vacant houses units in the City of Fernley grew dramatically between 2000 and 2010, increasing by 229.9 percent while the number of vacant housing units in the Silver Springs area grew by 94.1 percent, by 31.4 percent in the City of Yerington, by 115.3 percent for all of Lyon County, and by 119.6 percent for the state of Nevada between 2000 and 2010.

Growth in median household income and median family income in the period between 2010 and 2013 in Fernley, the Silver Springs area, Yerington, and across all of Lyon County further demonstrates this uneven pattern of recovery. Between 2010 and 2013, median household income declined by 0.6 percent and median family income declined by 7.7 percent in Fernley. Median household income declined by 18.5 percent and median family income declined by 15.1 percent in the Silver Springs area between 2010 and 2013 while median household income grew by 10.3 percent and median family income grew by 12.0 percent in Yerington over the same period. County-wide, median household income declined by 4.7 percent between 2010 and 2013

and median family income declined by 5.7 percent between 2010 and 2013. Comparatively, median household income for the entire state of Nevada declined by 5.3 percent and median family income declined by 4.5 percent between 2010 and 2013.

Relative to the state of Nevada, the unemployment rate of Lyon County between 2003 and 2013 demonstrates the difficulty Lyon County has had in recovering from the impacts of the Great Recession of 2008 and 2009. Lyon County's peak unemployment rate during this period was 19.7 percent (in 2010 and 2011). The state of Nevada's peak unemployed rate during this period was 14.2 percent (in 2011). Between 2003 and 2013, Lyon County's average annual unemployment rate was 12.4 percent, increasing at an average annual rate of 10.7 percent per year. Comparatively, between 2003 and 2013, the state of Nevada's average annual unemployment rate was 8.4 percent, increasing at an average annual rate of 8.5 percent.

For the most part, Lyon County's residential population is also aging faster than that of the state of Nevada as a whole. Between 2000 and 2010, the median age for all of Lyon County increased from a median age of 38.2 in 2000 to a median age of 40.9 in 2010, a percentage increase of 7.1 percent. Comparatively, between 2000 and 2010, the median age for the entire state of Nevada increased from a median age of 35.0 percent in 2000 to a median age of 36.3, a percentage increase of just 3.7 percent. The continued aging of the Lyon County residential population may also lead to a shift in the types of services the county's residential population demands from various public agencies. This shift may also impact the revenue streams of local jurisdictions within the county and the ability of individual jurisdictions to fund the provision of new public services.

The April 17, 2015 Lyon County Local Government Summit provided representatives of the public sector from across Lyon County the opportunity to examine these demographic and socio-economic trends and begin the process of developing strategies the county and the county's various local jurisdictions could begin to develop and implement. While this report and the results of the April 17, 2015 Lyon County Local Government Summit do not provide any definitive solutions to address these changing demographic and socio-economic pressures, this report will hopefully provide policy makers, economic development professionals, government executives, and the public a useful outline as they begin to develop, implement, and administer new policies and strategies designed to capture the benefits of growth while minimizing its potential negative impacts.

2.0 Evaluation of Possible Strategies

Participants of the April 17, 2015 Lyon County Local Government Summit were asked to complete a general evaluation of their community pertaining to the community's overall support of growth and the potential impacts of future growth. This section presents a summary of this evaluation and can be used to help narrow the range of potential strategies policy makers, economic development professionals, and government executives may choose from in order to manage the anticipated growth of the county and the county's various local communities.

2.1 Evaluating the Community

Workshop participants were initially asked to answer eight questions as part of the community assessment developed by Steven G. Koven and Thomas S. Lyons for the International City-County Manager's Association. The results of this assessment are presented here.

- Is the community generally supportive or antagonistic toward business interests and growth? Why?

In general, workshop participants indicated that the community is generally supportive toward business interests and growth. Several participants did indicate that in some cases, the public may verbally support business interests and growth but then resist and become antagonistic toward growth if that growth represents excessive change and a general disruption to an expected quality of life.

The presence of a "Not In My Back Yard", or NIMBY, ideology was also noted by workshop participants. Although the public may support business interests and growth that lead to the creation of new jobs and employment opportunities, many residents oppose new development and growth in their immediate community or neighborhood.

- Is the community generally supportive or antagonistic toward government programs and initiatives? Why?

Workshop participants also indicated a mix of support and antagonism within the community toward government programs and initiatives that could support further growth and development. While workshop participants almost unanimously supported the conclusion that the public is generally supportive of new job and employment creation and even workforce development programs, the public may become antagonistic of new government programs designed to support growth if these programs represent a new cost that the community may have to ultimately fund.

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- What types of programs do residents generally support – redistributive programs or development programs? Why?

Most workshop participants generally indicated that the public has historically supported and would continue to support developmental-oriented programs. Workforce development programs, designed to improve the skill set of individual workers, infrastructure projects, and small business and entrepreneurial developmental programs are generally viewed as favorable and have the support of the community.

Redistributive-oriented programs, more commonly understood as general welfare programs, are have not historically been supported and will likely remain unpopular with the majority of the public currently living within Lyon County. Programs that are redistributive and not developmental are unlikely to attract support from the community in general.

- Does the community have a history of public-private collaboration? Recent examples?

In general, workshop participants indicated that Lyon County, and the individual communities of Dayton, Fernley, Silver Springs, Yerington, and even the Lyon County School District and other public entities do have a history of productive and valuable public-private collaboration. Neighborhood watch associations, the Rural Task Force, the fortune traffic signal, the Fuels Management Program, development of key partnerships in building needed fire stations, the development of community groups to maintain and manage certain county properties are a few of the recent examples provided by workshop attendees that demonstrate the community's commitment to public-private collaboration.

- Is the community willing to sacrifice some of its quality of life to either promote or curtail growth?

Maintaining the community's overall and current quality of life remains very important to the residents of Lyon County. Despite this strong preference, workshop participants generally indicated that the public has become increasingly, albeit slowly, willing to sacrifice certain aspects of their quality of life if the sacrifice translates directly into long-term improvements in overall economic activity.

- Are the elite members of the community willing to share power with others?

Community leaders are vital to the long term stability of a community and a neighborhood. These 'elite' members typically have strong and historical ties to the community and their position on the policies and strategies of a local or county government can influence the overall support that the community in general will provide for the direction that policy makers, economic development professionals, and government executives will develop and attempt to implement.

In general, the results of this community assessment indicate that there is a generally strong working relationship between policy makers, economic development professionals, and government executives and the various community leaders in Lyon County. Workshop participants further indicated that this strong working relationship has led to the sharing of power between the public and government leaders within the county. This type of working

relationship will be critical in order for the county and the county's various local governments to develop and implement new strategies designed to successfully manage and take advantage of new opportunities as the county's economy continues to recover from the impacts of the Great Recession of 2008 and 2009.

- Are the citizens generally accepting of change, or do they resist it? Examples of both?

Workshop participants indicated that there is a general resistance toward change exists within the county. Given the relative importance that workshop participants placed on the public's desire to preserve the county's unique culture and community identity, it is important for policy makers, economic development professionals, and government executives to pursue growth management and economic development strategies that are consistent with the public's expectation for preserving the community's existing identity.

- Where do residents and businesspeople stand on issues of environmental sustainability?

In Lyon County, workshop participants indicated that the county's residents and business community generally favor conservation as a means of achieving environmental sustainability. Future growth in Lyon County will likely place significant strain on various natural resources including the availability of land and open spaces and especially the availability of water. Given the current drought that much of the south-western United States is currently experiencing, the availability of water and its long-term sustainability is vital to the overall environmental sustainability of individual communities.

While authoritative regulatory approaches will likely remain unpopular approaches in Lyon County, education and the utilization of conservation has proven to be both receptive to the residents and business community within the county. As the county's overall population begins to increase and as the county's business community begins to expand, environmental sustainability will be an even more important policy area regarding Lyon County's approach to growth management.

2.2 Evaluating the Impacts of Growth

Once workshop participants completed the initial community evaluation, attendees were asked to answer four additional questions pertaining to the evaluation of the impacts of future growth in Lyon County. The results of this assessment are presented here.

- How strongly does the community want growth?

Workshop participants indicated the community will generally support growth as long as the growth remains consistent with community values and does not overly threaten the community's existing identity. Participants further indicated that the community is willing to support moderate to high growth within the business community but relatively low growth in terms of population. Although this is consistent with the desire of community residents within the county to preserve the county's existing identity and community culture, it may be difficult to generate additional private sector growth without expanding the county's

population. An expanded private sector will eventually require an increased workforce with additional skills. While a substantial surplus labor force surplus already exists throughout Lyon County, that surplus could be quickly absorbed by projects such as the Tesla Gigafactory and the Nevada Copper project. Expansion of other industry sectors within Lyon County may require a larger workforce possible through continued growth of the county's residential population.

