

## **Executive Summary- Reno**

*Entrepreneurial Communities LLC. assessed the Reno ecosystem during the winter of 2022-23.*

*Reno economic and community data were aggregated and benchmarked against the entrepreneur ecosystems in five major U.S. cities, including Salt Lake City, Boise, Kansas City (MO), and Colorado Springs. Stakeholder interviews and roundtables were hosted in November and December 2022. A nine-person national roundtable of entrepreneurship researchers and practitioners was convened in February 2023 to provide insight and recommendations for this report.*

The Reno/Tahoe region has emerged as one of the most vibrant places in the West, attracting founders, talent, and remote workers in unprecedented numbers to Nevada's Biggest Little City. The Reno/Tahoe ecosystem as assessed in 2023 is the strongest ecosystem in the state of Nevada, with key infrastructure, culture and stakeholder engagement built out over the past ten years. The city offers dense startup connections and an innovation-focused entrepreneurial culture. It is a welcoming community of independent thinkers who value natural resources, small city life, and the arts. The region is anchored by multiple entertainment districts quickly evolving for this generation of founders. Much of this good work has been supported by a small number of local champions and organically rising community assets.

The Reno/Tahoe ecosystem can continue its steady growth into the coming decade by doing more of the same community building that brought it here, however the region also has an opportunity to become much more. With a bold future-focused vision that engages many more champions, Reno/Tahoe can lead the nation as Boulder, Portland and Kansas City have done in creating new economy jobs, businesses and economic growth. Reno is positioned to be the city of the future, attracting an entirely new generation of knowledge workers and innovators in equal measure with large corporations, resulting in an exceptional workforce, a center of gravity for independent American startups and a vibrant, wealthy city that will flourish in the new economy.

### **Envision a National Brand**

Entrepreneurs interviewed for this report repeatedly shared that they 'just didn't know what they didn't know' about the Reno experience until they arrived. Once here, entrepreneurs discover a wide array of benefits that support both business growth and community life in this mountain city. This report recommends unifying regional energy around the exemplary lifestyle and peer community of the Reno/Tahoe region. The arts and eclectic retail experience of Midtown, the vibrancy and entertainment of downtown and the year around natural resources of Tahoe and the northern deserts contribute to a community experience unlike any other in the West. Within the ecosystem, resources abound, Reno/Tahoe entrepreneurs give as much as they receive, broadband is improving, and statewide public policy is shifting to support the innovation-led economy. The creation and national marketing of a unified Reno/Tahoe brand will invite like-minded innovators to explore the Reno/Tahoe entrepreneurial life and propel this part of Nevada onto a national stage, rivaling the acclaimed Boulder experience.

### **Ignite Ecosystem Resources**

Reno/Tahoe ecosystem builders have made great strides in bringing the ecosystem to life in Northern Nevada over the past decade. Multiple groups regularly meet up and dense connections exist between dozens of ecosystem support organizations. Now these partners should ignite the network around a regional ecosystem vision where business startup and expansion is celebrated and supported for all residents. This will require purposeful inclusion of more entities to reflect the region's demographic changes. Leaders will need to set a larger table to make room for those who serve minorities, women, LBGTQ and other disadvantaged entrepreneurs. They will need to coach traditional organizations to

reimagine how they contribute to this ecosystem. Young leaders are emerging, people like Ania Calvillo-Mason, Jessica Phillips, Brent Freeman, Rachel Macintyre and Jake Carrico. These champions will be pivotal to the evolution of the ecosystem around youth and women entrepreneurship, incoming Silicon Valley tech startups and small business development. Among the many benefits resulting from expanded collaboration, an informed cross-organization and community supported funding strategy can be developed around an endowment fund to sustain the next phase of ecosystem growth.

This larger network can be tasked to address multiple current ecosystem needs as well, including gaps in flexible housing, especially near Midtown and downtown Reno and work together to fill gaps in the Reno/Tahoe capital stream supporting pre-seed and angel investments.

### **Fill the Pipeline**

Reno has developed benchmark metrics which can guide the growth of the Reno/Tahoe ecosystem in the coming decade. The entrepreneur community has grown by 4.5% on average since 2016 in spite of record-breaking business closures during the pandemic. Reno entrepreneurs are contributing 3% of employment and compensating employees at 65.8% of the average wages paid at all firms across the country. They create 5.6 more jobs than they shed in their first year of operations. These are strong metrics that compete well against most similarly sized cities, but Reno has the capacity to lead these metrics going forward.

Pushing energy toward the top of the stack in support of technology transfer and corporate partnerships will increase the numbers of growth companies and jobs in the region and raise average wages over time. This can be accomplished through streamlining the technology transfer processes at UNR and DRI and empowering EDAWN and Tahoe Regional Prosperity to support licensing opportunities among regional corporations. Improving connections between the startup community and corporations will foster greater co-investments, sponsored research and SBIR/STTR co-applications, reaping benefits across the economy. Empowering the nearly 15,000 regional Reno microbusinesses to utilize technology innovation will result in more breakout growth companies, local wealth and new businesses, moving Reno toward a place where side gigs, small business and scaling companies alike are all welcomed, ubiquitous and expected.

2023 will likely be remembered as the year ChatGTP was introduced to the world, marking another disruptive milestone in our movement toward fully engaging in the innovation economy. From here, change will come fast and furious to cities and communities throughout Nevada and the world. With state support and bold local action, Reno/Tahoe is poised to get ahead of these trends and build the economic future of the region by creating a center of gravity supporting American startups working at the edge of these innovations.

## The Reno Ecosystem

### Overview

The Reno/Tahoe region has emerged in recent years as one of the most vibrant places in the West, attracting founders, talent, and remote workers in unprecedented numbers to Nevada's Biggest Little City. The city is nestled in the foothills of the Sierra Nevada Mountains along the Truckee River and near Lake Tahoe. Unlike its sister city of Las Vegas, Reno/Tahoe does not have an iconic international footprint to draw from. Over the course of the last decade, it has created its own, attracting growing numbers of new economy innovators. These efforts have been driven by EDAWN and a small, tight-knit group of entrepreneur support organizations.

