

# Public Purpose/Impact Analysis

**Title of Project:** Disposition and Development Agreement between City and CIM/LL Manager, LLC

## Project Description:

1) Parcels at 4<sup>th</sup> St. and Stewart Ave. – The development by CIM/LL Manager, LLC of new mixed-use buildings, consisting of 100,000 to 200,000 square feet of retail space and 350,000 to 500,000 square feet of hotel, residential and/or office, including food service, restaurant, bar, tavern, night club, meeting facilities, dancing, lounge, and other uses normally associated with large-scale vertical mixed-use developments; and,

2) 333 East Ogden Ave. (Ogden Garage Site) – An amendment to lease with CIM/LL Las Vegas, LLC to extend the lease term to 50 years for the Ogden Garage Site, the completion of \$500,000 in improvements to enhance the appearance and functionality of the Ogden Garage Site by CIM/LL Manager, LLC and CIM/LL Las Vegas, LLC and future sale of the Ogden Garage Site to CIM/LL Manager, LLC will all support the renovation and re-opening of the Lady Luck Hotel & Casino that has been closed for over 2 years.

**Sponsor/Developer:** CIM/LL Manager, LLC (CIM)

**Assistance provided by City and or RDA?:** City

**Cite Pertinent Statutes for Public Purpose:** N.R.S. 268 and N.R.S. 361

## How does project benefit the public:

- Facilitates the establishment of new commercial enterprises or facilities within the City.
- Provides for the support, retention and expansion of an existing commercial enterprise within the City.
- Creates and retains opportunities for employment for residents of the City.

## Quantitative Economic Benefits:

Parcels at 4<sup>th</sup> St. and Stewart Ave. - New development by CIM/LL Manager, LLC will:

- Create a projected range of approx. 302 to 470 direct construction jobs and 236 to 322 indirect jobs generated by suppliers and consumers over a 2 year period.
- At build out, create a projected range of approx. 750 to 1,000 direct permanent jobs and 327 to 436 indirect permanent jobs.
- At build out, have a projected total annual economic impact ranging from approx. \$104.6 to \$139.5 Million and projected total annual City property tax ranging from approx. \$188,044 to \$190,857.
- Receipt of land sale proceeds of approx. \$15 Million with only non-gaming use or \$28 Million with gaming use.

Ogden Garage Site – The amendment to lease to CIM/LL Las Vegas, LLC, improvements to enhance the appearance and functionality by CIM/Manager, LLC and CIM/LL Las Vegas, LLC, as well as, future sale of the Ogden Garage Site to CIM/LL Manager, LLC will support the renovation

and re-opening of the Lady Luck Hotel & Casino by CIM/LL Manager, LLC thereby facilitating the:

- Projected creation of approx. 100 direct construction jobs and 78 indirect jobs generated by suppliers and consumers over a 2 year period.
- Projected retention and/or creation of approx. 756 direct and 330 indirect permanent jobs.
- Projected total annual economic impact of approx. \$105.4 Million and total annual City property tax of \$307,663.
- Sharing of potential wall signage revenue from the Lady Luck Hotel & Casino with the City in an amount up to a total of \$3 Million over 10 years for the direct benefit of The Las Vegas Museum of Organized Crime and Law Enforcement being developed by the City in the historic Federal Building-U.S. Post Office.
- Receipt of land sale proceeds of approx. \$6.8 Million.

**No. of direct jobs created:** Approx. 1,402 (402 construction, 1,000 permanent) to 1,820 (570 construction, 1,250 permanent)

**No. of direct jobs retained:** Approx. 631 permanent (Lady Luck Hotel & Casino)

**Private investment:** Capital investment for new construction, equipment, furnishings and land acquisition ranging from approx. \$435.4 to \$603.4 Million.

**Public investment:**

Parcels at 4<sup>th</sup> St. and Stewart Ave.