- What impact will new development and growth have on the community's way of life?

Several impacts of new development and growth were identified by workshop participants. An increase in the demand for additional public services, an increase in traffic and congestion, an increase in the cost of providing public services, increased demand for water and on other natural resources, and increased student enrollment are all impacts that new development and growth may have on the community. Several workshop participants indicated that various service providers within the county already are experiencing difficulty in matching service provision levels to current service demand levels. New public sector resources may be needed in order to address the impact new development and growth will have throughout the county.

A number of workshop participants also indicated that new development and growth within the county may also lead to an improved, expanded, and more diverse private sector. Additional service-oriented retail and professional-oriented firms may choose to relocate to Lyon County as the county's overall population begins to grow. While this may result in positive improvements in the county's economic base, participants did express concern that the county's overall quality of life may be negatively impacted as certain parts of the county further urbanize to support new development and growth.

- What strategies will the community support and outright oppose to foster and support new development and growth?

Participants generally indicated that the community would likely support strategies that are designed to manage growth. Planned growth and development, the use of public-private partnerships and the development of a comprehensive traffic management plan are examples of strategies that would be supported by the community.

Strategies that would significantly increase costs and significantly alter the community's existing identity would likely be opposed. This result suggests that future building and design standards be created that ensure that new development is consistent with existing land use patterns and existing build aesthetics. Working closely with the private sector, new development can be structured to minimize the impact new growth may have on the community. Although costly, increased investment in infrastructure will be critical in minimizing the impacts of growth on the community's quality of life.

- What values will the community prioritize in choosing a strategy?

Workshop participants almost unanimously indicated that the preservation of the community's existing cultural identity and the community's existing quality of life should be

used to prioritize the strategies Lyon County and communities such as Dayton, Fernley, Silver Springs, and Yerington adopt and implement in order to manage further growth. Participants generally indicated that it will be important for policy makers, economic development professionals, and government executives to continue to reach out the community and community leaders to engage the public early on in the development and implementation of new strategies.

Additional values, such as human services, affordable housing, quality education and smaller schools, and access to open space, should also be incorporated into the development, selection, implementation, and evaluation of new strategies. Open communication with the public will be vital in ensuring that these community values are represented in the strategies the county and the communities of Dayton, Fernley, Silver Springs, and Yerington will develop and implement.

3.0 Analysis: Background and Existing Conditions

This section presents background demographic and socio-economic data for Lyon County and the communities of Fernley, Nevada, Silver Springs, Nevada and Yerington, Nevada. When possible, historical trends and comparisons are provided as well as comparisons between the county, the three communities within Lyon County, and the state of Nevada. Data for six categories, including population, age, housing, the county’s economic profile, labor force and employment, and the county’s business profile, are presented.

3.1 Total Population

Table 3.1 presents the change in total population for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the State of Nevada for 2000 and 2010.

Table 3.1 – Total Population Fernley, Silver Springs, Yerington, Lyon County, State of Nevada 2000 and 2010					
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Total Population	8,543	4,708	2,883	34,501	1,998,257
2010 Total Population	19,368	5,296	3,048	51,980	2,700,551
Total Actual Growth	10,825	588	165	17,479	702,294
Total Percentage Growth	126.7%	12.5%	5.7%	50.7%	35.1%

Source: US Census Bureau; 2000 US Decennial Census; 2010 US Decennial Census

Between 2000 and 2010, the total residential population for the state of Nevada increased by 702,294 individuals, a percentage increase of 35.1 percent. Over the same ten year period, total population for all of Lyon County grew by 17,479 individuals, a percentage increase of 50.7 percent. The City of Fernley was the largest contributor to this growth, growing from just 8,543 total residents in 2000 to an estimated 19,368 residents by 2010, a net increase of 10,825 residents or 126.7 percent. Comparatively, the Silver Springs area grew by 588 residents between 2000 and 2010, a percentage increase of 12.5 percent, and the City of Yerington grew by just 165 residents between 2000 and 2010, a percentage of increase of only 5.7 percent.

3.2 Age

Table 3.2 presents the change in median age for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the state of Nevada for 2000 and 2010.

Table 3.2 – Median Age Fernley, Silver Springs, Yerington, Lyon County, State of Nevada 2000 and 2010					
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Median Age	34.8	40.3	41.2	38.2	35.0
2010 Median Age	36.3	44.4	48.3	40.9	36.3
Total Actual Growth	1.5	4.1	7.1	2.7	1.3
Total Percentage Growth	4.3%	10.2%	17.2%	7.1%	3.7%

Source: US Census Bureau; 2000 US Decennial Census; 2010 US Decennial Census

Comparatively, Fernley, Silver Springs, Yerington, and Lyon County each had median ages significantly older than that of the state of Nevada with the median age for each community, including Lyon County, aging faster than that of the state of Nevada between 2000 and 2010. Between 2000 and 2010, the median age for the state of Nevada increased by just 1.3 years, or 3.7 percent, increasing from a median age of 35.0 in 2000 to a median age of 36.3 in 2010. Lyon County's median age grew by 2.7 years, or 7.1 percent, between 2000 and 2010.

The median age for both Silver Springs and Yerington aged considerably faster than either the county or the state. Between 2000 and 2010, the median age in Yerington increased from 41.2 years of age in 2000 to 48.3 years of age in 2010, an increase of 7.1 years or 17.2 percent. In Silver Springs, the median age increased from 40.3 years of age in 2000 to 44.4 years of age in 2010, an increase of 4.1 years of age or 10.2 percent. Only Fernley's median age remained younger than that of Lyon County's median age and on par with the state of Nevada's median age between 2000 and 2010, aging from an estimated 34.8 years of age in 2000 to an estimated 36.3 years of age in 2010, a net increase of just 1.5 years or 4.3 percent.

The overall aging of Lyon County's population suggests a significant shift in the overall profile of the county's residential population. As individuals approach retirement, median incomes tend to decrease as a larger portion of the total population begins to retire. Consumption patterns also begin to shift as individuals approaching or beginning retirement tend to shift their consumption away from taxable items and towards non-taxable items such as additional savings or retirement-related goods and services including healthcare and pharmaceuticals. As a result, and in general,

an older population will tend to consume additional public services while paying fewer taxes. An aging population, in general, also tends to lead to an overall reduction of a community's workforce. As a larger percentage of total population begins to retire, the community's overall workforce begins to decline. Future growth and attraction of new industries and private sector firms becomes difficult for communities that are unable to provide a suitably sized workforce.

Table 3.3 on the following page indicates that a significant portion of Lyon County's total population is either of retirement age or is approaching retirement age. In 2010, the population aged 25 to 29 years of age accounted for the single largest age category for residents living throughout the state of Nevada, totaling 196,644 individuals or 7.3 percent of Nevada's total state-wide population. Individuals aged 55 years or older, being of retirement age or approaching retirement age, for the state of Nevada in 2010 totaled 639,858 individuals, accounting for 23.6 percent. Comparatively, the population aged 50 to 54 years of age accounted for the single largest age category for residents living throughout Lyon County, totaling 3,926 individuals or 7.6 percent of the county's total population. Individuals aged 55 years or older for all of Lyon County in 2010 totaled 15,559 individuals, accounting for 30.0 percent of the county-wide population.

In Yerington, the population aged 50 to 54 years of age accounted for the single largest age category for residents living within the city, totaling 197 individuals or 6.5 percent of the city-wide residential population. Individuals aged 55 years or older living within the City of Yerington in 2010 totaled 1,115 individuals, accounting for 36.6 percent of the city-wide population. In Silver Springs, the population aged 55 to 59 years of age accounted for the single largest age category for residents living within the Silver Springs area, totaling 486 individuals or 9.2 percent of the area's residential population. Individuals aged 55 years or older for the entire Silver Springs area in 2010 totaled 2,034 individuals, accounting for 38.4 percent of the area-wide population.

In Fernley, the population aged five years or younger accounted for the largest age category for residents living within the city. In fact, the residential population aged five years or younger, aged five to nine years of age, and ten to 14 years of age were the three largest population categories for the City of Fernley in 2010, accounting for 8.0 percent, 7.8 percent, and 7.7 percent respectively of the city's residential population. In Fernley, individuals aged 55 years or older in 2010 totaled 4,716 individuals, accounting for just 24.2 percent of the city's residential population. This percentage was only just slightly larger than the state-wide percentage of individual residents aged 55 years or older but significantly smaller than the percentage of individuals aged 55 years or older living throughout all of Lyon County, in the City of Yerington or the in the Silver Springs area.