Reno efforts began as a visionary policy decision in 2012 by the Economic Development Authority of Western Nevada (EDAWN) and Director Mike Kazmierski. Utilizing best practices described in Brad Feld's book *Startup Communities* and Victor Hwang's Rainforest principles, a specialized EDAWN entrepreneurship team was tapped to build out a five-point approach to support the ecosystem.

- **Communicate** Utilize the new profile of EDAWN to tell the story of Reno's startup community both internally and externally.
- **Catalyze** Identify gaps in the ecosystem, find entrepreneurs to lead initiatives, and support the programs with both human and financial resources.
- **Connect** Bridge the gaps between the startup community, the broader business community, and regional governments.
- **Showcase** Shine a spotlight on the successes in the community to help startups break out from the noise and highlight entrepreneurial role models.
- **Attract** Uplift the ecosystem with outside founders, integrating new role models and capital from Silicon Valley and other hubs to continuously refresh and invigorate the community.

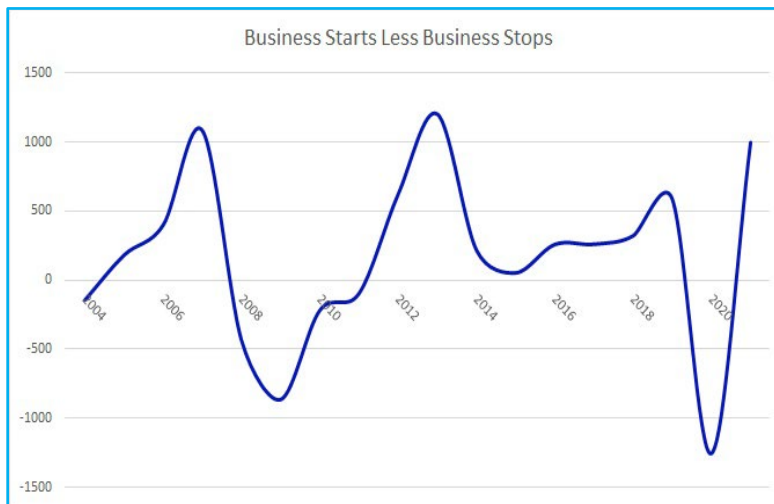


EDAWN's SVP of Entrepreneurial Development Doug Erwin, VP's Bryan McArdle and Juston Berg, and Manager Katie Romanko-Freeman have done an exemplar job. They seeded the creation of multiple angel investment organizations (Reno Seed Fund, Audacity Fund, Innevation Fund). They supported the rollout of 1M Cups, Startup Weekends, and Tech Rally then Tech Alley meetups. The EDAWN team led the creation of Founder Dinners, one of the region's most successful entrepreneur celebrations. Erwin has emerged as a super connector, acknowledged by the Kauffman Foundation as being one of the nation's best ecosystem builders. He and his team have served as go-to ambassadors to welcome and engage new startups and to connect community members ongoing with resources, information, and services.



The path to today's vibrant ecosystem has been marked by global disruptions. Between 2004 and 2020 the number of new business starts exceeded the number of exits every year except for during the Great Recession and the pandemic. Between 2019 and 2021, at the height of the pandemic, Reno saw more business closures than at any time in the past two decades. The rebound in 2021 was dramatic.

**Changes in Numbers of Businesses by Size in Reno MSA, 2005–2021**



Businesses	2011	2016	Change ('11-'16)	2016	2021	Change ('16-'21)
Self-Employed sole proprietorships of one employee	2,693	2,714	0.8%	2,714	3,176	17.0%
Small 2 to 9 jobs including proprietorships	12,261	14,493	18.2%	14,493	14,576	0.6%
SME (Small-medium Enterprises) 10 to 99 jobs	3,599	3,732	3.7%	3,732	4,099	9.8%
Mid Size 100 to 499 jobs	242	252	4.1%	252	268	6.3%
Large 500 or more jobs	34	24	-29.4%	24	25	4.2%
<b>TOTAL BUSINESSES</b>	<b>18,829</b>	<b>21,215</b>	<b>12.7%</b>	<b>21,215</b>	<b>22,144</b>	<b>4.4%</b>

Source: Business Dynamics Research Consortium, University of Wisconsin System.  
[youreconomy.org](http://youreconomy.org) Accessed February 2023.

Throughout the stack, the number of overall businesses continues to grow in the Reno Metropolitan Statistical Area (MSA). Much of the net new business startup activity has been among sole proprietors and companies with 10-99 jobs. Many of these sole proprietors are home based businesses, remote workers or very early technology-adapted small business owners (such as ebay and other ecommerce vendors).

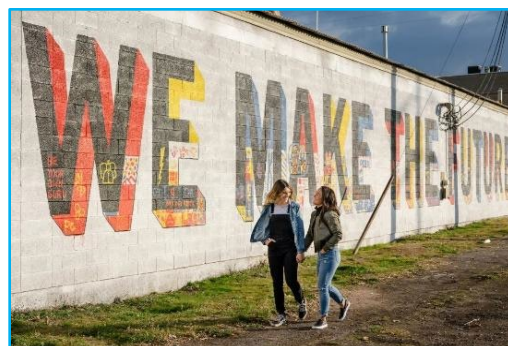
### Reno/Tahoe Benchmark Cities

Comparisons were determined by a combination of “ideal benchmark cities” held up by local leadership as places where they intuitively compare themselves plus other cities where population and entrepreneurial activity were comparable. For this assessment, we highlight the unique ecosystems of Salt Lake City, Boise, Kansas City, Mo., Orlando, and Colorado Springs.

