



REDEVELOPMENT AGENCY MEETING AGENDA

CITY HALL, 400 STEWART AVENUE

COUNCIL CHAMBERS – 229-6011

CITY OF LAS VEGAS INTERNET ADDRESS: www.lasvegasnevada.gov

AGENCY MEMBERS: OSCAR B. GOODMAN, CHAIRMAN (At-Large)

GARY REESE, VICE-CHAIRMAN (Ward 3), STEVE WOLFSON (Ward 2)

LOIS TARKANIAN (Ward 1), STEVEN D. ROSS (Ward 6)

RICKI Y. BARLOW (Ward 5), STAVROS S. ANTHONY (Ward 4)

April 20, 2011

8:00 AM

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE.

THESE PROCEEDINGS ARE BEING VIDEO RECORDED AS WELL AS PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. THE COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT www.kclv.tv. THE PROCEEDINGS WILL BE REBROADCAST ON KCLV CHANNEL 2 AND THE WEB THE WEDNESDAY OF THE MEETING AT 8:00 PM, AND ALSO ON FRIDAY AT 4:00 AM, SATURDAY AT 7:00 PM, SUNDAY AT 7:00 AM AND THE FOLLOWING MONDAY AT 1:00 PM.

DUPLICATE AUDIO CD'S AND DUPLICATE AUDIO/VIDEO DVD'S MAY BE AVAILABLE AT A COST OF \$5.00 EACH THROUGH THE CITY CLERK'S OFFICE.

1. CALL TO ORDER
2. ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
3. Approval of the Final Minutes by reference of the regular Redevelopment Agency meeting of April 6, 2011
4. RA-5-2011 Discussion and possible action regarding a Resolution finding the proposed Disposition and Development Agreement between the City of Las Vegas Redevelopment Agency and Las Vegas ICE, LLC, regarding property generally located at the southeast corner of Clark Avenue and Las Vegas Boulevard, to be in compliance with and in furtherance of the goals and objectives of the redevelopment plan and approving the Disposition and Development Agreement - Ward 3 (Reese) [NOTE: This item is related to City Council Item 43 (R-17-2011)]
5. Discussion and possible action regarding an Operating Agreement Between the City of Las Vegas Redevelopment Agency (RDA) and City Parkway V, Inc., a Nevada non-profit corporation, for activities and services in which the Redevelopment Agency will contribute funds to City Parkway V, Inc., for City Parkway V, Inc., and Redevelopment Agency operations (\$9,600,000 – RDA Special Revenue Fund) - Wards 3 and 5 (Reese and Barlow)
6. Discussion and possible action regarding a Settlement Agreement by Decatur Shopping Center Associates, a Nevada limited partnership, City of Las Vegas, a municipal corporation of the State of Nevada, City of Las Vegas Redevelopment Agency, a Public body, and Alpha Omega Strategies, LLC, a Nevada limited liability company, pertaining to the real property located at 1501 North Decatur Boulevard - Ward 5 (Barlow) [NOTE: This item is related to RDA Item 7 and Council Items 40 and 41]
7. Discussion and possible action regarding a First Amendment To Fourth Amended And Restated Disposition And Development Agreement by and between City of Las Vegas, a municipal corporation of the State of Nevada, the City of Las Vegas Redevelopment Agency, a Public Body, and Alpha Omega Strategies, LLC, pertaining to the disposition of the real property located at 1501 North Decatur Boulevard (\$324,000 – Earnest Money Deposit) - Ward 5 (Barlow) [NOTE: This item is related to RDA Item 6 and Council Items 40 and 41]

8. Report and possible action regarding a living wage study completed by Applied Development Economics for the City of Las Vegas Redevelopment Area - Wards 1, 3 and 5 (Tarkanian, Reese and Barlow)
9. CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE REDEVELOPMENT AGENCY. NO SUBJECT MAY BE ACTED UPON BY THE REDEVELOPMENT AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED
10. AGENCY MEMBER RECOGNITION: COMMENTS MADE BY INDIVIDUAL AGENCY MEMBERS DURING THIS PORTION OF THE AGENDA WILL NOT BE ACTED UPON BY THE AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND SCHEDULED FOR ACTION

Facilities are provided throughout City Hall for the convenience of disabled persons. For meetings held in the Council Chambers, sound equipment is available for persons with hearing impairments. If you need an accommodation to attend and participate in this meeting, please call the City Clerk's office at 229-6311 and advise of your need at least 48 hours in advance of the meeting. The City's TDD number is 386-9108

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge
Bulletin Board, City Hall Plaza (next door to Metro Records)
Las Vegas Library, 833 Las Vegas Boulevard North
Clark County Government Center, 500 S. Grand Central Parkway
Grant Sawyer Building, 555 E. Washington Avenue

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

SUBJECT:
CALL TO ORDER



AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

SUBJECT:

ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW



AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: CITY CLERK

DIRECTOR: BEVERLY K. BRIDGES

SUBJECT:

Approval of the Final Minutes by reference of the regular Redevelopment Agency meeting of April 6, 2011



AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

RESOLUTIONS:

RA-5-2011 Discussion and possible action regarding a Resolution finding the proposed Disposition and Development Agreement between the City of Las Vegas Redevelopment Agency and Las Vegas ICE, LLC, regarding property generally located at the southeast corner of Clark Avenue and Las Vegas Boulevard, to be in compliance with and in furtherance of the goals and objectives of the redevelopment plan and approving the Disposition and Development Agreement - Ward 3 (Reese) [NOTE: This item is related to City Council Item 43 (R-17-2011)]

Fiscal Impact

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No Impact

☐

Augmentation Required

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Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

Las Vegas ICE, LLC will purchase five parcels of vacant land totaling 0.94 acres owned by the City of Las Vegas Redevelopment Agency (RDA) for high appraised value of \$2,870,000. They will develop a build-to-suit, class A, five-story office building consisting of approximately 58,909 leasable square feet in response to the U.S. General Services Administration (GSA) solicitation 8NV2013, for the U.S. Immigration and Customs Enforcement (ICE) Agency administrative and executive office. The RDA has determined that the buildings, facilities, structures or other improvements are of benefit to the redevelopment area. APNs 139-34-310-061; 139-34-310-062; 139-34-710-001; 139-34-310-076; 139-34-310-063.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. Resolution RA-5-2011
2. Disposition and Development Agreement
3. Public Purpose Impact Analysis

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WHEREAS, NRS 279.470 authorizes the RDA to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage, deed of trust or otherwise or otherwise dispose of any real or personal property or any interest in property; and

1 WHEREAS, Las Vegas ICE, LLC (hereinafter the "Buyer") has expressed
2 a willingness to acquire the RDA's Property; and

3 WHEREAS, the parties desire to set forth in the Disposition and
4 Development Agreement the terms and conditions of such sale and the Buyer will
5 develop a build to suit, class A, five-story office building in response to the U.S. General
6 Services Administration (GSA) solicitation 8NV2013, for the U.S. Immigration and
7 Customs Enforcement (ICE) Agency administrative and executive offices (the "Project")
8 on the vacant land as described above; and

9 WHEREAS, the Project will consist of approximately 58,909 leasable
10 square feet; and

11 WHEREAS, the RDA has determined that the buildings, facilities,
12 structures or other improvements are of benefit to the redevelopment area or the
13 immediate neighborhood in which the redevelopment area is located. The RDA believes
14 that the development is likely (1) to encourage the creation of new business or other
15 appropriate development; (2) increase local revenues (property tax revenue and sales
16 tax revenue) from desirable sources; (3) increase levels of human activity in the area
17 around the project; and (4) demonstrate greater social benefits to the community than
18 would a similar set of improvements; and

19 WHEREAS, the Governing Body of the RDA has determined that the
20 Disposition and Development Agreement (the "Agreement"), will provide the opportunity
21 for the redevelopment of the vacant land, which is in compliance with and in furtherance
22 of the goals and objectives of the Redevelopment Plan; and

23 ///

1 NOW, THEREFORE, BE IT HEREBY RESOLVED by the Governing
2 Board of the RDA that the Agreement is hereby approved and determined to be in
3 compliance with and in furtherance of the goals and objectives of the Redevelopment
4 Plan, and the Chairperson of the Governing Board of the RDA is hereby authorized and
5 directed to execute the Agreement for and on behalf of the RDA, and to execute any
6 and all additional documents (including any Attachments to the Agreement) and to
7 perform any additional acts necessary to carry out the intent and purpose of the
8 Agreement.

9 THE FOREGOING RESOLUTION was passed, adopted and approved this
10 ____ day of ____, 2011.

11
12 CITY OF LAS VEGAS
13 REDEVELOPMENT AGENCY

14 By: _____
15 OSCAR B. GOODMAN, Chairman

16 ATTEST:

17
18 _____
19 BEVERLY K. BRIDGES, MMC Secretary

20 APPROVED AS TO FORM:

21
22 Michael D. Jones, Esq.
23 Date 3-30-11

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT ("Agreement") is entered into as of the Effective Date (hereinafter defined) by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body organized and existing under the community development laws of the State of Nevada (hereinafter "RDA"), and Las Vegas ICE, LLC, a Nevada Limited Liability Corporation (hereinafter "DEVELOPER"), on the terms and provisions set forth below. RDA and DEVELOPER may be referred to herein singularly as a "Party" and collectively as the "Parties". This Agreement shall be effective on the date ("Effective Date") which the City of Las Vegas Redevelopment Agency Board ("RDA Board") and the City Council of the City of Las Vegas, Nevada, a political subdivision of the State of Nevada (the "City Council") approves the execution of this Agreement.

RECITALS

- A. The RDA is the owner of the Site (defined below);
- B. The RDA desires to sell to Developer, and the Developer desires to purchase from the RDA, five (5) parcels of land as described in Section 2 below (the "Site");
- C. In response to GSA Solicitation Number **8NV2013**, Developer intends to construct a five-story class A office building of approximately 60,000 square feet, including 158 spaces in a five story parking structure, to lease to the General Services Administration (the "GSA") for the administrative and executive offices of the U.S. Immigration and Customs Enforcement Agency (ICE) for a minimum lease term of fifteen (15) years and for not less than approximately 58,909 square feet of leasable area (the "Project").
- D. In consideration of Developer's agreements set forth herein, RDA has agreed to sell the Site to Developer on the terms and conditions set forth herein.
- E. The Parties desire to set forth in this Agreement the terms and conditions of the sale, purchase and development of the Site.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions contained herein, the Parties agree as follows:

1. **PURPOSE OF AGREEMENT.** The purpose of this Agreement is to effectuate the Redevelopment Plan (the "Redevelopment Plan") for the Downtown Las Vegas Redevelopment Area (the "Redevelopment Area") by providing for the redevelopment of the Site which is included within the boundaries of the Redevelopment Plan.

The redevelopment of the Site pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City of Las Vegas, Nevada (the "City"), and the health, safety, morals and welfare of its residents and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

This Agreement is subject to the provisions of the Redevelopment Plan that was approved and adopted on March 5, 1986, by the City Council of the City, and the health, safety, morals and welfare of its residents and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements. The Redevelopment Area is located in the City and the exact boundaries thereof are specifically described in the Redevelopment Plan.

2. THE SITE. The Project is to be developed on five (5) parcels generally located at the southeast corner of Las Vegas Boulevard and Clark Avenue, consisting of approximately 40,946.40 square feet (approximately 0.94 acres):

139-34-310-061 - 501 S. Las Vegas Boulevard
139-34-310-062 - 507 S. Las Vegas Boulevard
139-34-710-001 - 500 S. 6th Street
139-34-310-076 - (no site address)
139-34-310-063 - 508 S. 6th Street

The Site is depicted on **Exhibit "A"** and is described more particularly in **Exhibit "B"** attached hereto and hereby made a part of this Agreement.

The sites current use is a paved city-owned parking lot with parking meters, bumper blocks, jersey rails, signs, and other miscellaneous site improvements. The city reserves the right to remove these items within ten (10) days of closing.

3. PARTIES TO THIS AGREEMENT

(a) The RDA is a public body organized and existing under the community development laws of the State of Nevada. The principal office of the RDA is located at 400 Stewart Avenue, Las Vegas, Nevada 89101.

(b) The Developer is LAS VEGAS ICE, LLC, a Nevada limited liability company. The principal office of the Developer is located at 5655 S. Yosemite Street, Suite 301 Greenwood Village, CO 80111. Wherever the term "Developer" is used herein, such term shall include any assignee as herein provided.

(c) Pursuant to Resolution RA-4-99 adopted by the governing board of the RDA effective October 1, 1999, Developer has disclosed on the form attached hereto as Exhibit "C" all principals, including board members, of Developer, as well as all persons and entities holding more than one percent (1%) interest in Developer. Developer shall provide the RDA with written notification of any material change in the above disclosure within thirty (30) days of any such change.

(d) The qualifications and identity of the Developer are of particular concern to the RDA, and it is because of such qualifications and identity that the RDA has entered into this Agreement with the Developer. The Developer agrees that:

- (i) no voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein, and
- (ii) except as may otherwise be permitted hereunder, the Developer shall not assign all or any part of this Agreement without the prior written approval of the RDA.

(e) This Agreement may be terminated by the RDA if there is any change (voluntary or involuntary) in the membership, management or control of the Developer except as expressly provided herein. Notwithstanding the foregoing, the following shall be permitted transfers and shall not require the RDA's approval hereunder:

- (i) A transfer to any person or entity in which the Developer has a minimum of fifty-one percent (51%) of the ownership interest and management control;
- (ii) A transfer resulting from the death or mental or physical incapacity of an individual;
- (iii) A transfer or assignment in trust for the benefit of a spouse, children, grandchildren, other family members or for charitable purposes; and
- (iv) A transfer of stock in a publicly held corporation or of the beneficial interest in any publicly held partnership or real estate investment trust.

4. PURCHASE PRICE AND ACQUISITION OF SITE. The RDA agrees to sell, and the Developer agrees to purchase, the Site on the terms and conditions provided herein. The purchase price for the Site is Two Million Eight Hundred Seventy Thousand Dollars (\$2,870,000) ("Purchase Price"). Developer has deposited Fifty-Seven Thousand Four Hundred Dollars (\$57,400) with Nevada Title Company as escrow deposit and the balance of the Purchase Price shall be paid by Developer at the Closing (defined below).

5. CONDITIONS PRECEDENT TO CLOSING. The following are conditions precedent to the RDA's obligation to consummate the Closing:

(a) The Developer has submitted evidence of the execution of the lease # GS-09B-02592 ("Lease") between the Developer and the GSA to RDA acceptable to the RDA, provided that such approval shall not be unreasonably withheld.

(b) The Developer has submitted to the RDA an employment plan in accordance with the RDA Employment Plan Policy (adopted April 6, 2011) from Developer and the GSA, and the RDA has acknowledged in writing that the plan is acceptable.

(c) Developer is proceeding with development of the Site, as more particularly described in Section 6, and proceeding toward achieving issuance of all necessary building permits for the Project by the City's Department of Building and Safety, all to the reasonable satisfaction of the RDA.

(d) Prior to the Close of Escrow and no later than the time specified in the Schedule of Performance, Developer shall submit to the RDA evidence satisfactory to the RDA that Developer has firm and binding commitments for the equity capital and construction financing necessary for development of the Site. Such financing shall be subject to the approval of the RDA which approval will not be unreasonably withheld, conditioned or delayed.

Failure of any foregoing condition precedent shall, at the RDA's option, cause this Agreement to terminate whereupon the Deposit (hereinafter defined) shall be returned to Developer by the Escrow Agent, the escrow shall be cancelled and the Parties shall thereafter be released from all obligations hereunder.

6. SITE DEVELOPMENT. The Parties agree that it is their intent that the Site be developed as follows:

(a) The development on the Site will be a five-story class A office building of approximately 60,000 square feet with structured parking for lease to the General Services Administration for administrative and executive offices of the U.S. Immigration and Customs Enforcement Agency (ICE) for a minimum lease term of fifteen (15) years and for no less than approximately 58,909 square feet of leasable area. Developer shall submit to the RDA a written progress report once every four (4) weeks after the Effective Date describing the status of Developer's performance since the preceding report, including any reports and studies completed, permits obtained, and the expected progress to be made in the next succeeding period.

(b) The Developer shall carry out the construction of the Project improvements in conformity with all applicable local, state, and federal laws.

(c) The Project will be built in accordance with the Site Plan attached hereto as **Exhibit "D"**. The Site will be developed in conformance with the "Scope of Development" attached hereto as **Exhibit "E"** within the time set forth in the "Schedule of Performance" attached hereto as **Exhibit "F"**. Within the time set forth in the Schedule of Performance, the Developer shall prepare and submit to the RDA for review and written approval basic concept drawings and related documents containing the overall plan for development of the Project. The basic concept drawings shall conform to this Agreement, including the Scope of Development and this Section. The RDA shall approve or disapprove of the basic concept drawings within the time established in the Schedule of Performance. If the RDA shall fail to approve the basic concept drawing within such time, all subsequent time periods in the Schedule of Performance shall be extended by the number of additional days required to obtain such approval. Any disapproval shall state in writing the reasons for disapproval. The Project shall be developed as generally established in the basic concept drawings and related documents except as changes may be mutually agreed upon between the Parties. Any such changes shall be within the limitations of the Scope of Development.

(d) The Site will be developed within the time schedule set forth herein and in the Schedule of Performance. Developer agrees that, in all events, within six (6) months after the Closing, the Developer will begin construction and will complete such construction within eighteen (18) months after commencement of construction, as evidenced by the City's issuance to the Developer of a Certificate of Completion, the form for which is attached hereto as **Exhibit "G"**. Commencement of construction shall be evidenced by the pouring of the footings by Developer for the Project, as determined by an inspection completed by the City's Building Official, or by his designee. Both commencement of construction and completion of construction will be extended by such additional time as corresponds to the extent of any delay that is caused by material shortages, labor disputes, fire, civil riots, unforeseen acts of government, acts of God or other events reasonably beyond the Developer's control.

(e) The Developer will be responsible for the installation, at its expense, of all onsite and offsite improvements required by all applicable local, state, and federal laws in connection with the development of the Project, including, but not limited to, sidewalks and driveways, on-site utilities, sewer lines, and other on site improvements.

(f) The Developer shall complete and submit to the RDA an application for a site development plan review for a site plan consistent with the basic concept drawings.

(g) The RDA shall sign all required permit applications during its period of ownership of the Site, subject to the terms of this Agreement. The Developer agrees to assume all costs associated with preparation of the site development plan review application, and preparation of architectural plans, civil plans, structural plans, mechanical plans, electrical plans, plumbing plans, or any other plans required by local, state, or federal law required to complete the Project through certificate of occupancy. The Developer also agrees to assume the cost of any application or other connection fees due to the RDA, City or any other local, state, or federal agency or organization having regulatory authority over the Project, including, but not limited to, Las Vegas Valley Water District, Southern Nevada Water Authority, Nevada Power and Southwest Gas.

(h) Prior to any entry upon the Site for the purpose of conducting any tests or studies, the Developer shall furnish or cause to be furnished to the RDA duplicate originals (or certified copies) or appropriate certificates of bodily injury and property damage insurance policies in the amount of at least One Million Dollars (\$1,000,000) for any person, Two Million Dollars (\$2,000,000) for any occurrence and Five Hundred Thousand Dollars (\$500,000) property damage, naming the RDA as additional insured or co-insured.

(i) For the purposes of assuring compliance with this Agreement, representatives of the RDA shall have the reasonable right of access to the Site without charges or fees and at normal construction hours during the period of construction, including, but not limited to, the inspection of the work being performed in constructing the improvements. Such representatives of the RDA shall be those who are so identified in writing by the RDA.

(j) The Developer agrees to indemnify, hold harmless and defend (with counsel acceptable to the RDA) the RDA, its affiliates, its officers, agents and employees against and from any and all actual or threatened liabilities, claims, actions, foreseeable consequential damages, penalties, costs and expenses (including attorney's fees) and losses arising from or all actual or threatened liabilities, claims, actions, foreseeable consequential damages, penalties, costs and expenses (including attorney's fees) and losses directly or indirectly arising out of or resulting from or relating in any way to the development and/or operation of the Project by Developer.

(k) Failure on the part of the Developer, after Closing, to comply with the provisions of this Section shall constitute a default under Section 23 of this Agreement and entitle the City to exercise its right to reenter and repurchase pursuant to Section 11, provided any such failure to comply is not cured for a period of thirty (30) calendar days after written notice thereof from the RDA. If the Developer has taken reasonable steps to cure, but cannot reasonably cure such default within the thirty (30) day period, it shall have a reasonable time thereafter to effectuate such cure.

7. FORM OF DEED. The RDA shall convey to the Developer fee simple title to the Site in the condition provided in Section 13 by a Grant, Bargain and Sale Deed ("Deed") in a form that is consistent with **Exhibit "H"**.

8. EARNEST MONEY DEPOSIT. Developer has deposited Fifty-Seven Thousand Four Hundred Dollars (\$57,400) in earnest money with the Escrow Agent. The Deposit shall be invested in an interest bearing account and shall be refundable to Developer should this transaction fail to close, unless such failure is the result of a material default by Developer. Such earnest money deposit, along with all earnings thereon is referred to in this Agreement as the "Deposit".

9. ESCROW

(a) The parties agreed to and have opened escrow 09-12-0073-KR with Nevada Title Commercial Division, ("Title Company"), 2500 N. Buffalo Suite 150, Las Vegas Nevada as escrow agent ("Escrow Agent"). This Agreement constitutes the joint escrow instructions of the Parties, and a fully executed copy of the Agreement shall be delivered to the Escrow Agent promptly after the Effective Date. Upon mutual agreement by the Parties, either Party shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. Subsequent additional escrow instructions may be authorized on behalf of the RDA and executed by the RDA, or by the designee of the RDA, subject to the condition that there is no material modification to the terms of this Agreement, nor additional monetary adjustment which obligates the RDA. The Escrow Agent hereby is empowered to act under this Agreement, and, upon indicating its acceptance of the provisions of this Section in writing, delivered to the Parties after the opening of the escrow, shall carry out its duties as Escrow Agent hereunder.

(b) Not later than two (2) business days prior to the Closing Date (hereinafter defined), Developer shall deposit into escrow the following fees, charges and costs after the Escrow Agent has notified the Developer of the amount of such fees, charges and costs:

- (i) the balance of the Purchase Price less the Deposit;
 - (ii) ½ of the escrow fee;
 - (iii) the recording costs for the Deed;
 - (iv) any state, county or city Real Property Transfer Tax ((RPTT));
 - (v) ½ of the CLTA owner's policy of title insurance in the amount of the Purchase Price;
 - (vi) Any additional premium for ALTA title insurance coverage should Developer elect to obtain an ALTA title insurance policy;
 - (vii) any inspection fee charged in connection with the ALTA title policy; and
 - (viii) the cost of any title insurance endorsements Developer elects to obtain.
- (c) The RDA shall pay the cost of:
- (i) ½ of the CLTA owner's policy of title insurance in the amount of the Purchase Price; and
 - (ii) ½ of the escrow fee.
- (d) Not later than two (2) business days prior to the Closing Date, the RDA will deposit with the Escrow Agent the following:
- (i) The Deed duly executed and acknowledged by the RDA and in recordable form;
 - (ii) The Irrevocable Escrow Instructions (hereinafter defined) executed by the RDA;
 - (iii) Any other documents, instruments, data, records, correspondence or agreements called for under this Agreement or reasonably necessary in order to complete the transaction, which have not been delivered;
 - (iv) An affidavit that evidences that the RDA is exempt from the withholding requirements of Section 1445 of the Internal Revenue Code, in the Escrow Agent's standard form; and

(v) A declaration of value in the form required by Clark County to record the Deed.

(e) Not later than two (2) business days prior to the Closing, Developer shall deposit and deliver to Escrow Agent the following items:

(i) The Quitclaim Deed (hereinafter defined) duly executed and acknowledged by Developer;

(ii) The Irrevocable Escrow Instructions executed by the Developer; and

(iii) Any other documents, instruments, data, records, correspondence or agreements called for under this Agreement which have been delivered.

(f) The Escrow Agent is authorized and instructed to:

(i) charge the Parties obligated hereunder, and to pay to the persons entitled thereto, any fees, charges and costs payable under this Agreement and related solely to the acquisition and transfer of the Site to the Developer, provided that before such payments are made, the Escrow Agent shall notify the Parties of the fees, charges and costs necessary to clear title and close the escrow;

(ii) disburse funds and deliver the Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the Parties;

(iii) obtain and charge the Developer all of the premiums and amount by which the cost of any ALTA title insurance policy exceeds the cost of a CLTA policy and the cost of any endorsements thereto requested by Developer;

(iv) hold the Quitclaim Deed and Irrevocable Escrow Instructions until completion of Project as evidenced by a Notice of Completion; and

(v) record any instruments delivered through this escrow, if necessary or proper, to vest title in the Developer in accordance with the terms and provisions of this Agreement.

(g) All funds received in this escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general interest bearing escrow account or accounts with any state or national bank doing business in the State of Nevada. Such funds may be transferred to any of Escrow Agent's other such general interest bearing escrow account or

accounts. All disbursements shall be made by wire transfer, cashier's check or check of the Escrow Agent. All adjustments shall be made on the basis of a thirty (30) day month. Any interest that is earned on funds deposited under this Agreement shall be for the benefit of the Party responsible for depositing those funds with the Escrow Agent and shall apply to the Purchase Price or returned to the Developer as provided elsewhere herein.

(h) If this escrow is not in condition to close before the Closing Date, either Party who then shall have fully performed the acts to be performed before the Closing may, in writing, terminate this Agreement and demand the return of its money, papers or documents. Thereupon all obligations and liabilities of the Parties shall cease and terminate, except that the Party who has not fully performed shall be solely responsible for any escrow cancellation charges. If neither Party shall have fully performed the acts to be performed by it on or before the Closing, no termination or demand for return shall be recognized until five (5) days after the Escrow Agent shall have mailed copies of such demand to the other Party at the address of its or their principal place or places of business. If any objections are raised within the five (5) day period, the Escrow Agent is authorized to hold all money, papers and documents with respect to the Site until instructed in writing by both Parties or, upon failure thereof, by a court of competent jurisdiction. If no such demands are made, the escrow shall be closed as soon as possible. Nothing in this Section shall be construed to impair or affect the rights or obligations of either Party to specific performance.

(i) The Escrow Agent shall not be obligated to return any such money, papers or documents except upon the written instructions of both Parties or until the Party entitled thereto has been determined by a final decision of a court of competent jurisdiction.

(j) Any amendment of these escrow instructions shall be in writing and signed by both Parties. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment. All communications from the Escrow Agent to the either Party shall be directed to the addresses and in the manner established in the notice section of this Agreement for notices, demands and communications between the Parties.

(k) The liability of the Escrow Agent under this Agreement is limited to performance of the obligations imposed upon it hereunder.

(l) Each party represents and warrants that no real estate broker is entitled to any commission as the procuring cause of this transaction resulting from any actions or words by or on behalf of such party, and each party agrees to indemnify and hold the other party harmless from any claim or demand made by any brokers.

10. CLOSE OF ESCROW, CONVEYANCE OF TITLE AND DELIVERY OF POSSESSION

(a) Provided that neither Party is in default under this Agreement and all conditions precedent to such conveyance have occurred, the consummation of the sale by the RDA, purchase and conveyance to the Developer of title to the Site ("Closing") shall be

completed on or prior to but no later than October 1, 2011 ("Closing Date"). The Parties shall perform all acts necessary for conveyance of title in sufficient time for title to be conveyed in accordance with the foregoing provision.

(b) Notwithstanding any other provision of this Agreement, the Developer's obligation to proceed with the Closing is subject to the fulfillment or waiver by the Developer of each of the following conditions precedent, which are solely for the benefit of the Developer and which shall be fulfilled or waived prior to Closing:

- (i) the RDA shall not be in violation of any of its material obligations under this Agreement;
- (ii) the Developer has received from the RDA and other applicable governmental bodies and other third parties all permits, consents and approvals that Developer believes are necessary or desirable for the successful construction and operation of the Project;
- (iii) the RDA has made all deposits required of the RDA pursuant to Section 9(d) above; and
- (iv) Developer has not elected to cancel this Agreement pursuant to Section 14 below.

(c) Notwithstanding any other provision of this Agreement, the RDA's obligation to proceed with the Closing is subject to the fulfillment or waiver by the RDA of each of the following conditions precedent, which are solely for the benefit of the RDA and which shall be fulfilled or waived prior to Closing:

- (i) Developer shall not be in violation of any of its material obligations under this Agreement, and the conditions precedent specified in Section 5 shall have been satisfied or waived by the RDA;
- (ii) the Developer has made all deposits required of the Developer pursuant to Section 9(b) above; and
- (iii) Developer has not elected to cancel this Agreement pursuant to Section 14 below.

(d) Possession shall be delivered to the Developer concurrently with the Closing, except that limited access shall be permitted before Closing as specifically described in Section 14.

11. RIGHT TO REPURCHASE, REENTER AND REPOSSESS. In addition to and independent of any other remedy available to it, the RDA shall have the additional right at its option to repurchase, reenter and take possession of the Site with all improvements thereon if,

after Closing and prior to the issuance of all certificates of occupancy for the Project, the Developer does any of the following:

(a) Fails to complete construction of the improvements as required by this Agreement under Section 6 as evidenced by issuance of a Notice of Completion by the City. This is a condition subsequent and not merely a covenant.

(b) Transfers the Site or any part thereof in violation of the Agreement. This is a condition subsequent and not merely a covenant.

(c) Fails or refuses to comply with or to cure the default of any provision of Section 6 for a period of thirty (30) calendar days after written notice thereof from the RDA. If the Developer has taken reasonable steps to cure, but cannot reasonably cure such default within the thirty (30) day period, it shall have a reasonable time thereafter to effectuate such cure. This is a condition subsequent and not merely a covenant.

(d) The right to repurchase, reenter and repossess to the extent provided in this Agreement, shall be subordinate, subject to, be limited by and shall not defeat, render invalid or limit any mortgage, deed of trust, sale and leaseback or other security instrument or conveyance for financing not prohibited by this Agreement.

(e) To exercise its right to repurchase, reenter and take possession of the Site, the RDA or its nominee, shall pay to the Developer the Purchase Price minus all fees associated with close of escrow; the amount needed to repay any liens, encumbrances or other security instruments held against the Site for the purpose of financing the construction of improvements thereon so as to enable the RDA to receive title to the Site free and clear of any such liens, encumbrances, outstanding claims, bills to subcontractors, labor/material suppliers, or other security instruments.

(f) For the purpose of implementing the provision of the Section, at the Closing, the Developer will deliver to the Escrow Agent an executed and acknowledged "Quitclaim Deed" in the form of **Exhibit "I"**. The deposit of this Quitclaim Deed will be accompanied by "Irrevocable Escrow Instructions" in the form of **Exhibit "J"** directed to the Escrow Agent and signed by the Parties. If any of the events authorizing the RDA to repurchase, reenter and take possession of the Site as provided in this Section occur, the RDA may, without limiting its remedies under this Agreement, direct the Escrow Agent, upon at least thirty (30) calendar days' prior notice to the Developer, to record the Quitclaim Deed to the Site. If the Developer completes construction on or before the time set forth in Schedule of Performance, the RDA shall join with the Developer in instructing the Escrow Agent to return the Quitclaim Deed to the Developer.

12. GENERAL REPRESENTATIONS AND WARRANTIES

(a) Representations and Warranties by the RDA. The RDA represents and warrants that as of the Effective Date and the date of Closing:

- (i) The RDA has all requisite power and authority to enter into and perform its obligations under this Agreement. This Agreement constitutes the legal, valid, binding and enforceable obligation of the RDA;
- (ii) By proper action of the RDA, the RDA's signatories have been duly authorized to execute and deliver this Agreement;
- (iii) To the RDA's actual knowledge, no condemnation, eminent domain or similar proceedings have been instituted or threatened against the Site;
- (iv) To the RDA's actual knowledge, there are no legal actions, suits or proceedings pending or threatened before any judicial body or any governmental or quasi-governmental authority against the Site or against the RDA which would inhibit the RDA's ability to perform its obligations under this Agreement;
- (v) To the RDA's actual knowledge, the execution, delivery and performance of this Agreement by the RDA will not (i) conflict with or be in contravention of any provision of law, order, rule or regulation applicable to the RDA or the Site, or (ii) result in any lien, charge or encumbrance of any nature on the Site other than as permitted by this Agreement;
- (vi) The execution of this Agreement by the RDA does not violate any provision of any other agreement to which the RDA is a party;
- (vii) The RDA has and will convey to Developer good and marketable fee simple title to the Site subject only to the exceptions permitted by this Agreement. Except as shown on the Title Report (hereinafter defined), there are no encumbrances, liens, covenants, restrictions, reservations, options, leases, tenancies, easements, encroachments, claims or other matters affecting title or possession of the Property; and
- (viii) No labor has been performed or material furnished for the Site, or any part thereof, for which the RDA has not heretofore fully paid or will pay prior to Closing, or for which a mechanic's or materialman's lien or liens, or any other lien, can be claimed by any person, party or entity.

