

Biggest Little Logistics City

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Hope everyone is healthy and getting along well. Here in Northern Nevada, the resort, hotel and gaming industry, restaurant dining, bars, salons and many other businesses that bring the public together for extended periods of time, have been ordered closed and deemed by our Governor to be, "Non-essential Businesses". A label I would have avoided. There are many opinions out there on COVID-19 and the appropriate responses, I'm not here to share mine.



Northern Nevada relies heavily on the travel and convention industry for both personal and business purposes. The cancelations of these essential large meetings and conferences have been staggering and will have a ripple effect throughout our economy for months or even longer. Within a week, we've seen unemployment sky rocket and the state departments unable to process the requests for support. Business closures are looming and for some are inevitable. April's rent and mortgages are due next week and with so many confusing messages from our local, state and federal authorities about ceasing evictions and foreclosures, I wonder how many of these go unpaid? Landlords will do their best to work with tenants but with their lenders and investors looking over their shoulder, how long can that last? Both landlords and tenants likely carry business interruption insurance, but the all-seeing insurance industry, saw this coming from miles away and most of these policies have excluded losses from virus related pandemics. How convenient? Now there's talk of government intervention, forcing these insurance companies to cover the losses. And the beat goes on...

At the time of my writing, new details are emerging about the much anticipated stimulus package. So let's hope our elected representatives and bureaucrats in DC have a clue and the stimulus funds are placed where they're needed most.

This undoubtably will be a monumental hurdle for our Northern Nevada communities to overcome but eventually we will and here's why I think we can:

Because of our efforts here in the greater Reno - Sparks area over the last 10 + years, we've been able to make huge strides in the diversification of our economy. This is a

lesson we "relearned" during the great recession and sure we have a slight history of a boom and bust economy, but today's gold and silver companies are a bit more stable and can provide a much needed backstop in uncertain time. Gold prices will soar, \$1,685.00 an ounce as of today and this will keep many outlying Northern Nevada communities, their vendors and service companies stable. Nevada as a state produces 78% of the Gold in the US and 5% globally.

More importantly the business communities in our population centers have pulled together to attract and retain the right companies to locate and operate here. The supply chain is arguably the most important industry anywhere in the US and even more so in the crisis we're currently facing. Reno itself is known as the The Biggest Little City in the World, I feel it should be, **The Biggest Little Logistics City**. Northern Nevada is quickly becoming a west coast powerhouse in the logistics and E-Commerce industry. Boasting the largest per capita square footage of industrial building space anywhere in the US. It's been said that we're close to everything. This industry alone has provided our community with much needed insulation to the unfortunate economic effects of this unforeseen event. When you start to layer in the numerous technology companies, food processing and manufacturing industries that have all located here in the last 10 years and the nearly [100,000 new jobs](#) have been created since June of 2012, for a community of 650,000 this is a big deal and you'll soon agree that as our country recovers we'll continue to boom. [Nevada Job Report](#)

According to DETR NV The ten largest projected job growth occupations are;

General freight laborer

Sales reps for wholesale and manufacturing

Supervisors and production workers

Office clerks

Metal fabricators and fitters

General and operations managers

Mechanical engineers and drafters

Stocking clerks

Market research analysts

Shipping clerks

Of course the question remains, have we done enough? Unfortunately the answer to that question is coming sooner than anyone could have anticipated. My Answer is, it's never enough. I would like to encourage our leaders, local and statewide, to continue to make Northern Nevada a great place to live, work and play. Attraction and retention is key to the stability and strength of our community.

For more on the virus' potential #CRE impacts, read the latest briefings on our @AvisonYoung Resource Centre: <https://www.avisonyoung.com/covid-19-resource-centre>

The spread of COVID-19 and the containment policies being introduced are changing rapidly, and some of the views expressed herein may not reflect the latest opinion of Avison Young. These sources provide regularly updated information on the COVID-19 outbreak: World Health Organization, Government of Canada, U.S. Centers for Disease Control and Prevention, UK Government, Johns Hopkins University COVID-19 Case Tracker.