While the City of Fernley's overall residential population remains relatively young, Lyon County, the City of Yerington, and the Silver Springs area will likely begin to experience the impacts of an aging population more acutely than Fernley or the state of Nevada. As a larger percentage of the county's, Yerington's, and Silver Spring's respective residential populations begin to retire, each jurisdiction will experience an increased level of demand for public services while potentially experiencing an overall decline in the amount of annually collected public revenues.

**Table 3.3 – Total Population by Age Category
Fernley, Silver Springs, Yerington, Lyon County, State of Nevada
2010**

Age Category	Fernley	Percent of Total	Silver Springs	Percent of Total	Yerington	Percent of Total	Lyon County	Percent of Total	State of Nevada	Percent of Total
Under 5 Years	1,549	8.0%	225	4.2%	188	6.2%	3,404	6.5%	187,478	6.9%
5 to 9 Years	1,514	7.8%	273	5.2%	192	6.3%	3,511	6.8%	183,077	6.8%
10 to 14 Years	1,486	7.7%	313	5.9%	184	6.0%	3,652	7.0%	183,173	6.8%
15 to 19 Years	1,237	6.4%	365	6.9%	194	6.4%	3,532	6.8%	182,600	6.8%
20 to 24 Years	935	4.8%	207	3.9%	161	5.3%	2,361	4.5%	177,509	6.6%
25 to 29 Years	1,217	6.3%	188	3.5%	164	5.4%	2,719	5.2%	196,644	7.3%
30 to 34 Years	1,409	7.3%	195	3.7%	168	5.5%	3,009	5.8%	190,642	7.1%
35 to 39 Years	1,337	6.9%	282	5.3%	137	4.5%	3,162	6.1%	191,652	7.1%
40 to 44 Years	1,298	6.7%	349	6.6%	154	5.1%	3,315	6.4%	191,391	7.1%
45 to 49 Years	1,327	6.9%	417	7.9%	194	6.4%	3,790	7.3%	193,790	7.2%
50 to 54 Years	1,343	6.9%	448	8.5%	197	6.5%	3,926	7.6%	182,737	6.8%
55 to 59 Years	1,249	6.4%	486	9.2%	189	6.2%	3,768	7.2%	164,575	6.1%
60 to 64 Years	1,185	6.1%	481	9.1%	171	5.6%	3,616	7.0%	150,924	5.6%
65 to 69 Years	951	4.9%	411	7.8%	171	5.6%	3,126	6.0%	115,501	4.3%
70 to 74 Years	587	3.0%	315	5.9%	186	6.1%	2,188	4.2%	82,280	3.0%
75 to 79 Years	396	2.0%	172	3.2%	145	4.8%	1,411	2.7%	57,503	2.1%
80 to 84 Years	214	1.1%	108	2.0%	138	4.5%	885	1.7%	38,888	1.4%
85 Years or Older	134	0.7%	61	1.2%	115	3.8%	605	1.2%	30,187	1.1%
Total	19,368	100.0%	5,296	100.0%	3,048	100.0%	51,980	100.0%	2,700,551	100.0%

Source: US Census Bureau; 2010 Decennial Census

Despite the overall aging of the residential population in Lyon County, demand for K through 12 primary school education has remained relatively high despite an overall decline from the historically high enrollment levels in school year 2006-07 and school year 2007-08. Table 3.4 presents total enrollment for all schools within the Lyon County School District between school year 2004-05 and school year 2014-15.

Table 3.4 – Total Student Enrollment Lyon County School District School Year 2004-05 through School Year 2014-15		
Year	Total Student Enrollment	Percentage Change
2004-05	8,190	
2005-06	8,696	6.2%
2006-07	9,175	5.5%
2007-08	9,275	1.1%
2008-09	8,937	-3.6%
2009-10	8,766	-1.9%
2010-11	8,500	-3.0%
2011-12	8,252	-2.9%
2012-13	8,076	-2.1%
2013-14	8,108	0.4%
2014-15	8,082	-0.3%
Total Actual Growth	-108	-
Total Percentage Growth	-1.3%	-

Source: Lyon County School District

Between school year 2004-05 and school year 2014-15, total student enrollment for the Lyon County School District decreased from 8,190 total students in school year 2004-05 to 8,082 total students in school year 2014-15, a net decrease of 108 total students or 1.3 percent. The Lyon County School District experienced significant growth in its student population between school year 2004-05 and school year 2007-08 as the student population increased from 8,190 total students in school year 2004-05 to 9,275 total students in school year 2007-08, a net increase of 1,085 total students or 13.2 percent. However, total student enrollment declined significantly between school year 2007-08 and school year 2014-15 declining from 9,275 total students in school year 2007-08 to just 8,082 total students in school year 2014-15, a net decrease of 1,193 total students or 12.9 percent.

The decline in overall student enrollment over the entire school year 2004-05 to school year 2014-15 period can be attributed to a number of factors. The impact of the Great Recession was acutely felt in Lyon County as the county experienced a significant increase in residential foreclosures and overall population decline between 2008 and 2010. A significant portion of those individual who relocated out of Lyon County between 2008 and 2010 had families with

school aged children. The second factor impacting this trend in school enrollment is the overall aging of the county’s population. As indicated previously, except for the City of Fernley, the county’s overall residential population has aged significantly faster than that of the state of Nevada. With a larger percentage of the county’s residential population either retiring or approaching retirement age, overall demand for K through 12 primary education has declined.

Despite this overall decline, school enrollment has stabilized and has even shown evidence of possible growth between school year 2012-13 and school year 2013-14. This stabilization and possible growth suggests that demand for K through 12 primary education may begin to increase in the foreseeable future. Current student enrollment in the Lyon County School District, as of April 2015, was 8,133 total students, a total of 52 students greater than total student enrollment in school year 2014-15.

3.3 Housing

Table 3.5 presents changes in occupied housing unit rates and vacant housing unit rates for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the state of Nevada between 2000 and 2010.

Table 3.5 – Occupied and Vacant Housing Units Fernley, Silver Springs, Yerington, Lyon County, State of Nevada 2000 and 2010					
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Occupied Housing Units	3,151	1,766	1,203	13,007	751,165
2010 Occupied Housing Units	7,975	2,128	1,302	19,808	1,006,250
Total Actual Growth	4,824	362	99	6,801	255,085
Total Percent Growth	153.1%	20.5%	8.2%	52.3%	34.0%
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Vacant Housing Units	281	169	156	1,272	76,292
2010 Vacant Housing Units	927	328	205	2,739	167,564
Total Actual Growth	646	159	49	1,467	91,272
Total Percent Growth	229.9%	94.1%	31.4%	115.3%	119.6%

Source: US Census Bureau; 2000 US Decennial Census; 2010 US Decennial Census

The total number of vacant housing units state-wide, county-wide, and in the City of Yerington, Silver Springs, and the City of Fernley grew significantly faster than the total number of occupied housing units for each jurisdiction between 2000 and 2010. The total number of occupied housing units state-wide increased by 34.0 percent between 2000 and 2010. County-wide, the total number of occupied units increased by 52.3 percent between 2000 and 2010, by 8.2 percent in the City of Yerington, by 20.5 percent in the Silver Springs area, and by 153.1 percent in the City of Fernley. Comparatively, the total number of vacant housing units throughout the state of Nevada increased by 119.6 percent between 2000 and 2010. County-wide, the total number of vacant housing units increased by 115.3 percent between 2000 and 2010, by 31.4 percent in the City of Yerington, by 94.1 percent in the Silver Springs area, and by 229.9 percent in the City of Fernley.

While the total number of vacant housing units county-wide and in Yerington, Silver Springs, and Fernley were a relatively small portion of total housing units for each jurisdiction, the larger increase in vacant housing units versus occupied housing units between 2000 and 2010 for each jurisdiction suggests that each jurisdiction is still struggling to recover from the impact the Great Recession of 2008 and 2009 had on the county's overall real estate market.

Table 3.6 presents changes in owner-occupied housing unit rates and renter-occupied housing unit rates for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the state of Nevada between 2000 and 2010.