As used in this Agreement, the term "the RDA's actual knowledge" means the actual knowledge of the executive director of the RDA.

(b) Representations and Warranties of the Developer. The Developer represents and warrants to the City that as of the Effective Date and the date of Closing:

- (i) The Developer is a Nevada limited liability company duly organized and existing under the laws of the State of Nevada;
- (ii) The Developer has all requisite power and authority to carry out business as now and whenever conducted and to enter into and perform its obligations under this Agreement;
- (iii) By proper action of the Developer, the Developer's signatories have been duly authorized to execute and deliver this Agreement;
- (iv) Execution of this Agreement by the Developer does not violate any provision of any other agreement to which the Developer is a party;
- (v) Except as may be specifically set forth in this Agreement, no approvals or consents not heretofore obtained by the Developer are necessary in connection with the execution of this Agreement by the Developer or with the performance by the Developer of its obligations hereunder; and
- (vi) To the Developer's actual knowledge as of the Effective Date, there are no legal actions, suits or proceedings pending or threatened before any judicial body or any governmental or quasi-governmental authority against the Developer which would inhibit the Developer's ability to perform its obligations under this Agreement.

13. CONDITION OF TITLE

- (a) The RDA shall convey to the Developer fee simple title subject only to:
 - (i) A lien not yet delinquent for ad valorem taxes for real property, and any general or special assessments against the Site;
 - (ii) All matters disclosed by the Title Report or the ALTA survey described in paragraph (b) of this Section, or any supplemental report, and which are approved or deemed approved by the Developer in accordance with this Section; and
 - (iii) Any and all other exceptions, easements, conditions, covenants or reservations, if any, specifically set forth in the Deed and of record as of the Effective Date.

(b) The Escrow Agent shall, upon the delivery of a fully executed copy of this Agreement to Escrow Agent, deliver to the Developer a current preliminary title report ("Title Report") and legible copies of all documents referred to therein covering or relating to the Site. The Developer may obtain its own ALTA survey of the Site (at the Developer's sole expense, but with the cooperation and all survey information available to the RDA being provided to assist in obtaining such survey). The Developer shall then approve or disapprove the exceptions listed in the Title Report and ALTA survey as to the Site by giving the RDA and Escrow Agent written notice thereof within thirty (30) days of the Effective Date. Failure to give written notice to the Escrow Agent and the RDA by such date of approval or disapproval of the exceptions shall be deemed to be approval of all exceptions, except for monetary liens and taxes. If Developer disapproves any exceptions, the RDA shall have ten (10) days within which to agree in writing to remove the exception. Failure to give written notice of such agreement to the Developer and the Escrow Agent shall be deemed to be refusal. If RDA does not agree to remove any exceptions properly and timely disapproved by the Developer, this Agreement shall terminate without further liability to Developer, unless the Developer waives its objection in writing delivered to the RDA and to the Escrow Agent. If the RDA shall agree to remove any exception objected to by the Developer, the RDA shall then have until the date for Closing within which to remove such exception and shall use its best efforts to remove the exception. If despite the use of its best efforts the RDA is unable to remove any exception objected to by the Developer and which the RDA has agreed to remove by the Closing, the Developer may elect as its sole right and remedy to (i) terminate this Agreement and receive a return of the Deposit and all other funds or documents deposited by Developer; or (ii) waive the objection and proceed to Closing.

14. FEASIBILITY REVIEW; INSPECTION

(a) Developer will have until May 1, 2011 ("Feasibility Review Period") to review the condition of the Site and the feasibility of Developer's development plan of development on the Site, including, without limitation, finalizing the Lease with the GSA for the ICE Offices. Developer's feasibility review will pertain to Developer's review of and satisfaction with the following:

- (i) availability of approvals by all governmental bodies having jurisdiction over the Site for Developer's intended development thereof;
- (ii) Developer's engineering studies, soils investigations, environmental assessments, surveys and physical inspection of the Site; and
- (iii) those items contained in Section 13(b).

(b) The following items shall be provided or made available by the RDA to Developer concurrently with the execution of this Agreement by the RDA; to the extent such items are within RDA's possession or control or are reasonably available to RDA:

- (i) any and all surveys and maps of all or any portion of the Site;

- (ii) any and all soils condition reports, environmental assessment reports and endangered species and habitat reports on all or any portion of the Site;
- (iii) any and all water and sewer studies, engineering studies, zoning information, and marketing studies relating to all or any portion of the Site;
- (iv) any and all leases or other contracts or agreements relating to all or any portion of the Site, the availability of utilities or access to all or any portion of the Site, and investigations of any requirements which may be imposed by governmental or quasi-governmental entities and agencies relative to all or any portion of the Site;
- (v) any and all plans, specifications, licenses, permits, authorizations and approvals relating to all or any portion of the Site; any and all covenants, conditions and restrictions of all owners' associations with jurisdiction over all or any portion of the Site, and any and all articles of incorporation, bylaws, rules, regulations and public offering statements of any such associations; and
- (vi) any and all such other materials, documentation and information concerning all or any portion of the Property required or reasonably requested by Developer in order to perform its due diligence.

(c) Developer may elect, at any time prior to the expiration of the Feasibility Review Period, to terminate this Agreement as a result of Developer's disapproval of any of the foregoing matters; provided, however, that if Developer fails to notify RDA and Escrow Holder of Developer's disapproval of the feasibility of Developer's proposed development of the Site by written notice delivered to RDA no later than the date of expiration of the Feasibility Review Period, Developer will be deemed to have approved the feasibility and this condition will be deemed satisfied. If this Agreement is terminated pursuant to this Section, Developer shall pay to Escrow Holder an amount equal to the cost of the cancellation of Escrow, and neither Party will have any further rights or obligations under this Agreement and the Deposit shall immediately be refunded to Developer.

(d) During the Feasibility Review Period Developer, and its representative and consultants (including architects and engineers or potential tenants) will have the right to enter upon and inspect the Site and conduct such boundary and topographic surveys, soil and engineering tests environmental assessments, and such other tests and studies as Developer deems desirable, with engineers or consultants licensed in the State of Nevada; provided that such inspections and tests will not materially damage the Site in any respect; provided, further, that such tests and inspections are conducted in accordance with standards customarily employed

in the industry and in compliance with all governmental laws, rules and regulations; provided, still further, that Developer notifies RDA in writing at least forty-eight (48) hours prior to the date that Developer intends to conduct invasive testing or inspections on the Site. Following Developer's inspections or testing on the Site, Developer promptly will restore the Site to its original condition as existed prior to any such inspections and/or tests. If Developer, its agents, representatives or employees undertakes any boring or other disturbance of the soil, the soil so disturbed will be recompacted to the original condition of the Site and Developer will obtain at its own expense a certificate from a soils engineer which certifies that such soil so disturbed has been recompacted to the original condition of the Site. To the extent that any costs for damages and/or injuries are not covered by any insurance policy protections or are in excess of the insurance policy limits, the Developer agrees to indemnify, hold harmless and defend (with counsel reasonably acceptable to RDA) the RDA, its affiliates or assignees, which are under the control of the RDA and its officers, agents and employees against and from any and all liability, loss, cost, damage or expense (including attorneys' fees) of whatsoever nature growing out of or in connection with personal injury to or death of persons whomsoever (including, without limitation, exposure to hazardous or toxic substances, to the extent brought on the Site by Developer), or loss or destruction of or damage to property whatsoever (including, without limitation, contamination by hazardous or toxic substances and any required testing, removal or cleanup thereof, to the extent brought on the Site by Developer), where such personal injury, death, loss, destruction or damage arises in any way in connection with or incident to the occupation or use of the Site by, or the presence thereon of, Developer, its officers, agents or employees and occurs from any such cause. If Developer should discover any hydrocarbon substances or any other hazardous or toxic substances, asbestos or asbestos-bearing materials, waste or materials subject to legal requirements or corrective action, Developer will immediately notify City of the same. The indemnity obligations of Developer under this Section will survive any termination of this Agreement or delivery of the Deed and transfer of title. Developer covenants and agrees upon request of the City to promptly deliver to City without charge therefore, the results and copies of any and all environmental reports and related correspondence.

(e) Developer covenants and agrees to pay in full for all materials joined or affixed to the Site by Developer and to pay in full all persons who perform labor upon the Site at the request of Developer, and not to permit or suffer any mechanic's or materialman's lien of any kind or nature to be enforced against the Site for any work done or materials furnished thereon at the instance or request or on behalf of Developer; and Developer agrees to indemnify, hold harmless and defend (with counsel acceptable to the RDA) the RDA, its affiliates, officers, agents and employees against and from any and all liens, claims, demands, costs and expenses of whatsoever nature in any way connected with or growing out of such work done, such labor performed or such materials furnished prior to Closing.

15. TIME FOR CLOSING AND DELIVERY OF DEED. Subject to any mutually agreed upon extensions of time, the RDA shall deposit the Deed with the Escrow Agent pursuant to Section 9. The Parties shall also timely deliver into escrow:

(a) any transfer declarations, returns or other similar documents satisfying Nevada state law requirements, if any;

(b) all documents set forth in Section 9;

(c) evidence reasonably satisfactory to the other Party and Escrow Agent respecting the authorization and execution of the documents required to be delivered hereunder; and

(d) such additional documents as may be reasonably required by the other Party or Escrow Agent in order to consummate the transactions provided hereunder.

16. CLOSE OF ESCROW. Upon the fulfillment of the conditions described in this Agreement, the Escrow Agent shall file the Deed for recordation among the land records in the Office of the County Recorder of Clark County and shall deliver to the Developer the Title Policy (hereinafter defined). The recordation of the Deed shall constitute the close of escrow.

17. TITLE INSURANCE. Concurrently with recordation of the Deed, and as a condition of the Closing, the Escrow Agent and any required co-insurer shall provide and deliver to Developer a title insurance policy issued by the Escrow Agent insuring that title is vested in the Developer in the condition required by Section 13, and the title insurance policy shall be of the type and in the amount requested by the Developer, and with such endorsements and affirmative coverages as may be required by Developer ("Title Policy"). If Developer desires to obtain extended coverage for its title policy, the City shall provide the Escrow Agent at the Closing with such evidence and customary documents as are reasonably required to issue such coverage.

18. TAXES, ASSESSMENTS, ENCUMBRANCES AND LIENS. The Developer shall be responsible for the payment of all real estate taxes and assessments assessed and levied on the Site for any period subsequent to Closing. Prior to Closing, the Developer shall not place or allow to be placed on the Site (or portion thereof) any encumbrance or lien.

19. CONVEYANCE FREE OF POSSESSION. The Site shall be conveyed free of any possession or right of possession by any other person except that of approved easements, vacations, or dedications of record, which are mutually agreeable to the Parties.

20. "AS IS" SALE.

(a) Except as otherwise provided in this Agreement, the Developer acknowledges and agrees that the Site is to be sold and conveyed to and accepted by the Developer pursuant to this Agreement in an "as is" condition, with, if any, all faults and defects. Except as otherwise specifically stated in this Agreement, the RDA makes no representations or warranties of any kind whatsoever, either expressed or implied, with respect to the Site or any of such related matters; in particular, but without limitation, except as otherwise provided herein the RDA makes no representations or warranties with respect to the use, condition, title, occupation or management of the Site, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdividing, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record,) other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements affecting or relating to the Site. The

Developer acknowledges that notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, this Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof and the purchase and sale of the Site and supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

(b) Except as otherwise stated herein, the Developer, for itself, its successor and assigns, and for each and every subsequent owner of the Site ("Releasing Party") hereby mutually releases, waives, remises, acquits and forever discharges all rights, causes of action and claims which Developer has or may have in the future against the RDA, its officers, employees, agents, attorneys, representatives, legal successors and assigns, from any and all claims, suits, actions, causes of action, demands, rights, damages, costs, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Developer or any Releasing Party now has or which Developer or any other Releasing Party may have in the future on account of or in any way arising out of or in connection with Hazardous Materials or violation of Environmental Laws (hereinafter defined) or arising out of or in connection with any other physical or environmental condition of the Site. The Developer hereby agrees to hold harmless and indemnify the City from any claims, judgments, penalties, fines, losses, damages, expenses (including reasonable attorneys' fees) against or incurred by the RDA after the conveyance of the Site to the Developer arising in any way from:

- (i) the presence of Hazardous Materials at, on, beneath or from the Site; or
- (ii) the application of Environmental Laws to the Site.

(c) The Developer agrees that the RDA is making no representations or warranties regarding the environmental or any other condition of the Site.

(d) Definitions.

- (i) As used in this Agreement, the term "Hazardous Materials" means any substance, material or waste which is:
 - (1) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste" or "restricted Hazardous waste" under any provision of Nevada law;
 - (2) petroleum;
 - (3) asbestos;
 - (4) polychlorinated biphenyls;
 - (5) radioactive materials;

- (6) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1251 et seq. (33 U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317);
 - (7) defined as a "hazardous substance" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903); or
 - (8) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601).
- (ii) As used in this Agreement, the term "Environmental Laws" shall mean any and all laws (whether common or statutory), compacts, treaties, conventions, rules, regulations, codes, plans, requirements, criteria, standards, orders, decrees, judgments, injunctions, notices or demand letters issued, promulgated or entered thereunder by any federal, state or local governmental entity relating to public or employee health and safety, pollution or protection of the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendment and Reauthorization Act and otherwise ("CERCLA"), the Resource Conservation and Recovery Act ("RCRA"), the Federal Safe Drinking Water Act, the Federal Water Pollution Control Act, and any and all other federal, state and local laws, rules, regulations and orders relating to reclamation of land, wetlands and waterways or relating to use, storage, emissions, discharges, cleanup, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Materials on or into the workplace or the environment (including without limitation, ambient air, oceans, waterways, wetlands, surface water, ground water (tributary and nontributary), land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of pollutants, contaminants, chemicals or industrial, toxic, hazardous or similar substances.

21. GOVERNMENTAL PERMITS. Nothing in this Agreement shall affect the responsibility of the Developer to seek, obtain and comply with the conditions of any and all permits and governmental authorizations necessary to develop the Site or any portion thereof. The Developer shall be responsible for the payment of permit fees, which shall be limited to those fees that are authorized by ordinance.

22. TIME OF ESSENCE. Time is of the essence of this Agreement and every obligation hereunder.

23. DEFAULT AND REMEDIES

(a) In the event the Developer fails to perform any of its obligations required to be performed hereunder prior to Closing, including, without limitation, Developer's obligations under Section 5, or in the event the Closing does not occur by reason of a default by Developer, the RDA may as its sole remedy, by written notice to the Developer and Escrow Agent, terminate this Agreement and receive from Escrow Agent the Deposit as the RDA's liquidated damages for the breach of this Agreement by the Developer. It is expressly understood and agreed between the Parties that the RDA's actual damages for any such breach by the Developer hereunder would be substantial but extremely difficult to ascertain.

INITIALS:

THE RDA:

DEVELOPER:

(b) In the event of the occurrence of a default or the breach of a covenant, representation or warranty by the RDA occurring prior to the Closing, the Developer's sole remedy shall be to pursue one, and only one, of the following remedies as its sole right and remedy:

- (i) to waive such default; or
- (ii) to terminate this Agreement; and on such termination, the Deposit will be returned to the Developer and the Parties thereafter shall have no liability or obligation hereunder; or
- (iii) to demand specific performance of the RDA's obligations under this Agreement without any abatement in the Purchase Price or other consideration and without any liability whatsoever on the part of the RDA for damages.

(c) In the event of a default under Section 11 by the Developer within five (5) years after the Closing, the RDA may exercise its right to repurchase, reenter and repossess as described in Section 11.

(d) Notwithstanding any termination of this Agreement for any reason whatsoever, the obligations of the Developer under Sections 14(c) and 14(d) shall survive such termination of this Agreement.

24. SURVIVAL. The representations and warranties contained in this Agreement, and the covenants that extend beyond the Closing, shall survive the recordation of any Deed and shall not be deemed merged into such Deed.

25. SUCCESSIONS AND ASSIGNS. This Agreement shall inure to the benefit of and bind the successors and assigns of the Parties, subject to the provisions of this Agreement regarding assignment.

26. NO PERSONAL LIABILITY. No official or employee of the RDA shall be personally liable to the Developer for any default or breach by the RDA, for any amount which may become due to the Developer, or for any obligation of the RDA under the terms of this Agreement. No manager, member, officer, or employee of Developer shall be personally liable to the RDA for any default or breach by Developer, for any amount which may become due to the RDA, or for any obligation of Developer under the terms of this Agreement.

27. NOTICES, DEMANDS AND COMMUNICATIONS. Formal notices, demands and communications between the Parties shall be sufficiently given if made in writing and dispatched by registered or certified mail, postage prepaid, return receipt requested or by personal delivery, to the principal offices of the RDA and the Developer as set forth in this Section. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate in writing. Service by United States Mail or by Federal Express or other similar delivery service shall be conclusively deemed made on the first business day delivery is attempted or upon receipt, whichever is sooner.

If to the RDA: City of Las Vegas Redevelopment Agency
Economic and Urban Development Department
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attention: Bill Arent, Director

With a copy to: City Attorney's Office
City of Las Vegas
400 Stewart Avenue, 9th Floor
Las Vegas, Nevada 89101
Attention: Teri Ponticello, Esq.

If to the Developer: Las Vegas ICE, LLC
c/o SDA, Inc.
The Denver Tech Center
5655 South Yosemite Street, Suite 301
Greenwood Village, Colorado 80111
Attention: Steve Biagiotti

28. SUBSEQUENT RDA APPROVALS. Any consents or approvals of the RDA required or permitted by the terms of this Agreement may be given by the Executive Director of the RDA or such other person that the RDA designates in writing, subject to the condition that there is no material modification to the terms of this Agreement, nor additional monetary adjustment which obligates the RDA.

29. ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS. This Agreement is executed in three duplicate originals, each of which is deemed to be an original. This includes Exhibits A, B, C, D, E, F, G, H, I and J attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the Executive Director or other appropriate authorities of the RDA and the Developer and no waiver of one provision shall be construed as a waiver of that provision in the future or as a waiver of any other provision. All amendments hereto must be in writing and signed by the Executive Director or other appropriate authorities of the RDA and the Developer.

30. SEVERABILITY. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalidated, it shall be deemed to be severed from this Agreement and the remaining provisions shall remain in full force and effect.

31. GOVERNING LAW. The interpretation and enforcement of this Agreement shall be governed in all respects by the laws of the State of Nevada.

32. CAPTIONS AND SECTIONS. The captions contained in this Agreement are for the convenience of the parties and shall not be construed so as to alter the meaning of the provisions of the Agreement. Unless specified otherwise, all references to Sections herein refer to the Sections of this Agreement.

33. COUNTERPARTS. This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.

34. REPORTING PERSON. The Title Company is hereby designated as the Reporting Person (as defined in Section 6045(e) of the Code and the regulations promulgated thereunder) as permitted by Treasury Regulation Section 1.6045-4(e)(5).

35. DATES. If any date or other deadline set forth herein falls on a Saturday, Sunday or federal banking holiday, the date for performance on such date shall be extended to the succeeding day which is not a Saturday, Sunday or federal banking holiday.

36. FURTHER ASSURANCES. Each Party shall from time to time execute and deliver such further instruments as the other Party or its counsel may reasonably request to

effectuate the intent of this Agreement, including, but not limited to, documents necessary for compliance with the laws, ordinances, rules or regulations of any governmental authority.

37. EFFECTIVE DATE. The effective date ("Effective Date") of this Agreement shall be the date when this Agreement has been signed by both Parties.

IN WITNESS WHEREOF, the Parties have entered into this Agreement to be effective as of the Effective Date.

Date of RDA Board and City Council Approval:

_____, 2011.

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairman

Attest: _____
Beverly K. Bridges, MMC Secretary

APPROVED AS TO FORM:

Michael D. Q. Esq.
3-30-11 Date

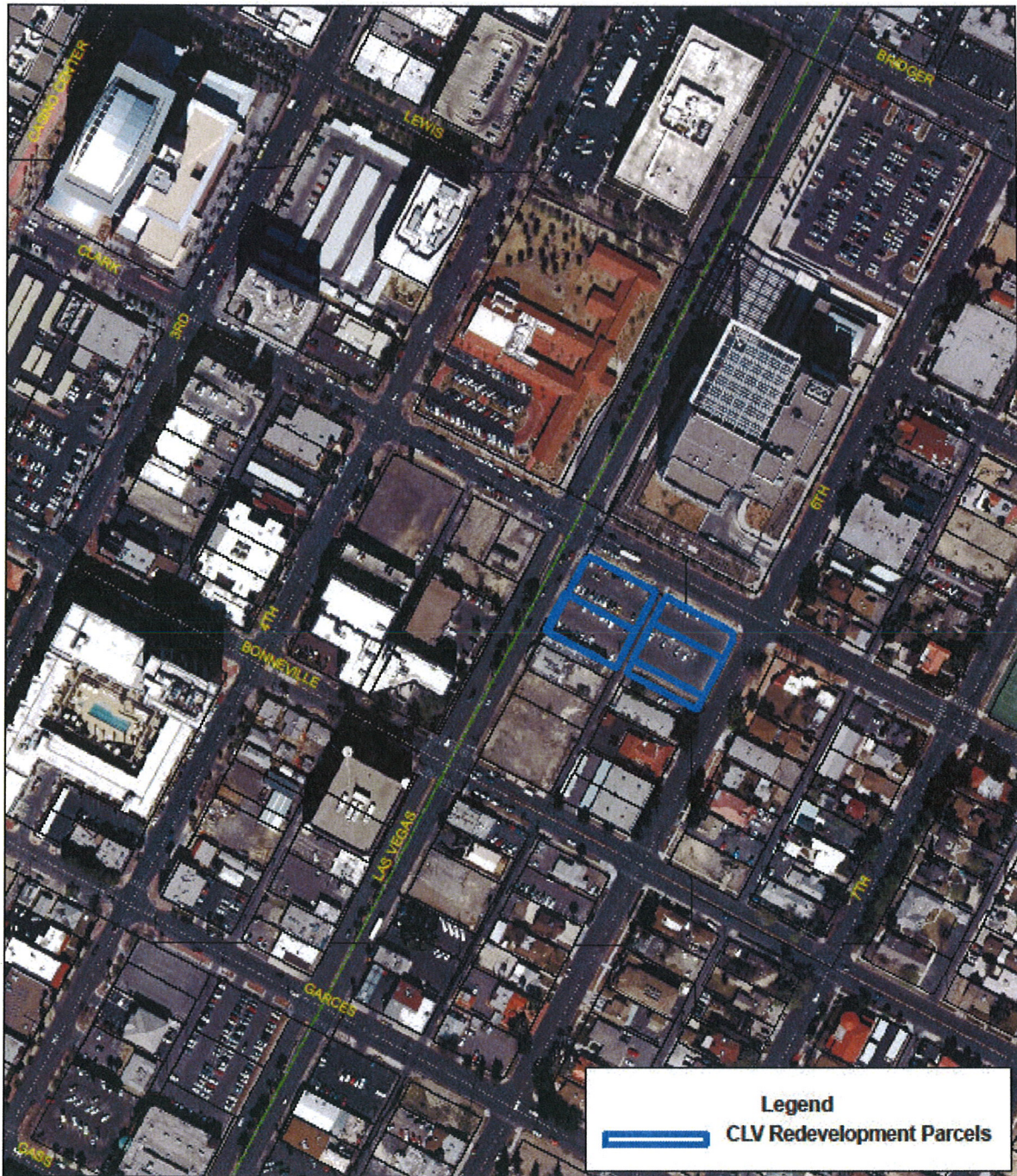
LAS VEGAS ICE, LLC
By: SDA, Incorporated
Its: Managing Member

By: _____
Stephen M. Biagiotti, President

LIST OF EXHIBITS

EXHIBIT A	MAP SHOWING THE LOCATION OF THE SITE
EXHIBIT B	LEGAL DESCRIPTION OF THE SITE
EXHIBIT C	DISCLOSURE OF PRINCIPALS
EXHIBIT D	PRELIMINARY SITE PLAN FOR THE PROJECT
EXHIBIT E	SCOPE OF DEVELOPMENT OF THE PROJECT
EXHIBIT F	SCHEDULE OF PERFORMANCE
EXHIBIT G	CERTIFICATE OF COMPLETION
EXHIBIT H	GRANT, BARGAIN AND SALE DEED
EXHIBIT I	QUITCLAIM DEED
EXHIBIT J	IRREVOCABLE ESCROW INSTRUCTIONS

EXHIBIT A
MAP SHOWING THE LOCATION OF THE SITE



0 110 220 440 Feet

12/1/09

EXHIBIT B
LEGAL DESCRIPTION OF THE SITE

PARCEL I:

LOTS FOUR (4), FIVE (5) AND SIX (6) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT DEED RECORDED JULY 14, 2004 IN BOOK 20040714, AS DOCUMENT NO. 0001833, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

PARCEL II:

LOTS ONE (1) THROUGH THREE (3) INCLUSIVE IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT DEED RECORDED MARCH 25, 2002 IN BOOK 20020325, AS DOCUMENT NO. 01364, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

PARCEL III:

LOT TWENTY-SEVEN (27) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND ALL THAT PORTION OF BLOCK "A" OF WARDIE ADDITION LYING SOUTH OF THE EASTERLY PROLONGATION OF THE NORTHERLY SIDE LINE OF LOT TWENTY-SEVEN (27) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION AND NORTH OF THE EASTERLY PROLONGATION OF THE SOUTHERLY SIDE LINE OF LOT TWENTY-SEVEN (27) BLOCK TWENTY-THREE (23) OF SOUTH ADDITION.

PARCEL IV:

LOTS TWENTY-EIGHT (28) THROUGH THIRTY-TWO (32), INCLUSIVE, IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA; AND THAT PORTION OF BLOCK "A" OF WARDIE ADDITION TO LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 13, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, LYING BETWEEN THE EASTERLY PROLONGATION OF THE NORTH SIDELINE OF LOT THIRTY-TWO (32) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND THE EASTERLY PROLONGATION OF THE SOUTHERLY SIDELINE OF LOT TWENTY-EIGHT (28)

IN BLOCK TWENTY-THREE (23) OF SAID SOUTH ADDITION TO THE CITY OF LAS VEGAS.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT DEED RECORDED MARCH 25, 2002 IN BOOK 20020325, AS DOCUMENT NO. 01364, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

**EXHIBIT C
CERTIFICATE
DISCLOSURE OF OWNERSHIP/PRINCIPALS**

1. Definitions

"Agency" means the City of Las Vegas Redevelopment Agency.

"Board" means the governing body of the City of Las Vegas Redevelopment Agency.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution RA-4-99 adopted by the governing board of the Agency, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas Redevelopment Agency must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolution referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the Agency and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the Agency in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the Agency of any material change may result, at the option of the Agency, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1	<u>Contracting Entity</u>
Las Vegas ICE, LLC	
Name	
Address	5655 S. Yosemite St. #301 Greenwood Village, CO 80111
Telephone	(303) 220-0500
EIN or DUNS	967744736

Block 2	Description
Subject Matter of Contract/Agreement:	
Disposition and Development Agreement	
RFP #:	N/A

Block 3	Type of Business
☐ Individual ☐ Partnership ☒ Limited Liability Company ☐ Corporation	

Block 4	<u>Disclosure of Ownership and Principals</u>		
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Stephen M. Biagiotti	5655 S. Yosemite St #301 Greenwood Village, CO 80111	(303) 220-0500 x209
2.	Mark D. Canto	5655 S. Yosemite St #301 Greenwood Village, CO 80111	(303) 220-0500 x207
3.	Paula L. Woodward	5655 S. Yosemite St #301 Greenwood Village, CO 80111	(303) 779-4735
4.			
5.			
6.			
7.			
8.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

Block 5 **Disclosure of Ownership and Principals - Alternate**

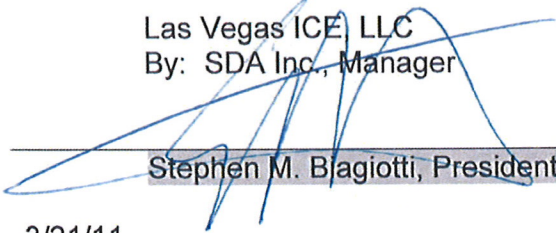
If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: N/A

Date of Attached Document: _____ Number of Pages: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate.

Las Vegas ICE LLC
By: SDA Inc., Manager

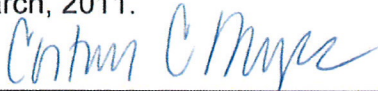


Stephen M. Blagiotti, President

3/21/11

Date

Subscribed and sworn to before me this 21st day
of March, 2011.



