

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
April 18, 2007

Title of Project: Commercial Visual Improvement Agreement (CVIP) between the LV Redevelopment Agency and Exber, Inc. d/b/a El Cortez Hotel & Casino (112 & 116 North Las Vegas Boulevard)

Project Description: Exterior improvements will be undertaken by the CVIP applicant/property owner for the property fronting North Las Vegas Boulevard, located at 112 & 116 North Las Vegas Boulevard. Improvements to this vacant land, currently used as a valet parking lot, will include a 35 foot neon sign and a new entry way for vehicular and pedestrian traffic into the El Cortez Hotel & Casino.

Sponsor/Developer: John D. Gaughan

Assistance Provided by: Redevelopment Agency. Total project cost is approximately \$1,637,000.00. Agency will reimburse the CVIP applicant on a 1:1 basis for pre-approved qualified exterior improvements. The Agency will reimburse the CVIP applicant \$75,000.00 for the neon signage. Agency will also record a Façade Easement and Building Maintenance Agreement against the property for a period of five (5) years, from date of completion of project.

Number of Direct Jobs Created: Not applicable

Number of Indirect Jobs Created: Employment is based on those trades that will be utilized to complete this project. Trades to be utilized for this project will include electrical, structural, construction, landscaping, and signage.

Number of Direct Jobs Retained: Not applicable

Pertinent Statutes Used for Public Purpose:

In accordance with NRS 279.486, the CVIP applicant has submitted a signed and notarized Participant Affidavit and Employment Plan which states that without the Redevelopment Agency's assistance, the proposed project would not be completed to a level that would benefit the redevelopment area and the surrounding neighborhood. Any potential job creation opportunities will be advertised within the surrounding neighborhoods for qualified applicants.

How Does the Project Benefit the Public:

The location of which the neon sign is to be installed and where the pedestrian walkway begins is currently a worn out parking lot with a chain link fence surrounding it and is used as the El Cortez valet parking area. Frontage to LV Boulevard is an eyesore and is in need of being used as a new entryway into the El Cortez Hotel and Casino. With the construction underway of Streamline tower, the El Cortez is in need of utilizing its property to continue to attract patrons since the El

Cortez will be hidden from the public's view from the northwest and west.

Quantitative Economic Benefits:

\$1,637,000.00 is being fed into the local economy through the employment of local sign contractor and all materials used for the project are bought locally.

Private Investment:

Applicant will be funding the entire project cost of approximately \$1,637,000.00. Once the project is completed, then the CVIP will reimburse the applicant for \$75,000.00

Public Investment:

The CVIP program requires a 1:1 match from the applicant for all pre-approved exterior improvements. Once the project is complete the Redevelopment Agency will record a Façade Easement and Building Maintenance Agreement against the property for a period of five years. At the end of five years, the property's façade easement and building maintenance agreement is removed from the property.

Total direct Economic Impact:

\$1,637,000.00

Total Indirect Economic Impact:

Not measurable at this time. However, this CVIP applicant has indicated that they will be assessing the renovation and revitalization of an adjacent property that houses an older motel. Renovations to this motel are estimated to cost approximately \$5,000,000.00

Economic Impact Study Performed:

Yes

No

Return on Investment Analysis Performed:

Yes

No