Table 3.6 – Owner-Occupied and Renter-Occupied Housing Units Fernley, Silver Springs, Yerington, Lyon County, State of Nevada 2000 and 2010					
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Owner-Occupied Units	2,339	1,448	764	9,857	457,247
2010 Owner-Occupied Units	4,786	1,695	755	14,379	591,480
Total Actual Growth	2,447	247	-9	4,522	134,233
Total Percent Growth	104.6%	17.1%	-1.2%	45.9%	29.4%
Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
2000 Renter-Occupied Units	3,150	318	439	3,150	293,918
2010 Renter-Occupied	2,262	433	547	5,429	414,770
Total Actual Growth	-888	115	108	2,279	120,852
Total Percent Growth	-28.2%	36.2%	24.6%	72.3%	41.1%

Source: US Census Bureau; 2000 US Decennial Census; 2010 US Decennial Census

In general, the total number of renter-occupied housing units state-wide, county-wide and in the City of Yerington and the Silver Springs area increased at a rate greater than the growth in owner-occupied housing state-wide, county-wide and in the City of Yerington and the Silver Springs area between 2000 and 2010. Only the City of Fernley saw an increase in owner-occupied housing rates greater than the change in the total number of renter-occupied housing units between 2000 and 2010. This suggests that the residential population in the county, Yerington, and in Silver Springs may be destabilizing as residents in renter-occupied housing units tend to have a significantly shorter tenure than residents in owner-occupied housing units.

State-wide, the total number of owner-occupied housing units increased by 29.4 percent and the total number of renter-occupied housing units increased by 41.1 percent between 2000 and 2010. In Lyon County, the total number of owner-occupied housing units increased by 45.9 percent and the total number of renter-occupied housing units increased by 72.3 percent between 2000 and 2010. Between 2000 and 2010, the total number of owner-occupied units declined by 1.2 percent and the total number of renter-occupied units increased by 24.6 percent in the City of Yerington. In the Silver Springs area, the total number of owner-occupied housing units increased by 17.1 percent between 2000 and 2010 while the total number of renter-occupied housing increased by 36.2 percent. Between 2000 and 2010, the total number of owner-occupied housing units increased by 104.6 percent while the total number of renter-occupied housing units decreased by 28.2 percent in the City of Fernley.

Between 2000 and 2010, the average household size for the state of Nevada increased by 1.1 percent, increasing from 2.62 people per household in 2000 to 2.65 people per household in 2010. Comparatively, the average household size for all of Lyon County remained unchanged between 2000 and 2010. The average household size for the City of Yerington declined by 1.3 percent, declined by 4.2 percent in the Silver Springs area, and increased slightly by 1.1 percent in the City of Fernley between 2000 and 2010.

Average household size for just owner-occupied housing units decreased by 3.7 percent in the City of Fernley, decreased by 5.1 percent in the Silver Springs area, decreased by 7.5 percent in the City of Yerington, and decreased by 2.7 for all of Lyon County between 2000 and 2010. For the entire state of Nevada, the average household size for just owner-occupied housing units state-wide decreased by 1.8 percent.

For just renter-occupied housing units, the average household size decreased by 3.0 percent in the City of Fernley, decreased by 3.5 percent in the Silver Springs area, increased by 6.9 percent in the City of Yerington, and increased by 10.9 percent for all of Lyon County between 2000 and 2010. For the entire state of Nevada, the average household size for just renter-occupied housing units decreased by 3.0 percent.

Table 3.7 presents changes in average household size for owner-occupied housing units and renter-occupied housing units for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the state of Nevada between 2000 and 2010.

**Table 3.7 – Average Household Size
Fernley, Silver Springs, Yerington, Lyon County, State of Nevada
2000 and 2010**

Category/Jurisdiction	2000	2010	Actual Change	Percent Change
<u>Average Household Size</u>				
Fernley	2.71	2.74	0.03	1.1%
Silver Springs	2.59	2.48	-0.11	-4.2%
Yerington	2.29	2.26	-0.03	-1.3%
Lyon County	2.61	2.61	0.00	0.0%
State of Nevada	2.62	2.65	0.03	1.1%
<u>Owner-Occupied Units</u>				
Fernley	2.72	2.62	-0.10	-3.7%
Silver Springs	2.54	2.41	-0.13	-5.1%
Yerington	2.27	2.10	-0.17	-7.5%
Lyon County	2.58	2.51	-0.07	-2.7%
State of Nevada	2.71	2.66	-0.05	-1.8%
<u>Renter-Occupied Units</u>				
Fernley	2.70	2.62	-0.08	-3.0%
Silver Springs	2.83	2.73	-0.10	-3.5%
Yerington	2.32	2.48	0.16	6.9%
Lyon County	2.58	2.86	0.28	10.9%
State of Nevada	2.71	2.63	-0.08	-3.0%

Source: US Census Bureau; 2000 US Decennial Census; 2010 US Decennial Census

Average household size is often used to estimate the rate of dispersion of public services in a community. As indicated in Table 3.1 above, the total residential population for the City of Fernley, the Silver Springs area, the City of Yerington, and for all of Lyon County has increased between 2000 and 2010. Over the same ten year period, the average household size has remained relatively unchanged in the City of Fernley and for all of Lyon County and has actually decreased in the Silver Springs area and in the City of Yerington. As average household sizes decline and as population levels increase, public agencies such as the City of Fernley, the City of Yerington, and Lyon County could potentially experience an increase in the cost of providing public services as density levels decrease and the population becomes more dispersed over a larger geographic area.

3.4 Economic Profile

Table 3.8 presents changes in median household income and median family income for the City of Fernley, Silver Springs, the City of Yerington, Lyon County, and the state of Nevada for 2010 and 2013.

**Table 3.8 – Median Household Income and Median Family Income
Fernley, Silver Springs, Yerington, Lyon County, State of Nevada
2010 and 2013**

Category	Fernley	Silver Springs	Yerington	Lyon County	State of Nevada
<u>Median Household Income</u>					
2010	\$53,346	\$38,490	\$36,953	\$48,433	\$55,726
2013	\$53,044	\$31,367	\$40,744	\$46,137	\$52,800
Actual Change	-\$302	-\$7,123	\$3,791	-\$2,296	-\$2,926
Percent Change	-0.6%	-18.5%	10.3%	-4.7%	-5.3%
<u>Median Family Income</u>					
2010	\$61,153	\$47,593	\$43,723	\$56,106	\$64,418
2013	\$56,435	\$40,413	\$48,969	\$52,918	\$61,539
Actual Change	-\$4,718	-\$7,180	\$5,246	-\$3,188	-\$2,879
Percent Change	-7.7%	-15.1%	12.0%	-5.7%	-4.5%

Source: US Census Bureau; American Community Survey

Between 2010 and 2013, median household income and median family income in the state of Nevada declined by 5.3 percent and 4.5 percent respectively. Throughout all of Lyon County, median household income declined by 4.7 percent and median family income declined by 5.7 percent. In the Silver Springs area, both median household income and median family income declined significantly between 2010 and 2013, declining by 18.5 percent and 15.1 percent respectively. While median family income in the City of Fernley declined by 7.7 percent between 2010 and 2013, median household income declined by just 0.6 percent. Despite the declines in median household income and median family income in Fernley, Silver Springs, and throughout all of Lyon County, median household income and median family income increased significantly in the City of Yerington, increasing by 10.3 percent and 12.0 percent between 2010 and 2013 respectively.

3.5 Labor Force and Employment

Table 3.9 presents the annual estimated unemployment rate for the state of Nevada and for all of Lyon County for the first quarter for each year between 2003 and 2013. As Table 3.9 indicates, the estimated unemployment rate for Lyon County was significantly larger than the estimated unemployment rate for the entire state of Nevada for each year over this ten year period. Historically, the estimated unemployment rate for the entire state of Nevada was lower in the

pre-Great Recession period of 2003 to 2007, the Great Recession period of 2008 and 2009, and during the recovery period of 2010 to 2013 than it was in Lyon County.

Table 3.9 – Estimated Unemployment Rate State of Nevada vs. Lyon County First Quarter, 2003 through 2013				
Year/Quarter	State of Nevada	Percent Change	Lyon County	Percent Change
2003-01-01	5.9%		6.7%	
2004-01-01	5.5%	-6.8%	7.5%	11.9%
2005-01-01	5.0%	-9.1%	8.2%	9.3%
2006-01-01	4.6%	-8.0%	7.8%	-4.9%
2007-01-01	4.7%	2.2%	7.7%	-1.3%
2008-01-01	5.8%	23.4%	10.0%	29.9%
2009-01-01	10.1%	74.1%	15.2%	52.0%
2010-01-01	14.0%	38.6%	19.7%	29.6%
2011-01-01	14.2%	1.4%	19.7%	0.0%
2012-01-01	12.4%	-12.7%	17.5%	-11.2%
2013-01-01	10.2%	-17.7%	16.1%	-8.0%
2003-2013 Average	8.4%	8.5%	12.4%	10.7%
2003-2013 Actual Change	4.3%	-	9.4%	-
2003-2013 Percent Change	72.9%	-	140.3%	-

Source: U.S. Federal Reserve; Federal Reserve Economic Dataset (FRED)

The estimated unemployment rate for entire state of Nevada increased from an estimated 5.9 percent in 2003 to an estimated 10.2 percent in 2013, an actual increase of 4.3 percent and a total percentage increase of 72.9 percent. Between 2003 and 2013, despite significant declines in the state-wide unemployment rate between 2003 and 2006 and between 2011 and 2013, the state-wide unemployment rate increased at an average annual rate of 8.5 percent.