Notary Public

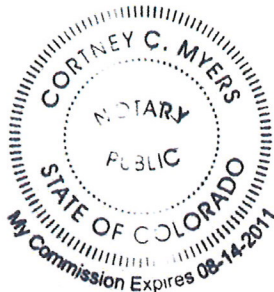
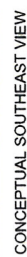
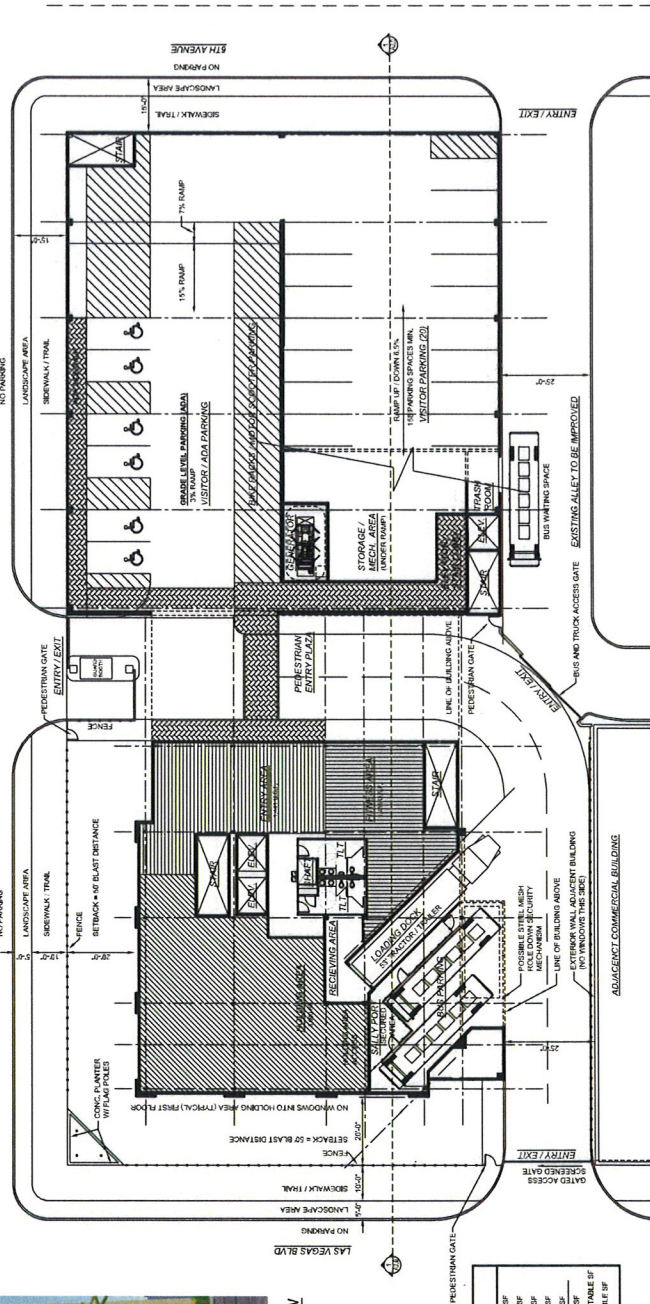
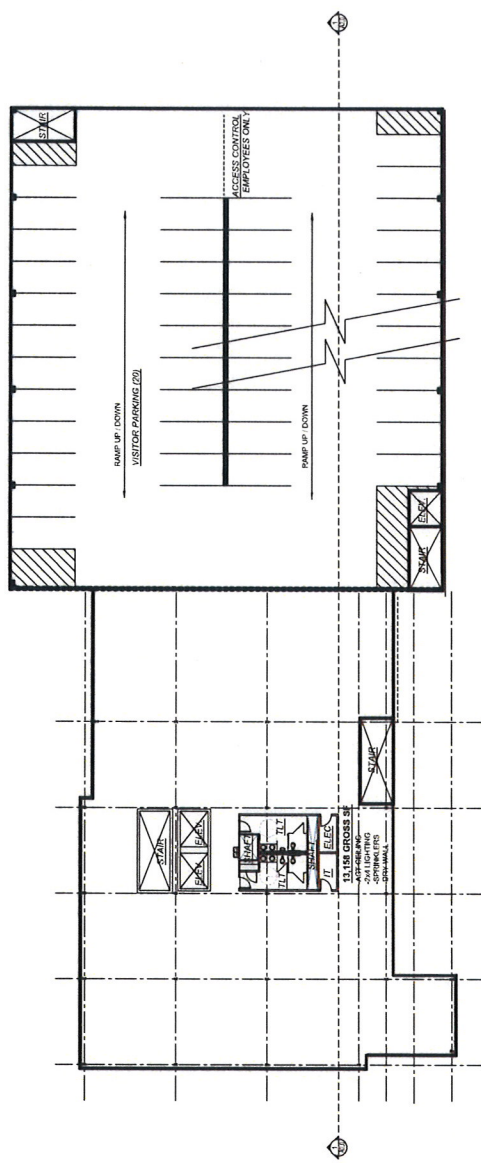


EXHIBIT D
PRELIMINARY SITE PLAN FOR THE PROJECT

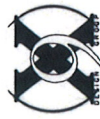
EXHIBIT D FOLLOWS



FIRST FLOOR	9,000 GROSS SF
SECOND FLOOR	13,158 GROSS SF
THIRD FLOOR	13,158 GROSS SF
FOURTH FLOOR	13,158 GROSS SF
FIFTH FLOOR	13,158 GROSS SF
TOTAL GROSS AREA	61,632 GROSS SF
RENTABLE AREA (+3 TO 1%)	58,500 +/- RENTABLE SF
USABLE AREA (+15 TO 18%)	91,000 +/- USABLE SF



PRELIMINARY FLOOR / SITE PLAN (RENTABLE BLDG SF GOAL = 58,909 SF)



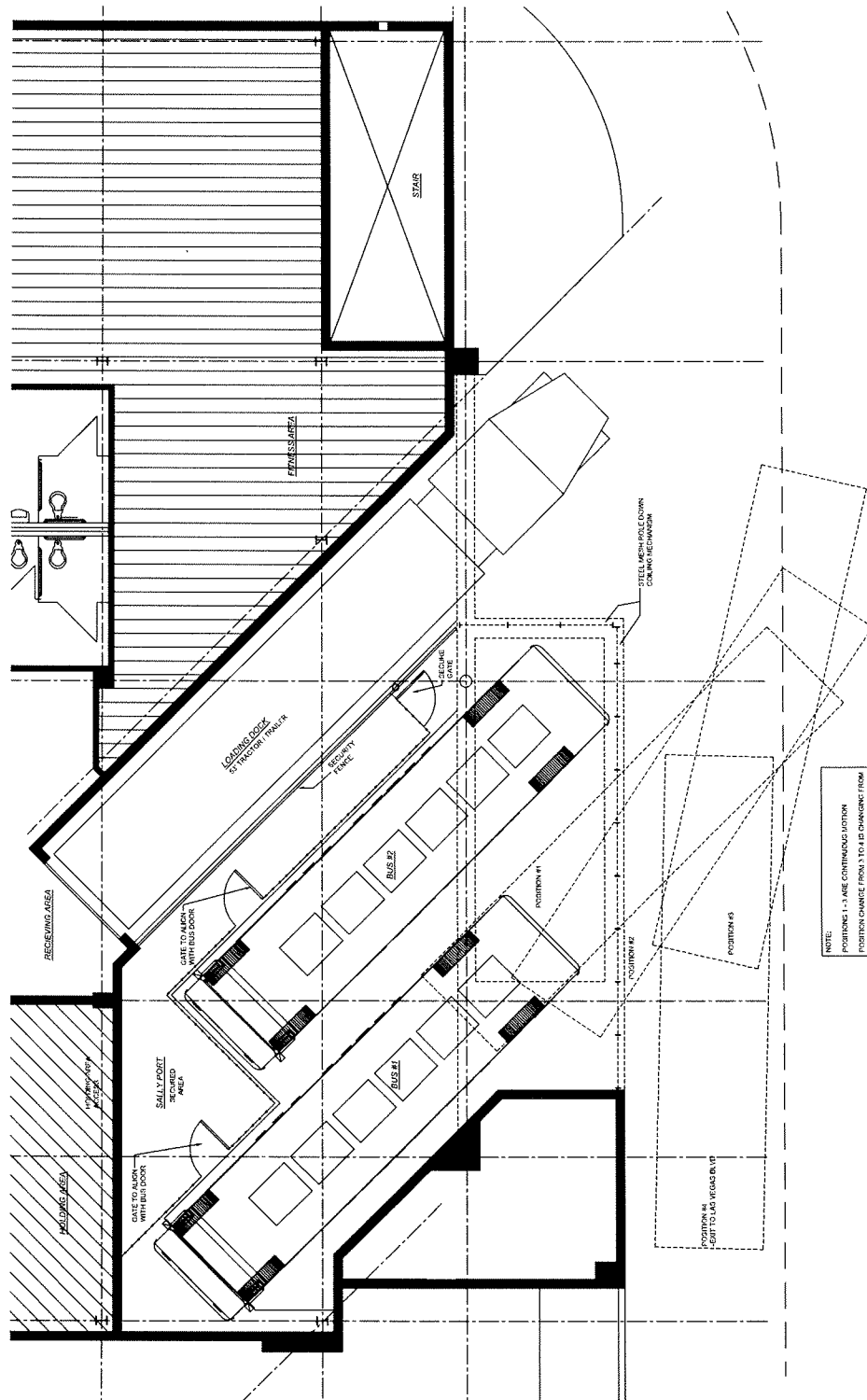
3570 Red Rock Street
Las Vegas, Nevada 89103
P. (702) 370-7076
F. (702) 253-6326

ICE
U.S. IMMIGRATION &
CUSTOMS
ENFORCEMENT
Las Vegas Blvd.
Las Vegas, Nevada

Preliminary Plans

210018

A1.0



NOTE:
POSITIONS 1 - 3 ARE CONTINUOUS MOTION
POSITION CHANGE FROM 3 TO 4 IS CHANGING FROM

EXISTING ALLEY TO BE IMPROVED

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EXHIBIT E
SCOPE OF DEVELOPMENT OF THE PROJECT

Developer shall build a five-story class A office building of approximately 60,000 square feet including a five story structured parking garage, to lease to the General Services Administration (GSA) for the administrative and executive offices of the U.S. Immigration and Customs Enforcement Agency (ICE) for a minimum lease term of fifteen (15) years and for not less than 58,909 square feet of leasable area consistent with the site development plan submitted to the City Planning Department on _____, for consideration at the _____, 2011 City Planning Commission meeting and the _____, 2011 City Council meeting. Any deviation from said site development plan or the conditions of the approval of such plan shall require written approval of the RDA.

EXHIBIT F
SCHEDULE OF PERFORMANCE

The Parties shall execute and deliver two exact copies of this Agreement.	Not later than ten (10) calendar days from City Council approval of this Agreement.
Open escrow at a title company mutually agreeable to the Parties and which is properly licensed in the State of Nevada.	Developer opened escrow No. 09-12-0073-KR
Delivery of Title Report to Developer. Escrow Agent shall deliver the Title Report for the Site to the Developer.	Within twenty (20) calendar days of opening escrow
Approval of Title Report.	Within thirty (30) calendar days from Effective Date.
Expiration of Feasibility Review Period.	Not later than May 1, 2011.
The Developer shall submit to the City for approval a set of basic concept drawings.	Not later than sixty (60) calendar days from the Effective Date.
Review of basic concept drawings by City.	Not later than ninety (90) calendar days from the Effective Date.
Submission to City by Developer of site development plan application through City Planning Department.	Not later than one hundred eighty (180) calendar days from the Effective Date.
Submission of Developer's evidence of financing the Project pursuant to Section 5.	Ten (10) days prior to closing.
Submittal of final architectural plans, civil plans, mechanical, electrical, and plumbing plans, landscape plans, and structural plan to City.	Not later than one hundred twenty (120) calendar days after site development plan application approval.
Issuance of City and other governmental permits necessary to commence construction.	Not later than start of construction or within six (6) months of submittal of final architectural plans, civil plans, mechanical, electrical, and plumbing plans, landscape plans, and structural plan to City.
Submission – Certificates of Insurance.	Not later than ten (10) days prior to start of construction
Payment of escrow deposit.	Receipt No. 157741 – February 16, 2010.

Balance of Purchase Price by Developer.	At Closing.
Execution by Developer of Quitclaim Deed and Irrevocable Escrow Instructions and delivery to escrow	At Closing.
Site Closing and conveyance	On or before October 1, 2011.
The Developer shall commence construction, which shall mean pouring of the footings as determined by an inspection completed by the City's building official, or by his designee.	Within one hundred eighty (180) calendar days after the earlier of (i) Closing, or (ii) issuance of City and other governmental permits necessary to commence construction.
Completion of construction, as evidenced by a Certificate of Occupancy issued by the City.	Not later than twelve (12) calendar months following commencement of construction.
Upon written request by Developer and after completion of improvements as required by the Agreement, City shall furnish Developer with a Notice of Completion.	Not later than thirty (30) calendar days following the completion of construction.
Release of Quitclaim Deed by City.	Upon issuance of certificates of occupancy for the Project.

EXHIBIT G
CERTIFICATE OF COMPLETION

APN: 139-34-310-061, 139-34-310-062
139-34-710-001, 139-34-310-076
139-34-310-063

RECORDING REQUESTED BY:
City of Las Vegas Redevelopment Agency

AFTER RECORDING, MAIL TO:
City of Las Vegas Redevelopment Agency
Economic and Urban Development Department
400 Stewart Avenue, 2nd Floor
Las Vegas, NV 89101

NOTICE OF COMPLETION
OF
CONSTRUCTION AND DEVELOPMENT

THIS NOTICE OF COMPLETION OF CONSTRUCTION AND DEVELOPMENT ("Notice") is made pursuant to the requirements of that certain Disposition and Development Agreement ("DDA") with an effective date of April 20, 2011, whereby the City of Las Vegas Redevelopment Agency, a public body organized and existing under the community development laws of the State of Nevada ("Grantor"), provided assistance to LAS VEGAS ICE, LLC a Nevada limited liability company ("Developer"), for construction and development of a certain project situated in the City of Las Vegas, Nevada, and described on the Attachment attached hereto and made a part hereof ("Site").

The DDA provides that (a) the RDA shall furnish the Developer with this Notice upon completion of all construction and development upon the Site that is required to be completed by the DDA, (b) this Notice shall be in such form as to permit it to be recorded in Recorder's Office of Clark County, and (c) this Notice shall be conclusively determined that the construction and development on the Site has been satisfactorily completed.

NOW, THEREFORE, the RDA agrees and does hereby certify that the construction and development on the Site has been fully and satisfactorily performed and completed in full compliance with the requirements of the DDA.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the RDA has executed this Notice as of _____.

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairman

Attest: _____
Beverly K. Bridges, MMC Secretary

LAS VEGAS ICE, LLC
By: SDA, Incorporated
Its: Managing Member

By: _____
Stephen M. Biagiotti, President

STATE OF NEVADA
COUNTY OF CLARK

This instrument was acknowledged before me on _____, 2011, by
Oscar B. Goodman as Chairman of the City of Las Vegas Redevelopment Agency.

NOTARY PUBLIC

STATE OF NEVADA
COUNTY OF CLARK

This instrument was acknowledged before me on _____, 2011, by
Stephan M. Biagiotti as President of Las Vegas ICE, LLC.

NOTARY PUBLIC

ATTACHMENT
TO
NOTICE OF COMPLETION OF CONSTRUCTION AND DEVELOPMENT
LEGAL DESCRIPTION

PARCEL I:

LOTS FOUR (4), FIVE (5) AND SIX (6) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT DEED RECORDED JULY 14, 2004 IN BOOK 20040714, AS DOCUMENT NO. 0001833, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

PARCEL II:

LOTS ONE (1) THROUGH THREE (3) INCLUSIVE IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

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PARCEL III:

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PARCEL IV:

LOTS TWENTY-EIGHT (28) THROUGH THIRTY-TWO (32), INCLUSIVE, IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA; AND THAT PORTION OF BLOCK "A" OF WARDIE ADDITION TO LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 13, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, LYING BETWEEN THE EASTERLY PROLONGATION OF THE NORTH SIDELINE OF LOT THIRTY-TWO (32) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND THE EASTERLY

PROLONGATION OF THE SOUTHERLY SIDELINE OF LOT TWENTY-EIGHT (28)
IN BLOCK TWENTY-THREE (23) OF SAID SOUTH ADDITION TO THE CITY OF
LAS VEGAS.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS
VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT
DEED RECORDED MARCH 25, 2002 IN BOOK 20020325, AS DOCUMENT NO.
01364, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

EXHIBIT H
GRANT, BARGAIN AND SALE DEED

APN: 139-34-310-061, 139-34-310-062
139-34-710-001, 139-34-310-076
139-34-310-063

RECORDING REQUESTED BY:
City of Las Vegas Redevelopment Agency

AFTER RECORDATION MAIL TO,
AND SEND TAX BILLS TO:
Las Vegas ICE, LLC
c/o SDA, Inc.
The Denver Tech Center
5655 South Yosemite Street, Suite 301
Greenwood Village, Colorado 80111

GRANT, BARGAIN AND SALE DEED

For valuable consideration, the receipt of which is hereby acknowledged, the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body organized and existing under the community development laws of the State of Nevada ("Grantor"), hereby grants, bargains and sells to LAS VEGAS ICE, LLC, a Nevada limited liability company, whose address is 5655 South Yosemite Street, Suite 301 Greenwood Village, Colorado 80111 ("Grantee"), all right, title, and interest in the real property ("Property") legally described in the Attachment attached hereto and incorporated herein by this reference.

1. The Property is conveyed pursuant to a Disposition and Development Agreement ("Agreement") for the Property, entered into by and between Grantor and Grantee with an effective date of April 20, 2011. The conveyance herein is subject to the terms, covenants, and conditions set forth in the Agreement.

2. The Agreement provides, among other things, that Grantee's use, occupation, and development of the Property is subject to compliance with certain covenants, restrictions, and obligations and that Grantee's failure to perform thereunder may result in Grantor's exercising its rights to re-purchase, re-enter, and re-possess as set forth in the Agreement, provided, however, that Grantor's exercise of such rights shall not defeat, render invalid, or limit any mortgage, deed of trust or other security instrument not prohibited by the Agreement.

3. The absence from this deed of the covenants, restrictions, and obligations contained in the Agreement shall not work as a merger thereof into this deed to the exclusion of said covenants, restrictions, and obligations.

4. The conditions set forth in the foregoing paragraphs shall remain in effect until a Certificate of Occupancy for the improvements constructed on the Property is issued by Grantor.

5. The Property is conveyed subject only to restrictions, reservations, conditions, rights-of-way, easements and other encumbrances of record.

6. This Deed may be executed in counterparts.

IN WITNESS THEREOF, Grantor and Grantee have caused this instrument to be executed as of _____.

GRANTOR:

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairman

Attest: _____
Beverly K. Bridges, MMC Secretary

Approved as to form:

Date

STATE OF NEVADA
COUNTY OF CLARK

This instrument was acknowledged before me on _____, 2011, by Oscar B. Goodman as Chairman of the City of Las Vegas Redevelopment Agency.

NOTARY PUBLIC

ATTACHMENT
TO
GRANT, BARGAIN, AND SALE DEED
LEGAL DESCRIPTION

PARCEL I:

LOTS FOUR (4), FIVE (5) AND SIX (6) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

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EXHIBIT I
QUITCLAIM DEED

APN: 139-34-310-061, 139-34-310-062
139-34-710-001, 139-34-310-076
139-34-310-063

RECORDING REQUESTED BY:
City of Las Vegas Redevelopment Agency

AFTER RECORDATION, MAIL TO,
AND SEND TAX BILLS TO:
City of Las Vegas Redevelopment Agency
Economic and Urban Development Department
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, LAS VEGAS ICE, LLC, a Nevada limited liability company, does hereby REMISE, RELEASE AND QUITCLAIM to the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body organized and existing under the community development laws of the State of Nevada, the real property in the City of Las Vegas, Nevada, described on the Attachment attached hereto.

DATED: _____.

LAS VEGAS ICE, LLC
By: SDA, Incorporated
Its: Managing Member

By: _____
Stephen M. Biagiotti, President

STATE OF NEVADA
COUNTY OF CLARK

This instrument was acknowledged before me on _____, 2011, by Stephen M. Biagiotti as President of Las Vegas ICE, LLC.

NOTARY PUBLIC

ATTACHMENT
TO
QUITCLAIM DEED
LEGAL DESCRIPTION

PARCEL I:

LOTS FOUR (4), FIVE (5) AND SIX (6) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

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LOT TWENTY-SEVEN (27) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA AND ALL THAT PORTION OF BLOCK "A" OF WARDIE ADDITION LYING SOUTH OF THE EASTERLY PROLONGATION OF THE NORTHERLY SIDE LINE OF LOT TWENTY-SEVEN (27) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION AND NORTH OF THE EASTERLY PROLONGATION OF THE SOUTHERLY SIDE LINE OF LOT TWENTY-SEVEN (27) BLOCK TWENTY-THREE (23) OF SOUTH ADDITION.

PARCEL IV:

LOTS TWENTY-EIGHT (28) THROUGH THIRTY-TWO (32), INCLUSIVE, IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1, OF PLATS, PAGE 51, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA; AND THAT PORTION OF BLOCK "A" OF WARDIE ADDITION TO LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 13, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA, LYING BETWEEN THE EASTERLY PROLONGATION OF THE NORTH SIDELINE OF LOT THIRTY-TWO (32) IN BLOCK TWENTY-THREE (23) OF SOUTH ADDITION TO THE CITY OF LAS VEGAS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 1 OF PLATS, PAGE 51, IN THE OFFICE OF THE

COUNTY RECORDER OF CLARK COUNTY, NEVADA AND THE EASTERLY PROLONGATION OF THE SOUTHERLY SIDELINE OF LOT TWENTY-EIGHT (28) IN BLOCK TWENTY-THREE (23) OF SAID SOUTH ADDITION TO THE CITY OF LAS VEGAS.

EXCEPTING THEREFROM THAT PORTION DEEDED TO THE CITY OF LAS VEGAS, A MUNICIPAL CORPORATION, FOR ROAD PURPOSES BY GRANT DEED RECORDED MARCH 25, 2002 IN BOOK 20020325, AS DOCUMENT NO. 01364, OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

EXHIBIT J
IRREVOCABLE ESCROW INSTRUCTIONS

_____, 2011

Nevada Title Company
2500 N. Buffalo, Suite 240
Las Vegas, NV 89128

Re: Escrow No. 09-12-0073-KR
Nevada Title Company

Dear Sir or Madam:

Las Vegas ICE, LLC, a Nevada limited liability company ("Developer"), one of the undersigned, has entered into that certain Disposition and Development Agreement with and effective date of April 20, 2011 ("Agreement"), with the City of Las Vegas Redevelopment Agency ("RDA"), the other party to these instructions, providing for conveyance of a certain parcel of real property ("Site").

The Site is the subject of this escrow, these Irrevocable Escrow Instructions, and is described in the accompanying Quitclaim Deed ("Quitclaim Deed").

Section 10 of the Agreement provides that, at the time of conveyance of the Site, the Quitclaim Deed will be delivered to you together with these Irrevocable Escrow Instructions for the purpose of instructing you as to the disposition of the Quitclaim Deed.

In the event that you receive from the RDA a notice certifying that a copy of it said notice has been delivered concurrently to the Developer and stating that the City has given notice of the exercise of the RDA's remedy in Section 11 of the Agreement with respect to the Site and accompanied by satisfactory evidence that any mortgage existing thereon has been discharged or by funds sufficient to discharge such mortgage, you shall at the end of twenty (20) days after receipt of said notice record the Quitclaim Deed, provided, however, prior to recording the Quitclaim Deed you shall confirm that the Developer has received from the RDA the consideration required pursuant to the Agreement.

The undersigned, jointly and severally, and each of us to the extent that we may lawfully do so and to the extent of unencumbered, budgeted appropriations, hereby agree to defend, indemnify, and hold you harmless from any liability whatsoever, including attorneys' fees arising out of your carrying out these instructions.

In the event that you receive notice from the Developer certifying that a copy of the notice has been delivered concurrently to the City and stating that the Developer has completed the construction as provided in the Agreement, you shall at the end of twenty (20) after receipt of said notice return the Quitclaim Deed to the Developer, unless during the twenty (20) day period,

the RDA objects on the basis that construction has not been completed pursuant to the Agreement.

In the event that you are advised by both parties hereto that the RDA’s right to cause the Quitclaim Deed to be recorded has ended, you will forthwith return the Quitclaim Deed to the Developer.

These instructions may not be withdrawn or in any way amended, modified, or waived without the prior written consent of both of the parties hereto.

By its execution hereof and concurrent delivery of the executed Quitclaim Deed, the Developer hereby states that the Quitclaim Deed and these Irrevocable Escrow Instructions are evidence of an agreement to return the Site to the RDA and is not intended to terminate a security interest in the Site or the Project (as defined in the Agreement) which would be governed by NRS 106 or 107.

Please indicate your acceptance of, and agreement to carry out these instructions as indicated below.

CITY OF LAS VEGAS REDEVELOPMENT AGENCY

By: _____
OSCAR B. GOODMAN, Chairman

Attest: _____
Beverly K. Bridges, MMC Secretary

Approved as to form:

Date

LAS VEGAS ICE, LLC
By: SDA, Incorporated
Its: Managing Member

By: _____
Stephen M. Biagiotti, President

_____, on behalf of Nevada Title Company, hereby accepts and agrees to carry out these escrow instructions.

Nevada Title Company:

By: _____

Print Name: _____

Public Purpose/Impact Analysis

Title of Project: U.S. Immigration and Customs Enforcement (ICE) Offices

Project Description: U.S. Government Offices for the Department of Homeland Security (DHS); the agency to be housed is ICE

Sponsor/Developer: City of Las Vegas Redevelopment Agency/SDA, Inc.

Assistance Provided by: IMPLAN

Number of Direct Jobs Created: 150

Number of Indirect Jobs Created: 69.3

Number of Direct Jobs Retained:

Pertinent Statutes Used for Public Purpose:

N.R.S. 279, N.R.S. 244, N.R.S. 266, N.R.S. 268

How Does the Project Benefit the Public:

The Construction of a five story, class A office building bringing 150 new jobs to the downtown redevelopment area; creating additional revenue for local area businesses and new property taxes of \$144,691 annually.

Quantitative Economic Benefits:

- 1) A total of 250 construction workers on site**
- 2) \$24 Million economic impact from ICE employees**
- 3) \$32 Million economic impact from construction employees**
- 4) \$144,691 in new annual property taxes**

Private Investment:

Approximately \$20 million in site improvements and building construction

Public Investment:

Zero - Land price of \$2,870,000 is equal to high appraised value.

Total direct Economic Impact:

Construction:	\$19,999,999
Operations:	<u>\$14,994,201</u>
Total:	\$34,994,200

Economic Impact Study Performed: Yes No **XX**

Return on Investment Analysis Performed: Yes No **XX**

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

Discussion and possible action regarding an Operating Agreement Between the City of Las Vegas Redevelopment Agency (RDA) and City Parkway V, Inc., a Nevada non-profit corporation, for activities and services in which the Redevelopment Agency will contribute funds to City Parkway V, Inc., for City Parkway V, Inc., and Redevelopment Agency operations (\$9,600,000 – RDA Special Revenue Fund) - Wards 3 and 5 (Reese and Barlow)

Fiscal Impact

☐

No Impact

☐

Augmentation Required

☒

Budget Funds Available

Amount: \$9,600,000

Funding Source: RDA Special Revenue Fund

Dept./Division: Economic and Urban Development/Redevelopment Agency

PURPOSE/BACKGROUND:

This Operating Agreement between the City of Las Vegas Redevelopment Agency (RDA) and City Parkway V, Inc., (CPV) will contribute funds to CPV for its operations, as well as costs and expenses incurred by CPV and on behalf of the RDA. In the event that CPV should ever have a fund balance at the end of a fiscal year, CPV will transfer the excess funds back to the RDA. The term of this Operating Agreement shall be for a five year Initial Term. Upon the expiration of the Initial Term, at the Agency's discretion, the Executive Director of the Agency may elect to extend the term of the Operating Agreement in five-year increments for an additional ten years. Funds transferred from the RDA to CPV will be in the amount of \$9,600,000.

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

Operating Agreement Between City of Las Vegas Redevelopment Agency and City Parkway V, Inc.

**OPERATING AGREEMENT
BETWEEN CITY OF LAS VEGAS REDEVELOPMENT AGENCY AND
CITY PARKWAY V, INC.**

THIS OPERATING AGREEMENT is made and entered into this _____ day of _____, 2011 by and between the CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body in the State of Nevada ("Agency") and CITY PARKWAY V, INC., a Nevada non-profit corporation ("CPV") (individually may be referred to as the "Party" and collectively as the "Parties").

WITNESSETH:

WHEREAS, CPV is the owner of certain real property known as Symphony Park which is located in the Redevelopment Area in the city of Las Vegas, Nevada; and

WHEREAS, the Agency adopted on March 5, 1986, that plan of redevelopment entitled, to -wit: the Redevelopment Plan for the Downtown Las Vegas Redevelopment Area pursuant to Ordinance 3218, which Redevelopment Plan has been subsequently amended on February 3, 1988, by Ordinance 3339; April 11, 1992, by Ordinance 3637, on November 4, 1996, on December 17, 2003, by Ordinance 5652 and on May 17, 2006, by Ordinance 5830 (collectively the "Redevelopment Plan"); and

WHEREAS, pursuant to NRS 279.462, the Agency may make and execute contracts and other instruments necessary or convenient to the exercise of its powers; and

WHEREAS, CPV, as owner of Symphony Park, provides functions and services which are in furtherance of the goals and objectives of the Agency; and

WHEREAS, the Agency and CPV desire to enter into this Agreement: (1.) To set forth activities and services in which CPV will render for and make available to the Agency in furtherance of the activities and functions of the Agency under the Community Redevelopment Law (NRS 279.382 to 279.680, inclusive; and (2.) To provide that the Agency will be reimbursed by CPV for actions undertaken and costs and expenses incurred by CPV.

NOW, THEREFORE, in consideration of the mutual covenants of good faith and promises by and among the Parties set forth hereinafter, it is agreed as follows:

1. The Agency and CPV acknowledge that CPV has entered into and will enter into development agreements concerning the development and construction of parcels located within Symphony Park.

2. CPV agrees to provide for the Agency such certain assistance and technical services for the development of Symphony Park (collectively "CPV Services"), including, but not limited to planning, engineering, site preparation and improvements and other services and facilities as the Agency may provide in carrying out its functions under the Community

Redevelopment Law in NRS Chapter 279 provided that such CPV Services are approved by the Executive Director of the Agency. The CPV Services may include retaining the services of consultants, legal, financial and other professional services related thereto.

3. CPV will keep records of the CPV Services undertaken pursuant to this Agreement and the costs thereof in order that an accurate record of the CPV Services can be ascertained. CPV agrees that the CPV Services will be consistent with the functions set forth in the Community Redevelopment Law in NRS Chapter 279. CPV shall periodically, but not less than annually, submit to the Agency a Statement of Costs either incurred or to be incurred by CPV in rendering the CPV Services pursuant to this Agreement.

4. Upon receipt of a Statement of Costs from CPV to the Agency, Agency agrees to review and approve the CPV Services and the amount of funds expended or to be disbursed to CPV as set forth in the Statement of Costs. The Parties shall make appropriate adjustments during the review process of the Statement of Costs.

5. The Agency agrees that any request for funds will be consistent with and shall be subject to the review and approval of the Agency. In accordance with NRS 279.462, the Agency hereby agrees to provide funds to CPV for costs incurred for services by CPV pursuant to this Agreement from and to the extent that funds are available to the Agency for such purpose pursuant to NRS 279.676 or from other sources; provided, however, that the Agency shall have the sole and exclusive right to pledge any such sources of funds to the repayment of other indebtedness incurred by the Agency in carrying out the redevelopment project. The costs to CPV under this Agreement will be shown on Statement of Costs submitted to the Agency pursuant to Section 3 above. The parties acknowledge that Agency has appropriated \$9,600,000 to be used as funding to CPV for the CPV Services to be incurred as further documented in the Statements of Costs required in this Agreement. This funding to CPV shall be treated as a loan, advancement of money or indebtedness for the purposes of NRS 279.676 (1) (b).

6. In accordance with NRS 279.490, the Agency may borrow or accept financial assistance from CPV for any redevelopment project within the Redevelopment Area. Any financial assistance acquired by CPV may require the Agency to comply with any conditions of that loan or grant.

7. The term of the Agreement shall be for five (5) years, beginning the date this Agreement is approved by the Governing Board of the Agency (the "Initial Term"). Prior to the expiration of the Initial Term, the Parties may mutually agree to extend the term of the Agreement for up to two (2) five year extension periods.

8. If either Party fails to make any payment due hereunder at times specified herein, or either Party fails to abide by the provisions of this Agreement, this Agreement may be enforced by the other Party hereto in a court of competent jurisdiction to enforce the provisions of this Agreement, for damages or to obtain any other remedy that may be available in law or in equity, including specific performance of the provisions of this Agreement. The provisions of this Section are not intended as a limitation on the remedies that may be available in case of breach of this Agreement.

9. No failure or delay on the part of any Party to this Agreement to enforce the provisions hereof shall operate as a waiver thereof, nor shall a single or partial enforcement of any provision hereof preclude any other or further enforcement or exercise of any other right, power or remedy that any party of this Agreement may have.

10. Time is of the essence to this Agreement. Each Party agrees that it shall perform all of its obligations under this Agreement promptly when required.

11. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and their assigns. No assignment of this Agreement or any right or obligation hereunder by any of the Parties shall be valid unless the other Party consents to that assignment in writing.

12. This Agreement may be modified at any time by the Parties, but only by a written instrument signed by each of the Parties.

13. By approving and executing this Agreement, the Agency has approved that these actions are in compliance with and in furtherance of the Redevelopment Plan.

14. All notices required or permitted to be given hereunder shall be in writing, addressed to the Parties respective addresses set forth below, and may be delivered by hand, by facsimile, by nationally recognized private courier, or by United States mail. Notices delivered by mail will be deemed given five (5) business days after being deposited in the United States mail, postage prepaid, registered or certified mail (return receipt requested). Notices delivered by hand, by facsimile, or by nationally recognized private courier will be deemed given on the first business day following receipt; provided that a notice delivered by facsimile will only be effective if such notice is also delivered by hand, by nationally recognized private courier or deposited in the United States mail, postage prepaid, registered or certified mail (return receipt requested), on or before two (2) business days after its delivery by facsimile. Any party may change its address for notice by giving notice of such change of address to the other party in the manner herein provided.

If to Agency: City of Las Vegas Redevelopment Agency
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attn: Chief Operations Officer

If to CPV: City Parkway V, Inc.
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101
Attn: President

15. This Agreement shall be construed and enforced in accordance with the laws of the State of Nevada. Any action at law or other judicial proceeding for the enforcement of any provision shall be instituted in the County of Clark, State of Nevada.

16. If any provision of this Agreement is deemed to be invalid or unenforceable, the invalidity or unenforceability shall not affect the remaining provisions of this Agreement that can be given effect without the invalid or unenforceable provision, and the Parties hereto agree to replace the invalid or unenforceable provision with a valid provision which has as nearly as possible the same effect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

By: _____
Oscar B. Goodman, Chairman

ATTEST:

Beverly K. Bridges, MMC, Secretary

APPROVED AS TO FORM:

J. Ponticello 3/31/11
Date

CITY PARKWAY V, INC.