#### 1. Salt Lake City

*Connections drive this ecosystem*

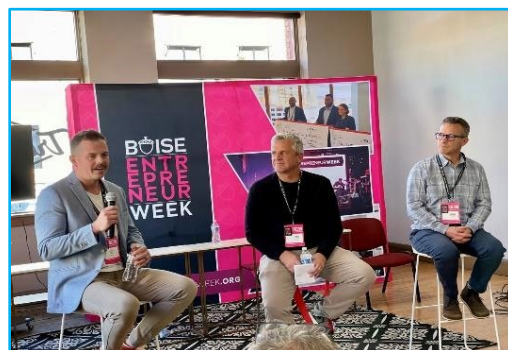
Salt Lake City’s tech scene is well-branded and densely connected. Marketed as the “Silicon Slopes,” the city proper is just over 200,000, big enough to offer an abundance of the necessary resources—people, capital, and expertise, coupled with more connecting events than most ecosystems—including its own media nonprofit.



#### 2. Boise

*Best practices in entrepreneur attraction*

Boise is a major tech hub in Idaho, having built a strong strategy around luring entrepreneurial talent from bigger, higher-cost-of-living cities such as Portland and Seattle. Boise ranks 15th on the U.S. News & World Report Best Places to Live list for 2022-'23, offering thriving social scenes, excellent outdoor activities, and a reasonable cost of living.



### 3. Kansas City, Missouri

#### *Best stakeholder network in the nation*

Beginning in 2011, Kansas City articulated a vision to make KC America’s most entrepreneurial city. This region has built one of the strongest ESO networks in the country. Some of the first reporting metrics around ecosystems were published using aggregated data from KC. The “We Create Jobs” reports are globally known for quantifying the value of entrepreneurial ecosystems.



### 4. Orlando

#### *A united ecosystem brand*

Orlando, with a rich economic and cultural history tied to the entertainment sector, has emerged in 2023 with a complementary brand supporting its entrepreneurial ecosystem. The new brand, the “Center of the Metaverse,” brings together university, community, and Disney assets around entrepreneurship in IoT, augmented reality/virtual reality, gaming, and 3-D.



### 5. Colorado Springs

#### *Entrepreneur-led ecosystem building*

The entrepreneurs in Colorado Springs embrace Techstars cofounder Brad Feld’s vision for entrepreneur-led ecosystem building. Throughout the region, resources have been built and shared (largely for free) by founders, which makes this ecosystem unique and welcoming. The community is well-known for its health-tech and sport-tech innovations and a wealth of natural resources.



## Demographics

**Goals:** There are baseline demographics common to vibrant ecosystems, including higher educational levels (particularly in STEAM fields), higher median household incomes, diversity, and high household adoption to the internet.



### Age, Income, and Education

	Median Age	Median Household Income	Bachelor's Degree or Higher
Reno	39	\$76,182	34%
Boise	37	\$73,343	36%
Colorado Springs	35	\$79,014	42%
Kansas City	38	\$73,900	40%
Orlando	39	\$64,936	35%
Salt Lake City	34	\$105,479	36%

Reno ranks favorably compared to benchmark cities in terms of age, household income, and education. The lack of education, which is a drag on the state as a whole, is not apparent here, as 34% of the adult population has a bachelor's degree or higher. Reno, Colorado Springs, and Salt Lake City each have 2.1% of their workforce in Information Technology, surpassing Boise, Kansas City, and Orlando.

### Information Technology (IT) Workforce as Share of All Employees

	Reno	Boise	Colorado Springs	Kansas City	Orlando	Salt Lake City
IT Workforce	2.1%	1.6%	2.1%	1.8%	1.8%	2.1%

Source: 2021 American Community Survey Five-Year Estimates Data Tables, U.S. Census Bureau.  
[data.census.gov/](https://data.census.gov/)

### Kauffman Indicators of Entrepreneurship

	Contribution	Creation
Reno	3.0%	5.6
Boise	4.2%	8.0
Colorado Springs	4.0%	3.9
Kansas City	3.0%	4.6
Orlando	3.3%	5.5
Salt Lake City	3.0%	6.3
National Avg.	3.1%	3.4

Companies less than a year old contributed 3.0% of private sector employment in the Reno MSA in 2020. This is measured as the ratio comparing employment among firms 0-1 year of age to total employment. This is just under the national average of 3.1%.

Reno companies less than a year old created 5.6 more jobs than were lost in 2020. Reno outperforms the country at 3.4 and Las Vegas at 4.7.

	Compensation	Constancy
Reno	65.8%	48.4%
Boise	53.6%	53.5%
Colorado Springs	62.0%	53.2%
Kansas City	118.1%	54.0%
Orlando	60.2%	53.0%
Salt Lake City	67.2%	53.2%
National Avg.	55.1%	53.8%

Reno startups are compensating employees at 65.8% of the average wages paid at all firms across the country. The only benchmarked region that exceeds the average wages paid across all firms is Kansas City.

Among companies tracked by EDAWN, wages average about \$90K annually. The region is seeing churn in those jobs; less than half of new jobs last longer than three consecutive quarters at 48.4%. This compares to a little more than half in Las Vegas (51.3%) and 53.8% nationally.

Source: 2021 Kauffman Indicators of Entrepreneurship.  
[indicators.kauffman.org/data-tables](https://indicators.kauffman.org/data-tables)





**Reno Area Race/Ethnicity**

	Asian and Pacific Islander	Black	Native American	White	Non-White Hispanic
Reno	6%	2%	1%	63%	26%
Boise	2%	1%	1%	79%	14%
Colorado Springs	3%	5%	1%	72%	18%
Kansas City	3%	12%	1%	72%	10%
Orlando	4%	16%	0%	48%	33%
Salt Lake City	5%	2%	1%	73%	19%

*Source: 2021 American Community Survey Five-Year Estimates Data Tables, U.S. Census Bureau. [data.census.gov/](https://data.census.gov/) Accessed February 2023.*

The Reno MSA is diverse and becoming more so. The number of minority residents has grown dramatically over the past decade and is expected to continue to climb between now and 2050.

Minority, women, and more international entrepreneurs will fill the pipeline in coming decades. A multitude of best practices across the stack have been instrumental in supporting these entrepreneurs. In Denver, Colorado Access Mode MVP Lab Accelerator is a novel prototyping lab serving very early-stage minority entrepreneurs. Because the program engages founders at the idea stage, this accelerator backfills dozens of entrepreneurs into the pipeline in Denver who graduate into the broader ecosystem better prepared to engage in the community and poised for investment.

