

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
March 4, 2009

Title of Project: Commercial Visual Improvement Agreement (CVIP) between the City of Las Vegas Redevelopment Agency and P.R.M.D., LLC (823 South Las Vegas Boulevard)

Project Description: Signage improvements will be undertaken by the CVIP applicant/property owner for the property located at 1823 South Las Vegas Blvd.

Sponsor/Developer: Matthew Callister, Managing Partner of P.R.M.D., LLC

Assistance Provided by: Redevelopment Agency. Total project cost is approximately \$16,500.00. Agency will reimburse the CVIP applicant on a 1:1 basis for signage improvements. The Agency will reimburse the CVIP applicant \$8,250.00. 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: 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 condition of the subject property, prior to 2008, was a vacant lot with a pre-1940's building on the site. The property owners, P.R.M.D., LLC, demolished that building and constructed the current building. A 40,000 square foot, 4-story office building.

The project is located on South Las Vegas Boulevard, next door to the 51 unit L'Octaine apartment complex and across the street for another recently renovated building, 810 South Las Vegas Blvd, and a CVIP grant recipient and SOHO Lofts. This office building provides an opportunity for those in the legal profession to be

near the respective City, County and Federal Courthouses.

The surrounding area is in transition from boarded up storefronts and vacant land, into a viable residential and commercial corridor. 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 property is visible from Las Vegas Boulevard and any improvement will provide a positive impression that the area is in the middle of being revitalized.

This project will help stabilize and increase positive economic activity within the surrounding neighborhood. 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:

Approximately \$12 million in construction costs were fed into the local economy through the employment of subcontractors and all materials used for the project are bought locally.

The Net Present Value of Tax Increment is approximately \$2,876,000 for the Redevelopment Agency.

Private Investment:

Applicant will be funding the entire project cost with a loan through a local lender. Once the signage project is completed, then the CVIP will reimburse the applicant for \$8,250.00

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 \$8,250.00

Total direct Economic Impact:

Approximately \$12 million.

Total Indirect Economic Impact:

Not measurable at this time.

Economic Impact Study Performed:

Yes

No

Return on Investment Analysis Performed:

Yes

No