Relative to the state of Nevada, the impact of the Great Recession on unemployment was acutely felt in Lyon County. Even prior to the Great Recession of 2008 and 2009, the county-wide unemployment rate increased by 11.9 percent between 2003 and 2004 and by 9.3 percent between 2004 and 2005. During the Great Recession of 2008 and 2009, the county-wide unemployment rate in Lyon County increased by 29.9 percent between 2007 and 2008, by 52.0 percent between 2008 and 2009, and by 29.6 percent between 2009 and 2010. Lyon County's peak unemployment rate of 19.7 percent (in both 2010 and 2011) was significantly larger than the peak unemployment rate of 14.2 percent for the state of Nevada in 2011.

The estimated unemployment rate for all of Lyon County increased from an estimated 6.7 percent in 2003 to an estimated 16.1 percent in 2013, an actual increase of 9.4 percent and a total

percentage increase of 140.3 percent. Between 2003 and 2013, despite declines in the county-wide unemployment rate between 2005 and 2007 and significant declines in the county-wide unemployment rate between 2011 and 2013, the county-wide unemployment rate for Lyon County increased at an average annual rate of 10.7 percent.

3.6 County Business Profile for Lyon County

As of the last economic census performed for Lyon County by the U.S. Census Bureau and reported in the U.S. Census Bureau's 2012 County Business Patterns, there were a total of 744 different firms located throughout the county. Firms employing between one and four individual employees represented the majority of firms operating in Lyon County in 2011, accounting for 59.5 percent of the 744 different businesses operating within the county. Firms employing between five and nine individuals accounted for 17.3 percent of all firms operating within the county and firms employing between ten and 19 individuals accounted for 12.0 percent of all firms operating within the county in 2011.

In 2011, retail trade accounted for the largest industry sector, measured in-terms of total number of firms, in Lyon County, totaling 97 individual firms and accounting for 13.0 percent of all firms operating county-wide. Construction accounted for the second largest industry sector in Lyon County, totaling 90 individual firms and accounting for 12.1 percent of all firms operating county-wide. Manufacturing accounted for the third largest industry sector in Lyon County, totaling 79 individual firms and accounting for 10.6 percent of all firms operating county-wide. Combined, these three industry sectors totaled 266 individual firms, accounting for 35.7 percent of all firms operating within Lyon County in 2011.

In 2011, the educational services industry sector, the agriculture, forestry, fishing, and hunting industry sector, the management of companies and enterprises industry sector, and industries not classified by the U.S. Census Bureau using the North American Industry Classification System represented the smallest portion of individual firms operating within Lyon County. The educational services industry sector accounted for just 0.4 percent of all firms operating within the county in 2011. Industries not classified by the U.S. Census Bureau and the agriculture, forestry, fishing, and hunting industry accounted for just 0.3 percent of all firms operating within the county in 2011 respectively. The management of companies and enterprises industry sector accounted for just 0.1 percent of all firms operating county-wide in 2011.

Table 3.10 presents the total number of firms as reported by the U.S. Census Bureau for 2011. Firms operating within Lyon County in 2011 are sorted based upon the total number of employees per firm as well as the total number of firms by major industry sector using the North American Industry Classification System. In general, Table 3.10 indicates that Lyon County had a relatively diverse business profile in 2011 and that the county's business profile consists mainly of small business and entrepreneurial firms of relatively small size, employing between one and 19 individuals per firm.

**Table 3.10 – Total Number of Firms per Firm Size
Lyon County
2011**

Industry Category	Number of Employees per Firm										Total	Percent Change
	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500-999	1,000 or More			
Agriculture, Forestry, Fishing and Hunting	2	0	0	0	0	0	0	0	0	0	2	0.3%
Mining, Quarrying, Oil and Gas Extraction	4	0	3	0	0	0	0	0	0	0	7	0.9%
Utilities	2	2	1	1	0	0	0	0	0	0	6	0.8%
Construction	58	19	6	6	1	0	0	0	0	0	90	12.1%
Manufacturing	27	13	12	17	6	4	0	0	0	0	79	10.6%
Wholesale Trade	27	7	9	2	0	0	0	1	0	0	46	6.2%
Retail Trade	51	21	17	3	2	2	1	0	0	0	97	13.0%
Transportation and Warehousing	16	6	3	2	0	0	1	0	0	0	28	3.8%
Information	7	2	0	0	0	0	0	0	0	0	9	1.2%
Finance and Insurance	28	6	5	0	0	0	0	0	0	0	39	5.2%
Real Estate and Rental Leasing	25	4	2	0	0	0	0	0	0	0	31	4.2%
Professional, Scientific, and Technical Services	53	8	3	1	0	1	0	0	0	0	66	8.9%
Management of Companies and Enterprises	1	0	0	0	0	0	0	0	0	0	1	0.1%
Administrative and Support and Waste Management and Remediation Services	34	5	1	2	1	0	0	1	0	0	44	5.9%
Educational Services	3	0	0	0	0	0	0	0	0	0	3	0.4%
Health Care and Social Assistance	14	14	5	2	2	1	0	0	0	0	38	5.1%
Arts, Entertainment, and Recreation	14	3	2	6	6	0	0	0	0	0	31	4.2%
Accommodation and Food Services	30	13	14	9	1	0	0	0	0	0	67	9.0%
Other Services (Except Public Administration)	45	6	6	1	0	0	0	0	0	0	58	7.8%
Industries Not Classified	2	0	0	0	0	0	0	0	0	0	2	0.3%
Total	443	129	89	52	19	8	2	2	0	0	744	100.0%
Percent of Total	59.5%	17.3%	12.0%	7.0%	2.6%	1.1%	0.3%	0.3%	0.0%	0.0%	100.0%	-

Source: US Census Bureau, "2012 County Business Patterns (NAICS)"

In 2010, according to the U.S. Census Bureau, a total of 7,106 individuals were employed in the City of Fernley. Of those 7,106 individuals employed, 1,409 individuals, or 19.8 percent, were employed in the educational services, health care and social assistance industry sector. The retail trade industry sector employed 1,091 individuals, or 15.4 percent of all individuals employed within the City of Fernley in 2010. The manufacturing industry sector employed 748 individuals, or 10.5 percent, and the transportation, and warehousing and utilities industry sector employed 675 individuals, or 9.5 percent of all individuals employed within the City of Fernley in 2010.

In the Silver Springs area, a total 1,686 individuals were employed in 2010. Of those 1,686 individuals employed, a total of 289 individuals, or 17.1 percent, were employed in the transportation and warehousing, utilities industry sector and a total of 264 individuals, or 15.7 percent, were employed in the arts, entertainment, and recreation, and accommodation, food service industry sector. A total of 258 individuals, or 15.3 percent of all individuals employed within the Silver Springs area, were employed in the manufacturing industry sector and a total of 249 individuals, or 14.8 percent of all individuals employed within the Silver Springs area, were employed in the educational services, health care and social assistance industry sector.

In the City of Yerington, a total of 2,850 individuals were employed in 2010. Of those 2,850 individuals employed, a total of 650 individuals, or 22.8 percent, were employed in the educational services, health care and social assistance industry sector and a total of 464 individuals, or 16.3 percent, were employed in the public administration industry sector. A total of 391 individuals, or 13.7 percent of all individuals employed within the City of Yerington, were employed in the retail trade industry sector and a total of 325 individuals, or 11.4 percent of all individuals employed within the city, were employed in the arts, entertainment, and recreation, and accommodation, food service industry sector in 2010.

In 2010, a total of 20,271 individuals were employed county-wide in Lyon County. Of those 20,271 individuals employed, 3,220 individuals, or 15.9 percent, were employed in the educational services, health care and social assistance industry sector. The retail trade industry sector employed 2,862 individuals, or 14.1 percent of all individuals employed county-wide. The manufacturing industry sector employed 2,609 individuals, or 12.9 percent of all individuals employed county-wide. The arts, entertainment, and recreation, and accommodation, food services industry sector employed 2,270 individuals, or 11.2 percent of all individuals employed in Lyon County in 2010.

Table 3.11 presents the total number of individuals employed as reported by the U.S. Census Bureau for 2010 for each industry sector for the City of Fernley, the Silver Springs area, the City of Yerington, Lyon County, and for the state of Nevada. In 2010, approximately 35.1 percent of county-wide employment was concentrated in the City of Fernley. The City of Yerington accounted for approximately 14.1 percent of total county-wide employment in 2010 and the Silver Springs area accounted for approximately 8.3 percent of total county-wide employment in 2010. These three communities accounted for a combined 57.5 percent of total county-wide employment in 2010 according the U.S. Census Bureau.