In Portland, Oregon, business owner Junea Rosha launched an innovative pop-up program during Hispanic Heritage Month, supporting a single growth-oriented, consumer packaged goods entrepreneur with \$10,000 and 12 weeks of personalized mentoring with her team at Brazi Bites. This kind of peer support creates needed role models around entrepreneurship while promoting the growth of more businesses owned by Hispanic entrepreneurs.



Some of the highest rates in new business starts nationwide are coming from women and in particular, women of color. Dayo McIntosh of Yateou Inc., relocated to Reno from Silicon Valley. She noted she has been welcomed in meetups with angels in Reno. She said, “I sat with investors in the valley where, before I opened my mouth, I was dismissed. In Reno, I hear, ‘What are you building?’ and ‘How can I help?’”

Multiple women suggested there aren’t enough women in the overall community. They noted that many Reno programs and events tend to be built around schedules that are not conducive to the unique needs of women—on weekends, during evening hours, or at other times that women are unable to attend. Josh Leavitt, who leads Tech Alley, a popular meetup event in Las Vegas and Reno hosts his Reno events at the

Terry Lee Wells Discovery Museum in MidTown to address these needs. “The museum isn’t perfect, but it offers families the opportunity to participate in Tech Alley. It’s part of our mission to be inclusive. We work at it,” he said.

### **Startup/Scaleup Activity**

The movement of people and companies out of surrounding states, especially California, is well-documented. Many founders have migrated to Nevada, settling in Reno and Sparks and Incline Village and Truckee near Lake Tahoe. Entrepreneurs Brent Freeman and Matt Mireles participated in one of a dozen entrepreneur roundtables hosted throughout the state of Nevada during the winter of 2022-’23.

Brent Freeman is the founder of Stealth Venture Labs, a Silicon Valley digital marketing team-for-hire that helps subscription brands find product-market fit, push through growth plateaus, and integrate social good into their business models. He also founded Stealth Impact Labs, a 501(c)(3) providing free ecommerce education along with \$5,000 grants to inner-city teenage entrepreneurs from disadvantaged backgrounds in the U.S. Freeman relocated to Incline Village, collectively referred to as “Tahoe,” in 2022.

In the Silicon Valley, Freeman said, “It is ‘Who do you know? What do you do?’ It is all very competitive and how to get rich—it’s exhausting. What makes Reno/Tahoe different is the ability to be outside of that—to focus on quality of life—it’s ‘life arbitrage.’”

Matt Mireles of Oasis, an AI research lab, moved to Reno when he had children. “The Bay did not make sense for me the moment I had my son,” he said. “I didn’t know what I didn’t know about this place until I came here.” Mireles said he believes the next phase of the Reno/Tahoe ecosystem needs to borrow from the valley to “level up.” Reno/Tahoe’s ecosystem must be “rebuilt for the post-pandemic world; it needs new operating models that include high-signal curated gatherings.”



### **Small Business Activity**

Prior to the pandemic, small businesses with fewer than 10 employees had been growing at the fastest rate of all business sizes in Reno. Many of these companies closed during the pandemic; others received disaster aid. A substantial proportion of that assistance came in the form of Economic Injury Development Loans (EIDL). In Nevada, 41,286 small businesses received EIDL loans, averaging about \$71,000 apiece. In December 2022, all of these loans entered repayment. Today, many small businesses are carrying additional debt while struggling to adopt new tech-based operations in response to accelerating automation, changing consumer behavior, and global competition.

The ecosystem field has been slow to build metrics around how well the next generation of small and microbusinesses are adapting to a tech-led economy. The Venture Forward project at GoDaddy has launched new measuring tools to explore this. Venture Forward examines the business experience of microbusinesses—defined as companies with 10 or fewer employees and an online presence—to understand how this portion of the stack holds up in the new economy. The Microbusiness Activity Index (MAI) (next page) assesses how many microbusinesses are in an area (participation), how active they are (engagement), and how well-prepared a community is to support them (infrastructure). MAI provides an

overall score that ESOs can use as a benchmark for understanding the needs of this segment of the stack. Reno has a strong MAI at 13.9, just behind Salt Lake City and well above the national average of 5.5.

#### Reno Microbusiness Activity Index

	MAI	Engagement	Participation	Infrastructure
<b>Reno</b>	<b>13.9</b>	<b>14.4</b>	<b>7.3</b>	<b>12.8</b>
Boise	11.7	10.8	5.7	13.4
Colorado Springs	13.7	11.4	5.8	19.9
Kansas City	10.9	11.1	4.2	14.5
Orlando	12.1	7.5	7.3	14.9
Salt Lake City	14.3	12.2	7.1	17.5
<i>National Avg.</i>	<i>5.5</i>	<i>11.6</i>	<i>0.8</i>	<i>3.2</i>

Source: 2022 GoDaddy Venture Forward Microbusiness Data.  
[godaddy.com/ventureforward](https://godaddy.com/ventureforward)

**Engagement** is a measure of signals determining how active a business is online—its traffic, economic footprint, and web security measures, for example. Reno has the highest index at 14.4 among benchmarked cities, suggesting the microbusinesses that are online in Reno are actively engaged.

**Participation** considers the raw number and growth rate of both small businesses and the entrepreneurs who own them. Reno performs well here, too, sharing high participation rates of 7.3 with Orlando.

**Infrastructure** assesses how well-connected a community is to bandwidth and the socioeconomic status of its microbusinesses. Reno’s infrastructure score of 12.8 reflects the high-speed internet availability in the MSA, but other cities may be doing more to improve high-speed internet availability and adoption rates or may have businesses with a stronger socioeconomic status.

The Microbusiness Industry and Commerce table showcases the top three industries small businesses are engaged in online. In the Reno MSA the top industry is health and medicine, followed by hobby and beauty. The Orders percentile ranks each region for its online orders per capita. At 43, Reno ranks well in this ranking, ahead of most benchmark cities; only Boise ranks higher.