- Approx. \$6 to \$8 Million with gaming use based on two appraisals that are less than six months old. Approx. \$4.8 Million reduction in land sales price with only non-gaming use.
- Approx. \$40 to \$50 Million in costs to City for the construction of public infrastructure, including but not limited to, a parking garage, plaza and streetscape improvements that will support the new development, as well as, The Las Vegas Museum of Organized Crime and Law Enforcement.

Ogden Garage Site

- Approx. \$4.6 to \$10.2 Million reduction in land sales price based on two appraisals that are less than six months old.

**Total direct economic impact:**

- Creation of approx. 402 to 570 construction jobs over 2 years.
- Creation or retention of approx. 1,033 to 1,881 permanent jobs upon build out of parcels at 4<sup>th</sup> Street and Stewart Avenue, as well as, re-opening of the Lady Luck Hotel & Casino.
- Approx. \$163,375 annually in direct City property tax upon build out of parcels at 4<sup>th</sup> St. and Stewart Ave., as well as, re-opening of the Lady Luck Hotel & Casino.
- Approx. \$141.6 to \$165.1 Million annually of direct sales generated upon build out of the parcels at 4<sup>th</sup> St. and Stewart Ave., as well as, re-opening of the Lady Luck Hotel & Casino.

**Total indirect economic impact:**

- Creation of approx. 314 to 400 indirect construction jobs and 657 to 766 indirect permanent jobs after build out of parcels at 4<sup>th</sup> Street and Stewart Avenue, as well as, re-opening of the Lady Luck Hotel & Casino.
- Approx. \$332,332 to \$335,145 annually of indirect City property tax after build out of parcels at 4<sup>th</sup> Street and Stewart Avenue, as well as, re-opening of the Lady Luck Hotel & Casino.
- Approx. \$32.7 to \$41.7 Million annually of indirect sales generated during construction and \$68.4 to \$79.8 Million annually of indirect sales generated after build out of parcels at 4<sup>th</sup> Street and Stewart Avenue, as well as, re-opening of the Lady Luck Hotel & Casino.

**Economic Impact Study Performed (yes/no)?** no

**Economic Impact Analysis Performed (yes/no)\*:** yes

*\*Applied Economics*

**Return on Investment Analysis performed (yes/no)?** no

**PUBLIC PURPOSE FORM SUMMARY  
CITY OF LAS VEGAS  
CIM Lady Luck**

	<b>Total</b>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Economic Impacts</b>											
Number of Direct Jobs	756	100	100	756	756	756	756	756	756	756	756
Number of Indirect Jobs	545	78	78	330	340	350	360	371	382	394	406
Total Jobs	1,301	178	178	1,086	1,096	1,106	1,116	1,127	1,138	1,150	1,162
Direct Economic Impact	\$1,697,761,110	\$16,843,381	\$16,843,381	\$71,070,445	\$73,202,559	\$75,398,635	\$77,660,594	\$79,990,412	\$82,390,125	\$84,861,828	\$87,407,683
Indirect Economic Impact	\$820,976,111	\$8,144,852	\$8,144,852	\$34,367,107	\$35,398,120	\$36,460,064	\$37,553,866	\$38,680,482	\$39,840,896	\$41,036,123	\$42,267,207
Total Economic Impact	\$2,518,737,221	\$24,988,234	\$24,988,234	\$105,437,552	\$108,600,679	\$111,858,699	\$115,214,460	\$118,670,894	\$122,231,021	\$125,897,951	\$129,674,890
<b>Capital Investment</b>											
Private Investment*	\$118,000,000	\$68,000,000	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Tax Benefits</b>											
Direct City Property Tax	\$3,207,117	\$102,997	\$163,375	\$163,375	\$163,375	\$163,375	\$163,375	\$163,375	\$163,375	\$163,375	\$163,375
Indirect City Property Tax	\$2,875,960	\$26,495	\$26,495	\$144,288	\$146,411	\$148,597	\$150,849	\$153,168	\$155,557	\$158,018	\$160,553
Total City Property Tax	\$6,083,077	\$129,492	\$189,870	\$307,663	\$309,785	\$311,972	\$314,224	\$316,543	\$318,932	\$321,393	\$323,928

\* Private investment includes new construction, land, building purchase, equipment and developer-funded capital improvements.