By: _____
Elizabeth N. Fretwell, President

ATTEST:

Scott D. Adams, Secretary

APPROVED AS TO FORM:

J. Ponticello 3/31/11
Date

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

Discussion and possible action regarding a Settlement Agreement by Decatur Shopping Center Associates, a Nevada limited partnership, City of Las Vegas, a municipal corporation of the State of Nevada, City of Las Vegas Redevelopment Agency, a Public body, and Alpha Omega Strategies, LLC, a Nevada limited liability company, pertaining to the real property located at 1501 North Decatur Boulevard - Ward 5 (Barlow) [NOTE: This item is related to RDA Item 7 and Council Items 40 and 41]

Fiscal Impact

☒

No Impact

☐

Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

City of Las Vegas Redevelopment Agency entered into a Disposition and Development Agreement with Alpha Omega Strategies, LLC on July 20, 2007 for the 9.95 acres located at 1501 North Decatur Boulevard, Las Vegas, Nevada. Disputes and litigation resulted between Decatur Shopping Center Associates and Alpha Omega Strategies, LLC over a Mutual Parking Agreement dated October 17, 1963. The Settlement Agreement resolves all disputes, litigation and claims of the parties pertaining to the Mutual Parking Agreement. The settlement is being funded by distributing the \$324,000 Earnest Money deposit being held by the City of Las Vegas Redevelopment Agency. APNs 138-25-504-001 and 002; and 138-25-518-002.

RECOMMENDATION:

Approval and authorization to execute all related documents.

BACKUP DOCUMENTATION:

1. Settlement Agreement
2. Disclosure of Principals
3. Site Map

SETTLEMENT AGREEMENT

This Settlement Agreement (hereinafter the "Agreement") by Decatur Shopping Center Associates, a Nevada limited partnership, City of Las Vegas, a municipal corporation of the State of Nevada, City of Las Vegas Redevelopment Agency and Alpha Omega Strategies, LLC, a Nevada limited liability company.

1. Recitals.

A. Decatur Shopping Center Associates, a Nevada limited partnership (hereinafter "DSCA") is the owner of certain real property located at 1401 North Decatur Boulevard, Las Vegas, Nevada, APN No. 138-25-53-007 (hereinafter the "Shopping Center Property").

B. The City of Las Vegas (hereinafter the "City") is an organization existing under the laws of the State of Nevada.

C. The City owns multiple parcels of vacant land consisting of approximately 3.39 acres located along Westmoreland Drive and Laurelhurst Drive, which is adjacent to 1501 North Decatur Boulevard, Las Vegas, Nevada 89108.

D. The City of Las Vegas Redevelopment Agency (hereinafter "RDA"), a public body, is the owner of approximately 9.95 acres located at 1501 North Decatur Boulevard, Las Vegas, Nevada, APN No. 138-25-503-006 (hereinafter the "City Property").

E. On or about October 17, 1963, the prior owners of the Shopping Center Property and the City Property entered into a Mutual Parking Agreement creating a parking easement for the benefit of both properties. The term of the parking easement was for 50 years. The easement expires on October 17, 2013. This term has not been extended.

F. Alpha Omega Strategies, LLC (hereinafter "AOS"), is a Nevada limited liability company. Alpha Omega entered into a Disposition and Development Agreement dated July 20,

2007 with the City and RDA which was amended on October 17, 2007, July 16, 2007, January 21, 2009 and finally entered into a Fourth Amended and Restated Disposition and Development Agreement (hereinafter "DDA") on July 1, 2009. Pursuant to the DDA, AOS had the right to purchase the City Property for development of a mid-rise age-restricted low income housing project with associated commercial redevelopment and office space.

G. On or about April 6, 2009, AOS purchased from the RDA a portion of parcel 138-25-518-001. In turn, AOS sold and/or transferred to HJEE, LLC, a portion of 138-25-518-001 in consideration for \$3,100,000.00 representing approximately 3.91 acres of undeveloped real property for the purposes of developing a shopping market.

H. On or about July 1, 2009, DSCA initiated an action in the Eighth Judicial District Court, Clark County, Nevada, Case No. A-09-594500-C, *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*. (hereinafter the "shopping center litigation"). In its Complaint, DSCA asserts certain claims for relief for, among other things, conversion, trespass, inverse condemnation and punitive damages.

I. On August 17, 2009, The City and RDA filed an Answer denying all allegations and asserting an affirmative defense that it owed no duty or obligation to DSCA. On June 2, 2010, AOS filed an Answer denying all allegations and asserting an affirmative defense that it owed no duty or obligation to DSCA.

J. On or about December 8, 2010, HJEE filed an Amended Answer, Crossclaim and Counterclaim (hereinafter "HJEE litigation"). The parties to this Agreement desire to resolve the shopping center litigation. Both DSCA and OAS specifically acknowledge this settlement will not resolve the Counterclaim and/or Crossclaim asserted by HJEE, LLC. The parties agree that

they will defend the claims and allegations of HJEE and each will bear their own attorney's fees and costs.

K. On or about February 23, 2010, in connection with the shopping center litigation, DSCA recorded a lis pendens relating to its easement. The parties hereto desire to resolve all of their claims including release of the lis pendens and relinquishment of DSCA's rights made in the 1963 Mutual Parking Agreement.

2. Mutual Conditional Release.

A. DSCA fully releases, acquits and forever discharges Alpha Omega Strategies, LLC, the City and the RDA and each of their predecessors, agents, servants, employees, representatives, attorneys, insurers, successors, affiliates, heirs, successors and assigns (collectively "Defendant Released Parties") of and from any and all known and unknown claims, either foreseen or unforeseen, for damages, costs, expenses, liabilities, causes of action, claims for relief and suits for damages, at law and in equity, future costs and expenses, and damages of any nature, including compensatory and punitive damages, which DSCA now has or may hereafter acquire by reason of any loss of or damage to, on account of or in any way arising out of or connected with Case No. A-09-594500-C, entitled *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*, and which is hereby agreed to be dismissed with prejudice concurrently with this release, with each party to bear their own attorney's fees and costs.

B. It is understood that this settlement is a compromise of a doubtful and disputed claim, and that the making of this settlement is not to be construed as an admission or acknowledgment of liability or responsibility whatsoever on the part of the Defendant Released Parties, each of whom expressly deny all liability and responsibility.

C. This release extends and applies to and also covers and includes all unknown, unforeseen, unanticipated and unsuspected damages, loss and liability, and the consequences thereof, as well as those now disclosed and known to exist.

D. In making this release, DCSA acknowledges and warrants and represents that it has been fully advised and represented by legal counsel of its own selection, and is fully familiar with all of the circumstances surrounding this action, and in executing this release, has relied upon the independent judgment and advice of counsel of its own selection and has in no way been influenced whatsoever in making this release by any representation or statement whatsoever regarding the matter set forth herein, or any matter made by any of the Defendant Released Parties, including its agents.

E. This release contains the entire agreement between the parties hereto and the terms of this release are contractual and substantive and not a mere recital in nature.

F. DCSA declares that there are no independent, collateral, different, additional or other understandings, or agreements, oral or written, or obligations, to be performed, things to be done, or payments to be made; and further, no promise, inducement or consideration other than the issuance of said draft has been made or agreed upon by or on behalf of releasees, or any of them.

G. DCSA further declares that this entire release has been carefully read and the contents thereof are fully known and understood and that the same is signed as the free and voluntary act of the undersigned, and that it is the express intention and purpose of the undersigned to waive, release and discharge any and all claims for relief or causes of action of every kind and any kind whatsoever against the Defendant Released Parties.

H. DCSA shall hold each of the Defendant Released Parties completely free and

harmless of and from, and shall indemnify each Defendant Released Parties for and against, all losses, damages, costs and expenses, including reasonable attorney's fees, and all other sums which said Defendant Released Parties may hereafter incur, pay, be required or become obligated to pay on account of any additional or other demand, claim, or suit by or on behalf of DCSA, its agents, predecessors, insurers, successors and assigns, for any loss of or damage to any property or property right, or for any contest or attempt to modify, change, reform, break, set aside, nullify, cancel or negate this release or any part hereof for any reason whatsoever, including enforcement of this release by any of the Defendant Released Parties.

I. Alpha Omega Strategies, LLC, the City and the RDA fully release, acquit and forever discharge DSCA and each of its predecessors, agents, servants, employees, representatives, attorneys, insurers, successors, affiliates, heirs, successors and assigns (collectively "The DSCA Released Parties") of and from any and all known and unknown claims, either foreseen or unforeseen, for damages, costs, expenses, liabilities, causes of action, claims for relief and suits for damages, at law and in equity, future costs and expenses, and damages of any nature, including compensatory and punitive damages, which Alpha Omega Strategies, LLC, the City and the RDA now have or may hereafter acquire by reason of any loss of or damage to, on account of or in anyway arising out of or connected with Case No. A-09-594500-C, entitled *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*, and which is hereby agreed to be dismissed with prejudice concurrently with this release, with each party to bear their own attorney's fees and costs.

J. It is understood that this settlement is a compromise of a doubtful and disputed claim, and that the making of this settlement is not to be construed as an admission or

acknowledgment of liability or responsibility whatsoever on the part of the DSCA Released Parties, each of whom expressly deny all liability and responsibility.

K. This release of the DSCA Released Parties extends and applies to and also covers and includes all unknown, unforeseen, unanticipated and unsuspected damages, loss and liability, and the consequences thereof, as well as those now disclosed and known to exist.

L. In making this release, Alpha Omega Strategies, LLC, the City and the RDA acknowledge and warrant and represent that they have been fully advised and represented by legal counsel of their own selection, and are fully familiar with all of the circumstances surrounding this action, and in executing this release, has relied upon the independent judgment and advice of counsel of their own selection and has in no way been influenced whatsoever in making this release by any representation or statement whatsoever regarding the matter set forth herein, or any matter made by any of the DSCA Released Parties, including their agents.

M. This release of the DSCA Released Parties contains the entire agreement between the parties hereto and the terms of this release are contractual and substantive and not a mere recital in nature.

N. Alpha Omega Strategies, LLC, the City and the RDA declare that there are no independent, collateral, different, additional or other understandings, or agreements, oral or written, or obligations, to be performed, things to be done, or payments to be made; and further, no promise, inducement or consideration other than the issuance of said draft has been made or agreed upon by or on behalf of releasees, or any of them.

O. Alpha Omega Strategies, LLC, the City and the RDA further declare that this entire release has been carefully read and the contents thereof are fully known and understood and that the same is signed as the free and voluntary act of the undersigned, and that it is the

express intention and purpose of the undersigned to waive, release and discharge any and all claims for relief or causes of action of every kind and any kind whatsoever against the DSCA Released Parties.

P. Alpha Omega Strategies, LLC, the City and the RDA shall hold each of the DSCA Released Parties completely free and harmless of and from, and shall indemnify each of the DSCA Released Parties for and against, all losses, damages, costs and expenses, including reasonable attorney's fees, and all other sums which said DSCA Released Parties may hereafter incur, pay, be required or become obligated to pay on account of any additional or other demand, claim, or suit by or on behalf of Alpha Omega Strategies, LLC, the City and the RDA, their agents, predecessors, insurers, successors and assigns, for any loss of or damage to any property or property right, or for any contest or attempt to modify, change, reform, break, set aside, nullify, cancel or negate this release or any part hereof for any reason whatsoever, including enforcement of this release by any of the DSCA Released Parties.

3. Joint Drafting; No Admission.

It is hereby acknowledged that this Agreement has been drafted jointly and is not to be construed against any party.

Neither this Agreement, nor the negotiations or proceedings leading up to this Agreement, nor the execution of the mutual conditional release contemplated by this Agreement, shall be taken to be an admission of any kind by any party to this Agreement.

4. Dismissal of All Claims.

Concurrent with the execution of this Agreement, the parties shall execute a stipulation for dismissal with prejudice of DSCA's Complaint. In addition, DSCA shall release the lis pendens filed on February 23, 2010 and record a Notice of Release of Lis Pendens upon

execution of this Agreement.

5. Consideration.

AOS shall pay to DSCA the sum of Three Hundred Thousand Dollars and 00/100 (\$300,000.00). The City and RDA are currently in possession of a cash deposit in the amount of \$324,000.00 posted by AOS pursuant to the DDA. The City and RDA shall distribute the sum of \$300,000.00 of the deposit to the Escrow Agent for the purposes of funding this settlement amount. In the event the escrow does not close within the time provided in Section 7, the \$300,000.00 shall be returned to the RDA.

6. Rescission of Mutual Parking Agreement and Release of Lis Pendens.

Concurrent with the execution of this Agreement, DSCA shall execute the Rescission of Mutual Parking Agreement a copy of which is attached hereto as *Exhibit A*. Execution of the Rescission and Release of the Lis Pendens is a condition of closing and distribution of the settlement amount of \$300,000.00.

7. Closing Agreement Through Escrow.

Upon the City Counsel's and RDA's formal approval and execution of this Agreement, the RDA shall, within 3 workings days from approval, deliver one duplicate original hereof, to Chicago Title of Nevada, 2300 West Sahara Avenue, Las Vegas, Nevada 89102 (the "Escrow Agent"), which shall constitute the escrow instructions to close the transaction as soon as all matters necessary to close escrow under the terms of this Agreement have been fulfilled. The parties shall execute any additional escrow instructions deemed necessary by the Escrow Agent. The City Manager/Executive Director of RDA, Elizabeth N. Fretwell, or her written designee, shall have the authority to execute all documents necessary to close escrow. The document entitled Rescission of Mutual Parking Agreement shall be in a form attached hereto as *Exhibit A*,

or as corrected by Escrow Agent to conform to the requirements of this Agreement, and shall be executed by the parties and delivered to Escrow Agent. The document entitled Release of Lis Pendens shall be in the form attached as Exhibit A and executed by DSCA and delivered to the Escrow Agent. The parties shall execute all documents and provide the payments necessary to close escrow in a timely manner, not to exceed 3 weeks from the opening of Escrow. Escrow Agent shall record the Rescission of Mutual Parking Agreement and of Release of Lis Pendens and shall deliver any funds due DSCA under the terms of this Agreement at Closing. RDA shall pay all title insurance and closing costs. DSCA will not be required to pay any escrow fees and will receive from Escrow a total of \$300,000.

Escrow shall close on or before 3 weeks following the opening of Escrow following formal approval by the City and RDA. Failure on the part of any Party hereto to execute or deposit necessary documents into Escrow close on or before 3 weeks following the opening of Escrow or failure to deposit the \$300,000 check into Escrow shall constitute a breach of this Agreement.

8. Condition of Closing.

As a condition of closing, Escrow Agent shall provide a commitment to issue to RDA a policy of title insurance with respect to the Agency's property which is the subject to the Mutual Parking Agreement dated October 17, 1963, recorded as Instrument No. 392752 in Book No. 487, Official Records, Clark County, Nevada, or at RDA's request, shall provide such policy of title insurance to Agency, insuring that following the recordation of the Rescission of Mutual Parking Agreement as set forth herein, the Mutual Parking Agreement shall be rescinded and shall have no further force or effect whatsoever, and that no persons or entities shall have any rights thereunder. DSCA shall execute any documents and shall secure any signatures required

by Escrow Agent necessary to guarantee that the Rescission of Mutual Parking Agreement shall have such effect.

9. Shopping Center's Right of Ingress and Egress.

The City and the RDA shall not vacate Laurelhurst Drive or Westmoreland Drive adjacent to the DSCA's property, APN No. 138-25-503-007, without assuring that half of such streets adjacent to the DSCA's property, together with the half of Laurelhurst Drive shall revert to the DSCA so that DSCA shall receive title to such half of the streets pursuant to NRS 278.480(7) and have ingress and egress through and over such half of the streets adjacent to the Shopping Center Property and easement area in perpetuity, unless otherwise agreed by DSCA in writing. Additionally, the City and the RDA shall allow at least two (2) hour parking on such streets, by meter or otherwise. This paragraph shall survive the closing of escrow and shall be a covenant running with and benefiting the Shopping Center Property referred to herein.

10. Entire Agreement.

This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties or any representations made by any party relative to the subject matter hereof which are not expressly set forth herein.

11. Amendment.

Only a written instrument executed by the parties hereto may amend this Agreement.

12. Headings.

The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

13. Governing Law.

The laws of the State of Nevada and the applicable federal laws of the United States shall govern this Agreement. Venue for any action with respect to this matter shall be only in the State of Nevada.

14. Successors and Assigns.

This Agreement shall bind an inure to the benefit of DSCA, Alpha Omega Strategies, LLC, the City and the RDA and their respective heirs, executors, administrators, personal and legal representatives, successors and assigns, except as otherwise specified. This Agreement shall not be assigned by any party.

15. Invalid Provision.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provisions had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

16. Attorney's Fees.

In the event of any litigation with respect to this Agreement, the parties shall bear their own attorney's fees and costs.

17. Partial Invalidity.

If any term of this Agreement or the application of any term of this Agreement is held to be invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement not held invalid, void or unenforceable, shall continue in full force and effect and shall not be affected, impaired or invalidated in any way. This Agreement is intended by the parties to be

construed in the broadest extent possible to effectuate settlement.

18. Necessary Acts.

Each of the parties shall do any reasonable act or thing and execute any or all documents or instruments necessary or proper to effectuate the provisions and intent of this Agreement.

19. No Third-Party Beneficiaries.

Except as otherwise provided in this Agreement, nothing expressed or implied herein is intended, or shall be construed, to confer upon or give any person or entity not a party to this Agreement any rights or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained herein.

20. Contract Execution.

This Agreement may be executed in counterparts with the same force and effect as if all signatures were set forth in a single instrument. This Agreement may be executed by signatures provided by electronic facsimile transmission (also known as "fax" copies) which facsimile signatures shall be as binding and effective as original signatures.

21. Effective Date of Agreement.

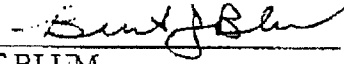
The effective date of this Agreement shall be the date on which the last person whose signature is required on this Agreement signs this Agreement.

22. Authority to Execute Agreement.

The persons signing this Agreement each warrant that they have the authority to sign this Agreement on behalf of the entity for which they are signing.

Dated: 28, 2011.

DECATUR SHOPPING CENTER ASSOCIATES

By: 
BURT BLUM
Its: General Partner

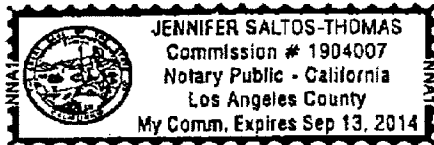
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Los AngelesOn Mar. 28, 2011 before me, Jennifer Saltos-Thomas, Notary Public
Date Here Insert Name and Title of the Officerpersonally appeared Burt Blum
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: Jennifer Saltos-Thomas
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Individual☐ Partner — ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

**RIGHT THUMBPRINT
OF SIGNER**

Top of thumb here

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Individual☐ Partner — ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

**RIGHT THUMBPRINT
OF SIGNER**

Top of thumb here

STATE OF _____)
) ss. see attachment
 COUNTY OF _____) SST

On this _____ day of _____, 2011, before me, a Notary Public, appeared Burt Blum, as the General Partner of DECATUR SHOPPING CENTER ASSOCIATES, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

 NOTARY PUBLIC in and for said
 County and State

Dated: MARCH 25, 2011.

ALPHA OMEGA STRATEGIES, LLC

By: _____

Name _____

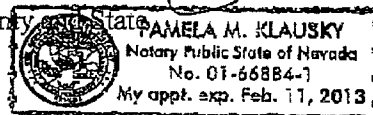
Its: _____

MANAGING MEMBER

STATE OF NEVADA)
) ss.
 COUNTY OF CLARK)

On this 25th day of March, 2011, before me, a Notary Public, appeared James Bruce Payne, as the Managing Member of ALPHA OMEGA STRATEGIES, LLC, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

 NOTARY PUBLIC in and for said
 County _____



Dated: _____, 2011.

CITY OF LAS VEGAS REDEVELOPMENT
AGENCY

By: _____
Name

Its: _____

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this ____ day of _____, 2011, before me, a Notary Public, appeared _____, as the _____ of CITY OF LAS VEGAS REDEVELOPMENT AGENCY, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

NOTARY PUBLIC in and for said
County and State

Dated: _____, 2011.

CITY OF LAS VEGAS

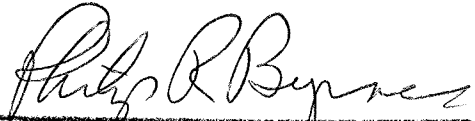
By: _____
Name

Its: _____

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this ____ day of _____, 2011, before me, a Notary Public, appeared _____, as the _____ of CITY OF LAS VEGAS, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

Approved as to form:



DEPUTY CITY ATTORNEY Date
4/5/11

NOTARY PUBLIC in and for said
County and State

EXHIBIT “A”

EXHIBIT “A”

EXHIBIT "A"

APN: 138-25-503-006
138-25-503-007

RESCISSION OF MUTUAL PARKING AGREEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

DECATUR SHOPPING CENTER ASSOCIATES, a Nevada Limited Partnership, and

CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body, corporate and politic, organized and existing under the Community Redevelopment Law of the State of Nevada,

Do hereby rescind, cancel, terminate and end the Mutual Parking Agreement and the covenant running with the land declared therein, dated October 17, 1963 and recorded as instrument 392752 in book 487 of the official records, Clark County Recorder's Office, Clark County, Nevada, so that said Mutual Parking Agreement shall have no further force or effect whatsoever as though it had never existed or been recorded.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

ATTEST:

~~Barbara Jo Ronemus~~, Secretary
BEVERLY K. BRIDGES
Approved as to form:

By: _____
Oscar B. Goodman, Chairperson

Deputy Agency Attorney

Dated: _____

DECATUR SHOPPING CENTER
ASSOCIATES

By: _____
Burt J. Blum, General Partner

ALPHA OMEGA STRATEGIES, LLC

By: _____

Its: _____

1. Definitions

2. Policy

3. Instructions

4. Incorporation

CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS **(CONTINUED)**

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Bruce Bayne	9555 Del Webb Las Vegas NV. 89128	702-335-0351
2.	Michael J. McDonald	4908 Carmen Blvd. Las Vegas NV. 89108	702-592-1990
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: ____.

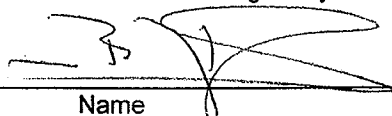
Block 5 DISCLOSURE OF OWNERSHIP AND PRINCIPALS – ALTERNATE

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____ Number of Pages: _____

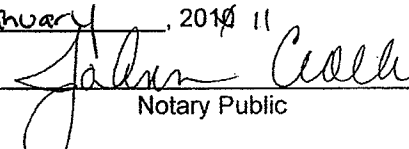
I certify under penalty of perjury, that all the information provided in this Certificate is current, complete and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity



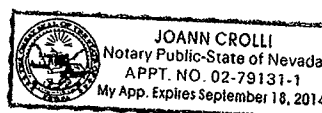
 Name
 1/5/11

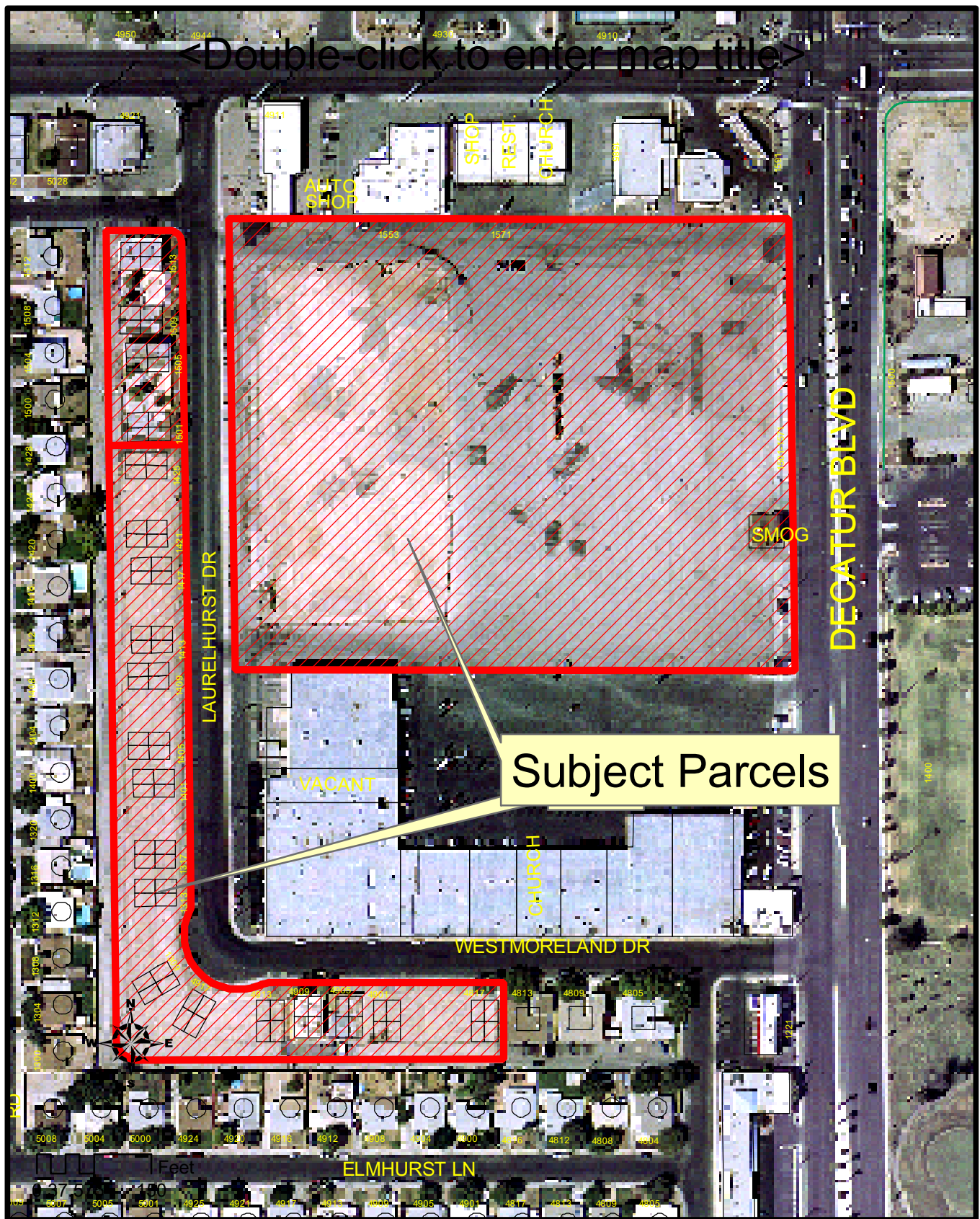
 Date

Subscribed and sworn to before me this 5th day of

January, 2011


 Notary Public





Location Map

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

Discussion and possible action regarding a First Amendment To Fourth Amended And Restated Disposition And Development Agreement by and between City of Las Vegas, a municipal corporation of the State of Nevada, the City of Las Vegas Redevelopment Agency, a Public Body, and Alpha Omega Strategies, LLC, pertaining to the disposition of the real property located at 1501 North Decatur Boulevard (\$324,000 – Earnest Money Deposit) - Ward 5 (Barlow) [NOTE: This item is related to RDA Item 6 and Council Items 40 and 41]

Fiscal Impact

☐

No Impact

☐

Augmentation Required

☒

Budget Funds Available

Amount: \$324,000

Funding Source: Earnest Money Deposit

Dept./Division: Economic and Urban Development/Redevelopment Agency

PURPOSE/BACKGROUND:

The parties entered into a Disposition and Development Agreement on July 20, 2007. This amendment is to extend acquisition and development milestones for the remaining residential and commercial lots, set milestones for the application of private activity bonds and release a portion of the Earnest Money Deposit to settle the dispute concerning the cross parking easement. (APNs 138-25-504-001 and -002; 138-25-518-002)

RECOMMENDATION:

Approval.

BACKUP DOCUMENTATION:

1. First Amendment To Fourth Amended And Restated Disposition And Development Agreement
2. Disclosure of Principals
3. Site Map

FIRST AMENDMENT TO FOURTH AMENDED AND RESTATED DISPOSITION AND
DEVELOPMENT AGREEMENT

This FIRST AMENDMENT TO FOURTH AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT ("First Amendment") is entered into this 20 day of April, 2011 (the "Effective Date") by and among the City of Las Vegas ("City"), a municipal corporation of the State of Nevada, the City of Las Vegas Redevelopment Agency ("RDA"), a Public Body, (City and RDA collectively herein the "Sellers") and Alpha Omega Strategies, LLC., ("Buyer").

RECITALS

WHEREAS, the Parties entered into a Disposition and Development Agreement dated July 20, 2007, which was amended on October 17, 2007 with the First Amendment to the Disposition and Development Agreement and the Second Amendment to the Disposition and Development Agreement on July 16, 2007 and the Third Amended and Restated Disposition and Development Agreement on January 21, 2009 and the Fourth Amended and Restated Disposition and Development Agreement dated July 1, 2009 (collectively the "Original DDA"), wherein the Sellers agree to sell certain real property generally located at 1501 North Decatur Boulevard, Las Vegas, Nevada (the "Site") to Buyer. Buyer will purchase the Site for the purpose of constructing affordable, age-restricted rental units and commercial retail space to cater to residents of the residential units; and

WHEREAS, the Parties desire to enter into this First Amendment in order to amend the Original DDA on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto do hereby agree as follows:

1. Section 1, PURCHASE AND SALE, subsection (d), third and fourth and fifth paragraphs, shall be deleted in their entirety and read as follows.

"For the Commercial retail lots on Parcel A, Buyer agrees that, in all events, within six (6) months after the acquisition of any commercial lot, the Buyer will commence construction on the acquired commercial lot and will complete such construction within twenty-four (24) months after commencement of construction. The Buyer covenants that all end user contracts for the remaining parcels will comply with this construction timeline as well."

"For the residential lot on Parcel A, Buyer shall close escrow no later than April 2, 2012 and commence construction of the residential mid-rise tower ("tower") no later than May 2, 2012 and complete said construction of the tower no later than February 27, 2015."

"Buyer shall submit a completed private activity bonds application to the City by August 17, 2011 for City Council approval at its September 21, 2011 meeting. Buyer shall submit a completed Multi-family Housing Bond Application to Nevada Housing Division by October 3, 2011 to ensure application analyses, marketing/sales of the private activity bonds, and availability of bonds proceeds to close escrow no later than April 2, 2012. Failure to comply with this requirement will result in termination of any approved private activity bond volume cap allocation.

For Parcels B and C, Buyer shall acquire Parcels B and C no later than September 20, 2012 and begin construction of the low-rise residential project no later than October 20, 2012."

2. Section 8, ESCROW, subsection (a), shall be amended to read as follows:

For the commercial retail pads on Parcel A, close escrow no later than July 20, 2011. For Parcels B and C, close escrow no later than September 20, 2012.

3. Section 9, CONDITIONS PRECEDENT TO CLOSING, subsection (c), first paragraph, next-to-last sentence shall be amended to read as follows:

The Buyer shall close escrow on Parcels B and C no later than September 20, 2012.

4. RDA, Buyer and Decatur Shopping Center Associates, a Nevada limited partnership ("DSCA") are parties to that certain lawsuit initiated in the Eighth Judicial District Court, Clark County, Nevada, Case No. A-09-594500-C, *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC* (the "Lawsuit"). In the complaint of the Lawsuit, DSCA asserts certain claims for relief for, among other things, conversion, trespass, inverse condemnation and punitive damages. RDA, Buyer and DSCA have, or are about to, enter into a Settlement Agreement to fully settle and resolve the Lawsuit. A copy of the Settlement Agreement is attached to this First Amendment as Exhibit "A" (the "Settlement Agreement"). RDA agrees (i) to deposit \$300,000 of the \$324,000 Deposit held by RDA pursuant to the Original DDA (the "Released Funds") into the escrow created pursuant to the Settlement Agreement to be held and applied as set forth in the Settlement Agreement and in the related escrow instructions and (ii) to release the remaining \$24,000 of the Deposit to Buyer. In connection with the deposit of the Released Funds into such escrow, the parties agree as follows:

(a) Such deposit of the Released Funds and the application of the Released Funds pursuant to the Settlement Agreement shall not in any way reduce the Purchase Price of the Site which Buyer agrees remains at the sum of \$6,175,000.00.

(b) In the event the settlement of the Lawsuit does not close pursuant to the Settlement Agreement, (i) Buyer acknowledges that pursuant to such escrow instructions, the Released Funds into escrow shall be returned to RDA to be held pursuant to the terms and conditions of the Original DDA and (ii) RDA agrees that Buyer shall be entitled to retain the \$24,000 balance of the Deposit released to Buyer.

5. Except as expressly provided in this First Amendment, the Original DDA remains in full force and effect. In the event of any conflict or ambiguities between the terms and conditions of this First Amendment and the Original DDA, the terms of this First Amendment shall govern and control.

SIGNATURE BLOCKS ON NEXT PAGE

IN WITNES WHEREOF, the parties hereto have executed this First Amendment to Disposition and Development Agreement as of the date first above written.

