

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
August 15, 2007

Title of Project: Commercial Visual Improvement Agreement (CVIP) between the LV Redevelopment Agency and 24 Hour Fitness USA, Inc. (CVIP Participant & Tenant) and Parkway Center, LLC (Owner) (100 City Parkway)

Project Description: Exterior Signage will be installed in 3 locations on the building (Molasky Corporate Center) located at 100 City Parkway.

Sponsor/Developer: 24 Hour Fitness USA, Inc. (CVIP Participant/Tenant) & Parkway Center, LLC (Owner)

Assistance Provided by: Redevelopment Agency. Total project cost is approximately \$85,000.00. Agency will reimburse the CVIP applicant on a 1:1 basis for pre-approved qualified exterior improvements. The Agency will reimburse the CVIP applicant up to a maximum of \$50,000.00 for exterior 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 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 Commercial Visual Improvement Program was presented to the developer of the property (Molasky Group of Companies) as an incentive to attract a national fitness company to locate in the new Molasky Corporate Center. With the development of the World Market Center, Union Park and residential projects in the downtown redevelopment area, there is not a fitness center available to use within the surrounding neighborhood. A fitness center will be a quality amenity to the workers that will be working within the Molasky Corporate Center and also to those

future residents and workers that will live, work and play in the surrounding neighborhood, particularly Union Park.

Quantitative Economic Benefits:

\$85,000.00 is being fed into the local economy through the employment of subcontractors for the installation of the signage.

Private Investment:

Applicant will be funding the entire project cost of approximately \$85,000.

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 is façade easement and building maintenance agreement is removed from the property.

Total direct Economic Impact:

\$85,000.00

Total Indirect Economic Impact:

Not measurable at this time. However, this CVIP has indicated that they will be assessing the renovation and revitalization of an adjacent property that houses an older motel.

Economic Impact Study Performed:

Yes

No

Return on Investment Analysis Performed:

Yes

No