**Table 3.11 – Employment by Major Industry Category
Fernley, Silver Springs, Yerington, Lyon County, State of Nevada
2010**

Major Industry Category	Fernley		Silver Springs		Yerington		Lyon County		State of Nevada	
	Total 2010	Percent of Total	Total 2010	Percent of Total	Total 2010	Percent of Total	Total 2010	Percent of Total	Total 2010	Percent of Total
Agriculture, Forestry, Fishing, Hunting, Mining	163	2.3%	17	1.0%	160	5.6%	286	1.4%	18,980	1.5%
Construction	542	7.6%	124	7.4%	132	4.6%	1,667	8.2%	102,463	8.2%
Manufacturing	748	10.5%	258	15.3%	112	3.9%	2,609	12.9%	52,734	4.2%
Wholesale Trade	197	2.8%	28	1.7%	12	0.4%	515	2.5%	28,311	2.3%
Retail Trade	1,091	15.4%	157	9.3%	391	13.7%	2,862	14.1%	144,831	11.6%
Transportation and Warehousing, Utilities	675	9.5%	289	17.1%	175	6.1%	1,422	7.0%	62,473	5.0%
Information	222	3.1%	9	0.5%	22	0.8%	271	1.3%	20,756	1.7%
Finance and Insurance, Real Estate and Rental and Leasing	332	4.7%	64	3.8%	99	3.5%	854	4.2%	78,171	6.3%
Professional, Scientific, Management and Admin. and Waste Mgt. Services	483	6.8%	61	3.6%	125	4.4%	1,316	6.5%	127,789	10.3%
Educational Services, Health Care and Social Assistance	1,409	19.8%	249	14.8%	650	22.8%	3,220	15.9%	185,240	14.9%
Arts, Entertainment, and Recreation, and Accommodation, Food Service	551	7.8%	264	15.7%	325	11.4%	2,270	11.2%	312,936	25.1%
Other Services, Except Public Administration	308	4.3%	103	6.1%	183	6.4%	1,093	5.4%	52,542	4.2%
Public Administration	385	5.4%	63	3.7%	464	16.3%	1,886	9.3%	59,161	4.7%
Total	7,106	100.0%	1,686	100.0%	2,850	100.0%	20,271	100.0%	1,246,387	100.0%

Source: US Census Bureau, 2010 US Census

4.0 Analysis: Results of the April 17, 2015 Lyon County Local Government Summit

This section presents the results of the April 17, 2015 Lyon County Local Government Summit beginning with an assessment of different environmental factors for Lyon County and concludes with the summation of the strengths, weaknesses, opportunities, and threats (SWOT) analysis conducted as part of the summit.

4.1 Assessment of Environmental Factors for Lyon County

During the April 17, 2015 Lyon County Local Government Summit, workshop attendees completed an environmental factors community assessment. The assessment, developed by Steven G. Koven and Thomas S. Lyons for the International City-County Manager's Association, asks participants to rank ten different environmental factors using a scale of one (low), two (medium), and three (high). In general, a score of low indicates a priority area that should be immediately addressed by policy makers as soon as possible and likely poses a significant competitive disadvantage for the community. A score of medium indicates an area that the locality may have a competitive advantage in but should consider further investment in in-order to prevent the factor from becoming a competitive disadvantage. A score of high indicates an area of relative competitive strength that could be leveraged in order to support economic development within the community.

By assessing and defining the community's current environment, policy decisions can be developed using an objective assessment of current conditions. The ten environmental factors included in this assessment include the economic base, workforce characteristics, skill, availability of land and physical capital, energy, financial capital, tax structure, community culture, geography, and the localities research environment. Each environmental factor has a series of individual sub-factors that can be used to assess the overall relative competitive strength for a locality.

During the April 17, 2015 Lyon County Local Government Summit, workshop participants were asked to rank each of the ten environmental factors provided in the environmental factors community assessment by assessing the overall weakness or strength for their particular community. Workshop participants were allowed to complete the assessment by either considering the weakness or strength for the environmental factor for the entire county or for their particular community within Lyon County.

4.1.a Economic Base

Table 4.1 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for economic base.

Table 4.1 – Economic Base Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Lack of Dependency on a Single Firm of Industry	0	2	2
Capacity to Diversify	1	3	0
Willingness to Diversify	1	3	0
Total Score	2	8	2

Economic base consists of three separate components, including lack of dependency on a single firm or industry, the capacity to diversify, and the willingness to diversify. In general, based upon the results of the April 17, 2015, participants generally ranked Lyon County’s economic base as medium. While three respondents ranked capacity to diversify as medium and three respondents ranked willingness to diversify as medium, no respondent ranked either factor as high. However, two respondents did rank lack of dependency on a single firm or industry as medium and two respondents did rank lack of dependency on a single firm or industry as high. This suggests that a lack of diversification is not a primary need in Lyon County.

4.1.b Workforce Characteristics

Table 4.2 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for workforce characteristics.

Table 4.2 – Workforce Characteristics Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Workforce Size	2	2	0
Unemployment Rate	2	2	0
Proportion in Low Wage Positions	2	2	0
Total Score	6	6	0

Overall, participants ranked the overall workforce characteristics of Lyon County as either low or medium while also ranking the sub-factors of workforce size, the unemployment rate, and

proportion in low wage positions as either low or medium. These results suggest that policy makers and administrators should focus on developing and implementing additional workforce development strategies.

4.1.c Skill

Table 4.3 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for skill. Skill refers to the overall percentage of the locality’s workforce that is either moderately-skilled or highly-skilled.

Table 4.3 – Skill Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Percent Competent in Technology-Oriented Firms	4	0	0
Percent Competent in Professional-Oriented Firms	4	0	0
Total Score	8	0	0

All responding participants ranked skill as low with four respondents ranking percent of the workforce competent in technology-oriented firms as low and four respondents ranking percent of workforce competent in professional-oriented firms as low. These results suggest that future workforce development strategies focus on developing individuals with moderate to high skills levels that would allow individual residents throughout Lyon County to secure employment in firms located in either the technology-oriented industry sector or the professional-oriented industry sector.

4.1.d Land and Physical Capital

The availability of land and physical capital is vital to the expansion of the private sector. New businesses that might choose to relocate to a locality will likely need access to relatively affordable undeveloped land or land that is generally underutilized but could be further developed. Access to affordable yet reliable utilities, including various municipal and county services such as sewer, electricity, water, and telecommunications, is also vital to the recruitment of new firms to a locality as well as to the expansion and retention of existing firms that are eager to expand their current operations.

Table 4.4 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for land and physical capital. The land and physical capital environmental factor consists of four separate sub-factors including availability of vacant land, availability of underused land, access to utilities (including communication utilities) and access to transportation (including highways, airports and other related transportation infrastructure assets).

Table 4.4 – Land and Physical Capital Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Availability of Vacant Land	0	0	4
Availability of Underused Land	0	0	4
Access to Utilities	0	4	0
Access to Transportation	0	4	0
Total Score	0	8	8

In general, responding participants of the April 17, 2015 Lyon County Local Government Summit ranked land and physical capital between medium and high. Four respondents ranked availability of vacant land as high and four respondents ranked availability of underutilized land as high. These results suggest that there is sufficient land to support the recruitment of new firms to Lyon County while also supporting the further expansion and retention of existing firms already operating within the county. Four respondents ranked access to utilities as medium and four respondents ranked access to transportation as medium. These results suggest that future growth-management and economic development policy in Lyon County should include further development of better access to utilities and transportation.

4.1.e Energy

Table 4.5 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for energy.

Table 4.5 – Energy Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Reliability	0	1.5	2.5
Access	0	1	3
Price	1	2	1
Total Score	1	4.5	6.5

Overall, responding participants generally ranked energy as high in Lyon County. Two and one-half respondents ranked reliability as high and one and one-half respondents ranked reliability as medium. Three respondents ranked access as high and one respondent ranked access as medium. One respondent ranked price as high, indicating that the price is *not* a concern, two respondents ranked price as medium, and one respondent ranked price as low, indicating that price *is* a concern.

4.1.f Financial Capital

Table 4.6 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for the availability of financial capital.