ATTEST:

CITY OF LAS VEGAS

Beverly K. Bridges, CMC, City Clerk

By OSCAR B. GOODMAN, Mayor

ATTEST:

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

Beverly K. Bridges, CMC, Secretary

By OSCAR B. GOODMAN, Chairman

APPROVED AS TO FORM:

M. N. Q. Esq.
4-11-11

ALPHA OMEGA STRATEGIES, LLC

By: _____

Title: _____

EXHIBIT "A"

SETTLEMENT AGREEMENT

SETTLEMENT AGREEMENT

This Settlement Agreement (hereinafter the "Agreement") by Decatur Shopping Center Associates, a Nevada limited partnership, City of Las Vegas, a municipal corporation of the State of Nevada, City of Las Vegas Redevelopment Agency and Alpha Omega Strategies, LLC, a Nevada limited liability company.

1. Recitals.

A. Decatur Shopping Center Associates, a Nevada limited partnership (hereinafter "DSCA") is the owner of certain real property located at 1401 North Decatur Boulevard, Las Vegas, Nevada, APN No. 138-25-53-007 (hereinafter the "Shopping Center Property").

B. The City of Las Vegas (hereinafter the "City") is an organization existing under the laws of the State of Nevada.

C. The City owns multiple parcels of vacant land consisting of approximately 3.39 acres located along Westmoreland Drive and Laurelhurst Drive, which is adjacent to 1501 North Decatur Boulevard, Las Vegas, Nevada 89108.

D. The City of Las Vegas Redevelopment Agency (hereinafter "RDA"), a public body, is the owner of approximately 9.95 acres located at 1501 North Decatur Boulevard, Las Vegas, Nevada, APN No. 138-25-503-006 (hereinafter the "City Property").

E. On or about October 17, 1963, the prior owners of the Shopping Center Property and the City Property entered into a Mutual Parking Agreement creating a parking easement for the benefit of both properties. The term of the parking easement was for 50 years. The easement expires on October 17, 2013. This term has not been extended.

F. Alpha Omega Strategies, LLC (hereinafter "AOS"), is a Nevada limited liability company. Alpha Omega entered into a Disposition and Development Agreement dated July 20,

2007 with the City and RDA which was amended on October 17, 2007, July 16, 2007, January 21, 2009 and finally entered into a Fourth Amended and Restated Disposition and Development Agreement (hereinafter "DDA") on July 1, 2009. Pursuant to the DDA, AOS had the right to purchase the City Property for development of a mid-rise age-restricted low income housing project with associated commercial redevelopment and office space.

G. On or about April 6, 2009, AOS purchased from the RDA a portion of parcel 138-25-518-001. In turn, AOS sold and/or transferred to HJEE, LLC, a portion of 138-25-518-001 in consideration for \$3,100,000.00 representing approximately 3.91 acres of undeveloped real property for the purposes of developing a shopping market.

H. On or about July 1, 2009, DSCA initiated an action in the Eighth Judicial District Court, Clark County, Nevada, Case No. A-09-594500-C, *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*. (hereinafter the "shopping center litigation"). In its Complaint, DSCA asserts certain claims for relief for, among other things, conversion, trespass, inverse condemnation and punitive damages.

I. On August 17, 2009, The City and RDA filed an Answer denying all allegations and asserting an affirmative defense that it owed no duty or obligation to DSCA. On June 2, 2010, AOS filed an Answer denying all allegations and asserting an affirmative defense that it owed no duty or obligation to DSCA.

J. On or about December 8, 2010, HJEE filed an Amended Answer, Crossclaim and Counterclaim (hereinafter "HJEE litigation"). The parties to this Agreement desire to resolve the shopping center litigation. Both DSCA and OAS specifically acknowledge this settlement will not resolve the Counterclaim and/or Crossclaim asserted by HJEE, LLC. The parties agree that

they will defend the claims and allegations of HJEE and each will bear their own attorney's fees and costs.

K. On or about February 23, 2010, in connection with the shopping center litigation, DSCA recorded a lis pendens relating to its easement. The parties hereto desire to resolve all of their claims including release of the lis pendens and relinquishment of DSCA's rights made in the 1963 Mutual Parking Agreement.

2. Mutual Conditional Release.

A. DSCA fully releases, acquits and forever discharges Alpha Omega Strategies, LLC, the City and the RDA and each of their predecessors, agents, servants, employees, representatives, attorneys, insurers, successors, affiliates, heirs, successors and assigns (collectively "Defendant Released Parties") of and from any and all known and unknown claims, either foreseen or unforeseen, for damages, costs, expenses, liabilities, causes of action, claims for relief and suits for damages, at law and in equity, future costs and expenses, and damages of any nature, including compensatory and punitive damages, which DSCA now has or may hereafter acquire by reason of any loss of or damage to, on account of or in any way arising out of or connected with Case No. A-09-594500-C, entitled *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*, and which is hereby agreed to be dismissed with prejudice concurrently with this release, with each party to bear their own attorney's fees and costs.

B. It is understood that this settlement is a compromise of a doubtful and disputed claim, and that the making of this settlement is not to be construed as an admission or acknowledgment of liability or responsibility whatsoever on the part of the Defendant Released Parties, each of whom expressly deny all liability and responsibility.

C. This release extends and applies to and also covers and includes all unknown, unforeseen, unanticipated and unsuspected damages, loss and liability, and the consequences thereof, as well as those now disclosed and known to exist.

D. In making this release, DCSA acknowledges and warrants and represents that it has been fully advised and represented by legal counsel of its own selection, and is fully familiar with all of the circumstances surrounding this action, and in executing this release, has relied upon the independent judgment and advice of counsel of its own selection and has in no way been influenced whatsoever in making this release by any representation or statement whatsoever regarding the matter set forth herein, or any matter made by any of the Defendant Released Parties, including its agents.

E. This release contains the entire agreement between the parties hereto and the terms of this release are contractual and substantive and not a mere recital in nature.

F. DCSA declares that there are no independent, collateral, different, additional or other understandings, or agreements, oral or written, or obligations, to be performed, things to be done, or payments to be made; and further, no promise, inducement or consideration other than the issuance of said draft has been made or agreed upon by or on behalf of releasees, or any of them.

G. DCSA further declares that this entire release has been carefully read and the contents thereof are fully known and understood and that the same is signed as the free and voluntary act of the undersigned, and that it is the express intention and purpose of the undersigned to waive, release and discharge any and all claims for relief or causes of action of every kind and any kind whatsoever against the Defendant Released Parties.

H. DCSA shall hold each of the Defendant Released Parties completely free and

harmless of and from, and shall indemnify each Defendant Released Parties for and against, all losses, damages, costs and expenses, including reasonable attorney's fees, and all other sums which said Defendant Released Parties may hereafter incur, pay, be required or become obligated to pay on account of any additional or other demand, claim, or suit by or on behalf of DCSA, its agents, predecessors, insurers, successors and assigns, for any loss of or damage to any property or property right, or for any contest or attempt to modify, change, reform, break, set aside, nullify, cancel or negate this release or any part hereof for any reason whatsoever, including enforcement of this release by any of the Defendant Released Parties.

I. Alpha Omega Strategies, LLC, the City and the RDA fully release, acquit and forever discharge DSCA and each of its predecessors, agents, servants, employees, representatives, attorneys, insurers, successors, affiliates, heirs, successors and assigns (collectively "The DSCA Released Parties") of and from any and all known and unknown claims, either foreseen or unforeseen, for damages, costs, expenses, liabilities, causes of action, ~~claims for relief and suits for damages, at law and in equity, future costs and expenses, and~~ damages of any nature, including compensatory and punitive damages, which Alpha Omega Strategies, LLC, the City and the RDA now have or may hereafter acquire by reason of any loss of or damage to, on account of or in anyway arising out of or connected with Case No. A-09-594500-C, entitled *Decatur Shopping Center Associates v. City of Las Vegas, City of Las Vegas Redevelopment Agency, Alpha Omega Strategies, LLC and HJEE, LLC*, and which is hereby agreed to be dismissed with prejudice concurrently with this release, with each party to bear their own attorney's fees and costs.

J. It is understood that this settlement is a compromise of a doubtful and disputed claim, and that the making of this settlement is not to be construed as an admission or

acknowledgment of liability or responsibility whatsoever on the part of the DSCA Released Parties, each of whom expressly deny all liability and responsibility.

K. This release of the DSCA Released Parties extends and applies to and also covers and includes all unknown, unforeseen, unanticipated and unsuspected damages, loss and liability, and the consequences thereof, as well as those now disclosed and known to exist.

L. In making this release, Alpha Omega Strategies, LLC, the City and the RDA acknowledge and warrant and represent that they have been fully advised and represented by legal counsel of their own selection, and are fully familiar with all of the circumstances surrounding this action, and in executing this release, has relied upon the independent judgment and advice of counsel of their own selection and has in no way been influenced whatsoever in making this release by any representation or statement whatsoever regarding the matter set forth herein, or any matter made by any of the DSCA Released Parties, including their agents.

M. This release of the DSCA Released Parties contains the entire agreement between the parties hereto and the terms of this release are contractual and substantive and not a mere recital in nature.

N. Alpha Omega Strategies, LLC, the City and the RDA declare that there are no independent, collateral, different, additional or other understandings, or agreements, oral or written, or obligations, to be performed, things to be done, or payments to be made; and further, no promise, inducement or consideration other than the issuance of said draft has been made or agreed upon by or on behalf of releasees, or any of them.

O. Alpha Omega Strategies, LLC, the City and the RDA further declare that this entire release has been carefully read and the contents thereof are fully known and understood and that the same is signed as the free and voluntary act of the undersigned, and that it is the

express intention and purpose of the undersigned to waive, release and discharge any and all claims for relief or causes of action of every kind and any kind whatsoever against the DSCA Released Parties.

P. Alpha Omega Strategies, LLC, the City and the RDA shall hold each of the DSCA Released Parties completely free and harmless of and from, and shall indemnify each of the DSCA Released Parties for and against, all losses, damages, costs and expenses, including reasonable attorney's fees, and all other sums which said DSCA Released Parties may hereafter incur, pay, be required or become obligated to pay on account of any additional or other demand, claim, or suit by or on behalf of Alpha Omega Strategies, LLC, the City and the RDA, their agents, predecessors, insurers, successors and assigns, for any loss of or damage to any property or property right, or for any contest or attempt to modify, change, reform, break, set aside, nullify, cancel or negate this release or any part hereof for any reason whatsoever, including enforcement of this release by any of the DSCA Released Parties.

3. Joint Drafting; No Admission.

It is hereby acknowledged that this Agreement has been drafted jointly and is not to be construed against any party.

Neither this Agreement, nor the negotiations or proceedings leading up to this Agreement, nor the execution of the mutual conditional release contemplated by this Agreement, shall be taken to be an admission of any kind by any party to this Agreement.

4. Dismissal of All Claims.

Concurrent with the execution of this Agreement, the parties shall execute a stipulation for dismissal with prejudice of DSCA's Complaint. In addition, DSCA shall release the lis pendens filed on February 23, 2010 and record a Notice of Release of Lis Pendens upon

execution of this Agreement.

5. Consideration.

AOS shall pay to DSCA the sum of Three Hundred Thousand Dollars and 00/100 (\$300,000.00). The City and RDA are currently in possession of a cash deposit in the amount of \$324,000.00 posted by AOS pursuant to the DDA. The City and RDA shall distribute the sum of \$300,000.00 of the deposit to the Escrow Agent for the purposes of funding this settlement amount. In the event the escrow does not close within the time provided in Section 7, the \$300,000.00 shall be returned to the RDA.

6. Rescission of Mutual Parking Agreement and Release of Lis Pendens.

Concurrent with the execution of this Agreement, DSCA shall execute the Rescission of Mutual Parking Agreement a copy of which is attached hereto as *Exhibit A*. Execution of the Rescission and Release of the Lis Pendens is a condition of closing and distribution of the settlement amount of \$300,000.00.

7. Closing Agreement Through Escrow.

Upon the City Counsel's and RDA's formal approval and execution of this Agreement, the RDA shall, within 3 workings days from approval, deliver one duplicate original hereof, to Chicago Title of Nevada, 2300 West Sahara Avenue, Las Vegas, Nevada 89102 (the "Escrow Agent"), which shall constitute the escrow instructions to close the transaction as soon as all matters necessary to close escrow under the terms of this Agreement have been fulfilled. The parties shall execute any additional escrow instructions deemed necessary by the Escrow Agent. The City Manager/Executive Director of RDA, Elizabeth N. Fretwell, or her written designee, shall have the authority to execute all documents necessary to close escrow. The document entitled Rescission of Mutual Parking Agreement shall be in a form attached hereto as *Exhibit A*,

or as corrected by Escrow Agent to conform to the requirements of this Agreement, and shall be executed by the parties and delivered to Escrow Agent. The document entitled Release of Lis Pendens shall be in the form attached as Exhibit A and executed by DSCA and delivered to the Escrow Agent. The parties shall execute all documents and provide the payments necessary to close escrow in a timely manner, not to exceed 3 weeks from the opening of Escrow. Escrow Agent shall record the Rescission of Mutual Parking Agreement and of Release of Lis Pendens and shall deliver any funds due DSCA under the terms of this Agreement at Closing. RDA shall pay all title insurance and closing costs. DSCA will not be required to pay any escrow fees and will receive from Escrow a total of \$300,000.

Escrow shall close on or before 3 weeks following the opening of Escrow following formal approval by the City and RDA. Failure on the part of any Party hereto to execute or deposit necessary documents into Escrow close on or before 3 weeks following the opening of Escrow or failure to deposit the \$300,000 check into Escrow shall constitute a breach of this Agreement.

8. Condition of Closing.

As a condition of closing, Escrow Agent shall provide a commitment to issue to RDA a policy of title insurance with respect to the Agency's property which is the subject to the Mutual Parking Agreement dated October 17, 1963, recorded as Instrument No. 392752 in Book No. 487, Official Records, Clark County, Nevada, or at RDA's request, shall provide such policy of title insurance to Agency, insuring that following the recordation of the Rescission of Mutual Parking Agreement as set forth herein, the Mutual Parking Agreement shall be rescinded and shall have no further force or effect whatsoever, and that no persons or entities shall have any rights thereunder. DSCA shall execute any documents and shall secure any signatures required

by Escrow Agent necessary to guarantee that the Rescission of Mutual Parking Agreement shall have such effect.

9. Shopping Center's Right of Ingress and Egress.

The City and the RDA shall not vacate Laurelhurst Drive or Westmoreland Drive adjacent to the DSCA's property, APN No. 138-25-503-007, without assuring that half of such streets adjacent to the DSCA's property, together with the half of Laurelhurst Drive shall revert to the DSCA so that DSCA shall receive title to such half of the streets pursuant to NRS 278.480(7) and have ingress and egress through and over such half of the streets adjacent to the Shopping Center Property and easement area in perpetuity, unless otherwise agreed by DSCA in writing. Additionally, the City and the RDA shall allow at least two (2) hour parking on such streets, by meter or otherwise. This paragraph shall survive the closing of escrow and shall be a covenant running with and benefiting the Shopping Center Property referred to herein.

10. Entire Agreement.

This Agreement embodies the entire agreement between the parties relative to the subject matter hereof, and there are no oral or written agreements between the parties or any representations made by any party relative to the subject matter hereof which are not expressly set forth herein.

11. Amendment.

Only a written instrument executed by the parties hereto may amend this Agreement.

12. Headings.

The captions and headings used in this Agreement are for convenience only and do not in any way limit, amplify, or otherwise modify the provisions of this Agreement.

13. Governing Law.

The laws of the State of Nevada and the applicable federal laws of the United States shall govern this Agreement. Venue for any action with respect to this matter shall be only in the State of Nevada.

14. Successors and Assigns.

This Agreement shall bind and inure to the benefit of DSCA, Alpha Omega Strategies, LLC, the City and the RDA and their respective heirs, executors, administrators, personal and legal representatives, successors and assigns, except as otherwise specified. This Agreement shall not be assigned by any party.

15. Invalid Provision.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provisions had never comprised a part of this Agreement, and the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement.

16. Attorney's Fees.

In the event of any litigation with respect to this Agreement, the parties shall bear their own attorney's fees and costs.

17. Partial Invalidity.

If any term of this Agreement or the application of any term of this Agreement is held to be invalid, void or unenforceable, all provisions, covenants and conditions of this Agreement not held invalid, void or unenforceable, shall continue in full force and effect and shall not be affected, impaired or invalidated in any way. This Agreement is intended by the parties to be

construed in the broadest extent possible to effectuate settlement.

18. Necessary Acts.

Each of the parties shall do any reasonable act or thing and execute any or all documents or instruments necessary or proper to effectuate the provisions and intent of this Agreement.

19. No Third-Party Beneficiaries.

Except as otherwise provided in this Agreement, nothing expressed or implied herein is intended, or shall be construed, to confer upon or give any person or entity not a party to this Agreement any rights or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained herein.

20. Contract Execution.

This Agreement may be executed in counterparts with the same force and effect as if all signatures were set forth in a single instrument. This Agreement may be executed by signatures provided by electronic facsimile transmission (also known as "fax" copies) which facsimile signatures shall be as binding and effective as original signatures.

21. Effective Date of Agreement.

The effective date of this Agreement shall be the date on which the last person whose signature is required on this Agreement signs this Agreement.

22. Authority to Execute Agreement.

The persons signing this Agreement each warrant that they have the authority to sign this Agreement on behalf of the entity for which they are signing.

Dated: 28, 2011.

DECATUR SHOPPING CENTER ASSOCIATES

By: Burt Blum
BURT BLUM
Its: General Partner

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

State of California

County of Los AngelesOn Mar. 28, 2011 before me, Jennifer Saltos-Thomas, Notary Public
Date Here Insert Name and Title of the Officerpersonally appeared Burt Blum

Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that ~~he/she/they~~ executed the same in ~~his/her/their~~ authorized capacity(ies), and that by ~~his/her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature: Jennifer Saltos-Thomas

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____

Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Individual☐ Partner — ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

Signer's Name: _____

☐ Corporate Officer — Title(s): _____☐ Individual☐ Partner — ☐ Limited ☐ General☐ Attorney in Fact☐ Trustee☐ Guardian or Conservator☐ Other: _____

Signer Is Representing: _____

RIGHT THUMBPRINT
OF SIGNER
Top of thumb here

STATE OF _____)
) ss. see attachment
 COUNTY OF _____) SST

On this _____ day of _____, 2011, before me, a Notary Public, appeared Burt Blum, as the General Partner of DECATUR SHOPPING CENTER ASSOCIATES, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

 NOTARY PUBLIC in and for said
 County and State

Dated: MARCH 25, 2011.

ALPHA OMEGA STRATEGIES, LLC

By: _____

Name _____

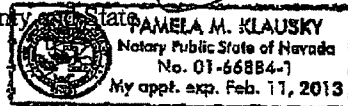
Its: _____

MANAGING MEMBER

STATE OF NEVADA)
) ss.
 COUNTY OF CLARK)

On this 25th day of March, 2011, before me, a Notary Public, appeared James Bruce Payne as the Managing Member of ALPHA OMEGA STRATEGIES, LLC, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

 NOTARY PUBLIC in and for said
 County and State



Dated: _____, 2011.

CITY OF LAS VEGAS REDEVELOPMENT
AGENCY

By: _____
Name

Its: _____

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this ____ day of _____, 2011, before me, a Notary Public, appeared _____, as the _____ of CITY OF LAS VEGAS REDEVELOPMENT AGENCY, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

NOTARY PUBLIC in and for said
County and State

Dated: _____, 2011.

CITY OF LAS VEGAS

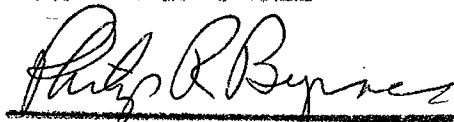
By: _____
Name

Its: _____

STATE OF NEVADA)
) ss.
COUNTY OF CLARK)

On this ____ day of _____, 2011, before me, a Notary Public, appeared _____, as the _____ of CITY OF LAS VEGAS, to me personally known or proven to be known, and who acknowledged the execution of the foregoing Settlement Agreement on behalf of said company for the consideration set forth therein.

Approved as to form:



DEPUTY CITY ATTORNEY Date
4/5/11

NOTARY PUBLIC in and for said
County and State

EXHIBIT "A"

EXHIBIT "A"

EXHIBIT "A"

APN: 138-25-503-006
138-25-503-007

RESCISSION OF MUTUAL PARKING AGREEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
DECATUR SHOPPING CENTER ASSOCIATES, a Nevada Limited Partnership, and
CITY OF LAS VEGAS REDEVELOPMENT AGENCY, a public body, corporate and
politic, organized and existing under the Community Redevelopment Law of the State of
Nevada,

Do hereby rescind, cancel, terminate and end the Mutual Parking Agreement and the
covenant running with the land declared therein, dated October 17, 1963 and recorded as
instrument 392752 in book 487 of the official records, Clark County Recorder's Office,
Clark County, Nevada, so that said Mutual Parking Agreement shall have no further force
or effect whatsoever as though it had never existed or been recorded.

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY

ATTEST:

Barbara Jo Renemus, Secretary
BEVERLY K. BRIDGES
Approved as to form:

By: _____
Oscar B. Goodman, Chairperson

Deputy Agency Attorney

Dated: _____

DECATUR SHOPPING CENTER
ASSOCIATES

By: _____
Burt J. Blum, General Partner

ALPHA OMEGA STRATEGIES, LLC

By: _____

Its: _____

CERTIFICATE DISCLOSURE OF OWNERSHIP/PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity," means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members; (e) trust – the trustee and beneficiaries.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

Block 1 <u>Contracting Entity</u>
Name Alpha Omega Strategies, LLC
Address 4908 Carmen Blvd, LV, NV
Telephone 702-592-1990
EIN or DUNS

Block 2 <u>Description</u> Subject Matter of Contract/Agreement
FIRST AMENDMENT TO FOURTH AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT
RFP#

Block 3	<u>Type of Business</u>				
☐ Individual	☐ Partnership	☒ Limited Liability Company	☐ Corporation	☐ Trust	☐ Other:

CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS (CONTINUED)

Block 4 Disclosure of Ownership and Principals

In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.

	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Bruce Bayne	9555 Del Webb Las Vegas NV. 89128	702-335-0351
2.	Michael J. McDonald	4908 Carmen Blvd. Las Vegas NV. 89108	702-592-1990
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: ____.

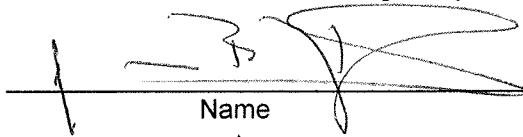
Block 5 DISCLOSURE OF OWNERSHIP AND PRINCIPALS – ALTERNATE

If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: _____ Number of Pages: _____

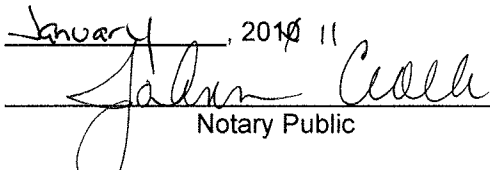
I certify under penalty of perjury, that all the information provided in this Certificate is current, complete and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity



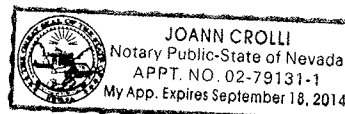
 Name
 1/5/11

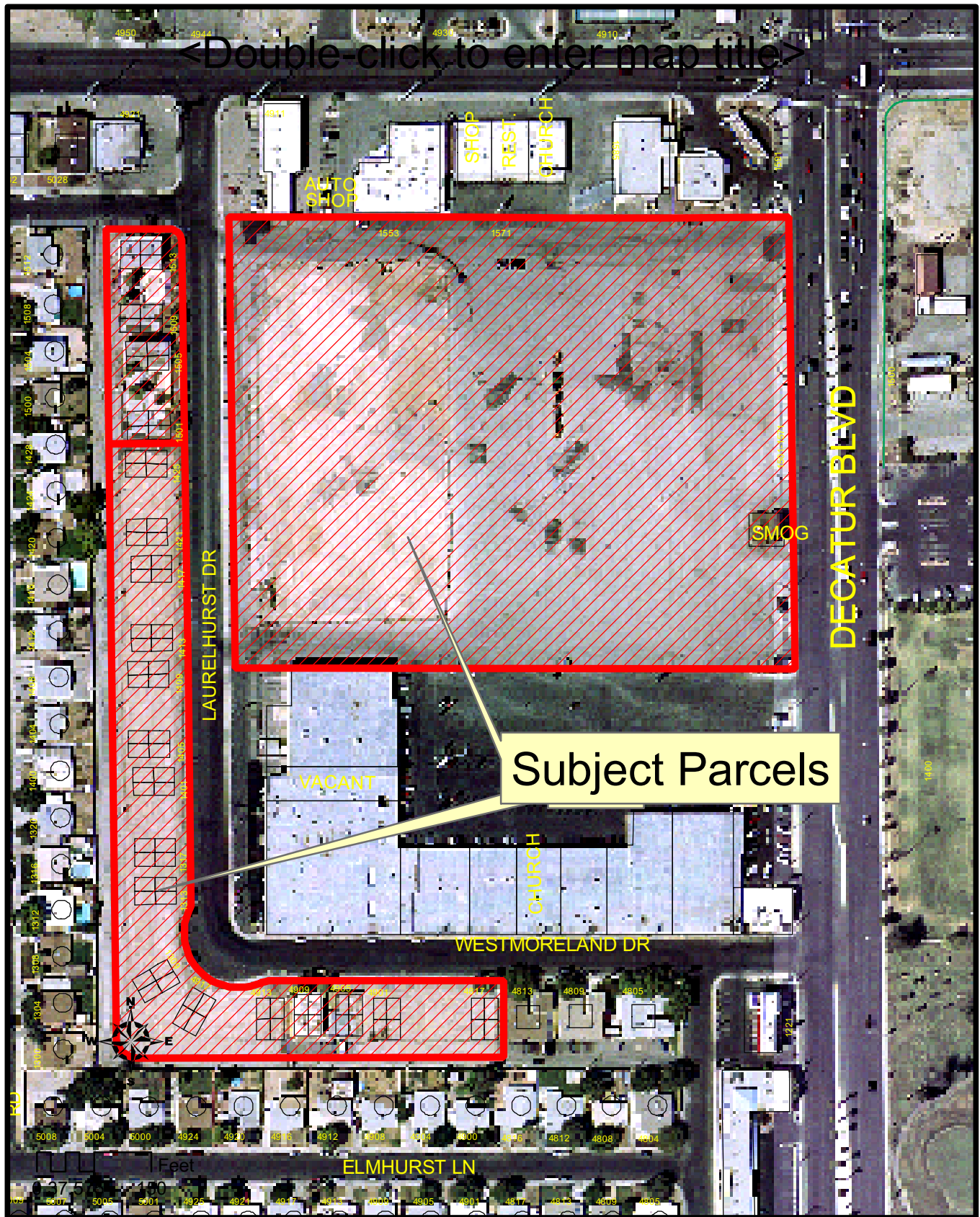
 Date

Subscribed and sworn to before me this 5th day of

January, 2011


 Notary Public





Location Map

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT

DIRECTOR: WILLIAM ARENT

SUBJECT:

Report and possible action regarding a living wage study completed by Applied Development Economics for the City of Las Vegas Redevelopment Area - 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:

Per the Memorandum of Understanding (MOU) between the City of Las Vegas and the Culinary Workers Union (CWU) dated December 2, 2009, the city provided funding up to \$25,000 and worked with CWU in commissioning a living wage study. Per the MOU, the study provided an analysis of the costs and benefits of requiring employers to pay a living wage in projects that receive public subsidies or incentives. The MOU also required that the study be presented to Council for public input. After reviewing the request for proposals, the City of Las Vegas and CWU selected Applied Development Economics to conduct the study. The study was to determine a living wage required for an employee within the City of Las Vegas that could afford the cost of living within the City of Las Vegas by using a standard of 100 to 130% of poverty level.

RECOMMENDATION:

Accept report and direct staff as appropriate.

BACKUP DOCUMENTATION:

Economic Analysis of A Living Wage for the City of Las Vegas Redevelopment Agency



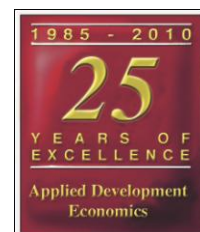
ECONOMIC ANALYSIS OF A LIVING WAGE FOR THE CITY OF LAS VEGAS REDEVELOPMENT AGENCY

MARCH 23, 2011

Prepared for
City of Las Vegas
Redevelopment Agency

Prepared by
Applied Development Economics

100 Pringle Avenue, Suite 560 ♦ Walnut Creek, California 94596 ♦ (925) 934-8712
2150 River Plaza Drive, Suite 168 ♦ Sacramento, CA 95833 ♦ (916) 923-1562
www.adeusa.com



CONTENTS

Introduction and Executive Summary	1
1. Key Data and Methodology	4
2. Existing Conditions: Demographic Trends	6
3. Households and Workers at Living Wage.....	9
4. Economic and Occupational Trends in the City of Las Vegas: Demand for Labor	17
5. Impact of Instituting a Living Wage	28
Conclusion.....	40
Appendix A: Hourly Wage Rates to Sustain 100 to 130 Percent of Poverty Levels.....	42
Appendix B: Impact Per Worker By Industry, Broad Occupational Levels, and Positions With Least and or Some Barriers to Entry: Assumption: One Person Per Household	44
Appendix C: Employment By Industry and By Broad Occupational Categories.....	51
Appendix D: Market Wages Compared to Living Wage.....	55
Appendix E: Weighted Average Impact	66
Appendix F: Threshold of Significance	75

INTRODUCTION AND EXECUTIVE SUMMARY

INTRODUCTION

Pursuant to the Memorandum of Understanding between the Culinary Workers Union and the City of Las Vegas Redevelopment Agency ("Agency"), the Agency has funded this study in order to obtain an objective analysis of the costs and benefits of requiring that living wages be paid by employers in projects that receive public subsidies or incentives from the Agency. A living wage is generally considered to be one that is high enough to allow workers to meet basic needs. For purposes of this study, it is taken to be the wage level a full-time worker would need to earn to support a family above federal poverty line, ranging from 100% to 130% of the poverty measurement.

SUMMARY OF FINDINGS

With respect to analyzing potential costs and benefits stemming from a living wage requirement, the Agency identified several critical steps for which it needs analyses and recommendations. These are listed below along with the key findings for each step.

1. Determine living wage required for an employee to afford the cost of living within Las Vegas City limits.

For an average-size household of three persons, the 100 percent poverty level is \$18,310 per year, while the 130 percent level of poverty is \$23,800. These annual income levels correspond to full time wages of \$8.97 and \$11.67 per hour, respectively. For most business sectors, occupations that pay at these levels are in entry level support functions.

2. Determine market wages for employers within the City of Las Vegas and identify current wage disparity per job classification

Market wages for the ten percent lowest paid workers across the entire spectrum of business sectors are about one percent below the living wage level under the 130 percent of poverty definition. However, there is substantial variation among business types. For food services, the average wage for the lowest paid ten percent of workers is 16 percent below the living wage level, and for retail the figure is 23 percent below. At the 130 percent level, we estimate the living wage would affect more than 10 percent of the City's workforce if it were applied to all workers. Other business sectors most affected would be warehousing, non-durable manufacturing, administrative and support services.

3. Identify possible costs to the Agency of implementing a living wage requirement for redevelopment projects

The living wage would increase labor costs for certain businesses who might wish to locate in the redevelopment area. ADE evaluated these costs for 19 affected business sectors and determined that the costs are potentially significant for five business types, including certain

types of retail, small scale warehousing/storage, back office administrative support, food services, and other services. For the other 14 types of businesses, the costs are low enough that they could likely absorb them, particularly if they are receiving redevelopment incentives in the process of locating in the redevelopment area. Even for retail and back office space type of businesses, the impacts exceed the technical definition of significance by only a small margin. It may be possible for the Redevelopment Agency or the City to increase potential incentives to reduce the cost impact below a significant level.

If the costs to businesses of the living wage outweigh the benefits received from the Redevelopment Agency, certain businesses may avoid locating in the redevelopment project area. This may have the effect of reducing development in the redevelopment project area or shifting development to other parts of town.

4. Identify potential benefits to the Redevelopment Agency with adoption of a living wage requirement.

The primary benefit of the living wage would be to increase worker incomes, which potentially could have beneficial multiplier effects for local retail and services businesses as well as improving the quality of life for the affected workers. For example, for each 10,000 sq.ft. of retail space developed subject to the living wage, there would be an additional \$600,000 to \$1.0 million in onsite employee income and \$250,000 to \$400,000 in offsite worker income due to increased employee expenditures. Similar figures for back office administrative services would be an increase of \$830,000 in onsite worker income and \$320,000 on offsite labor income from multiplier effects. The actual benefit of this income and related household expenditures to Las Vegas would depend on whether the workers live in the City or elsewhere.

