



Nevada Governor's Office of
Economic Development

— Empowering Success —

Catalyst Fund Overview

Created in 2011, Nevada's Catalyst Fund incentivizes the expansion or relocation of businesses that will quickly result in the creation of high-quality, primary jobs in Nevada. This fund offers a tool to Regional Development Authorities to assist their efforts to close deals with viable companies that will enhance the state's economic sectors and offer stable jobs with good pay and benefits.

The procedure for applying to the Catalyst Fund consists of two major steps. First, the business that desires the incentive will apply, with assistance from the pertinent designated Regional Development Authority, to the local government in which the business is or will be located.

Local governments and Regional Development Authorities should refer to the Governor's Office of Economic Development's (GOED) "Suggested Criteria for Local Government Applications," which serves as a guide to local governments in the development and consideration of applications from interested businesses. Among factors to be given serious consideration are the nature and viability of the business, the wages and benefits for the jobs to be created, and the timeline for completion.

The second step is an application from the local government, again in collaboration with the pertinent designated Regional Development Authority, to GOED. For the state application to be considered, it must have attached to it the application to the local government. GOED expects that any application for Catalyst Funds will align with the pertinent regional economic development plan and the State Plan for Excellence in Economic Development.

Additional details about the application procedure are provided on the reverse. GOED welcomes questions about this process.



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Procedures for Applying for Catalyst Funds

Authority: Nevada Revised Statutes (NRS) 231.1571

A. Application Process: Date of submittal; consideration by Commission.

1. To apply for a grant or loan from the Catalyst Fund, a Regional Development Authority (as defined in NRS 231.1571) must submit an application to GOED on an application form prescribed by the Executive Director of the Office of Economic Development within the period prescribed in subsection 2 below, which includes:

- a. The proposed plans, projects, and programs to which the grant or loan will apply.
- b. The expected benefits of the grant or loan.
- c. A statement of the short-term and long-term impacts.

2. If GOED determines that approval of an application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development, GOED, or the Executive Director when the request for funding is less than \$100,000, may approve the application. Factors considered to promote the economic development of this State include, but are not limited to, the following. As used below, "significant" is proportional to the funding requested.

- a. Significant projected creation of primary jobs with wages significantly above the average wage for the relevant occupations in the county in which the new business intends to locate.
- b. Significant projected capital investment.
- c. Significant project relevance to sectors and clusters targeted by the State Plan for Economic Development. Projects should enlarge and advance target industries and clusters.
- d. Significant return-on-investment in job creation, wage levels, and capital investment over a three-year period.
- e. The applicant's plan for distributing funds must be financially sound.
- f. A Regional Development Authority may develop additional criteria in order to emphasize regional priorities.

3. At the discretion of GOED, an applicant may revise his or her application.

4. Within thirty (30) days of approval of an application, GOED shall enter into an agreement with the Regional Development Authority that sets forth the terms and conditions of the grant or loan from the Catalyst Fund, which must include:

- a. A provision requiring the Regional Development Authority to enter into a separate agreement with each business to which the regional development authority provides any portion of the grant or loan; and
- b. A provision requiring each business to which a Regional Development Authority provides any portion of the grant or loan to return the grant or loan to GOED if it is not used in accordance with the agreement between the Regional Development Authority and GOED.
- c. A provision requiring each business to which a Regional Development Authority provides any portion of the grant or loan to agree to the public disclosure of its company name,

ownership, award amount requested, and agreed-upon performance requirements, such as, but not limited to, job creation, wage levels, and capital investment.

B. Reporting requirements

1. Within 30 days following the end of the fiscal year ending on June 30, each Regional Development Authority granted any amount from the Catalyst Fund shall provide to the Executive Director, for all projects funded during that fiscal year, an initial report on the project that includes the following information:

- a. A description of the activity undertaken with the money from the grant or loan and the amount of money used for each activity;
- b. The return-on-investment on the money provided by the grant or loan expressed through performance measures including job creation, wage levels, and capital investment; and
- c. A statement of the benefit to the public from the grant or loan including documentation that supports the benefit.

2. Two years and five years following the initial report, the Regional Development Authority will provide a report to the Executive Director that includes the following information:

- a. The number of jobs created as a result of the grant or loan
- b. The wage levels of the jobs created as a result of the grant or loan

C. Failure to comply with agreement.

If GOED finds after a reasonable investigation that the Regional Development Authority has failed to use the Catalyst Fund money in accordance with the terms of the agreement between the Regional Development Authority and GOED, the Executive Director may immediately cease providing the

Regional Development Authority with money from the Catalyst Fund, and the Executive Director may, in his or her sole discretion, determine that the agreement is void. In such a case, the Regional Development Authority shall repay to the Catalyst Fund the amount of the grant or loan provided in connection with the voided agreement.

D. Claw backs

If the Regional Development Authority or the Executive Director, after reasonable investigation, find that a business that received a grant or loan from the Regional Development Authority has failed to use the Catalyst Fund money in accordance with the terms of the agreement between the Regional Development Authority and the business, the business shall repay to the Regional Development Authority the amount of the grant or loan that was received. The business shall, in addition to the amount of the grant or loan required to be repaid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period of the grant or loan until the repayment of the grant or loan. The Regional Development Authority must repay the Catalyst Fund within 30 days of receipt of repayment from the business. The Regional Development Authority will use its best efforts to secure repayment and interest from the business.