Table 4.6 – Financial Capital Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Predisposition of Local Banks to Lend	3	1	0
Ability to Secure Gap Financing	3	1	0
Ability to Secure Venture Capital	1	3	0
Ability to Secure Angel Capital	3	1	0
Total Score	9	6	0

Participants of the April 17, 2015 Lyon County Local Government Summit generally ranked financial capital as low to medium indicating that access to financial capital for new or existing businesses is a significant competitive weakness for Lyon County. Three participant respondents ranked predisposition of local banks to lend as low. Three participant respondents ranked ability to secure gap financing as low. One respondent ranked ability to secure venture capital as low while three respondents ranked ability to secure venture capital as medium. Finally, three respondents ranked ability to secure angel capital as low.

Gap financing, venture capital, and angel capital are each critical and common sources of funding for new and existing businesses and essential to support small business and entrepreneurial start-up efforts. For policy makers, economic development professionals, and government administrators in Lyon County, the results for the financial capital environmental factor suggests that additional focus and strategy development should be applied to developing the pool of capital available to new and existing businesses within Lyon County. Without additional financial capital support, it may become increasingly difficult for the county to attract new businesses while assisting existing businesses in their expansion efforts.

4.1.g Tax Structure

Table 4.7 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for the tax structure of Lyon County.

Table 4.7 – Tax Structure Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Favorability to Business	0	1	3
Favorability to Retirees	0	1	3
Favorability to Residents	0	1	3
Total Score	0	3	9

Participants generally ranked tax structure as high during the April 17, 2015 Lyon County Local Government Summit indicating that the county's tax structure is generally favorable. As a competitive strength, different economic development marketing and attraction strategies could potentially be developed that emphasize this desirability.

4.1.h Community Culture

Table 4.8 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for community culture as it pertains to supporting economic development and future growth of the locality's business sector.

Table 4.8 – Community Culture Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Support of Business	1	3	0
Willingness to Risk Personal Capital	2.5	1.5	0
Willingness to Accept Possible Externalities	2	2	0
Willingness to Alter the Status Quo	2	2	0
Total Score	7.5	8.5	0

Overall, participants of the April 17, 2015 Lyon County Local Government Summit generally indicated that the current community culture in Lyon County is *not* generally supportive for economic development and future growth of the county’s business sector. All responding participants generally ranked community culture in Lyon County as either low or medium. Three respondents ranked support of business as medium. Two and one-half respondents ranked the willingness of existing individuals and individual business owners to risk personal capital as low. Two respondents ranked the willingness of existing individuals and individual business owners to accept possible externalities, such as higher costs for energy and public services, taxes, and other related costs of business, as both low and medium. Two respondents ranked the willingness of existing residents located throughout Lyon County to alter the status quo, for example adopting new policies and strategies that would encourage economic development, business relocation to Lyon County, or expansion of existing businesses within Lyon County, as both low and medium. These results suggest that it may be difficult for policy makers, economic development professionals and government executives within the county to develop, adopt, and implement new policies that would encourage new growth and development.

4.1.i Geography

Table 4.9 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for the locality’s geography.

Table 4.9 – Geography Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Desirability of Climate	0	1	3
Desirability of Topography	0	1	3
Proximity to Key Economic Centers	1	2	1
Access to National and International Markets	2	2	0
Total Score	3	6	7

Participants of the April 17, 2015 Lyon County Local Government Summit generally ranked the geography of Lyon County, especially its climate and topography, as medium to high. This result suggests that policy makers, economic development professionals and government executives should emphasize the climate and topography of Lyon County, including the county’s overall proximity to key economic centers within the region, to new businesses interested in relocating to northern Nevada. Two respondents indicated that the county’s access to national and international markets as either low or medium. This result suggests that county and municipal policy makers, economic development professionals, and government executives

focus on improving the county’s overall interconnectedness to markets outside of Lyon County, northern Nevada, and the state of Nevada in general.

4.1.j Research Environment

Table 4.10 presents the results of the environmental factors community assessment for the April 17, 2015 Lyon County Local Government Summit for the locality’s research environment.

Table 4.10 – Research Environment Lyon County Local Government Summit April 17, 2015			
Sub-Factor	1 (Low)	2 (Medium)	3 (High)
Linkage to Research University(ies)	3	1	1
Access to Internet and Broadband Connectivity	1	3	0
Access to Private Laboratories	4	0	0
Total Score	7	4	1

In general, participants ranked Lyon County’s research environment as low. Three respondents ranked the county’s linkage to area research universities, notably the University of Nevada, Reno and the Desert Research Institute, as low. Three respondents ranked access to Internet and broadband connectivity throughout Lyon County as medium. Four respondents ranked the overall access to private laboratories as low. These results suggest that a stronger relationship between the University of Nevada, Reno, the Desert Research Institute, Great Basin College, Western Nevada College, and Truckee Meadows Community College, and various public sector agencies located throughout and within Lyon County could significantly improve the overall research environment within the county.

4.2 Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis

During the April 17, 2015 Lyon County Local Government Summit, workshop attendees completed a strengths, weaknesses, opportunities, and threats (SWOT) analysis for Lyon County. This section presents the results of this SWOT analysis.

4.2.a Strengths

Table 4.11 lists the strengths identified during the April 17, 2015 Lyon County Local Government Summit for Lyon County as a whole. Strengths can be thought of as those characteristics of the county that give the county a strategic advantage over others. Strengths are

also internal to an organization or community and can be used and leveraged in the present in order to build a stronger competitive advantage for a community.

Table 4.11 Strengths Lyon County Identified on April 17, 2015	
Access to Open Space	Available Land and Real Estate
Undeveloped Property (but Entitled)	Connectivity of Human Resources to Entities
Dedication of Staff (STP)	Emergency Services (Regionally)
Relationships across Jurisdictional Boundaries	Cooperative Among Service Providers
Infrastructure Capacity	Outdoor Recreation
Citizens	Solar, Wind and Geothermal Energy
Diversification of Communities	Community Oriented
The Lyon County Sheriff's Office	Diversity
Natural Resources – Scenic	Education
Outdoor Lifestyle	Heart-Folk
Rural Culture within Close Proximity to Urban Centers	Location – Geography; Proximity to Tahoe-Reno Industrial Center; Tesla; Access to Rail and Highways
Quality K through 12 Education	Solid County Government
Committees/Loyal Civil Servants	Diversity of Local
Growth Potential	Climate
Progressive Land Use Planning	Open Space
School System and Graduation Rates	Renewable Energy
Safe Communities and Schools	Tax Structure (Business)
Citizens that Look After one Another	Services (Established)
Climate and Change of Seasons	Available Land and Real Estate
Limited Regulation	

Participants of the April 17, 2015 Lyon County Local Government Summit identified a number of different strengths. Strengths related to governance, the establishment of public policy, and the administration of government services were the most common types of strengths identified by workshop participants. Examples of these types of strengths include a high degree of cooperation and communication between different jurisdictions both within Lyon County and between jurisdictions located within and outside the county. Limited regulation, progressive land use planning, dedicated public sector staff, and cooperation between service providers within the county are additional examples of this general strength.

A second general strength identified by workshop participants relates directly to the county's natural resources and general location. Access to open space, climate, general location and proximity to major economic centers and connectivity to major infrastructure assets such as rail and major highways are examples of this general strength. Other examples of this general strength include the availability of outdoor recreation opportunities and the general ability to pursue and enjoy an outdoor lifestyle. The county's rural culture but strong geographic

proximity to major urban centers is another example of Lyon County's geographic strength. A third general strength identified by workshop participants relates to the citizenship and current residents of Lyon County. Several workshop participants identified the community's general orientation and diversity as key strengths relating to the county's citizenry.

Related to government services is the general and overall strength of the county's primary school system as indicated by several workshop participants. Workshop participants frequently noted the quality of K through 12 education provided by the Lyon County School District, the safe community and school environment found throughout Lyon County, and the relatively high graduation rates among graduating Lyon County students. Availability of land and a large amount of undeveloped but entitled land was another general strength identified by workshop participants. Workshop participants also identified access to renewable energy, including solar power, wind power, and geothermal power, as an additional general strength.

Each of these general strengths can be utilized by policy makers, economic development professionals, and government administrators in Lyon County to further expand and grow the county's existing economic base. Policy makers, economic development professionals, and government administrators will have to balance the need to encourage economic growth and the need to balance and mitigate the impacts of that growth in order to preserve existing strengths. Existing strengths, such as the county's existing rural culture and ease of access to outdoor recreation opportunities could easily be lost to new development that is not properly managed. Other strengths, such as the general governing capacity of Lyon County and other local government entities and agencies, progressive land use planning efforts, and the existing cooperative relationships between existing jurisdictions located throughout the county, can be used to assist policy makers, economic development professionals, and government executives in balancing these forces.