A portion of the increased retail sales from this income would be subject to sales tax, benefitting the consolidated tax revenue for state and local jurisdictions. It is not clear, however, that the requirement would improve Redevelopment Agency tax increment, except possibly through a marginal push on property values due to the higher incomes. The magnitude of any such effect is likely to be very low.

On a broader level, though, the increase in worker incomes could reduce reliance on other social services and also help to reduce law enforcement calls for services. Some of the benefit of this reduced service demand would accrue to county, state and federal programs and agencies.

Further Research

The present study provides a foundation of information to consider the benefits and potential costs of a living wage. The report raises additional questions that may be useful in considering a living wage but which are beyond the scope of the present study. These issues relate to whether a higher income definition of the living wage would provide greater net benefits, at what point would the higher cost lead to job losses from affected businesses, can the potential benefit to local government in terms of reduced demand for social services be

quantified and what additional mitigation can local government offer to assist businesses in providing a living wage.

ORGANIZATION OF THE REPORT

The report begins with a discussion of the definition of the living wage and considerations that have evolved at the federal and local levels in terms of incomes needed to achieve acceptable living conditions. The first section of the report also discusses the key data sources on which our analyses rest. Following this, we discuss demographic trends in the City of Las Vegas and surrounding region and analyze cost of living trends for employed residents living below the maximum living wage threshold of 130 percent of the federal poverty line, correlating their cost of living with hourly wage levels. As part of this discussion, we present data on hourly wages by household size in terms of number of people, as well as hourly wages by industries and occupations. The discussion on households within the contemplated living wage framework is an examination of a segment of the labor supply. Next, we analyze trends with respect to demand for labor, scrutinizing employment trends by industries and occupations, particularly with respect to wages paid by employers in the City of Las Vegas, to draw attention to any mismatches between hourly wages commanded by residents in target group and wages paid by the larger market. The final chapter is devoted to evaluating the impact of the program, in terms of increasing workers wages, the cost impact to affected businesses and the multiplier effects of these impacts.

1. KEY DATA AND METHODOLOGY

DEFINITION OF THE LIVING WAGE

For purposes of the scope of work for this analysis, the living wage is defined as 100 to 130 percent of the federal poverty level (FPL). The federal government established the federal poverty line in the 1960s and continues to use this measure for a variety of purposes, including qualifying individuals and households for various means-tested programs, such as temporary relief and food stamps. In a nutshell, the federal poverty line is the amount of income needed to purchase a minimum amount of food to meet physical needs for sufficient amount of nutrition.¹ The poverty line is adjusted for household size, and calibrated up and down to set means-tested eligibility for various federal and state programs. As an example, a family can be at 185 percent of the federal poverty line and still qualify for assistance programs such as free school lunch.

While the living wage threshold set by the City is close to the FPL, it nevertheless exceeds average wage levels for a number of jobs typically found in the Downtown Redevelopment Area. Therefore, establishing a living wage policy based on the 100-130 percent of FPL threshold would serve to increase incomes for a number of workers in Las Vegas and would also have an effect on certain business costs, which are analyzed in this report. Just as with the FPL, however, it is important to recognize that there are alternate definitions of what constitutes a living wage.² A primary consideration is the cost for basic necessities besides food, including shelter, clothing, utilities, transportation childcare and health care. The report

¹For more information, go to <http://www.census.gov/hhes/www/poverty/about/overview/measure.html> and <http://www.census.gov/hhes/www/povmeas/papers/orshansky.html#C2>

²The “living wage” concept garnered much attention beginning in the 1990s, due in large measure to frustration on the part of academics, policymakers, and social justice advocates regarding the use of the official federal poverty line. Because the FPL is based primarily on the amount of income needed to purchase a certain amount of food, some believe it is an inadequate benchmark for apportioning social and other services. Spurred on by interest in different poverty measures, the US Census and other federal agencies have begun to analyze alternatives to the FPL, recently issuing a paper which placed a “supplemental” FPL for a family consisting of 2 adults and 2 children (renters) at \$24,880, which equates to an hourly wage of \$12.96 (see Kathleen Short, US Census, “Who is Poor? A New Look with the Supplemental Poverty Measure” (January, 2011). As of this writing, the FPL for a family of four is \$22,050, which equates to an hourly wage of \$10.81. While federal entities do not refer to the supplemental FPL as a “living wage”, similar to the “living wage” concept, the supplemental FPL takes into account food, utilities, clothing, utilities, and housing. “Living wage” advocates include these elements and others, such as transportation, childcare, and healthcare, resulting in “living wage” standards as high as ones issued in and for California by the California Budget Project, i.e. \$25.95 per hour (see California Budget Project, “Making Ends Meet: How Much Does It Cost To Raise a Family in California?”, June 2010). There are still other “living wage”/self-sufficiency standards, such as the ones issued by the InsightCCED non-profit based in Oakland, California, in conjunction with Diane Pearce, PhD., one of the early leaders in developing the self-sufficiency standard in the 1990s. Pearce/InsightCCED place the hourly wage rate to sustain a two-adult, two-children household at \$20.78 for households in Alameda County, California (see Center for Women’s Welfare at the University of Washington, “Find the Self-Sufficiency Standard for Your State”).

presents typical spending patterns for households at both the living wage level (130 percent of FPL) and also at the County median income level. Most definitions of the living wage would fall within this range.

DATA SOURCES FOR THE ANALYSIS

The US Census makes readily available a number of data sets. Most are familiar with Census data on popular web-sites such as “American Fact Finder.” On the “Fact Finder” portal, data consumers will be able to obtain content such as Census 2010 data and annual demographic data for each year since 2000, which is referred to as “American Community Survey” (“ACS”). Data are aggregated at various geographic levels, such as census tract, city, county and state.

In addition to aggregate place-based data from sources such as “Fact Finder,” the US Census also makes available what is referred to as “micro data” through a data series called the “Public Use Micro Data Series” (PUMS). Micro data are individual records containing information collected on persons and households. To be sure, the US Census removes confidential identifiers in the PUMS data set, such as names and addresses of respondents. Analysts use micro data because it allows for a granular level of analyses and findings via queries designed by the individual researcher, resulting in cross-tabs and statistical analyses that cannot be obtained using the census aggregate place-based data found at popular web-sites such as “Fact Finder.” In particular, analysts use micro-data to generate percentages for particular variables, which are then multiplied against discrete and observed data such as total number of households in the City of Las Vegas, to estimate, say, the number of households with incomes at 100 to 130 percent of poverty consisting of 3-4 persons, with the householder in the 35 to 44 age bracket. For this study, ADE averaged micro data for the years 2007 to 2009, which is the most recent available.

In addition to PUMS, ADE also uses a micro data set produced by the US Bureau of Labor Statistics (BLS), called Consumer Expenditures Survey Diary Public Use Microdata (BLS PUMS). ADE uses the BLS PUMS data to estimate consumer spending on a host of retail, personal, business and professional services (including out of pocket health-related expenses). We have synchronized data obtained from the Census PUMS and the BLS PUMS to estimate both an area’s demographic profile and its spending habits. Thus, we differentiate spending for households by income, by age, and by broad ethnicities, on the grounds that, in general, households’ demographic characteristics affect their spending patterns.

2. EXISTING CONDITIONS: DEMOGRAPHIC TRENDS

This section of the report presents findings with respect to the City of Las Vegas' demographic trends, beginning with population-related information. As Table 1 shows, the US Census estimates that 567,600 people reside in the City of Las Vegas as of 2009. Since year 2000, the City of Las Vegas' population has grown by 1.9 percent per year, growing from a base of 478,400 people in 2000. Over the 2000-2009 period, population reached a peak of 577,400 people in 2008. Since 2006, one year before the official start of the historic downturn in the national and state economies, population has declined by 0.1 percent annually. By comparison, Clark County and the State of Nevada have grown by 2.3 percent and 1.9 percent annually since 2006.

TABLE 1
POPULATION TRENDS, 2000-2009

Year	City of Las Vegas	Clark County	Nevada
CAGR*	1.9%	3.7%	3.2%
Change 00-09	89,176	527,069	644,828
2009	567,610	1,902,834	2,643,085
2008	577,419	1,865,746	2,600,167
2007	562,582	1,836,333	2,565,382
2006	569,753	1,777,539	2,495,529
2005	538,653	1,691,213	2,381,281
2004	536,119	1,631,340	2,301,197
2003	518,313	1,557,174	2,207,574
2002	499,297	1,502,789	2,139,794
2001	487,446	1,445,237	2,072,391
2000	478,434	1,375,765	1,998,257

Source: ADE Inc., US Census American Community Survey and US Census 2000

Note: CAGR = compound annual growth rate

The table below tracks changes in number of households. Change in the number of households is referred to as household formation, an important aspect to supply and demand in the market for housing affecting home prices, rents, and rates of homeownership. If there is a backlog of vacant for-sale or rental units, downward changes in the number of households will increase this backlog even more, with implications for home prices and rents. Household formation is also critical to consumer spending; as households change in number and composition (younger versus older, affluent versus less affluent, etc.), spending correspondingly changes with resulting impacts to the local economy. As suggested by the previous table, the number of households in the City of Las Vegas dropped since 2006, the year before the official start of the historic downturn, when there were 208,900 households. Now, there are 203,900 households, for a loss of almost 5,000, or an annual decline of slightly less than one percent (-0.8 percent per year). Perhaps softening the blow of the decline in households in the region is the fact that, over the same 2006-2009 period,

households in the surrounding County increased by 1.4 percent annually, going from 665,500 to 694,200.

TABLE 2
HOUSEHOLD TRENDS, 2000-2009

Year	City of Las Vegas	Clark County	Nevada
CAGR*	1.6%	3.4%	2.8%
Change 00-09	27,142	181,891	214,550
2009	203,892	694,144	965,715
2008	210,008	684,605	952,856
2007	209,189	683,034	954,067
2006	208,872	665,509	936,828
2005	204,688	637,740	906,719
2004	206,098	617,723	871,915
2003	190,075	584,344	833,679
2002	187,530	560,676	808,077
2001	187,470	540,782	783,711
2000	176,750	512,253	751,165

Source: ADE Inc., US Census American Community Survey and US Census 2000

Note: CAGR = compound annual growth rate)

The median household income for Las Vegas is estimated at \$50,900 in 2009, which is lower than the median income for Clark County (\$53,500) and Nevada (\$53,300) (Table 3).³ For 2008, the Census reported a median household income figure of \$53,097, indicating a negative decline of 3.7 percent in inflation-adjusted dollars between 2008 and 2009.

Households in the top 10-percentile in Las Vegas generated at least \$143,400 in annual household income, which is slightly below minimum amounts for the top 10-percentile in the County (\$144,600) and State (\$144,500). Conversely, slightly over 18 percent of households in the City of Las Vegas earn no more than \$20,000 versus slightly over 14 percent in the County and 16 percent for the State of Nevada. Thus, at the upper-levels, Las Vegas exhibits a similar profile to its comparison areas, whereas at the lower levels, the City has a slightly higher proportion of lower-income households relative to the County and the State.

It is also important to track households by age (among other demographic variables), as consumer spending and hence households' cost of living differs by age and income. Of the 203,900 households residing in the City of Las Vegas, 9,600 have heads of households younger than 25 (4.7 percent), 80,300 have heads of households between 25 and 44 (39.3 percent), 75,400 are between 45 and 64 (36.9 percent), and 38,600 are older than 65 (18.9 percent). Data in the table below reflect the expected relationship between age and income: median income for households with heads of households no more than 25 is \$32,200, versus medians for prime-working age households between 25-44 (\$53,000) and 45-64 (\$59,500).

³Median household income is the point that divides the household income distribution into halves, one half with income above the median and the other with income below the median.

At \$35,700, which is less than median incomes for prime working age households, median household income for older than 65 households tracks as one would expect.

TABLE 3
HOUSEHOLDS BY INCOME, 2009

	Las Vegas	Clark Co.	Nevada	Las Vegas	Clark Co.	Nevada
Total:	203,892	694,144	965,715	100%	100%	100%
Less than \$10,000	15,271	42,052	58,093	7.5%	6.1%	6.0%
\$10,000 to \$14,999	10,535	26,835	41,206	5.2%	3.9%	4.3%
\$15,000 to \$19,999	11,565	34,865	51,972	5.7%	5.0%	5.4%
\$20,000 to \$24,999	10,912	35,296	48,104	5.4%	5.1%	5.0%
\$25,000 to \$29,999	11,915	39,564	54,153	5.8%	5.7%	5.6%
\$30,000 to \$34,999	10,797	38,567	52,074	5.3%	5.6%	5.4%
\$35,000 to \$39,999	12,621	37,800	51,930	6.2%	5.4%	5.4%
\$40,000 to \$44,999	8,556	34,735	47,693	4.2%	5.0%	4.9%
\$45,000 to \$49,999	8,177	32,316	45,049	4.0%	4.7%	4.7%
\$50,000 to \$59,999	19,005	65,279	89,356	9.3%	9.4%	9.3%
\$60,000 to \$74,999	23,535	81,173	111,999	11.5%	11.7%	11.6%
\$75,000 to \$99,999	25,088	91,264	128,387	12.3%	13.1%	13.3%
\$100,000 to \$124,999	14,988	56,015	76,871	7.4%	8.1%	8.0%
\$125,000 to \$149,999	8,999	31,385	45,278	4.4%	4.5%	4.7%
\$150,000 to \$199,999	6,504	26,889	36,258	3.2%	3.9%	3.8%
\$200,000 or more	5,424	20,109	27,292	2.7%	2.9%	2.8%
<i>Median</i>	<i>\$50,935</i>	<i>\$53,505</i>	<i>\$53,341</i>			
<i>Average</i>	<i>\$65,807</i>	<i>\$68,779</i>	<i>\$68,626</i>			

Source: ADE, Inc., based on US Census American Community Survey

TABLE 4
HOUSEHOLDS BY INCOME AND BY AGE: CITY OF LAS VEGAS, 2009

	Las Vegas	Number of Households				Distribution			
		<25	25-44	45-64	>65	<25	25-44	45-64	>65
Total:	203,892	9,596	80,269	75,438	38,589	100%	100%	100%	100%
Less than \$10,000	15,271	593	6,019	5,041	3,618	6.2%	7.5%	6.7%	9.4%
\$10,000 to \$14,999	10,535	1,028	2,845	2,935	3,727	10.7%	3.5%	3.9%	9.7%
\$15,000 to \$19,999	11,565	841	4,129	3,274	3,321	8.8%	5.1%	4.3%	8.6%
\$20,000 to \$24,999	10,912	926	4,121	3,286	2,579	9.6%	5.1%	4.4%	6.7%
\$25,000 to \$29,999	11,915	1,082	4,878	2,748	3,207	11.3%	6.1%	3.6%	8.3%
\$30,000 to \$34,999	10,797	931	3,473	3,927	2,466	9.7%	4.3%	5.2%	6.4%
\$35,000 to \$39,999	12,621	704	4,909	3,623	3,385	7.3%	6.1%	4.8%	8.8%
\$40,000 to \$44,999	8,556	440	3,650	2,826	1,640	4.6%	4.5%	3.7%	4.2%
\$45,000 to \$49,999	8,177	365	3,835	2,093	1,884	3.8%	4.8%	2.8%	4.9%
\$50,000 to \$59,999	19,005	1,178	6,443	8,255	3,129	12.3%	8.0%	10.9%	8.1%
\$60,000 to \$74,999	23,535	624	10,420	9,218	3,273	6.5%	13.0%	12.2%	8.5%
\$75,000 to \$99,999	25,088	427	12,372	9,973	2,316	4.4%	15.4%	13.2%	6.0%
\$100,000 to \$124,999	14,988	300	6,320	6,259	2,109	3.1%	7.9%	8.3%	5.5%
\$125,000 to \$149,999	8,999	157	2,447	5,493	902	1.6%	3.0%	7.3%	2.3%
\$150,000 to \$199,999	6,504	0	2,245	3,728	531	0.0%	2.8%	4.9%	1.4%
\$200,000 or more	5,424	0	2,163	2,759	502	0.0%	2.7%	3.7%	1.3%
<i>Median</i>	<i>\$50,935</i>	<i>\$32,200</i>	<i>\$53,004</i>	<i>\$59,543</i>	<i>\$35,696</i>				
<i>Average</i>	<i>\$65,807</i>	<i>\$39,223</i>	<i>\$63,356</i>	<i>\$72,173</i>	<i>\$47,000</i>				

Source: ADE, Inc., based on US Census American Community Survey

3. HOUSEHOLDS AND WORKERS AT LIVING WAGE

The federal government does not adjust its poverty threshold by region, although it adjusts it annually taking into account inflation and new information pertaining to the cost of food. As the table below shows, the 100 percent poverty line for a one-person household is \$10,830, and for a family of four, it is \$22,050. Households at no more than 150 percent and 185 percent of the poverty line are eligible for federal programs such as food stamps and free school lunch program. Thus, the federal government produces threshold at higher rates adjusted for household size. Thus, a one-person household at 150 percent of the poverty line makes \$16,246, whereas a family of four at the 150 percent poverty line makes \$33,075.

TABLE 5
POVERTY THRESHOLDS 2009/2010

Household Size	100 % of Poverty	110 % of Poverty	125 % of Poverty	150 % of Poverty	175 % of Poverty	185 % of Poverty	200 % of Poverty
1	\$10,830	\$11,913	\$13,538	\$16,245	\$18,953	\$20,036	\$21,660
2	\$14,570	\$16,027	\$18,213	\$21,855	\$25,498	\$26,955	\$29,140
3	\$18,310	\$20,141	\$22,888	\$27,465	\$32,043	\$33,874	\$36,620
4	\$22,050	\$24,255	\$27,563	\$33,075	\$38,588	\$40,793	\$44,100
5	\$25,790	\$28,369	\$32,238	\$38,685	\$45,133	\$47,712	\$51,580
6	\$29,530	\$32,483	\$36,913	\$44,295	\$51,678	\$54,631	\$59,060
7	\$33,270	\$36,597	\$41,588	\$49,905	\$58,223	\$61,550	\$66,540
8	\$37,010	\$40,711	\$46,263	\$55,515	\$64,768	\$68,469	\$74,020

Source: ADE, Inc., based on US Department of Health and Human Services ([//liheap.ncat.org/profiles/povertytables/FY2010/popstate.htm](http://liheap.ncat.org/profiles/povertytables/FY2010/popstate.htm)): For family units with more than 8 members, add \$3,740 for each additional person at 100% of poverty; \$4,114 at 110 %; \$4,675 at 125%; \$5,610 at 150%; \$6,545 at 175%; \$6,919 at 185% and \$7,480 at 200% of poverty.

Of the 203,892 households in the City of Las Vegas, 8,739 households (4.3 percent) earn incomes between 100 percent and 130 percent of the federal poverty rates (Table 6). Of the 8,739 households, 803 have householders younger than 25 (9.2 percent), 2,892 have householders between 25 and 44 (33 percent), 2,750 have households between 45 and 64 (31.5 percent), and 2,294 have householders older than 65 (26.3 percent).

Household size is taken into account for different income levels. Of the 8,739 households, the bulk has incomes less than \$20,000, or 6,082 (69.9 percent). However, as the table shows, there are 44 households in the middle income brackets of \$45,000 to \$49,999 and 12 between \$50,000 and \$59,999: at these income levels, these households are still within the 100-130 percent poverty line range because each of these households has at least six persons.

TABLE 6
HOUSEHOLDS WITH INCOMES BETWEEN 100 AND 130 PERCENT
OF THE POVERTY LINE: CITY OF LAS VEGAS, 2009

Household Income Categories	Las Vegas	100-130 Percent of Poverty	Number of Households with incomes between 100- 130 Percent of Federal Poverty Line			
			<25	25-44	45-64	>65
Total:	203,892	8,739	803	2,892	2,750	2,294
Less than \$10,000	15,271	0	0	0	0	0
\$10,000 to \$14,999	10,535	4,180	433	399	1,426	1,921
\$15,000 to \$19,999	11,565	1,902	177	739	724	261
\$20,000 to \$24,999	10,912	733	103	409	169	53
\$25,000 to \$29,999	11,915	977	90	768	88	31
\$30,000 to \$34,999	10,797	640	0	386	227	28
\$35,000 to \$39,999	12,621	227	0	136	91	0
\$40,000 to \$44,999	8,556	24	0	24	0	0
\$45,000 to \$49,999	8,177	44	0	19	25	0
\$50,000 to \$59,999	19,005	12	0	12	0	0
\$60,000 to \$74,999	23,535	0	0	0	0	0
\$75,000 to \$99,999	25,088	0	0	0	0	0
\$100,000 to \$124,999	14,988	0	0	0	0	0
\$125,000 to \$149,999	8,999	0	0	0	0	0
\$150,000 to \$199,999	6,504	0	0	0	0	0
\$200,000 or more	5,424	0	0	0	0	0

Source: ADE, Inc., based on US Census Public Use Microdata Series, 2007, 2008 and 2009 and American Community Survey

In aggregate, the 8,739 households spend \$224.0 million a year on housing and housing related costs (i.e. homeowner insurance, property taxes, etc, for homeowners, and utilities for homeowners and renters), retail, personal services, entertainment and professional services, which includes out-of-pocket medical expenses (Table 7). At \$111.2 million, housing and housing-related costs represent the bulk of cost of living in aggregate. Aggregate data in the table are also broken down by age.

Table 8A is similar to the one above, except data is presented on an average basis. On average, households at 100 to 130 percent of poverty spend \$25,600 on items that constitute their respective cost of living items. The average spending data moves in accordance to household demographic characteristics. For example, households with householders older than 65 spend, on average, \$794 at pharmacies, whereas younger perhaps more healthy households spend less: \$331 for households with householders younger than 25 and \$458 for households with householders between 25 and 34. (These are out of pocket expenditures, not costs for health insurance premiums.) On average, City of Las Vegas households at 100-130 of the federal poverty line spend \$12,700 a year on housing and housing-related costs, which is 49.6 percent of the total spending. For purposes of comparison, Table 8B shows cost of living for median income households in the City of Las Vegas. The average total expenditures for similar items are \$34,308. As discussed in the first section of the report, some definitions of living wage would fall between the levels shown in Table 8A and 8B.

TABLE 7
AGGREGATE HOUSEHOLDS COST OF LIVING, INCLUDING TOTAL HOUSING COSTS

	Aggregate Household Spending By Age				
	All Ages	<25	25-34	35-64	>65
Total	\$224,008,611	\$18,703,878	\$43,671,740	\$117,107,720	\$44,525,272
Apparel Stores	\$5,281,990	\$602,225	\$1,213,286	\$2,824,007	\$642,472
General Merchandise Stores	\$15,387,685	\$1,243,657	\$3,031,553	\$7,935,790	\$3,176,686
Drug & Proprietary Stores	\$5,471,353	\$265,888	\$682,386	\$2,700,687	\$1,822,392
Specialty Retail Stores	\$4,810,840	\$379,336	\$960,888	\$2,524,476	\$946,141
Grocery Stores	\$26,221,875	\$1,837,525	\$4,783,452	\$13,934,788	\$5,666,110
Eating Places	\$10,072,500	\$973,956	\$2,397,808	\$5,218,231	\$1,482,505
Building Materials Stores	\$4,146,571	\$212,501	\$509,108	\$2,375,195	\$1,049,767
Home Furnishings	\$3,353,839	\$363,937	\$670,030	\$1,458,572	\$861,300
New, Used and Other Vehicles	\$13,760,263	\$1,107,621	\$2,811,791	\$7,020,006	\$2,820,845
Gasoline Service Stations	\$14,632,925	\$1,168,183	\$3,031,395	\$7,992,599	\$2,440,748
Auto Parts & Accessories	\$1,256,641	\$51,362	\$264,403	\$670,871	\$270,005
Professional Services	\$195,449	\$0	\$24,370	\$148,489	\$22,590
Medical Services	\$2,480,997	\$69,751	\$326,431	\$1,271,584	\$813,230
Personal Services	\$2,059,948	\$208,523	\$293,303	\$1,235,622	\$322,501
Select Entertainment and Rec.	\$965,154	\$115,167	\$209,167	\$529,725	\$111,096
Select Repair Services	\$2,722,479	\$206,922	\$686,127	\$1,316,405	\$513,025
Housing and Utilities	\$111,188,102	\$9,897,328	\$21,776,242	\$57,950,671	\$21,563,860

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series and US Bureau of Labor Statistics Consumer Expenditures Consumer Expenditures Diary Public Use Microdata

TABLE 8A
COST OF LIVING, INCLUDING TOTAL HOUSING COSTS:
LAS VEGAS HOUSEHOLDS AT 100-130 POVERTY RATE

	Average Household Spending By Age				
	All Ages	<25	25-34	35-64	>65
Total	\$25,632	\$23,294	\$29,321	\$28,201	\$19,407
Apparel Stores	\$604	\$750	\$815	\$680	\$280
General Merchandise Stores	\$1,761	\$1,549	\$2,035	\$1,911	\$1,385
Drug & Proprietary Stores	\$626	\$331	\$458	\$650	\$794
Specialty Retail Stores	\$550	\$472	\$645	\$608	\$412
Grocery Stores	\$3,000	\$2,288	\$3,212	\$3,356	\$2,470
Eating Places	\$1,153	\$1,213	\$1,610	\$1,257	\$646
Building Materials Stores	\$474	\$265	\$342	\$572	\$458
Home furnishings	\$384	\$453	\$450	\$351	\$375
New, Used and Other Vehicles	\$1,575	\$1,379	\$1,888	\$1,691	\$1,229
Gasoline Service Stations	\$1,674	\$1,455	\$2,035	\$1,925	\$1,064
Auto Parts & Accessories	\$144	\$64	\$178	\$162	\$118
Professional Services	\$22	\$0	\$16	\$36	\$10
Medical Services	\$284	\$87	\$219	\$306	\$354
Personal Services	\$236	\$260	\$197	\$298	\$141
Select Entertainment and Recreation	\$110	\$143	\$140	\$128	\$48
Select Repair Services	\$312	\$258	\$461	\$317	\$224
Housing and Utilities	\$12,723	\$12,326	\$14,620	\$13,955	\$9,399

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series and US Bureau of Labor Statistics Consumer Expenditures Consumer Expenditures Diary Public Use Microdata

TABLE 8B
COST OF LIVING, INCLUDING TOTAL HOUSING COSTS:
LAS VEGAS HOUSEHOLDS AT MEDIAN INCOME LEVEL

Household Spending Categories	Average Household Spending By Age				
	All Ages	<25	25-34	35-64	>65
Total	\$34,308	\$29,382	\$38,146	\$39,763	\$29,942
Apparel Stores	\$835	\$693	\$1,133	\$973	\$543
General Merchandise Stores	\$2,336	\$1,717	\$2,752	\$2,682	\$2,195
Drug & Proprietary Stores	\$700	\$401	\$573	\$756	\$1,071
Specialty Retail Stores	\$804	\$607	\$932	\$984	\$691
Grocery Stores	\$3,595	\$2,357	\$3,594	\$4,292	\$4,138
Eating Places	\$1,952	\$1,876	\$2,548	\$2,201	\$1,182
Building Materials Stores	\$671	\$344	\$581	\$1,026	\$734
Home furnishings	\$584	\$395	\$728	\$728	\$485
New, Used and Other Vehicles	\$3,114	\$2,452	\$3,584	\$3,650	\$2,768
Gasoline Service Stations	\$2,437	\$1,807	\$2,650	\$2,799	\$2,492
Auto Parts & Accessories	\$182	\$62	\$296	\$230	\$139
Professional Services	\$75	\$0	\$57	\$54	\$188
Medical Services	\$442	\$133	\$383	\$594	\$659
Personal Services	\$345	\$273	\$398	\$460	\$249
Select Entertainment and Recreation	\$201	\$203	\$247	\$287	\$67
Select Repair Services	\$477	\$468	\$417	\$438	\$584
Housing and Utilities	\$15,559	\$15,593	\$17,274	\$17,610	\$11,757

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series and US Bureau of Labor Statistics Consumer Expenditures Consumer Expenditures Diary Public Use Microdata

Table 9 shows average hourly wages earned by City of Las Vegas residents in households between 100 and 130 percent of the poverty line. Data are for full-time workers employed at least 50 weeks of the year. In addition, the table includes PUMS data on average wages for all residents who are in the labor force on a full-time basis.⁴ For the City as a whole, the typical full-time wage earner earns \$24.93 an hour on average, whereas the typical full-time wage earner in the target households earns \$9.71. A full-time wage earner in a one-person target household earns, on average, \$5.93 an hour, which is between the expected range of hourly wage rate that corresponds to the 100 percent poverty line and 130 percent poverty line thresholds. In other words, if we translate the discrete dollar amount that constitutes 130 percent poverty line for a one-person household into an hourly wage rate, that would be \$6.90, while for someone at the 100 percent poverty level it would be \$5.31. While it is true that the federal minimum wage amount is \$7.25 currently, bear in mind that this does not apply to industries in which workers earn tips.⁵ Since on average households at 100 to 130 percent of the federal poverty line have 3.0 persons, the overall hourly average wages that correlate to the 100 percent and 130 percent poverty lines are \$8.98 and \$11.67.

⁴ Note: wage data for Las Vegas residents are based on only one income variable although PUMS includes several others: we only track income earned by wages (i.e. pass-through and other incomes excluded), number of hours worked per week, and number of weeks worked in a year.

⁵ <http://www.dol.gov/claws/faq/esa/flsa/002.htm>

TABLE 9
HOURLY WAGES FOR PERSONS IN HOUSEHOLDS WITH INCOMES
BETWEEN 100 AND 130 PERCENT OF THE POVERTY LINE: CITY OF LAS VEGAS, 2009

Size of Household	Average Wages of Persons in All Households					Avg. Wages of Persons in Households at 100-130 Percent of Federal Poverty Line					Hourly Wage to Sustain Household Income	
	Sub-Total	<25	25-34	35-64	>65	Sub-Total	<25	25-34	35-64	>65	100% of Pov. Rate	130% of Pov. rate
1-person	\$25.12	\$20.01	\$22.11	\$27.20	\$20.17	\$5.93	\$6.05	\$0.00	\$5.90	\$5.70	\$5.31	\$6.90
2-persons	\$26.86	\$13.94	\$20.16	\$29.79	\$21.38	\$7.25	\$7.09	\$7.98	\$7.13	\$7.10	\$7.14	\$9.28
3-4 pers.	\$24.74	\$13.43	\$20.67	\$27.29	\$20.95	\$9.60	\$8.97	\$11.59	\$11.00	\$0.00	\$9.89	\$12.86
5+ pers.	\$21.71	\$11.33	\$17.71	\$23.65	\$20.19	\$10.89	\$6.79	\$10.57	\$11.36	\$0.00	\$12.64	\$16.43
Grand Total	\$24.93	\$13.55	\$20.07	\$28.09	\$21.28	\$9.71	\$7.73	\$10.55	\$9.69	\$6.40	\$8.98	\$11.67

Source: ADE, Inc., based on US Census PUMS 2007-2009 and US DHHS

It is interesting to note that most full-time wage earners in the City of Las Vegas in households at 100 to 130 percent of poverty level make hourly wages on the low end of the wage range that is within the 100 to 130 percent level, rather than at the upper end of the range.

Tables 10 and 11 take the same data presented in Table 9 but with a focus on industries. At \$24.93 and \$9.71, the average overall wage for all full-time wage earners in Las Vegas and for full-time wage earners in target households is the same as what was reported in Table 9. More importantly, the tables introduce broad occupational categories in which target households find themselves, with the bulk in supporting occupations. Table 11 shows that almost 88 percent of all target wage earners are in relatively lower-paying support occupations, which intuitively explains the economic conditions in which these household find themselves. Moreover, many of these wage earners are in industries that tend to pay less relative to other industries: almost 28 percent are in accommodations and almost 10 percent in retail.