**PUBLIC PURPOSE FORM SUMMARY**  
**CITY OF LAS VEGAS**  
**CIM ENA Site**

	<b>Total</b>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Economic Impacts</b>											
Number of Direct Jobs	750	302	302	750	750	750	750	750	750	750	750
Number of Indirect Jobs	541	236	236	327	337	347	357	368	379	391	402
Total Jobs	1,291	538	538	1,077	1,087	1,097	1,107	1,118	1,129	1,141	1,152
Direct Economic Impact	\$1,752,601,431	\$50,867,012	\$50,867,012	\$70,506,394	\$72,621,586	\$74,800,233	\$77,044,240	\$79,355,568	\$81,736,235	\$84,188,322	\$86,713,971
Indirect Economic Impact	\$847,494,915	\$24,597,454	\$24,597,454	\$34,094,352	\$35,117,183	\$36,170,698	\$37,255,819	\$38,373,494	\$39,524,699	\$40,710,440	\$41,931,753
Total Economic Impact	\$2,600,096,346	\$75,464,466	\$75,464,466	\$104,600,746	\$107,738,769	\$110,970,932	\$114,300,060	\$117,729,062	\$121,260,933	\$124,898,761	\$128,645,724
<b>Capital Investment</b>											
Private Investment*	\$317,400,000	\$166,200,000	\$151,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Tax Benefits</b>											
Direct City Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Indirect City Property Tax	\$3,834,751	\$80,015	\$102,443	\$188,044	\$190,559	\$193,149	\$195,817	\$198,565	\$201,396	\$204,311	\$207,314
Total City Property Tax	\$3,834,751	\$80,015	\$102,443	\$188,044	\$190,559	\$193,149	\$195,817	\$198,565	\$201,396	\$204,311	\$207,314

\* Private investment includes new construction, land, building purchase, equipment and developer-funded capital improvements.

**PUBLIC PURPOSE FORM SUMMARY**  
**CITY OF LAS VEGAS**  
**CIM ENA Site - Max SF**

	<b>Total</b>	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Economic Impacts</b>											
Number of Direct Jobs	1,000	470	470	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Number of Indirect Jobs	721	322	322	436	449	463	477	491	506	521	536
Total Jobs	1,721	792	792	1,436	1,449	1,463	1,477	1,491	1,506	1,521	1,536
Direct Economic Impact	\$2,339,946,006	\$69,394,731	\$69,394,731	\$94,008,525	\$96,828,781	\$99,733,645	\$102,725,654	\$105,807,424	\$108,981,646	\$112,251,096	\$115,618,629
Indirect Economic Impact	\$1,131,513,593	\$33,556,792	\$33,556,792	\$45,459,136	\$46,822,910	\$48,227,598	\$49,674,426	\$51,164,658	\$52,699,598	\$54,280,586	\$55,909,004
Total Economic Impact	\$3,471,459,599	\$102,951,523	\$102,951,523	\$139,467,662	\$143,651,692	\$147,961,242	\$152,400,080	\$156,972,082	\$161,681,244	\$166,531,682	\$171,527,632
<b>Capital Investment</b>											
Private Investment*	\$485,400,000	\$250,200,000	\$235,200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Tax Benefits</b>											
Direct City Property Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Indirect City Property Tax	\$3,963,690	\$114,802	\$114,802	\$190,857	\$193,665	\$196,557	\$199,536	\$202,604	\$205,764	\$209,019	\$212,371
Total City Property Tax	\$3,963,690	\$114,802	\$114,802	\$190,857	\$193,665	\$196,557	\$199,536	\$202,604	\$205,764	\$209,019	\$212,371

\* Private investment includes new construction, land, building purchase, equipment and developer-funded capital improvements.