4.2.b Weaknesses

The most common weakness identified by workshop participants was a general lack of resources that could be used to assist in the management of new growth. Specific examples of this general weakness include the existing tax structure and other specific examples pertaining to financial resources, a lack of economic activity that would assist in the further development of the county's tax base, and the overall capacity of existing infrastructure assets to accommodate future growth. Another general weakness identified by workshop participants included a general lack of key community-based assets such as the general lack of affordable and quality housing, poor access to quality health care, and certain parts of the socio-economic make-up of the county's residential population in-terms of the size of the highly-skilled workforce necessary to support future growth.

A final critical weaknesses identified by several workshop participants relates directly to the ongoing drought and lack of water. Several workshop participants indicated that ongoing water shortages have already and will continue to stifle future growth. Other workshop participants further indicated that the new growth that the county is already experiencing is already placing a significant strain on scarce water resources and will further strain and inhibit the county's ability to further diversify its economic base.

Table 4.12 lists the weaknesses identified during the April 17, 2015 Lyon County Local Government Summit for Lyon County as a whole. Weaknesses can be thought of as those characteristics of the county that create a strategic disadvantage for the county relative to other communities.

Table 4.12 Weaknesses Lyon County Identified on April 17, 2015	
Geography	Infrastructure Capacity
Limited Resources for Expansion (Public Safety, Money, Water, Roads, Power, Sewer, Trash)	Aging Population (Lower Socio-Economic Group)
Stigma	Lack of Code Enforcement
Historical Lack of Planning	Lack of Water
Change Resistant	Infrastructure
Financial Resources due to Slow Recovery	Water
Lack of Amenities	Tax Structure
Staffing Levels	Infrastructure
Limited Housing	Lack of Diversity (People)
Workforce	Tax Structure
75% Owners of Lands by Public Agencies (Federal or State)	Geography (County is very large – needs are different in different parts)
Training and Educated Workforce	Unemployment and Underemployed
Code Enforcement	No Sustainable Revenue Sources
Accurate Information Flow	Infrastructure
Access to Health Care	Connectivity (Information Technologies, Cell)
The Unknown	Drought Prone Region
Lack of say at Legislature/Lack of Consistency	Socio-Economic Make-Up
Lack of Access to Retail to Make a Tax Base	Distance Between Communities; Travel and Fuel Costs
Lack of Qualified Professionals	

In addressing weaknesses, policy makers, economic development professionals, and government executives have two general choices. Policy makers, economic development professionals, and government executives can develop, implement, and administer new policies designed to transform the weaknesses identified by workshop participants into strengths. For example, the general lack of highly-skilled employees can be overcome through additional and new investment in workforce development programs designed to improve the skill set of individual workers. Policy makers, economic development professionals, and government executives can also choose to develop, implement, and administer new policies designed to mitigate and curtail the negative impacts associated with the identified weaknesses. For example, individual jurisdictions may not be able to increase the availability of water but policy makers, economic development professionals, and government executives could potentially develop new building

standards and water conservation policies designed to increase the efficient use of existing water resources.

4.2.c Opportunities

Table 4.13 lists the opportunities identified during the April 17, 2015 Lyon County Local Government Summit for Lyon County as a whole. Opportunities are external to an organization or community and can be thought of as those conditions that can be taken advantage of in order to give a community a strategic advantage over other communities.

Table 4.13 Opportunities Lyon County Identified on April 17, 2015	
Tahoe-Reno Industrial Center	Regional Approach to Infrastructure (Water)
Land for Growth	Ability to Put Growth in Correct Location
Ability to Zone and Meet Needs	Two Major Highways; Interstate; Rail
County Owned Airport	Pro Economic Development Elected Leaders
Change to Land Use Policy for Consistent Approach	Availability of Land to Support Population Growth
Management and Increase Public/Private Relationships	Big Industry (Tesla, Nevada Copper, etc.) – Support Business and New Jobs that are Global
Visibility	Attractive Compared to Surrounding Areas
Space, Affordable, Marketing, Resource, Advertising	Decrease Unemployment and Social Services Use
Increase Education and Wages	Change Tax Structure
Improve Technology	“Do Over” Opportunity for Planning
Increase Transparency and Communication to the Public	Tesla Effect – New Jobs, Access to Global Markets, Increase Median Income, Change Age Demographics, Increase Attractiveness as a High-Tech Hub
Resources within the County – Minerals, Agriculture, Technology, Solar	Better Management of Natural Resources – Forces Focus
Regionalization of Services	Higher Quality Development and Community Improvement

The most frequently alluded to opportunity for Lyon County identified by workshop participants relates to several key transformative projects currently underway either within or adjacent to the county. The Tesla Gigafactory, currently being constructed in the Tahoe-Reno Industrial Center in Storey County located approximately 20 miles west of the City of Fernley, represents a significant opportunity for Lyon County and communities located in the north and central part of the county such as Silver Springs and Fernley. Workshop participants indicated that the availability of land to support growth, the ability to properly plan for this growth, and key infrastructure assets already located within the county, could potentially lead to the creation of new jobs, better access to regional, national, and global markets, increased median income, a

reversal in the overall aging of the county’s population, and an increase in the overall attractiveness of Lyon County to new businesses and residents as a new high-tech hub.

4.2.d Threats

Table 4.14 lists the threats identified during the April 17, 2015 Lyon County Local Government Summit for Lyon County as a whole. Threats are external to an organization or community and can be thought of as those conditions that a community needs to take proactive measures against.

Table 4.14 Threats Lyon County Identified on April 17, 2015	
Hanging “Our Hat” on One or Two Big Companies (Uncontrolled Population Swings)	Outsiders Moving into the County – Loss of Control
Lack of Water and Natural Resources – May Limit Growth	Technology Infrastructure and Keeping Pace with a Global Economy
Lack of a Skilled Workforce	Increased Population – Loss of Control
Diminished Resources (Water)	Not a Diverse Enough Economy
State Politics – Loss of Local Control	PILT – No Capital Projects Included
Uncontrolled Growth (High Poverty, Empty Houses, High Unemployment)	Uncontrolled Growth (No Water or Funding for Services Demanded)
Legislative Action	Bad Image/Stigma (Developers will not come or Risk Capital in our Communities)
Unmanaged Growth (Sprawl, Wrong Type of Builders, No Plan, Damaged Public Safety/Health)	Demographics (Unemployment Rate, Unskilled Workers, Poverty, Aging Population, Drop-Out Rates)
Increased Federal Regulations (EPA, Less Local Control)	Drought (New Externally Imposed Regulations, Waste Water, Storm Drains)
Drought (Lack of Municipal Water, Loss of Agricultural Production, Loss of Population)	Societal Problems (Increased Crime Rate, Mental Health, Urban vs. Rural Problems, Cultural Diversity)
Surrounding Counties (Tahoe-Reno Industrial Center – Other Counties get the Businesses, Lyon County gets the Population)	Surrounding Counties (No Control or Influence over their Decisions)

While the completion of several current transformative projects located within the county and within close proximity to the county, such as the Tesla Gigafactory in Storey County and the opening of Nevada Copper in southern Lyon County, represent opportunities for Lyon County, workshop participants generally identified the same potential growth as an emerging threat. Workshop participants indicated that this new growth could stress the ability of the county and the county’s local jurisdictions to manage the growth and provide new public services that could potentially be demanded by a growing population.

Unmanaged growth could potentially lead to increased sprawl in communities such as Yerington, Fernley, and Dayton and could also threaten the public's general safety and health as new societal problems, such as increased crime and the increased frequency of mental health concerns, could exceed the ability of each community to provide related public services. This new growth also has the potential to threaten the county's existing community and cultural identity and lead to a general loss in the ability of the public and public officials to control and manage the growth.

Dependence and overreliance on these current transformative economic development projects to stimulate economic activity within the county may also lead to new potential negative consequences. In the first few years of the 21st Century, Lyon County's real estate market experienced a significant spike in growth resulting in a real estate bubble. As this real estate bubble burst in 2008 and 2009, Lyon County, and specifically Fernley and Dayton, experienced a severe increase in their respective unemployment rates and a disproportional shift of the workforce to a high concentration of unskilled workers resulting in increased poverty rates throughout the county. If the county becomes over reliant on one or two major firms as its primary source of economic growth, a new bubble within the county's economy may form and ultimately lead to a recurrence of the demographic swings experienced by the county in 2008 and 2009.

While major projects like the Tesla Gigafactory and Nevada Copper could potentially reinvent and grow the county's economic base, policy makers, economic development professionals, and government executives may have to pursue unrelated economic development efforts as a way to ensure that Lyon County's overall economic base remains diversified. Support and investment in small business development and entrepreneurial development, the continued development of supportive infrastructure, and the continued development of critical public services could assist the county and individual local communities in their attempt to maintain a properly diversified economic base.