TABLE 10
AVERAGE HOURLY WAGES BY SECTOR AND BROAD OCCUPATIONAL CATEGORIES: LAS VEGAS RESIDENTS

	Average Wages of Persons in All Households				Avg Wages of Persons in Households at 100-130 Percent of Federal Poverty Line			
	Sub-Total	Manager/ Supervisor	Specialists/ Technicians	Support	Sub-Total	Manager/ Supervisor	Specialists/ Technicians	Support
11 Agriculture	\$15.22			\$15.22				
21 Mining	\$28.59	\$60.89	\$29.79	\$19.60				
22 Utilities	\$36.21	\$26.57	\$41.19	\$31.55	\$8.52			\$8.52
23 Construction	\$28.59	\$49.48	\$36.99	\$21.52	\$12.63			\$12.63
31 Manufacturing	\$30.52			\$30.52				
31 Manufacturing - food	\$16.81	\$16.15	\$27.86	\$13.78				
31 Manufact - non-durables	\$27.53	\$72.12	\$21.88	\$19.15				
31 Manufact - durable goods	\$26.69	\$30.09	\$31.02	\$19.58	\$11.93			\$11.93
42 Wholesale	\$29.03	\$70.75	\$28.78	\$18.54	\$12.10			\$12.10
44 Retail	\$20.06	\$45.14	\$21.90	\$16.16	\$8.93	\$12.72	\$8.04	\$8.98
45 Retail	\$17.12	\$40.71	\$19.88	\$13.51	\$5.89			\$5.89
48 Transportation	\$23.79	\$51.91	\$33.78	\$18.08	\$6.75			\$6.75
49 Warehouse	\$20.68	\$36.87	\$17.79	\$19.46	\$11.30			\$11.30
51 Information	\$25.98	\$40.93	\$27.82	\$20.65	\$11.69			\$11.69
52 Finance	\$30.95	\$38.89	\$36.93	\$17.68	\$9.86			\$9.86
53 Real estate	\$28.78	\$41.35	\$32.54	\$16.25	\$11.33	\$14.47	\$10.51	\$9.84
54 Specialized prof. svcs.	\$35.27	\$56.19	\$35.51	\$19.78				
55 MCE	\$51.35	\$32.54	\$63.89	\$0.00				
56 Business services	\$21.76	\$45.11	\$26.19	\$17.35	\$8.80			\$8.80
61 Education	\$24.68	\$37.70	\$24.53	\$17.66	\$8.11		\$8.11	\$8.12
62 Health	\$30.62	\$63.87	\$27.59	\$16.68	\$10.40	\$9.35	\$13.21	\$9.81
71 Entertainment	\$19.89	\$33.02	\$25.64	\$16.86	\$9.76			\$9.76
72 Accommodations	\$17.95	\$28.57	\$19.53	\$15.71	\$9.68	\$5.85	\$13.66	\$9.68
81 Other services	\$19.17	\$28.89	\$25.64	\$15.63	\$9.22			\$9.22
92 Public sector	\$30.59	\$34.91	\$33.10	\$22.68	\$10.59			\$10.59
All	\$24.93	\$42.88	\$28.91	\$17.70	\$9.71	\$10.60	\$9.48	\$9.70

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series

TABLE 11
DISTRIBUTION OF HOURLY WAGE EARNERS BY SECTOR AND OCCUPATIONAL CATEGORIES:
LAS VEGAS RESIDENTS

	Average Wages of Persons in All Households				Avg. Wages of Persons in Households at 100-130 Percent of Federal Poverty Line			
	Sub-Total	Manager/ Supervisor	Specialists/ Technicians	Support	Sub-Total	Manager/ Supervisor	Specialists/ Technicians	Support
11 Agriculture	0.1%	0.0%	0.0%	0.1%				
21 Mining	0.1%	0.0%	0.1%	0.1%				
22 Utilities	1.1%	0.1%	0.6%	0.5%	1.6%	0.0%	0.0%	1.6%
23 Construction	10.3%	1.3%	2.3%	6.7%	6.6%	0.0%	0.0%	6.6%
31 Manufacturing - other	0.0%	0.0%	0.0%	0.0%				
31 Manufacturing - food	0.4%	0.0%	0.1%	0.3%				
31 Manufact. - non-durables	1.2%	0.2%	0.4%	0.7%				
31 Manufact. - durable goods	1.8%	0.2%	1.0%	0.7%	1.6%	0.0%	0.0%	1.6%
42 Wholesale	2.4%	0.3%	1.1%	1.0%	3.3%	0.0%	0.0%	3.3%
44 Retail	6.4%	0.5%	2.0%	4.0%	14.8%	0.8%	4.1%	9.8%
45 Retail	2.3%	0.2%	0.6%	1.5%	2.5%	0.0%	0.0%	2.5%
48 Transportation	2.8%	0.3%	0.4%	2.1%	1.6%	0.0%	0.0%	1.6%
49 Warehouse	0.9%	0.1%	0.1%	0.8%	0.8%	0.0%	0.0%	0.8%
51 Information	1.8%	0.1%	0.9%	0.7%	0.8%	0.0%	0.0%	0.8%
52 Finance	4.8%	1.0%	2.2%	1.6%	1.6%	0.0%	0.0%	1.6%
53 Real estate	3.2%	0.3%	1.9%	0.9%	3.3%	0.8%	1.6%	0.8%
54 Specialized prof. services	5.6%	1.2%	2.7%	1.7%				
55 MCE	0.1%	0.0%	0.1%	0.0%				
56 Business services	4.8%	0.3%	1.4%	3.1%	11.5%	0.0%	0.0%	11.5%
61 Education	7.6%	0.8%	5.5%	1.3%	2.5%	0.0%	1.6%	0.8%
62 Health	8.3%	1.3%	4.7%	2.2%	4.1%	0.8%	0.8%	2.5%
71 Entertainment	8.7%	0.8%	1.6%	6.4%	8.2%	0.0%	0.0%	8.2%
72 Accommodations	16.0%	2.2%	2.0%	11.8%	29.5%	0.8%	0.8%	27.9%
81 Other services	3.1%	0.2%	0.8%	2.0%	3.3%	0.0%	0.0%	3.3%
92 Public sector	6.2%	1.7%	2.7%	1.8%	2.5%	0.0%	0.0%	2.5%
All	100.0%	13.1%	35.0%	51.9%	100.0%	3.3%	9.0%	87.7%

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series

Perhaps what is driving the tendency toward low-pay occupations in generally low-paying economic sectors for those full-time wage earners in target households is their respective education levels. The table below shows that 2.5 percent and 4.9 percent of target wage earned an associate degree or a bachelor's degree respectively, as compared to 7.8 percent and 17.3 percent for wage earners in general in the City of Las Vegas. More importantly, slightly over 44 percent do not have a high school diploma, versus the citywide rate of 13.4 percent for full-time wage earners.

Table 12 also includes 2009 unemployment rates by income and by educational status, the findings of which are striking. While the overall 2009 unemployment rate was at 29.3 percent for target wage earners, it was 13.2 percent for residents in general, which, in and of itself, is high and reflective of the historic downturn in national, state and regional economies. Moreover, the unemployment rate for target wage earners without a high school degree was 38.1 percent, and for residents in general without a high school diploma, 23.0 percent. As one goes up the educational ladder, the unemployment rate goes

correspondingly down. While all unemployment rates are very high reflective of the larger economic distress, unemployment is most acute for target wage earners because of their educational background.

TABLE 12
DISTRIBUTION OF HOURLY WAGE EARNERS BY EDUCATIONAL ATTAINMENT:
CITY OF LAS VEGAS

	Distribution of Wage Earners By Educational Level		Unemployment Rates By Poverty Status By Educational level, 2009	
	All Wage Earners	Wage Earners in Households at 100-130 Federal Poverty rate	All Wage Earners	Wage Earners in Households at 100-130 Federal Poverty rate
01 Less than HS	13.4%	44.3%	23.0%	38.1%
02 HS	26.8%	29.5%	14.3%	21.4%
03 Some college	24.5%	18.9%	12.6%	34.8%
04 Associate's	7.8%	2.5%	9.6%	28.6%
05 Bachelor's	17.3%	4.9%	7.4%	16.7%
06 Master's/Professional	9.4%	0.0%	5.7%	0.0%
07 Doctoral	0.9%	0.0%	9.1%	
Total	100.0%	100.0%	13.2%	29.3%

Source: ADE, Inc., based on US Census PUMS

While data in tables above present a grave picture for wage earners in target households, not all the news is bad. Table 13 presents data for target wage earners in specific industries for which the Las Vegas region is renowned. On average, wage earners in support-related occupations in gaming earn \$9.76 an hour, which is above the 130 percent hourly wage threshold for a one-person household (\$6.90) and for a two person household (\$9.28). Wage earners in support-related occupations in food services earn \$8.55 an hour, on average, which while not surpassing the 130 percent for a two person household rate does surpass the \$6.90 hourly rate that corresponds to a one-person household at 130 percent of poverty. The table below also includes hourly wage rates earned by target households in specific business services industries, another industry in which target wage earners are concentrated as demonstrated in Table 11 above. Target wage earners obtain hourly wages that surpasses the \$6.90 rate that corresponds to 130 percent poverty level for a one person household.

TABLE 13
AVERAGE HOURLY WAGES BY SELECT INDUSTRIES AND BROAD OCCUPATIONAL CATEGORIES:
LAS VEGAS RESIDENTS

	Workers in All Households				Households at 100-130 Percent of Poverty			
	Sub-Total	Manager/Supervisor	Specialists/technicians	Support	Sub-Total	Manager/Supervisor	Specialists/technicians	Support
Other amusement, gambling, and rec.	\$19.34	\$33.22	\$25.20	\$16.48	\$9.76			\$9.76
Restaurants and other food services	\$14.27	\$19.41	\$17.03	\$12.40	\$8.37	\$5.85		\$8.55
Traveler accommodation	\$19.23	\$33.77	\$20.46	\$16.76	\$10.83		\$13.66	\$10.68
Business support services	\$19.23	\$27.37	\$19.32	\$17.64	\$11.69			\$11.69
Travel arrangement, reservations	\$29.50	\$55.60	\$30.07	\$19.79	\$10.59			\$10.59
Services to buildings, dwellings	\$15.30	\$14.61	\$30.11	\$13.13	\$7.19			\$7.19
Other administrative, support svcs.	\$26.26	\$52.04	\$20.95	\$18.01	\$10.92			\$10.92

Source: ADE, Inc., based on US Bureau of Census Public Use Microdata Series

4. ECONOMIC AND OCCUPATIONAL TRENDS IN THE CITY OF LAS VEGAS: DEMAND FOR LABOR

The discussion above analyzed demographic trends of households in the City of Las Vegas between 100 and 130 percent of the federal poverty line (adjusted for household size), translating findings into cost of living estimates and corresponding hourly wage rates for full-time workers, which, in turn, stimulated further analysis on the quality of this labor supply with respect to educational attainment. This section of the report analyzes the demand for labor, examining industry employment trends in the City of Las Vegas in terms of jobs created and/or lost, and types of occupations and wage rates at broad occupational categories (i.e. management, specialists/technicians, and support), to attempt to match labor supply relative to the demand for labor, to see where opportunities exist for target wage earners and the City of Las Vegas Redevelopment Agency.

Table 14 below presents private sector employment trends annually from 2000 to 2009. Private sector employment in 2009 is at 154,300, down by 18,200 over the amount of private sector jobs in 2000, or 172,500. Between 2000 and 2009, employment declined by 1.2 percent annually. The table also shows that from the year 2006, when employment reached a peak for the 2000-2009 period, private sector employment has dropped by 9.4 percent per year, underscoring the significant degree to which the local economy has been affected by the historic downturn.

TABLE 14
EMPLOYMENT TRENDS: CITY OF
LAS VEGAS, 2000-2009
(PRIVATE SECTOR ONLY)

CAGR 06-09	-9.4%
CAGR 00-09	-1.2%
Change 00-09	-18,161
2009	154,288
2008	195,184
2007	206,442
2006	207,262
2005	200,560
2004	190,934
2003	185,186
2002	171,442
2001	175,504
2000	172,449

Source: ADE, Inc., based on US Bureau of Census ZIP Business Patterns and Nevada DETR (note: CAGR = compound annual growth rate)

Tables 15 and 16 distribute annual private sector employment trends by broad economic sectors, such as construction or entertainment/recreation. Between 2000 and 2009 period,

employment in accommodations/food services declined by 2,800 jobs, for an annual rate of -0.9 percent, and this sector declined even faster between 2006 and 2009, decreasing by 6,800 jobs during that period. In line with national trends, real estate related sectors such as construction and finance/real estate experienced significant declines since 2006, shedding 12,000 (construction) and 6,200 (finance/real estate) during this three-year period alone.

Table 16 distributes jobs as a share of total jobs; it shows that construction now comprises five percent of total private sector jobs, down from a high of almost nine percent in 2006. While finance/real estate has been gravely affected by the downturn, this sector still comprises nine percent of the total private sector workforce.

Because Las Vegas residents are employed throughout the surrounding region, the table below presents employment trends in Clark County since 2006. As Table 17 shows, private sector employment dropped by 3.7 percent annually in the County as a whole. Construction dropped by a similar order of magnitude as it did in the City, although slightly less so at 16.2 percent for the County versus 27.0 percent per year for Las Vegas.

TABLE 15
EMPLOYMENT TRENDS BY SECTOR: CITY OF LAS VEGAS, 2000-2009 (PRIVATE SECTOR ONLY)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Chg. 00-09	CAGR 00-09	Chg. 06-09	CAGR 06-09
Total	177,155	179,330	177,239	189,669	195,516	205,201	212,299	210,381	198,807	155,153	-22,002	-1.5%	-57,146	-9.9%
Good-producing industries														
Agricultural/Natural Resources	77	82	142	107	104	85	148	127	112	42	-35	-6.5%	-106	-34.2%
Construction	14,837	14,129	13,325	15,752	16,043	18,417	19,769	17,002	14,774	7,681	-7,156	-7.1%	-12,088	-27.0%
Manufacturing	2,901	3,447	2,744	3,009	3,157	2,870	2,875	3,132	2,850	2,331	-570	-2.4%	-544	-6.7%
Good-moving, -storing industries														
Transportation	2,885	3,845	3,599	3,149	3,497	3,901	3,969	3,157	3,657	2,785	-100	-0.4%	-1,184	-11.1%
Warehousing	181	180	239	628	743	722	747	782	615	537	356	12.9%	-210	-10.4%
Wholesale	5,051	5,109	4,430	4,663	4,540	5,388	5,478	4,582	4,378	3,116	-1,935	-5.2%	-2,362	-17.1%
Service-rendering industries														
Consumer and business services														
Retail	29,170	28,314	28,110	31,620	33,442	33,900	34,320	33,306	30,921	26,830	-2,340	-0.9%	-7,490	-7.9%
Information	5,477	6,225	5,725	5,432	4,795	4,564	4,451	5,490	5,906	4,056	-1,420	-3.3%	-395	-3.1%
Finance, real estate	15,852	15,220	15,776	17,397	19,610	19,786	21,072	21,157	19,751	14,907	-945	-0.7%	-6,165	-10.9%
Professional svc, MCE	31,325	31,901	31,979	36,199	35,671	36,302	37,554	39,692	36,383	23,766	-7,559	-3.0%	-13,788	-14.1%
Institution-based services														
Education	1,447	1,593	2,509	1,725	1,978	2,478	2,383	2,557	2,581	2,076	629	4.1%	-307	-4.5%
Health	18,576	20,099	20,068	21,434	23,100	25,859	26,349	27,485	27,004	25,331	6,754	3.5%	-1,018	-1.3%
Leisure and hospitality														
Entertainment/recreation	5,146	5,383	4,061	3,570	3,722	4,002	3,990	3,901	4,567	3,362	-1,784	-4.6%	-628	-5.5%
Accommodations/eating	33,810	33,009	34,282	34,789	34,338	35,954	37,886	36,764	35,099	31,048	-2,762	-0.9%	-6,838	-6.4%
Other services	8,229	8,587	8,068	7,942	8,547	8,744	8,927	8,846	8,235	5,733	-2,496	-3.9%	-3,194	-13.7%
Utilities	2,190	2,205	2,182	2,253	2,229	2,228	2,382	2,401	1,974	1,552	-638	-3.8%	-830	-13.3%

Source: ADP, Inc., based on US Bureau of Census ZIP Business Patterns and Nevada DEIR

TABLE 16
EMPLOYMENT TRENDS BY SECTOR: CITY OF LAS VEGAS, 2000-2009 (PRIVATE SECTOR ONLY)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Good-producing industries										
Agricultural/Natural Resources	0.0%	0.0%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.0%
Construction	8.4%	7.9%	7.5%	8.3%	8.2%	9.0%	9.3%	8.1%	7.4%	5.0%
Manufacturing	1.6%	1.9%	1.5%	1.6%	1.6%	1.4%	1.4%	1.5%	1.4%	1.5%
Good-moving, -storing industries										
Transportation	1.6%	2.1%	2.0%	1.7%	1.8%	1.9%	1.9%	1.5%	1.8%	1.8%
Warehousing	0.1%	0.1%	0.1%	0.3%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
Wholesale	2.9%	2.8%	2.5%	2.5%	2.3%	2.6%	2.6%	2.2%	2.2%	2.0%
Service-rendering industries										
Consumer and business services										
Retail	16.5%	15.8%	15.9%	16.7%	17.1%	16.5%	16.2%	15.8%	15.6%	17.3%
Information	3.1%	3.5%	3.2%	2.9%	2.5%	2.2%	2.1%	2.6%	3.0%	2.6%
Finance, real estate	8.9%	8.5%	8.9%	9.2%	10.0%	9.6%	9.9%	10.1%	9.9%	9.6%
Professional svc, MCE	17.7%	17.8%	18.0%	19.1%	18.2%	17.7%	17.7%	18.9%	18.3%	15.3%
Institution-based services										
Education	0.8%	0.9%	1.4%	0.9%	1.0%	1.2%	1.1%	1.2%	1.3%	1.3%
Health	10.5%	11.2%	11.3%	11.3%	11.8%	12.6%	12.4%	13.1%	13.6%	16.3%
Leisure and hospitality										
Entertainment/recreation	2.9%	3.0%	2.3%	1.9%	1.9%	2.0%	1.9%	1.9%	2.3%	2.2%
Accommodations/eating	19.1%	18.4%	19.3%	18.3%	17.6%	17.5%	17.8%	17.5%	17.7%	20.0%
Other services	4.6%	4.8%	4.6%	4.2%	4.4%	4.3%	4.2%	4.2%	4.1%	3.7%
Utilities	1.2%	1.2%	1.2%	1.2%	1.1%	1.1%	1.1%	1.1%	1.0%	1.0%

Source: ADE, Inc., based on US Bureau of Census ZIP Business Patterns and Nevada DETR

TABLE 17
EMPLOYMENT TRENDS BY SECTOR: CITY OF LAS VEGAS AND CLARK COUNTY, 2006-2009 (PRIVATE SECTOR ONLY)

	City of Las Vegas					Clark County						
	2006	2007	2008	2009	Chg. 06-09	CAGR 06-09	2006	2007	2008	2009	Chg. 06-09	CAGR 06-09
Total	212,299	210,381	198,807	155,153	-57,146	-9.9%	874,368	882,892	864,809	780,667	-93,701	-3.7%
Good-producing industries												
Agricultural/Natural Res.	148	127	112	42	-106	-34.2%	511	600	500	400	-111	-7.8%
Construction	19,769	17,002	14,774	7,681	-12,088	-27.0%	108,436	102,713	92,327	63,851	-44,585	-16.2%
Manufacturing	2,875	3,132	2,850	2,331	-544	-6.7%	26,916	26,716	25,348	21,128	-5,788	-7.8%
Good-moving, -storing industries												
Transportation	3,969	3,157	3,657	2,785	-1,184	-11.1%	25,345	27,118	27,997	25,910	565	0.7%
Warehousing	747	782	615	537	-210	-10.4%	9,490	9,780	9,484	9,071	-419	-1.5%
Wholesale	5,478	4,582	4,378	3,116	-2,362	-17.1%	23,603	24,175	23,875	21,388	-2,215	-3.2%
Service-rendering industries												
Consumer and business svc												
Retail	34,320	33,306	30,921	26,830	-7,490	-7.9%	98,488	100,610	100,220	92,901	-5,587	-1.9%
Information	4,451	5,490	5,906	4,056	-395	-3.1%	11,758	12,412	11,851	10,482	-1,276	-3.8%
Finance, real estate	21,072	21,157	19,751	14,907	-6,165	-10.9%	50,262	49,965	47,398	42,487	-7,775	-5.4%
Professional svc, MCE	37,554	39,692	36,383	23,766	-13,788	-14.1%	112,791	113,685	109,464	97,174	-15,617	-4.8%
Institution-based services												
Education	2,383	2,557	2,581	2,076	-307	-4.5%	45,434	48,743	50,398	49,015	3,581	2.6%
Health	26,349	27,485	27,004	25,331	-1,018	-1.3%	62,036	65,137	67,986	69,031	6,995	3.6%
Leisure and hospitality												
Entertainment/rec	3,990	3,901	4,567	3,362	-628	-5.5%	18,840	19,417	18,759	16,821	-2,019	-3.7%
Accommodations/eating	37,886	36,764	35,099	31,048	-6,838	-6.4%	253,974	254,943	252,195	235,806	-18,168	-2.4%
Other services	8,927	8,846	8,235	5,733	-3,194	-13.7%	20,186	20,727	20,737	19,086	-1,100	-1.9%
Utilities	2,382	2,401	1,974	1,552	-830	-13.3%	6,298	6,151	6,270	6,116	-182	-1.0%

Source: ADE, Inc., based on US Bureau of Census ZIP Business Patterns and Nevada DETR

Source: ADE, Inc., based on US Bureau of Census ZIP Business Patterns and Nevada DEIR

Table 18 distributes private sector employment in two ways. Along the vertical axis, jobs in the County are divided by industry and, along the horizontal axis, data are divided by what we refer to as “levels of barriers to entry,” which are coded with the needs of target wage earners in mind. Occupations that require short- and medium term on the job training are referred to as occupations with the “least barrier to entry,” whereas jobs requiring long-term on the job training and work experience are referred to as occupations with “some barriers to entry.” Those requiring an AA or post secondary vocational education are occupations with “moderate barriers to entry,” and occupations requiring at least a Bachelor’s degree are referred to as occupations with “high barriers to entry.” Of the more than 780,600 private sector positions in Clark County (see Table 17), the State of Nevada released data in a way that allows researchers to analyze 659,230 of the 780,600 positions.⁶ As Table 18 shows, of the 659,230 positions, 421,170 (63.9 percent) exhibit “low barrier to entry” traits. The table also shows 103,400 positions in the “some barriers to entry” category. For detail with respect to employment by broad occupational categories, see Appendix Table C.

TABLE 18
EMPLOYMENT BY INDUSTRY AND BY LEVELS OF BARRIER TO ENTRY TO WORKFORCE

	Total Number of Positions (non-confidential only)	Positions With Least Barrier To Entry: Short-, Medium-OJT	Positions With Some Barriers to Entry: Long-OJT, work-exp.	Positions With Moderate Barriers to Entry: AA, VOC	Positions With High Barriers to Entry: minimum BA
Total	659,230	421,170	103,400	72,600	62,060
210 Mining	50	50	0	0	0
220 Utilities	140	20	120	0	0
230 Construction	67,920	26,920	34,500	890	5,610
311 Food Manufacturing	2,240	1,520	610	0	110
322 Non-Durable Goods Manufacturing	4,440	3,210	830	60	340
333 Durable Goods Manufacturing	5,290	2,410	1,220	310	1,350
420 Wholesale	19,000	14,950	1,030	850	2,170
440 Retail	52,580	41,790	6,840	1,360	2,590
450 Retail	21,330	17,700	2,790	20	820
480 Transportation	19,390	17,500	690	910	290
491 Courier Services	3,720	3,370	240	70	40
493 Warehousing and Storage	2,350	2,240	50	0	60
510 Information	5,370	2,350	1,460	400	1,160

⁶Both the United States Bureau of Labor Statistics and the Nevada DETR release industry data (including employment and occupational patterns) only for those industries that contain more than three establishments within a specific industry group (i.e. six-digit NAICS code), and/or for those industries where one establishment does not constitute at least 80 percent of total employment or total sales within a specific industry group.

TABLE 18 (CONTINUED)
EMPLOYMENT BY INDUSTRY AND BY LEVELS OF BARRIER TO ENTRY TO WORKFORCE

	Total Number of Positions (non-confidential only)	Positions With Least Barrier To Entry: Short-, Medium-OJT	Positions With Some Barriers to Entry: Long-OJT, work-exp.	Positions With Moderate Barriers to Entry: AA, VOC	Positions With High Barriers to Entry: minimum BA
520 Finance	21,760	13,010	2,270	1,240	5,240
530 Real Estate	15,400	7,820	3,180	2,110	2,290
540 Professional and Technical Services	30,820	11,730	2,050	4,900	12,140
550 Management of Companies and Enterp	10,860	4,330	920	320	5,290
561 Administrative and Support Services	47,410	38,510	4,870	1,520	2,510
562 Waste Management and Remediation	620	510	80	30	0
610 Educational Services	9,840	1,580	740	1,310	6,210
620 Health Services	56,980	27,020	1,260	20,710	7,990
711 Performing Arts and Spectator Sports	3,330	700	2,080	70	480
712 Museums, Parks and Historical Sites	180	150	0	0	30
713 Amusement, Gambling & Recreation Ind	10,040	7,080	900	1,780	280
721 Accommodation	160,990	107,720	20,720	29,280	3,270
722 Food Services and Drinking Places	72,830	58,890	12,560	830	550
810 Other services	14,350	8,090	1,390	3,630	1,240

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

Table 19 isolates on occupations that fall within the “least barriers to entry” and “some barriers to entry” columns in the table above. The table also includes average wages by industries and by broad occupational categories. In reviewing the average wage data, it appears that most of the lower level support staff occupations, on average, pay wages that allow a wage earner in a single-person household to live above the 130 percent federal poverty line, and some pay enough for wage earners in two-person households to do so as well.

TABLE 19
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEAST AND SOME
BARRIER TO ENTRY

		Positions With Least Barrier To Entry: Short-, Medium-OJT	10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium- term OJT	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium- term OJT	Average Wages: Median	Positions With Some Barriers to Entry: Long-OJT, work-exp.	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work- experience	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work- experience	Average Wages: Median
Total		421,170	\$10.54	\$12.27	\$14.74	103,400	\$15.28	\$18.58	\$23.48
	Management	0				42,200	\$16.41	\$19.50	\$24.08
	Specialists, technicians	30,240	\$12.05	\$14.43	\$18.57	47,990	\$15.05	\$18.93	\$24.83
	Support staff	390,930	\$10.42	\$12.10	\$14.44	13,210	\$12.54	\$14.33	\$16.68
210 Mining	Management								
	Specialists, technicians		\$9.49	\$11.99	\$13.58				
	Support staff	50	\$10.90	\$12.25	\$13.70				
220 Utilities	Management					80	\$25.14	\$35.63	\$41.87
	Specialists, technicians					40	\$11.92	\$19.40	\$26.44
	Support staff	20	\$21.75	\$23.80	\$25.78				
230 Construction	Management					6,140	\$19.49	\$23.24	\$29.48
	Specialists, technicians	14,440	\$13.08	\$16.14	\$21.72	28,360	\$15.40	\$19.67	\$26.60
	Support staff	12,480	\$12.32	\$14.31	\$17.45				
311 Food Manufacturing	Management					100	\$15.46	\$18.07	\$21.29
	Specialists, technicians	850	\$8.75	\$10.47	\$12.54	510	\$11.98	\$15.07	\$17.55
	Support staff	670	\$10.91	\$12.95	\$16.97				
322 Non-Durable Goods Manufacturing	Management					340	\$16.98	\$20.84	\$25.62
	Specialists, technicians	1,650	\$10.35	\$12.16	\$14.40	430	\$15.74	\$18.71	\$22.74
	Support staff	1,560	\$11.24	\$13.76	\$16.75	60	\$8.28	\$9.00	\$10.59
333 Durable Goods Manufacturing	Management					450	\$21.45	\$24.85	\$29.06
	Specialists, technicians	1,270	\$10.54	\$11.98	\$15.20	770	\$16.28	\$18.36	\$21.47
	Support staff	1,140	\$11.20	\$12.93	\$15.92				

TABLE 19 (CONTINUED)
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEAST AND SOME
BARRIER TO ENTRY

		Positions With Least Barrier To Entry: Short-, Medium-OJT	10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT	Average Wages: Median	Positions With Some Barriers to Entry: Long- OJT, work-exp.	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wages: Median
420 Wholesale	Management					830	\$18.28	\$23.27	\$28.60
	Specialists, technicians	740	\$10.67	\$12.03	\$15.48	200	\$15.82	\$17.17	\$20.25
	Support staff	14,210	\$11.42	\$13.43	\$16.53				
440 Retail	Management					5,800	\$13.52	\$15.68	\$20.36
	Specialists, technicians	2,070	\$9.57	\$10.78	\$13.33	880	\$9.55	\$10.91	\$14.10
	Support staff	39,720	\$9.72	\$11.22	\$13.28	160	\$8.58	\$9.66	\$11.31
450 Retail	Management					2,690	\$14.87	\$17.39	\$20.26
	Specialists, technicians	460	\$9.30	\$10.53	\$12.66	100	\$11.50	\$14.91	\$17.99
	Support staff	17,240	\$8.97	\$10.42	\$12.67				
480 Transportation	Management					650	\$18.25	\$20.94	\$24.46
	Specialists, technicians	2,040	\$9.92	\$11.10	\$13.72	40	\$8.78	\$10.75	\$15.27
	Support staff	15,460	\$10.51	\$11.93	\$13.91				
491 Courier Services	Management					170	\$28.28	\$29.35	\$33.17
	Specialists, technicians	0	\$37.02	\$37.02	\$37.03	70	\$25.98	\$26.92	\$27.82
	Support staff	3,370	\$19.28	\$19.79	\$20.90				
493 Warehousing and Storage	Management					50	\$16.92	\$21.33	\$28.13
	Specialists, technicians								
	Support staff	2,240	\$10.42	\$11.74	\$14.05				
510 Information	Management					320	\$18.02	\$22.06	\$28.35
	Specialists, technicians	0	\$15.14	\$16.61	\$18.16	1,140	\$13.89	\$16.99	\$22.95
	Support staff	2,350	\$12.00	\$14.19	\$17.33				
520 Finance	Management					1,530	\$20.76	\$23.82	\$31.38
	Specialists, technicians					580	\$16.51	\$19.12	\$27.73
	Support staff	13,010	\$10.86	\$12.56	\$15.30	160	\$13.67	\$15.37	\$17.09
530 Real Estate	Management					900	\$15.51	\$18.51	\$22.09
	Specialists, technicians	190	\$12.09	\$14.20	\$15.88	2,020	\$13.44	\$16.78	\$21.32
	Support staff	7,630	\$9.98	\$11.46	\$13.93	260	NA	NA	NA
540 Professional and Technical Services	Management					1,020	\$21.35	\$25.55	\$32.46
	Specialists, technicians	1,500	\$11.58	\$13.69	\$17.62	1,030	\$12.39	\$16.89	\$22.62
	Support staff	10,230	\$10.63	\$12.59	\$15.51				
550 Management of Companies and Enterprises	Management					760	\$19.26	\$22.25	\$27.72
	Specialists, technicians	0	\$14.29	\$17.52	\$21.46	160	\$15.64	\$18.28	\$24.55
	Support staff	4,330	\$11.74	\$13.72	\$16.02				

TABLE 19 (CONTINUED)
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEAST AND SOME
BARRIER TO ENTRY

	Positions With Least Barrier To Entry: Short-, Medium- OJT	10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wages: Median	Positions With Some Barriers to Entry: Long-OJT, work- exp.	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wages: Median
561 Administrative and Support Services								
Management					2,120	\$15.10	\$18.10	\$23.21
Specialists, technicians	1,290	\$8.19	\$9.36	\$10.92	2,750	\$15.31	\$18.40	\$22.72
Support staff	37,220	\$9.33	\$10.88	\$13.04				
562 Waste Management and Remediation Service								
Management					30	\$24.96	\$26.63	\$29.56
Specialists, technicians	330	\$17.82	\$21.74	\$24.85	50	\$15.49	\$18.61	\$20.44
Support staff	180	\$11.25	\$12.85	\$15.86				
610 Educational Services								
Management					390	\$16.90	\$18.59	\$20.50
Specialists, technicians	0	\$12.92	\$13.60	\$14.73	350	\$19.22	\$21.67	\$25.39
Support staff	1,580	\$12.88	\$14.74	\$17.70				
620 Health Services								
Management					880	\$17.18	\$20.04	\$24.71
Specialists, technicians	760	\$12.07	\$14.05	\$17.45	380	\$13.80	\$16.24	\$19.02
Support staff	26,260	\$11.41	\$12.83	\$14.94				
711 Performing Arts and Spectator Sports								
Management					0	\$17.08	\$18.34	\$20.69
Specialists, technicians					2,080	\$11.27	\$17.18	\$23.23
Support staff	700	\$9.95	\$12.11	\$14.38				
712 Museums, Parks and Historical Sites								
Management								
Specialists, technicians								
Support staff	150	\$10.10	\$11.35	\$12.97				
713 Amusement, Gambling & Recreation								
Management					510	\$13.79	\$16.98	\$21.89
Specialists, technicians	390	\$11.99	\$13.38	\$16.00	100	\$12.22	\$15.97	\$20.85
Support staff	6,690	\$11.61	\$13.44	\$16.20	290	\$14.01	\$15.57	\$17.98
721 Accommodation								
Management					9,750	\$15.82	\$19.57	\$23.56
Specialists, technicians	1,970	\$16.59	\$19.65	\$23.26	5,100	\$17.61	\$20.74	\$24.15
Support staff	105,750	\$10.57	\$12.36	\$14.49	5,870	\$13.96	\$16.30	\$19.14
722 Food Services and Drinking Places								
Management					6,040	\$14.68	\$16.86	\$20.06
Specialists, technicians					110	\$10.02	\$11.36	\$13.86
Support staff	58,890	\$9.82	\$11.63	\$14.20	6,410	\$11.79	\$13.20	\$15.22
810 Other services								
Management					650	\$16.22	\$18.77	\$24.03
Specialists, technicians	290	\$9.63	\$11.63	\$14.70	740	\$8.49	\$11.85	\$17.47
Support staff	7,800	\$9.04	\$10.52	\$13.06	0	\$12.17	\$13.79	\$16.79

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

The tables above distributed existing positions corresponding to broad industry and occupational categories, and to levels of barriers to entry into the workforce by wage earners in the target households. Given the recent dramatic decline in jobs as a result of the historic economic downturn, resulting in high rates of unemployment which fall especially hard on persons with relatively lower educational backgrounds, it is difficult to project potential employment creation in the near future, particularly in the categories aligned with the profile of wage earners in households at 100 to 130 percent of the federal poverty line. The most recent employment projections by the State of Nevada were prepared in 2008 and anticipated substantial growth in the kinds of jobs that would be affected by a living wage. At the present time, however, most forecasts suggest a very slow jobs recovery from the recession.