#### Microbusiness Industry and Commerce

	Orders Percentile	Merchants Percentile	GMV Percentile	Top 3 Industries
Reno	43	64	35	Health & Medicine, Hobby, Beauty
Boise	33	70	43	Retail, Restaurant, Automotive
Colorado Springs	45	67	77	Fitness & Wellness, Industrial, Beauty
Kansas City	80	44	75	Food & Drink, Fashion, Agriculture
Orlando	78	94	73	Beauty, Software/IT, Health & Medicine
Salt Lake City	68	24	40	Retail, Sports, Hobby

Source: 2022 GoDaddy Venture Forward Microbusiness Data.  
[godaddy.com/ventureforward](https://godaddy.com/ventureforward)

The Merchants percentile measures the number of online merchants per capita. Salt Lake City and Kansas City have the highest number of merchants. The online gross merchandise value (GMV) reflects gross sales per capita. Reno ranks high in this category at 35, suggesting that the average sale among online businesses is higher than in comparable cities.

### **Public Policy**

**Goal:** *Future-focused public policy should strive to reduce the friction associated with startup activity, including compliance, licensing, and regulation. The public sector should operate to guide and support vs. ban or bar. It is in the hands of public policy makers to ensure that everyone has access to ubiquitous, affordable, high-speed bandwidth.*

Reno has little public policy that directly supports early-stage business startup activity. Ordinances around emerging business models such as Airbnb, Uber are managed by the county. In some ways, this may be a lost opportunity for building an attractive Reno/Tahoe brand. Boulder, Colorado is a city that has implemented novel public policy in support of small and early-stage business startup for a very long time. In the 1960's, Boulder implemented green space rules that precluded development beyond certain city limits to protect the mountain views. Companies with more than 500 employees must leave the city (much to the delight of neighboring communities) to ensure space and opportunity for younger, smaller companies to conduct business. These policies and others have created a unique environment that holds up the needs of young, small companies helping to create the 'startup capital of the world' label that Boulder is famous for.

### **Business and Professional Licensing**

Business licensing in Reno is conducted through a stand-alone online [city portal](#). To apply for a license, an entrepreneur must first complete a short list of other state and local registrations, including applying for a state business license at SilverFlume. The application on the city portal is very similar to the application at SilverFlume, requiring an entrepreneur to enter their entire business information package twice. This process is then repeated when applying for a county business license on the ONE Regional Licensing & Permits portal at [aca-prod.accela.com](http://aca-prod.accela.com)

Professional licensing, including reciprocal agreements, were identified by a number of entrepreneurs as a barrier affecting families when moving to Nevada. The American Institute for Research (AIR) published a *State of Occupational Licensing in Nevada* report in February 2021. AIR calculated a Composite Licensing Difficulty Score, which considers such things as entry requirements, education and training, and reciprocity agreements, to compare the difficulty level of licensing across states. Among four surrounding states, Nevada had the highest difficulty scores.



#### Reno Bandwidth

	Cable, fiber, DSL	Satellite	Cell only	No Internet Service
Reno	77%	8%	8%	12%
Boise	79%	9%	8%	7%
Colorado Springs	84%	8%	7%	5%
Kansas City	78%	6%	10%	8%
Orlando	80%	5%	10%	7%
Salt Lake City	81%	7%	10%	6%

Source: 2021 American Community Survey Five-Year Estimates Data Tables, U.S. Census Bureau.  
[data.census.gov/](https://data.census.gov/) Accessed February 2023.

While the majority of residents in Reno have access to bandwidth, there are disparities, including 12% of households who have no internet service at all. Many of these households are in lower-income neighborhoods or rural regions of the Reno MSA. To compete in a global economy, whether with an online merchant side gig or running a tech-led business, access to high-speed and affordable internet is critical.

Some urban districts create their own mesh webs to serve entire neighborhoods. Main Street communities across the country have installed free Wi-Fi in downtown districts, attracting more local residents and home-based businesses, increasing the density of serendipitous connections in cafés, coffee shops, and outdoor green spaces.

## Place

**Goal:** *Natural, built, and cultural resources collectively create a fertile landscape that attracts entrepreneurs and the talent they hire. Central to this are public-private partnerships (placemaking at scale), designation and branding of entrepreneurial hubs, and a supportive culture that promote lifestyles of innovation, curiosity, community connection, and creativity.*

As Reno has emerged from the pandemic, the center of gravity in the city has shifted away from the casino-rich downtown to the adjacent MidTown District, where much of Reno's entrepreneurial activity has begun to organically coalesce.

Midtown's eclectic and newly renovated cottage district is made up of retail microenterprises, foodie pubs, new age ventures, and a surprising array of entertainment venues. It is near here that coffee shops and coworks like the Dropout Bike Shop, Coffeebar, The Virgil, Reno Hive, Reno Collective, and



others have played pivotal roles in connecting and building community around innovation over the past decade. On one side of MidTown—where the commercial district meets residential cottages—is the UNR Innevation Center. The 25,000-square-foot facility boasts an expansive coworking space with shared and private offices, conference rooms, cwork-style phone booths, and open seating for one hundred. The lower level houses an exceptional makerspace with 3-D printers; textile, leather, and electronics studios; a green room; and CNC machining, laser cutters, and woodworking equipment. On the main floor are smart classrooms for workshops and training and flex space for events. More than 20 partner organizations are housed at Innevation Center, including the Audacity Institute and Nevada Entrepreneurship Network.



Downtown Reno flanks the other side of MidTown. The local casino economy is centered here, including a trio of iconic casinos branded as The Row. Downtown is subtly evolving to coexist with local startups and to welcome new generations of residents and entrepreneurs. The iconic Harrah’s casino, for example, is undergoing the largest adaptive reuse development in Reno’s history, converting the 1,000-room casino into 530 market-rate residential units and 225,000 square feet of retail and office space. Central to this project is the inclusion of UNR graduate student housing, podcast rooms, coworking spaces, and a parklike plaza and amphitheater overlooking the Riverwalk.

