

As area grows, Elko leaders seek help

May 31, 2012 Bill O'Driscoll, *Reno Gazette Journal*

Elko County leaders came to Reno on Wednesday, courting developers and others to help their region keep up with a churning economy fueled by the gold-mining boom.

"We need help. Truly (Elko) is a land of opportunity," said Pam Borda, executive director of the Elko County Economic Diversification Authority. "It's presenting us with some serious growing pains."

From housing to spending to other needs, the fast-growing hub of northeastern Nevada needs to respond — and fast — officials told 120 developers, financiers and others at the Elko Regional Economic Opportunities Summit in the Atlantis Casino Resort Spa.

Among their concerns:

- Housing. It's the biggest ache in Elko's side, Borda said.

"We estimate 600 to 800 multifamily units and 150-200 single-family homes are needed now just to meet existing demand," she said. "We're way behind the eight ball."

Moreover, she and others said, the shortage of housing is threatening the Elko region's 6.3 percent unemployment, nearly half the rate of Reno-Sparks.

"Hotels and RV parks are full. Mine workers are having to live with other employees. We've avoided recession primarily because of gold mining," she said of the gold mines, which have swelled the region's mining jobs by 60 percent in the past decade alone.

- Retail demand. Despite a 35 percent spike in taxable sales last year, the county faces a "huge leakage" in retail dollars, Borda said, from residents going elsewhere — as far as Reno in some cases — to shop.

To prove her point, Borda said recent grand openings in the past year of a Ross apparel store and a Jo-Ann Fabrics & Crafts broke those companies' records for opening-day sales.

Mine workers, paid an average annual salary of \$83,000 compared with \$45,000 for all jobs in Nevada, enjoy spending their money, said Elko Realtor Jim Winer.

"They work very hard and play very hard. They buy a lot of toys, four-wheel drives, trucks," he said. "There's a lot of people in Elko with a lot of money looking to spend it."

- Dispelling myths.

"It's not boom-bust. Mining is boom-plateau," Borda said.

"Newmont (Mining Corp.) has been here 50 years, and Barrick (Gold Corp.) 25 years. There's never been a bust in northeastern Nevada, ever."

Added Tim Crowley, Nevada Mining Association president, "Historically, mines have been able to change their business model and adapt and survive. While we're doing well now, we're investing to survive the leaner times better and better."



Winer insisted Elko's growth is sustainable. He cited several construction projects, including a 172,000-square-foot Newmont Caterpillar logistics center and Newmont's three-floor, 55,000-square-foot North American regional office building.

"They think they're going to be here awhile, or else they wouldn't be making these investments," Winer said.

"That speaks to sustainability."

Tim Clifford, president/CEO of Clifford & Company Inc., a contracting/consulting firm in Henderson near Las Vegas, was sold on the Elko presentation.

"Clark County is dead," he said of Southern Nevada's long-suffering housing market. "So we're looking outside Clark. Elko seems to be the next spot."

Clifford said his firm today will submit initial paperwork in Elko for a \$100 million, 140-acre mixed-zoning project including 332 homes and hundreds of apartments along with a private church and school site.

Greg Evangelatos, Elko city planner, said the city, with limited infrastructure, is grappling with growth.

"There is caution to grow but a need to expand," he said. "It's critical for us to seize this opportunity. Everyone wants to do the right thing, and we realize things are going to change."