



*City of Las Vegas*

Agenda Item No.: 5.

**AGENDA SUMMARY PAGE**  
**REDEVELOPMENT AGENCY MEETING OF: DECEMBER 17, 2008**

**DEPARTMENT: OFFICE OF BUSINESS DEVELOPMENT**  
**DIRECTOR: SCOTT D. ADAMS**

**SUBJECT:**

Report and possible action regarding Redevelopment Agency projects currently under contract or negotiation, other projects proposed or under construction within or near the Redevelopment area, and to provide an overview of programs and initiatives - Wards 1, 3 and 5 (Tarkanian, Reese and Barlow)

**Fiscal Impact**

No Impact

Augmentation Required

Budget Funds Available

**Amount:**

**Funding Source:**

**Dept./Division:**

**PURPOSE/BACKGROUND:**

To update the Redevelopment Agency (RDA) Board on projects currently under contract or in negotiation with owners, developers and consultants; to present development projects proposed or under construction within or near the Redevelopment area; to provide an overview of programs and initiatives; and to receive input from the RDA Board on the status of projects, programs and initiatives as warranted.

**RECOMMENDATION:**

Accept report and direct staff as appropriate.

**BACKUP DOCUMENTATION:**

Submitted after meeting PowerPoint Presentation by staff

Motion made by GARY REESE to Approve to accept the report

Passed For: 6; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

LARRY BROWN, RICKI Y. BARLOW, OSCAR B. GOODMAN, GARY REESE, STEVE WOLFSON, STEVEN D. ROSS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-LOIS TARKANIAN)

Minutes:

SCOTT ADAMS, Operations Officer of the Redevelopment Agency, gave his quarterly report using a PowerPoint Presentation which was submitted for the record. He explained the Redevelopment Agency (RDA) had been formed by State law in 1986 with the purpose of eliminating slums and blight in the RDA area. He stated that a legal finding for blight must be made and documented before an area can be included in the RDA area. MR. ADAMS emphasized that the RDA is a legally separate entity from the City and that the City Council sits as the RDA Board of Directors and City staff manages its operations.

## REDEVELOPMENT AGENCY MEETING OF: DECEMBER 17, 2008

MR. ADAMS informed MEMBER WOLFSON that there is more than one RDA in the State of Nevada and every major city has an RDA. He added that most major cities in the U.S., especially those with vibrant and successful urban cores like San Diego, have agencies similar to the RDA.

MEMBER REESE expressed his hope that the City of Las Vegas could mirror the success of San Diego's redevelopment efforts.

MEMBER ROSS suggested that MR. ADAMS coordinate with the Office of Communications to provide this report to the public so citizens are made aware of the role and functions of the RDA. MR. ADAMS stated the information in his report could be placed on the RDA website, [www.lvrda.org](http://www.lvrda.org), which is separate from the City's website.

MR. ADAMS explained that Tax Increment Financing (TIF) is one of the main tools the RDA uses to address blight and encourage redevelopment. He stated that when an area is designated as an RDA area, the taxes currently collected in that area are used as the base rate and continue to fund various public services such as schools and public safety. Any funds collected above the base rate are reinvested in the area in an effort to increase property values and tax revenue. He noted that as tax revenues increase, additional funds are provided for schools and other tax jurisdictions. After the RDA goes away, the increased tax revenue will be redistributed to all tax jurisdictions.

MEMBER ROSS emphasized that as more taxes are collected and reinvested in the RDA area, the RDA's contribution to the Clark County School District increases. MR. ADAMS concurred and added that the RDA protects the tax base while increasing the area's property values and tax revenues.

ACTING DEPUTY CITY MANAGER MARK VINCENT clarified that the tax base defined by the County Tax Assessor protects the funding for schools, police and fire. He explained that the RDA takes away funding for those agencies operating expenses and reinvests tax collected above the base rate in the RDA area.

CHAIRMAN GOODMAN observed that without an RDA, the tax base would decline as property values continued to fall. He pointed out the RDA gives the City the ability to protect the tax base while providing incentives to businesses to encourage redevelopment. Those incentives have increased property values in the RDA area, which contributed to high tax increments for the RDA and other tax jurisdictions.

DEPUTY CITY MANAGER ELIZABETH FRETWELL pointed out that RDA funds have been used for fire stations and a police station in the RDA area. She explained that RDA contributions fund critical and needed services as well as redevelopment efforts.

MR. ADAMS and MEMBER WOLFSON concurred with the Mayors comments, noting that the blight can spread out into other neighborhoods within the city. MEMBER WOLFSON added that without the RDA and its incentives, there would be some incomplete projects and vacant land. In addition, private sector participants play a vital role relative to reinvesting in the RDA.

## REDEVELOPMENT AGENCY MEETING OF: DECEMBER 17, 2008

The rules that govern the RDA strictly limit what can be done with the funds and its operations. MEMBER BARLOW agreed that the RDA provides incentives for development as well as within the inner city neighborhoods.

MR. ADAMS pointed out that without the RDA, activities would have to be funded through the General Fund. MEMBER ROSS stated this is an excellent economic stimulus for the City's economy.

MR. ADAMS noted the projects, including residential, that are completed and those under construction. Some of those noted were the World Market Center, which did not exist five years ago yet is the number one taxpayer in the downtown area. The Premium Outlets has been a very successful project. The Melusky Corporate Center is the first Class A office space in downtown and is completely leased out. The Lou Ruvo Brain Institute is in its final phase and will be a trendsetter for new kinds of businesses in Union Park. The Smith Center for the Performing Arts will also be a trendsetter, and the CHAIRMAN GOODMAN indicated it is a magnet for even more great architecture. The new City Hall site could have a total value of 150 million dollars and generate over 3,000 jobs.

MEMBER WOLFSON commented that in spite of the City's financial position, investors are still interested in investing in Las Vegas in the downtown core.

MR. ADAMS continued by stating some of the residential projects are affordable housing projects, which will encourage individuals to live and work in the downtown area. He informed MEMBER BARLOW that Streakline Tower was sold and closed on approximately 10 percent of their units. Juhl is anticipated to open early 2009. The CHAIRMAN GOODMAN explained that the developer has initiated a lease-to-own program for individuals and promises to have full occupancy. MR. ADAMS pointed out a strong advocate for the downtown area, PAUL HENNESSEY, now has four businesses downtown. Telemundo is committed to relocating to the Neonopolis and CBS is committed to moving the Star Trek Experience to the Neonopolis as well.

In closing, MR. ADAMS spoke on the financial aspect, pointing out that over the last seven years, there has been a tremendous increase in actual tax value and tax revenues resulting from downtown investments.

MEMBER ROSS appreciated MR. ADAMS and staff members speaking with residents at some of his neighborhood meetings and community events. He suggested other Agency members take the opportunity as well, as the information provides residents with a better understanding of the City's efforts. MEMBER BARLOW concurred that he has also taken advantage of the assistance from the RDA. MEMBER WOLFSON complimented MR. ADAMS on the report and suggested having the information available in DVD format to the public.

MEMBER BROWN noted that if the RDA sunsets in 2031, the tax dollars going back into the agencies will be a huge windfall. Referring to the presentation by MR. ADAMS, he believed it will send a powerful message to the community.

**REDEVELOPMENT AGENCY MEETING OF: DECEMBER 17, 2008**

With the completion of the Lou Ruvo Brain Institute, CHAIRMAN GOODMAN believed it will be a gem for Las Vegas, which will soon be known as a world-class city.