Housing options near MidTown and downtown Reno are expensive and limited, however. Many entrepreneurs interviewed suggested that limited housing options—especially a lack of housing in walkable districts near MidTown and downtown—precluded them from making key hires.

Overlaying the connected energy around these districts are the arts and ethos of Burning Man and the acclaimed natural resource attractions of Lake Tahoe and the mountains. These amenities provide year-round opportunity for outdoor recreation. The Burning Man festival takes place each summer, 80 miles northeast of Reno in Black Rock Desert. In a Sparks makerspace and in private structures throughout Reno, artists build their larger-than-life sculptures throughout the year, bringing a wide array of activist artists to the community for months at a time. Some stay.

The city has been the recipient of dozens of sculptures from previous Burning Man festivals; the artwork is on street corners, in parks, in the foyers of corporations, and throughout the downtown Riverwalk and MidTown districts. In the winter, North Lake Tahoe features resorts for downhill skiing and snowboarding. A few miles further, Mount Rose offers 1,200 acres, including 60 trails and three terrain parks.

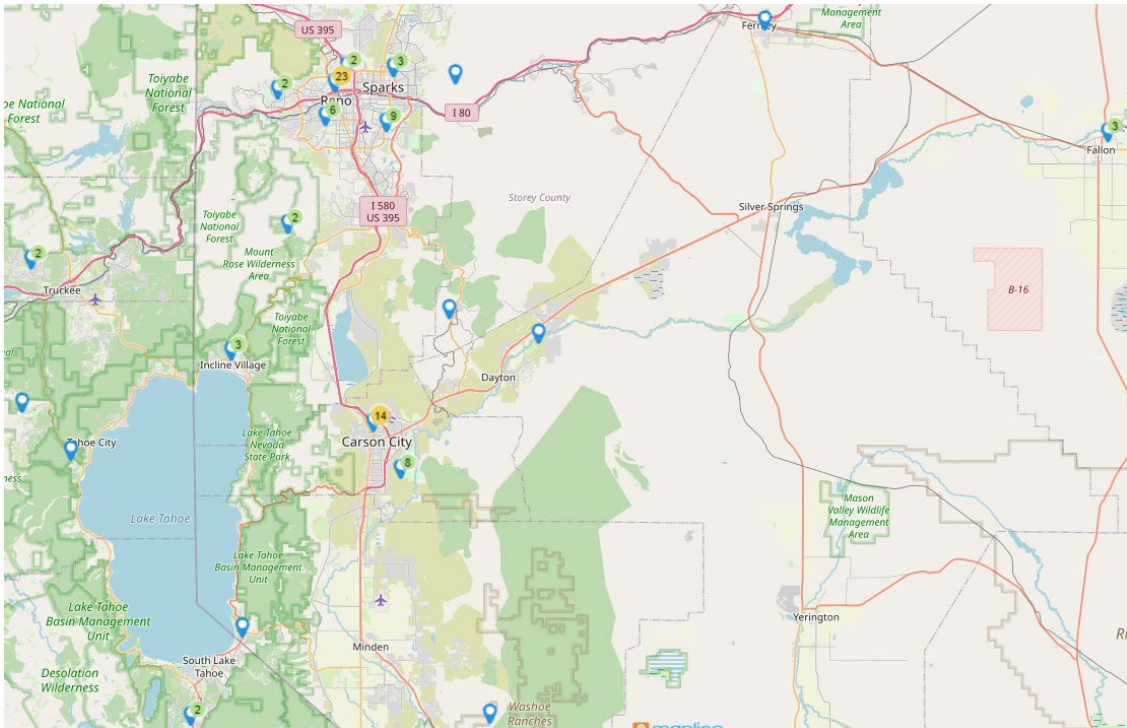
At the conclusion of an expansive MidTown reconstruction project in 2022, small business owners there were asked to select a sculpture that would reflect the forward vision of the district. According to Frances Weiner, MidTown District President, the sculpture they selected, is called “Reciprocity.” It was chosen because it resembled a vibrant bow. “We believe,” she said, “that MidTown is our gift to the city.”



## Resource Networks

**Goal:** High-performing ecosystems offer a full spectrum of resources, including capital, technical assistance, and densely connected resource providers who provide onramps, interactions, and collisions to raise and empower all who wish to participate in the economy.

More than 75 documented public and nonprofit entrepreneur support organizations (ESOs) are missioned to serve the Northern Nevada entrepreneurial community. Their services range from business counseling



and coworking, training, and mentoring to capital. Interconnection, trust, and collaboration among these resources is critical to creating the density of connections needed to support the Reno ecosystem. Several of these groups regularly meet in Reno, including a group called Entrepreneurship Nevada (EN) and a separate monthly online meetup hosted by EDAWN with about 20 ESOs.

Attendees to these meetups primarily include the NSBDC, UNR’s Ozmen Center for Entrepreneurship, EDAWN, StartupNV, Audacity Institute and SCORE. Young leaders are emerging; Ania Calvillo-Mason, Jessica Phillips, Brent Freeman, Rachel Macintyre, Jake Carrico and others. Their leadership will be pivotal to the evolution of the ecosystem around youth and women entrepreneurship, incoming tech startups and small business development. The two downtown organizations, the Chamber of Commerce, and county economic development organizations do not appear to attend. In interviews, multiple organizations indicated that they do not generally connect with one another or with the regular ESO meetups.

When resource providers actively collaborate, entrepreneurs benefit. Onramps are smoother and often faster, connecting startups and small business owners with the right resources at the right time. The best collaborations result in shared metrics and data capture within the ecosystem. Most all resource providers internally capture data around their good work. Aggregating that data within an ecosystem is a powerful tool to attract new funding, to identify new opportunities to create services and to evaluate the power of



various programs that support entrepreneurs. Network Kansas offers an [annual report](#) which aggregates the good work of ecosystem builders throughout the year, as does [Colemana66](#) in Puerto Rico. Missouri Sourcelink provides a series of [reports](#) broken into topics such as access to capital and jobs.

