

## Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting  
March 4, 2009

**Title of Project:** Commercial Visual Improvement Agreement (CVIP) between the LV Redevelopment Agency and Fremont Street Experience Parking Corporation (Property Owner) and Hennessey's Las Vegas, Inc. d/b/a Las Vegas Country Saloon (CVIP Participant & Tenant) (425 Fremont Street)

**Project Description:** Exterior renovations to an existing building

**Sponsor/Developer:** Hennessey's Las Vegas, Inc. d/b/a Las Vegas Country Saloon (CVIP Participant and Tenant)

**Assistance Provided by:** Redevelopment Agency. Total project cost is approximately \$103,793.00. 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. 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:** Twelve (12) part time jobs four (4) contract jobs and one (1) full time job will be created.

**Number of Indirect Jobs Created:** Not Applicable

**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 be beneficial to 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:

Hennessey's Las Vegas, Inc. d/b/a Las Vegas Country Saloon will be using the location for a new nightclub located on Fremont Street, across from Neonopolis. The owner has opened three other nightclubs in the current location; Hennessey's, Mickie Finnz and Brass Lounge. The current investment by the CVIP Participant for all 4 projects is in excess of \$5 million.

This project is located just south of Neonopolis and adjacent to the Fremont East District. The Fremont East District is an area which the City and Redevelopment Agency are focusing financial and staff resources to the continued development of

this area as an entertainment and cultural arts destination for local residents and visitors to downtown Las Vegas.

This project will help stabilize and increase positive economic activity within the surrounding neighborhood. The CVIP Participant has built-out and opened four (4) nightclubs within the past three years in a building that was empty and in disrepair. The new businesses has encouraged 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:**

Over \$500,000 is being fed into the local economy through the employment of qualified contractors for the rehabilitation of the new business. One (1) full-time, fifteen (15) part-time and four (4) contract jobs will be created. The economic benefit, via wages, comes out to \$49,000/month, or **\$588,000 per year** at this location. Jobs would be semi-skilled, i.e. construction oriented/furniture installation

**Private Investment:**

Applicant will be funding this project cost of approximately \$600,000 through cash on hand.

**Public Investment:**

The CVIP program requires a 1:1 match from the applicant for all pre-approved exterior improvements.

**Total Direct Economic Impact:**

Total Wages adjusted 2.5% annually, for 5 years = **\$3,094,074.00**  
**Total Direct Economic Impact = \$9,250,882.00 (Total Wages over 5 Years)**

**Total Indirect Economic Impact:**

**Not Applicable**

Economic Impact Study Performed: Yes  No

Return on Investment Analysis Performed: Yes  No