

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
October 15, 2008

Title of Project: Commercial Visual Improvement Agreement (CVIP) between the LV Redevelopment Agency and YSBM Investment, LLC (1150 South Las Vegas Blvd.)

Project Description: Exterior improvements will be undertaken by the CVIP applicant/property owner for the property located at 1150 South Las Vegas Boulevard.

Sponsor/Developer: Yair Ben Moshe, Managing Member of YSBM Investment, LLC

Assistance Provided by: Redevelopment Agency. Total project cost is approximately \$135,500.00. Agency will reimburse the CVIP applicant on a 1:1 basis for pre-approved qualified exterior improvements. The Agency will reimburse the CVIP applicant \$50,000.00 for exterior improvements. 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, construction, landscaping, and painting.

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 Econo Lodge was purchased by YSBM Investment, LLC in April 2008. The building is a simple block structure built in the early 1960's. The previous owners and operators of the property did very little capital improvements to the building. Just enough cosmetic work to keep renting out rooms. The owners will be working with the parent organization (Econo Lodge) to develop a plan to renovate the interior of each room in the near future.

Exterior renovations to the building will include the following:

- Installation of stone veneer to exterior
- raised coping at windows
- front façade will add faux glazing (windows) to building
- repair, re-paint, and re-stripe parking lot

The project is located on Las Vegas Boulevard, within the Las Vegas Scenic Byway of Las Vegas. Within close proximity of the Econo Lodge, the CVIP has assisted three other motels (Star Motel, TOD Motor Motel, and The Aruba) with their exterior and signage improvements. The surrounding area to the north and east of the property is populated with vacant parcels, boarded up buildings, businesses ranging from an automotive repair shop, adult bookstore, ethnic retail and a bridal shop. The Redevelopment Agency and the City continue to focus on this area with financial and staff resources to revitalize the area as a destination for locals and visitors. This project continues to bring interested investors to this area to look at assembling land for potential projects and for current property owners and business owners to upgrade their buildings/property.

This project will help stabilize and increase positive economic activity within the surrounding neighborhood. YSBM Investment, LLC is a new property/business owner to the area and is looking to upgrade the Econo Lodge appropriately. Increased business will encourage other property/business owners to contemplate capital improvements to their property and encourages the creation of new business and/or appropriate development, and creates jobs or other business opportunities for nearby residents and increases local revenues from desirable sources.

Quantitative Economic Benefits:

\$135,500.00 is being fed into the local economy through the employment of subcontractors and all materials used for the project are bought locally.

Private Investment:

Applicant will be funding the entire project cost with cash on hand and a bank Line of Credit. Once the project is completed, then the CVIP will reimburse the applicant for \$50,000.00

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

For this project, the public investment will be \$50,000.00

Total direct Economic Impact:

\$135,500.00

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.

Economic Impact Study Performed:

Yes

No

Return on Investment Analysis Performed:

Yes

No