### **Funding Ecosystem Building**

While early-stage ecosystem building relies almost exclusively on the shared resources of ESOs, long-term stand-alone funding dedicated to ecosystem building is instrumental to sustaining it. Some communities create a separate nonprofit corporation to raise funds for ecosystem building on an annual or biennial basis. Red Cedar is a 501(c)(3) launched in 2019 to support ecosystem building in the [Cedar Valley of Iowa](#). Its MSA population is about 185,000. Red Cedar also supports management of a regional angel fund.

Don Macke, the founder of e2 Entrepreneurial Ecosystems, published a comprehensive report about rural philanthropy and entrepreneurship in 2019. His [model](#), while framed for rural communities, offers some options for community-driven endowments. On the other side of the spectrum, an urban initiative called [Callaboratory](#) is emerging in southwest Florida with a grand vision to create “The Greatest Community Problem Solving Initiative in American History.” Ecosystem builders throughout the country are watching this collaboration closely for application in urban ecosystem building.

***“The obvious next step in Reno is the creation of a \$3M-\$4M endowment.”***

**—Andy Stoll, Kauffman Foundation,  
National Roundtable 2023**

### **Capital**

As noted in the Nevada ecosystem assessment, there is a rapidly growing gap in capital supporting entrepreneurs seeking concept validation through the development of minimum viable products (MVPs), product-market fit, and customer discovery. In the past, funding in this space has come from angel investors, but nationally and within the state, angel investment has moved from pre-revenue investment to post-revenue.

This lack of capital is a bottleneck that threatens to slow or stall the successful launch of community entrepreneurial ventures in Reno/Tahoe. Yateou’s Dayo McIntosh, for example, did not find funding in Nevada and joined RoadPitch, a multicity pitch tour to help Black tech founders raise pre-seed or seed capital from investors. This raises the possibility that firms like Yateou may be compelled to relocate to cities where those investments originate. Specialty funds serving women, minorities, BIPOC, and other disadvantaged entrepreneurs would open funding avenues for an increasingly diverse pool of founders, ensuring that talent like McIntosh have reason to stay in the local community.

Attracting angel investment funds in Northern Nevada has been a challenge. According to EDAWN’s Doug Erwin, investors maintained there was not enough deal flow, while entrepreneurs complained of a lack of funding. To address this, a \$3M fund called the Reno Seed Fund was raised in 2018. Led by local investor Gene Wong, the fund has proved successful and is nearly fully deployed. To date, the fund has averaged six new investments annually, totaling \$2.58M in seed and pre-seed investments into 25 startups. Twelve of the companies have earned follow-on investments. The Reno Seed Fund proved the region can support angel investment. Creation of a new fund or other novel options are in the works.

### *Technology Transfer*

Among the many assets of Nevada, the University of Nevada Reno (UNR), the University of Nevada Las Vegas (UNLV), and the Desert Research Institute (DRI) stand out. Commercialization of intellectual property (IP) from these institutions into the Northern Nevada economy offers great potential for startup, spinoff, and local corporate expansion.

At UNR, the patent pathways are strong; however, interviews suggested that internal processes are bottlenecked and slow. Unlike most research universities, patenting at UNR is not considered part of tenure track achievements. The overall technology process is stymied by a shortage of professional staff in technology transfer and the connections between licensing professionals and regional economic development organizations are limited.

The existing Reno business community is a strong mix of more than 22,000 companies engaged in traditional and emerging industries, many of which could build growth strategies through favorable licensing. Alternatively, faculty innovators engaged in IP commercialization could spin out startup businesses into the Reno economy. A full decade of Reno ecosystem building has built a supportive infrastructure that, with coordination and intent, can bring together the capital, talent, space, and other resources needed to exploit technology transfer across the region.

Some work is already underway to develop connections and build the culture to support technology transfer. EDAWN's Juston Berg, in partnership with Dr. Vic Etyemezian, VP for Research at DRI, have begun connecting interested scientists at DRI with local Tech Rally events. UNR does not have programs in place to raise awareness and capacity of researchers on campus to support entrepreneurship. I-Corps is a program of the National Science Foundation that addresses these needs through an immersive entrepreneurial training program that facilitates the transformation of invention to commercialization. This seven-week experiential training program prepares scientists and engineers to extend their focus beyond the university laboratory—accelerating the economic and societal benefits of NSF-funded and other basic research projects that are ready to move toward commercialization.



## Reno/Tahoe Action Plan

### Envision A National Brand

The Reno/Tahoe region will unify energy around its exemplary assets to create a national brand to attract like-minded innovators from across the country and within the state to experience the Reno/Tahoe entrepreneur life and many benefits of this ecosystem.

**Potential Owners: EDAWN, Tahoe Prosperity, Midtown District, Downtown Reno, the City of Reno, Tourism Nevada, GOED**

1. Convene economic development and place-based organizations
  - a. Develop a shared vision to unify the unique culture, place amenities and resources of Reno.
    - i. Develop an outward facing national brand
    - ii. Co-market across entities nationally and regionally

**Key Performance Indicators:** Greater numbers of entrepreneurs are attracted and connected to the Reno/Tahoe region as evidenced by Dealroom.com and ESO's tracking systems. The region's employment in key new economy sectors and the numbers of businesses throughout the stack grow competitively as compared to similar MSAs.

### Ignite Ecosystem Resources

A larger network of ESOs, engaging more organizational resources, energy and perspectives will create dense connections and build strong metrics around the economic value of entrepreneurship.

**Potential Owners: All ESOs**

1. Develop a unified message to advocate for state priorities, including increasing the Knowledge Fund, reimagining the administrative rules and the creation of a Governor's Office of Entrepreneurship
2. Set a bigger table, engaging a greater share of the region's EDOs
  - a. Recast ESO meetups into open door roundtables
  - b. Hold up and empower emerging leaders
  - c. Craft a shared set of principles/values to guide the work of all
  - d. Collaborate on a shared calendar
3. Improve entrepreneur feedback loops to the ESO community
  - a. Institute feedback loops at all events and activities
  - b. Create an entrepreneur advisory board at every ESO
  - c. Get ESOs out of offices/complexes/campus and into the communities
    - i. Office at coworking spaces part-time, including Tahoe/Reno/Sparks
    - ii. Develop an accessible one-stop hub for multiple ESOs to office
4. Collaborate on a stand-alone annual entrepreneurship report to the community

**Key Performance Indicators:** Entrepreneurs from throughout the state and across culture, ethnicities and stage of business are better served by ESOs, resulting in accelerated access to resources, more overall businesses and a community-wide supportive culture around innovation.

**Potential Owners: EDAWN, Tahoe Prosperity, Midtown District, Downtown Reno, the City of Reno**

### Develop Entrepreneur-Centric Housing Options

The development of novel short-term and entrepreneur specific housing alternatives will ease a housing shortage that has precluded the attraction of founders and the talent they hire into Reno.

1. Survey entrepreneurs, creatives, small business to confirm their housing needs
2. Investigate the opportunity for ADUs, co-living, e-villages
  - a. Call for the city to prioritize novel housing development in and near Midtown/Downtown
  - b. Collaborate with City Center for needed resources (coworks, short-term living)

**Key Performance Indicators:** New housing aligned with the unique needs of entrepreneurs is developed in the region, specifically near the Midtown and downtown hubs.

**Potential Owners: EDAWN, Tahoe Prosperity**

### Instill Innovation Across Industry

Engaging corporate businesses and their talent in the ecosystem will seed collaboration between startups and corporations in key industries. Brokering corporate access to emerging IP at UNR, UNLV and DRI will result in local licensures and the creation of new venture companies.

1. Engage and involve corporate partners in the Reno/Tahoe ecosystem
  - a. Encourage the appointment of internal innovation officers at corporations
  - b. Cohost or support 'ideate' pitch contests to improve corporate operations, products
  - c. Create industry specific accelerators in alignment w/local industry sectors
  - d. Organize casual coworking Jellys at corporate facilities
2. Foster technology transfer and commercialization
  - a. Build capacity of EDAWN team to market and broker licensing of IP
    - i. Certify EDAWN team in technology transfer
    - ii. Conduct outreach to VP's of Innovation and Research at UNR, UNLV and DRI
  - b. Develop a tech-led strategy

- i. Add IP commercialization questions to surveys/site visits
- ii. Build a portfolio of companies poised for tech-led growth
- iii. Develop a marketing plan to connect emerging IP with regional corporations/startups

**Potential Owners: EDAWN, Community Foundation of Northern Nevada, all ESOs**

**Key Performance Indicators:** Corporations throughout Northern Nevada will foster innovation in their internal operations, engage with the Reno/Tahoe ecosystem in meaningful ways, and have access and support to commercialize IP emerging from UNR, UNLV and DRI.

### Institutionalize Ecosystem Funding

Reno will develop sustainable funding for ecosystem support in the form of a regional endowment to build capacity to embrace the next wave of economic growth.

1. Raise an endowment to support the Reno ecosystem
  - a. Identify dollars needed to support startup continuity in conjunction with regional ESOs
  - b. Identify fund administrative partners
  - c. Build, Share Campaign

**Potential Owners: EDAWN, Tahoe Prosperity, NSBDC, Wandering Wylde, Audacity Institute, Latino Research Center**

**Key Performance Indicators:** The Reno Fund will be launched in early 2024 with a goal of a \$2M-\$3M endowment.

### Fill the Pipeline

Introducing highly customized programs to level up the experience of all founders will result in more businesses throughout the stack, and globally inclusive approaches to innovation across industry. Ensuring that the capital needs of entrepreneurs are met and evolve with the ecosystem will be an ongoing priority.

1. Fill the Reno region pipeline
  - a. Seed the launch of new programs and resources serving women, minorities and international entrepreneurs.
  - b. Incent entrepreneurs to develop ‘high signal’ and other novel events and resources to better serve specific segments of the stack.

**Key Performance Indicators:** New programs and capital in place during 2024

1. Expand the angel capital offerings
  - a. Launch a Fund II for the Reno Seed Fund
  - b. Explore alternative fund development

**Key Performance Indicators:** The Reno Seed Fund will launch a second fund and/or a new angel fund will be launched in northern Nevada. Introducing highly customized programs to level up the experience of all founders will result in more businesses throughout the stack, and globally inclusive approaches to innovation across industry. Ensuring that the capital needs of entrepreneurs are met and evolve with the ecosystem will be an ongoing priority.

## Reno Voices

*“Our youth are our future, and without them, our entrepreneurship and innovation ecosystem will cease to exist. Cultivating their passion now will be instrumental in developing a strong diverse pipeline of emerging innovators to join our workforce and continue to grow the Reno ecosystem. We must focus time and resources today on introducing Reno-area students to innovation, entrepreneurship, and the amazing STEAM opportunities that are available.”*

—Ania Castillo-Mason, Innevation Center

*“We need to capitalize on education/youth entrepreneurship and free flows of capital and highlight tax advantages.”*

—Matt Mireles, OASIS

*“Go to San Francisco when you’re 22; when you’re 35, go to Reno.”*

—Brent Freeman, Stealth Venture Labs



*“Combustible energy is here; the question is how can we focus it to become a self-generating cycle, the ‘flywheel?’”*

—Sean Montgomery, EmotiBit

*“We have so many resources, but we are missing an aggregator who can initiate that flywheel. Can we just get a warehouse for everyone to meetup?”*

—Ansley Fender, Atlas Solutions, 2022 Gener8tor Cohort

*“There is a lot of noise out there. We need to rethink our allotments to more efficiently use our organizational talent and assets. We are working in silos thinking we aren’t.”*

—Duke Nishimura, NSBDC, UNR College of Business Administrative Faculty

*“New entrepreneurs don’t know where to go. Doug (at EDAWN) connects people to the right person. For example, if I said I needed help with unreal engine, Doug would know to connect me with Value.”*

—Thomas Bates, Senticon

*“Housing is a barrier. They keep building apartments when we need something more. I love this community, but can I afford to start here without the housing we need?”*

—Kerry Cecere, DIA Creative