5. IMPACT OF INSTITUTING A LIVING WAGE

IDENTIFICATION OF JOBS AND INDUSTRIES AFFECTED

The impact analysis addresses the two broad categories of occupations presented in Table 19 above – those of the least barriers to entry and those with some barriers to entry. These tend to be the lowest paid categories of occupations across all the business types. In addition, within each occupation, the analysis calculates the impact separately for the lowest paid ten percent of the workers, and the next highest paid 15 percent, for a cumulative total for the bottom 25 percent of wages for each occupation and business type. As will be demonstrated with the resulting figures, it is unlikely that instituting a living wage would have substantial impacts for workers paid above the 25th percentile level.

In addition, the threshold of wages under the proposed living wage requirement is evaluated for an average household of three persons, which reflects the typical household size for workers in these income categories. As indicated above (see Table 9), at \$6.90, the living wage for a person in a one-person household is below typical hourly wage commanded by persons in the “least barrier to entry” and “some barrier to entry” occupations, including the lowest economic rung of these occupations, i.e. support staff positions. In other words, persons in one-person households, for the most part, are earning more than a living wage as defined as the wage that corresponds to the 130 percent federal poverty threshold. Even food services, retail, and entertainment are not significantly impacted when data are observed at the one-person household level. See Appendix B and Appendix C for impacts findings for one-person households. However, since on average households at 100 to 130 percent of the federal poverty line consist of three persons, the average hourly wage needed for this household to be at or above the 130 percent poverty level is \$11.67 an hour.

Table 20 below presents estimates on the extent to which new businesses interested in locating in the City of Las Vegas’ redevelopment area may be affected by a living wage requirement. For example, when comparing the target hourly wage of \$11.67 against wages earned by lowest paid food manufacturing (NAICS 311) wage earners in “least barrier to entry occupations,” the data shows that 13.8 percent of these food manufacturing workers would be covered by the living wage requirement. As workers in “some barrier to entry” occupations typically earn more than the target wage, no additional workers in these occupations are affected by the requirement. In the case of retail (NAICS 440), Table 21 shows that the living wage requirement would affect workers in “some barriers to entry” occupations, not just those in the “least barrier to entry” category: 20.7 percent of all workers in “least barriers to entry” and 0.54 percent of all workers in “some barrier to entry” retail occupations (NAICS 440) would be affected by the living wage requirement, for a cumulative 21.2 percent. In general, estimates in the table below are consistent with intuition: as a share of all affected jobs, the bulk are low-level occupations requiring short- or medium-term on the job training (i.e. “least barrier to entry occupations”) largely because occupations requiring slightly more training (i.e. “some barrier to entry occupations”) tend to

command higher hourly wages. While the cumulative extent to which a businesses' workforce would be subject to the living wage requirement depends on the type of industry, on average businesses can expect to have 10.6 percent of their workforce subject to the living wage requirement. For more detail on the estimates in Table 20 below, see Appendices Table D-1 and D-2.

TABLE 20
EMPLOYMENT BY INDUSTRY (LEAST BARRIERS AND SOME BARRIERS TO ENTRY
OCCUPATIONS): ESTIMATES OF AFFECTED JOBS BY INDUSTRY

Industry Categories	Total Positions	Impacted Least Barrier To Entry Occupations As Percent of Total Positions	Impacted Some Barrier To Entry Occupations As Percent of Total Positions	Cumulative Percent
Total	659,230	10.30%	0.32%	10.62%
210 Mining	50	10.00%	0.00%	10.00%
220 Utilities	140	0.00%	0.00%	0.00%
230 Construction	67,920	0.00%	0.00%	0.00%
311 Food Manufacturing	2,240	13.80%	0.00%	13.80%
322 Non-Durable Goods Manufacturing	4,440	7.80%	0.43%	8.23%
333 Durable Goods Manufacturing	5,290	4.90%	0.00%	4.90%
420 Wholesale	19,000	8.10%	0.00%	8.10%
440 Retail	52,580	20.70%	0.54%	21.24%
450 Retail	21,330	23.20%	0.05%	23.25%
480 Transportation	19,390	11.60%	0.06%	11.66%
491 Courier Services	3,720	0.00%	0.00%	0.00%
493 Warehousing and Storage	2,350	10.70%	0.00%	10.70%
510 Information	5,370	0.00%	0.00%	0.00%
520 Finance	21,760	6.40%	0.00%	6.40%
530 Real Estate	15,400	12.60%	0.00%	12.60%
540 Professional and Technical Services	30,820	4.10%	0.00%	4.10%
550 Management of Companies and Enterprises	10,860	0.00%	0.00%	0.00%
561 Administrative and Support Services	47,410	21.90%	0.00%	21.90%
562 Waste Management and Remediation Service	620	3.10%	0.00%	3.10%
610 Educational Services	9,840	0.00%	0.00%	0.00%
620 Health Services	56,980	4.70%	0.00%	4.70%
711 Performing Arts and Spectator Sports	3,330	2.50%	6.46%	8.96%
712 Museums, Parks and Historical Sites	180	21.70%	0.00%	21.70%
713 Amusement, Gambling & Recreation Ind	10,040	6.70%	0.00%	6.70%
721 Accommodation	160,990	7.30%	0.00%	7.30%
722 Food Services and Drinking Places	72,830	21.30%	2.00%	23.30%
810 Other services	14,350	15.60%	0.71%	16.31%

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

Based on the proportions of workers affected by the requirement for each type of business, Table 21 presents estimates of the cost per affected worker, weighted to take into account the higher dollar impact for the 10th percentile workers compared to those at the 25th percentile. (Table 21 summarizes this analysis by business type. Please see Appendix E for additional occupational detail). Thus, per worker impacts for presumptively lower paying industries such as retail (NAICS 440) are \$463.48 per lower level worker. In other words, to bring lower level workers up to the \$11.67 target, retail businesses (NAICS 440) can expect to pay lower level workers below the target by an extra \$464 more a year.

TABLE 21
COST PER WORKER BY INDUSTRY

	Cost Per Worker: least barrier to entry	Cost Per Worker: some barrier to entry	Cumulative
210 Mining	\$144.10	\$0.00	\$144.10
220 Utilities	\$0.00	\$0.00	\$0.00
230 Construction	\$0.00	\$0.00	\$0.00
311 Food Manufacturing	\$446.05	\$0.00	\$446.05
322 Non-Durable Goods Manufacturing	\$133.38	\$23.84	\$157.22
333 Durable Goods Manufacturing	\$76.11	\$0.00	\$76.11
420 Wholesale	\$43.11	\$0.00	\$43.11
440 Retail	\$447.61	\$15.87	\$463.48
450 Retail	\$834.48	\$0.15	\$834.63
480 Transportation	\$248.97	\$1.93	\$250.90
491 Courier Services	\$0.00	\$0.00	\$0.00
493 Warehousing and Storage	\$249.83	\$0.00	\$249.83
510 Information	\$0.00	\$0.00	\$0.00
520 Finance	\$97.33	\$0.00	\$97.33
530 Real Estate	\$209.80	\$0.00	\$209.80
540 Professional and Technical Services	\$72.02	\$0.00	\$72.02
550 Management of Comp and Ent.	\$0.00	\$0.00	\$0.00
561 Administrative and Supp Services	\$642.34	\$0.00	\$642.34
562 Waste Management and Remed	\$23.96	\$0.00	\$23.96
610 Educational Services	\$0.00	\$0.00	\$0.00
620 Health Services	\$22.76	\$0.00	\$22.76
711 Performing Arts and Spec Sports	\$79.51	\$48.62	\$128.13
712 Museums, Parks, Sites	\$351.34	\$0.00	\$351.34
713 Amusement, Gambling & Rec	\$9.45	\$0.00	\$9.45
721 Accommodation	\$149.94	\$0.00	\$149.94
722 Food Services and Drinking Places	\$415.51	\$0.00	\$415.51
810 Other services	\$528.10	\$42.33	\$570.42

Source: ADE, Inc.

ECONOMIC IMPACT ANALYSIS

This section describes the economic impacts that would potentially occur with the implementation of a living wage.

IMPACTS TO BUSINESS

The analysis above calculates the dollar cost impact to businesses (and resulting increases in labor income) from the proposed living wage requirement. This raises the question of how significant these costs would be for the affected businesses and whether they would discourage businesses from seeking redevelopment incentives to locate in the City Redevelopment project area. Our approach to this analysis is to evaluate the increased labor costs in relation to net profits for each type of business. Based on economic methodologies used to evaluate other regulatory costs on businesses, we utilized a threshold of significance of ten percent of net income. That is, regulatory costs that are below ten percent of net income should be able to be absorbed by the affected businesses, or perhaps passed on to customers. Costs above that level, could affect the viability of the business or at the least discourage businesses from choosing locations where that level of cost is imposed (please see Appendix F for further discussion of this approach).

Table 22 below compares labor income impacts against estimated after-tax net profits generated by affected industries, using a benchmark of establishments with 100 employees each. The proportion of employees affected by the living wage requirement varies by business type, as we have seen earlier. Cost and net profits are combined into an industry cost-to-net profit ratio, which is then evaluated against the significance threshold of 10 percent. For example, a food manufacturer (NAICS 311) employing at least 100 workers generates an estimated \$33.2 million in revenues. Based on an after-tax net profit rate of 4.33 percent, the food manufacturer would generate \$1.4 million in after-tax net profits. As Table 20 above showed, 13.8 percent of the food manufacturing workforce in the “least” and “some” barrier to entry occupations combined would be affected by the living wage requirement. The impact stemming from raising wages for 13.8 percent of the food manufacturing workforce results in a cost of \$44,600, which amounts to 3.1 percent of estimated net profits for a food manufacturer employing 100 workers. For businesses in this industry, impacts would be less than significant. However, impacts for retailers would be significant. Retailers (NAICS 450) employing 100 workers tend to generate \$27.7 million in annual sales and \$649,100 in net profits. A living wage requirement would raise wages for approximately 20.7 percent of the retail workforce, resulting in a cost of \$83,500. For retail (NAICS 450), the cost-to-net profit ratio is 12.9 percent.

Industry categories that exceed the level of significant impact in Table 22 include retail, warehousing and storage, administrative and support services (office uses), food services and other services. Business responses to this level of increased cost may vary, but at some level it reduces the competitiveness of businesses compared to similar firms in adjacent communities where such cost requirements do not exist.

TABLE 22
LABOR INCOME IMPACTS OF LIVING WAGE RULE BY INDUSTRY SECTOR RELATIVE TO
ESTIMATED NET PROFITS: LEAST BARRIER AND SOME BARRIER TO ENTRY SCENARIO
CITY OF LAS VEGAS

Industry Sector and Occupational Category	Increased Labor Costs per 100 Workers [a]	Estimated Revenue Per 100 Workers [b]	Net Profit Rates [c]	Est. Net Profit Per 100 Workers	Cost to Net Profits Ratio
210 Mining	\$14,410	\$47,859,731	8.11%	\$3,882,581	0.4%
311 Food Manufacturing	\$44,605	\$33,228,715	4.33%	\$1,440,431	3.1%
322 Non-Durable Goods Manufact	\$15,722	\$378,918,229	4.55%	\$17,254,897	0.1%
333 Durable Goods Manufacturing	\$7,611	\$24,820,908	5.67%	\$1,408,543	0.5%
420 Wholesale	\$4,311	\$67,592,900	2.43%	\$1,645,268	0.3%
440 Retail	\$46,348	\$27,737,946	2.34%	\$649,078	7.1%
450 Retail	\$83,463	\$27,737,946	2.34%	\$649,078	12.9%
480 Transportation	\$25,090	\$13,959,964	2.13%	\$297,281	8.4%
493 Warehousing and Storage	\$24,983	\$5,282,200	2.78%	\$146,845	17.0%
520 Finance	\$9,733	\$57,675,368	20.69%	\$11,932,972	0.1%
540 Professional and Technical Svs	\$7,202	\$16,076,397	6.53%	\$1,049,308	0.7%
561 Administrative and Support Svs	\$64,234	\$13,079,738	4.21%	\$550,665	11.7%
562 Waste Management and Rem	\$2,396	\$20,411,653	4.78%	\$976,010	0.2%
620 Health Services	\$2,276	\$1,310,281	3.92%	\$51,357	4.4%
711 Performing Arts and Spec Sports	\$12,813	\$27,455,685	9.89%	\$2,715,472	0.5%
712 Museums, Parks and Hist Sites	\$35,134	\$10,617,984	6.41%	\$680,792	5.2%
713 Amusement, Gambling & Rec Ind	\$945	\$13,214,791	6.41%	\$847,292	0.1%
721 Accommodation	\$14,994	\$10,618,099	4.48%	\$476,206	3.1%
722 Food Services, Drinking Places	\$41,551	\$6,169,815	4.55%	\$280,924	14.8%
810 Other services	\$57,042	\$8,841,401	4.55%	\$402,428	14.2%

Source: ADE, Inc.

Notes: [a] Based on per worker costs shown in Table 21.

[b] 2007 U.S. Economic Census for Las Vegas region.

[c] US Internal Revenue Service data for nationwide industry categories.

There are a number of considerations for developers and potential business tenants relating to the trade off of accepting redevelopment assistance vs. the higher cost of paying living wages to all workers in the tenant businesses. The analysis above indicates the dollar cost of the living wage requirement and identifies the type of businesses for which these higher operating costs could be a significant issue. Other studies have documented a range of business responses to similar living wage programs. In 2005, a study of the San Francisco restaurant industry indicated that 54 percent of establishments surveyed reduced their number of employees, and many restaurants reported reducing employee benefits, increasing menu prices and absorbing lower profits to cope with the increased costs.⁷ However, another study in Los Angeles indicated that less than one percent of jobs were lost due to a living wage there.⁸ Each development deal must be assessed individually by the parties to determine if the Las Vegas redevelopment area makes sense as a business location.

⁷ Kent Sims. *Economics of the San Francisco Restaurant Industry* 2005. May 2005.

⁸ Fairris, David, et al. *Examining the Evidence: The Impacts of the Los Angeles Living Wage Ordinance on Workers and Businesses*. 2005.

POTENTIAL BENEFICIAL IMPACTS FOR LAS VEGAS

If businesses adhere to the living wage requirement and continue to locate in the Las Vegas redevelopment area, the primary benefit would be an increase in labor income for workers employed in the new businesses. This would have beneficial multiplier effects on other businesses where the employees spend their paychecks.

Labor Income Impacts

As described earlier in this report, redevelopment project area assistance would increase wages so that they equal or exceed the 130 percent poverty threshold. Using the 10th percentile (lowest, entry-level) average hourly rates for occupations with relatively low barriers to training, this section describes the direct impacts and multiplier effects that higher wages would create in the local area. Raising the wage levels would represent both a benefit to workers and a cost to businesses, and the direct wage impacts represent both roles.

The multiplier effects shown in Tables 23 through 26 are based solely on changes in labor income, and assume that increased wages will have a net increase in demand as workers have extra income available to spend at local-serving businesses such as retail stores and medical providers.

Impacts Per 100 Workers

For workers in occupations with low barriers to entry (short to medium-term on-the-job training), the living wage requirement would raise the wages in the majority of industries, as shown in Table 23. For every 100 workers in these jobs categories, the direct income impacts could go as high as about \$653,000 (administrative and support services, specialist and technician occupations). These occupations represent the largest current gap between existing wage levels and a living wage. The multiplier effects from this high range of direct income increases would create 3.3 new jobs elsewhere in Las Vegas, as well as approximately about \$138,100 in additional labor income, and \$254,500 in total industry output.

For those occupations with some barriers to entry (long-term on-the-job training or prior work experience), the number of industries and occupational groups affected by a living wage requirement is significantly fewer, as shown in Table 24.

TABLE 23
LABOR INCOME IMPACTS (PER 100 WORKERS) OF LIVING WAGE RULE BY INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH LOW BARRIERS TO ENTRY

Industry Sector and Occupational Category		Income Impacts Per 100 Workers	Induced Jobs	Induced Industry Output	Induced Labor Income
210 Mining					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$408,449	2.1	\$86,381	\$159,188
	Support staff	\$144,074	0.7	\$30,469	\$56,151
311 Food Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$546,365	2.8	\$115,548	\$212,939
	Support staff	\$142,054	0.7	\$30,042	\$55,364
322 Non-Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$248,136	1.3	\$52,477	\$96,708
	Support staff	\$80,699	0.4	\$17,067	\$31,451
333 Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$211,730	1.1	\$44,778	\$82,519
	Support staff	\$87,519	0.4	\$18,509	\$34,110
420 Wholesale					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$186,574	1.0	\$39,457	\$72,715
	Support staff	\$46,033	0.2	\$9,735	\$17,941
440 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$394,152	2.0	\$83,357	\$153,616
	Support staff	\$365,169	1.9	\$77,228	\$142,320
450 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$444,699	2.3	\$94,047	\$173,316
	Support staff	\$505,735	2.6	\$106,955	\$197,104
480 Transportation					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$327,824	1.7	\$69,330	\$127,765
	Support staff	\$217,051	1.1	\$45,903	\$84,593
493 Warehousing and Storage					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$233,917	1.2	\$49,470	\$91,166
520 Finance					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$151,518	0.8	\$32,044	\$59,052
540 Professional and Technical Services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$16,062	0.1	\$3,397	\$6,260
	Support staff	\$195,516	1.0	\$41,349	\$76,200
561 Administrative and Support Services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$653,002	3.3	\$138,100	\$254,499
	Support staff	\$437,953	2.2	\$92,621	\$170,687
562 Waste Management and Remediation Service					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$78,181	0.4	\$16,534	\$30,470

TABLE 23 (CONTINUED)
LABOR INCOME IMPACTS (PER 100 WORKERS) OF LIVING WAGE RULE BY INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH LOW BARRIERS TO ENTRY

	Industry Sector and Occupational Category	Income Impacts Per 100 Workers	Induced Jobs	Induced Industry Output
620 Health Services				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$48,336	0.2	\$10,222
711 Performing Arts and Spectator Sports				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$322,920	1.7	\$68,293
712 Museums, Parks and Historical Sites				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$294,074	1.5	\$62,192
713 Amusement, Gambling & Recreation Ind				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$10,487	0.1	\$2,218
721 Accommodation				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$206,716	1.1	\$43,717
722 Food Services and Drinking Places				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$0	0.0	\$0
	Support staff	\$346,223	1.8	\$73,221
810 Other services				
	Management	\$0	0.0	\$0
	Specialists, technicians	\$382,824	2.0	\$80,961
	Support staff	\$493,053	2.5	\$104,273

Source: ADE, Inc.; data from IMPLAN3 input-output model.

Notes: Job impacts are based on those industry sectors and occupations where the 10th percentile (lowest, entry-level) average hourly wage rates for occupations with low barriers to entry do not currently meet the 130% of poverty level threshold. Low barriers to entry is defined as occupations requiring only short- and medium-term on-the-job training.

All other sectors do not have any projected labor income impacts.

TABLE 24
LABOR INCOME IMPACTS (PER 100 WORKERS) OF LIVING WAGE RULE BY INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH SOME BARRIERS TO ENTRY

Industry Sector and Occupational Category		Income Impacts Per 100 Workers	Induced Jobs	Induced Industry Output	Induced Labor Income
322 Non-Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$635,324	3.3	\$134,361	\$247,609
440 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$397,511	2.0	\$84,068	\$154,925
	Support staff	\$579,074	3.0	\$122,465	\$225,686
480 Transportation					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$540,949	2.8	\$114,402	\$210,828
	Support staff	\$0	0.0	\$0	\$0
711 Performing Arts and Spectator Sports					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$75,324	0.4	\$15,930	\$29,356
	Support staff	\$0	0.0	\$0	\$0
810 Other services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$595,480	3.1	\$125,935	\$232,081
	Support staff	\$0	0.0	\$0	\$0

Source: ADE, Inc.; data from IMPLAN3 input-output model.

Notes: Job impacts are based on those industry sectors and occupations where the 10th percentile (lowest, entry-level) average hourly wage rates for occupations with some barriers to entry do not currently meet the 130% of poverty level threshold. Some barriers to entry includes occupations that require long-term on-the-job training or work experience. All other sectors do not have any projected labor income impacts.

Impacts Per 10,000 Square Feet

Tables 25 and 26 show the labor income impacts based on 10,000 square feet of building space for different economic sectors. The figures in these tables are based on benchmark employment densities (square feet per job) for different building types.⁹

For those occupations with low barriers to entry, the highest income impacts per 10,000 square feet would come from food service establishments with direct income impacts of more than \$628,000, using a building area benchmark. The multiplier effects from this business activity would create up to 3.2 additional jobs elsewhere in Las Vegas. It should be noted that this approach factors in other higher skilled occupational positions that would share the same business space. Therefore, the effects shown in Table 25 reflect impacts of the requirement to ten percent of the building workforce, while Table 26 shows the income effects per 10,000 square feet for those occupations with some barriers to entry, which is the next 15 percentile of the building workforce.

⁹ These benchmarks come from the Natelson Company, and their employment density research done in conjunction with the Southern California Association of Governments (SCAG).

TABLE 25
LABOR INCOME IMPACTS (PER 10,000 SF OF BUILDING SPACE) OF LIVING WAGE RULE BY
INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH LOW BARRIERS TO ENTRY

Industry Sector and Occupational Category		Income Impacts Per 10,000 SF	Induced Jobs	Induced Industry Output	Induced Labor Income
210 Mining					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$93,041	0.5	\$19,677	\$36,261
	Support staff	\$32,819	0.2	\$6,941	\$12,791
311 Food Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$171,750	0.9	\$36,323	\$66,937
	Support staff	\$44,655	0.2	\$9,444	\$17,404
322 Non-Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$46,349	0.2	\$9,802	\$18,064
	Support staff	\$15,074	0.1	\$3,188	\$5,875
333 Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$16,914	0.1	\$3,577	\$6,592
	Support staff	\$6,992	0.0	\$1,479	\$2,725
420 Wholesale					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$18,566	0.1	\$3,926	\$7,236
	Support staff	\$4,581	0.0	\$969	\$1,785
440 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$243,366	1.2	\$51,468	\$94,849
	Support staff	\$225,471	1.2	\$47,684	\$87,874
450 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$300,559	1.5	\$63,564	\$117,139
	Support staff	\$341,812	1.8	\$72,288	\$133,217
480 Transportation					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$46,959	0.2	\$9,931	\$18,301
	Support staff	\$31,091	0.2	\$6,575	\$12,117
493 Warehousing and Storage					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$72,759	0.4	\$15,387	\$28,357
520 Finance					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$31,566	0.2	\$6,676	\$12,303
540 Professional and Technical Services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$2,287	0.0	\$484	\$891
	Support staff	\$27,834	0.1	\$5,886	\$10,848
561 Administrative and Support Services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$496,554	2.5	\$105,014	\$193,525
	Support staff	\$333,027	1.7	\$70,430	\$129,793
562 Waste Management and Remediation Service					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$70,454	0.4	\$14,900	\$27,458

TABLE 25 (CONTINUED)
LABOR INCOME IMPACTS (PER 10,000 SF OF BUILDING SPACE) OF LIVING WAGE RULE BY
INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH LOW BARRIERS TO ENTRY

Industry Sector and Occupational Category	Income Impacts Per 10,000 SF	Induced Jobs	Induced Industry Output	Induced Labor Income
620 Health Services				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$7,888	0.0	\$1,668	\$3,074
711 Performing Arts and Spectator Sports				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$84,109	0.4	\$17,788	\$32,781
712 Museums, Parks and Historical Sites				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$185,506	1.0	\$39,232	\$72,298
713 Amusement, Gambling & Recreation Ind				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$6,554	0.0	\$1,386	\$2,555
721 Accommodation				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$13,099	0.1	\$2,770	\$5,105
722 Food Services and Drinking Places				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$0	0.0	\$0	\$0
Support staff	\$628,280	3.2	\$132,872	\$244,864
810 Other services				
Management	\$0	0.0	\$0	\$0
Specialists, technicians	\$181,507	0.9	\$38,386	\$70,740
Support staff	\$233,770	1.2	\$49,439	\$91,109

Source: ADE, Inc.; data from IMPLAN3 input-output model and Natelson/SCAG.

Notes: Job impacts are based on those industry sectors and occupations where the 10th percentile (lowest, entry-level) average hourly wage rates for occupations with low barriers to training do not currently meet the 130% of poverty level threshold. Low barriers to entry is defined as occupations requiring only short- and medium-term on-the-job training. All other sectors do not have any projected labor income impacts.

TABLE 26
LABOR INCOME IMPACTS (PER 10,000 SF OF BUILDING SPACE) OF LIVING WAGE RULE BY
INDUSTRY SECTOR
OCCUPATIONS AND POSITIONS WITH SOME BARRIERS TO ENTRY

Industry Sector and Occupational Category		Income Impacts Per 10,000 SF	Induced Jobs	Induced Industry Output	Induced Labor Income
322 Non-Durable Goods Manufacturing					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$0	0.0	\$0	\$0
	Support staff	\$119,105	0.6	\$25,189	\$46,420
440 Retail					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$245,440	1.3	\$51,907	\$95,657
	Support staff	\$357,544	1.8	\$75,615	\$139,348
480 Transportation					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$77,487	0.4	\$16,387	\$30,200
	Support staff	\$0	0.0	\$0	\$0
711 Performing Arts and Spectator Sports					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$19,619	0.1	\$4,149	\$7,646
	Support staff	\$0	0.0	\$0	\$0
810 Other services					
	Management	\$0	0.0	\$0	\$0
	Specialists, technicians	\$282,334	1.4	\$59,709	\$110,036
	Support staff	\$0	0.0	\$0	\$0

Source: ADE, Inc.; data from IMPLAN3 input-output model and Natelson/SCAG.

Notes: Job impacts are based on those industry sectors and occupations where the 10th percentile (lowest, entry-level) average hourly wage rates for occupations with low barriers to training do not currently meet the 130% of poverty level threshold. Some barriers to entry includes occupations that require long-term on-the-job training or work experience. All other sectors do not have any projected labor income impacts.

CONCLUSION

The living wage, if instituted, could improve incomes for more than 10 percent of workers overall in Las Vegas. However, for certain kinds of businesses such as retail, restaurant trade, and back office establishments, the increased costs of operation due to higher wages could significantly affect their competitiveness in comparison to similar firms in communities where the living wage does not exist. Moreover, the program has a potentially high risk/reward ratio. In general, the benefit of increased worker incomes from the requirement would be erased very quickly if many businesses avoid locating in Las Vegas as a result. In such cases, the City economy would lose all the income from jobs in each business, as well as the loss of future tax increment and other public revenues. This risk would be reduced if the businesses simply choose to forego redevelopment assistance but locate in the redevelopment area anyway, or choose to locate elsewhere in Las Vegas.

The Redevelopment Agency has limited ability to offer incentives that would directly mitigate the living wage impacts on businesses. The types of incentives typically offered through redevelopment relate to reductions in development or property costs for developers of buildings. The cost impacts of the living wage, on the other hand, relate more to the operating costs of tenant businesses, which are only indirectly related to the cost of the building they occupy. It may be possible to link developer incentives to ongoing rent concessions to mitigate living wage impacts on tenant businesses, but more study would be needed to determine if this would be effective.

The primary benefit of the Living Wage would be to increase worker incomes, which potentially could have beneficial multiplier effects for local retail and services businesses as well as improving the quality of life for the affected workers. For example, for each 10,000 sq.ft. of retail developed subject to the requirement, there would be an additional \$600,000 to \$1.0 million in onsite employee income and \$250,000 to \$400,000 in offsite worker income due to increased employee expenditures. Similar figures for back office administrative services would be an increase of about \$830,000 in onsite worker income and about \$320,000 on offsite labor income from multiplier effects. The actual benefit of this income and related household expenditures would depend on whether the workers live in Las Vegas or elsewhere.

On a broader level, the increase in worker incomes would improve social conditions in the City and could reduce reliance on other social services, helping to reduce law enforcement calls for services as well. While some of the benefit of this reduced service demand would accrue to county, state and federal programs and agencies, it is likely the working environment in Downtown Las Vegas would experience a social benefit as worker wages increase.

FURTHER STEPS

The present study provides a foundation of information to consider the benefits and potential costs of a living wage. In general, the study was able to document clear improvements to worker incomes, and also to identify a relatively limited set of business types where the increased costs may cause significant adverse effects. The City and interested parties may wish to further explore additional issues in subsequent studies.

- Would a higher income threshold (above 130 percent of FPL), provide greater net benefits considering the trade-offs between improvements to worker incomes and increases in business costs?
- Does the threshold of significant impact to business, defined in the present study as ten percent of net income, vary by type and size of business? At what level of cost impact will businesses begin to reduce jobs or avoid downtown locations vs. absorbing the cost impact to reap available redevelopment incentives?
- Can the benefit to social service programs of a living wage, as well as increased local government tax revenues, be quantified and compared to budget reductions currently facing local governments?
- In what ways could the Redevelopment Agency or the City of Las Vegas mitigate potential adverse business impacts of a living wage to help create a win-win outcome?

APPENDIX A: HOURLY WAGE RATES TO SUSTAIN 100 TO 130 PERCENT OF POVERTY LEVELS

APPENDIX A
HOURLY WAGE TO SUSTAIN 100-130 PERCENT POVERTY RATE

Household Size	100 Per. of Poverty	130 Per. of Poverty	Hourly Wage to Sustain 100 Per. of Poverty	Hourly Wage to Sustain 130 Per. of Poverty
1	\$10,830	\$14,079	\$5.31	\$6.90
2	\$14,570	\$18,941	\$7.14	\$9.28
3	\$18,310	\$23,803	\$8.98	\$11.67
4	\$22,050	\$28,665	\$10.81	\$14.05
5	\$25,790	\$33,527	\$12.64	\$16.43
6	\$29,530	\$38,389	\$14.48	\$18.82
7	\$33,270	\$43,251	\$16.31	\$21.20
8	\$37,010	\$48,113	\$18.14	\$23.58

Source: ADE, Inc., based on US Department of Health and Human Services ([//liheap.ncat.org/profiles/povertytables/FY2010/popstate.htm](http://liheap.ncat.org/profiles/povertytables/FY2010/popstate.htm))

Note on Including Tips in Hourly Wage Estimates

The basis for data in Table 9 (page 13) and Table 10 (page 14) in the report is the US Census PUMS 2007-2009. In particular, ADE analyzed a variable called “INCWAGE”, which is earnings received from an employer, including tips. In addition, ADE used “UHRSWORK” (“usual hours worked per week”) to calculate hourly wage rates, and further cross-tabbed these rates by many variables including those in Table 9 (size of household versus age of wage-earner). It is important to note that “INCWAGE” represents a portion of the total household income, as some persons and households also collect other forms of income tracked in the PUMS data regime, such as social security (“INCSS”), interest-dividends-rental income (“INCINVT”), retirement income (INCRETIR), supplementary security income (“INCSUPP”), and welfare (“INCWELF”). We only used “INCWAGE” in preparing Table 9 and or any other tables involving wages and salaries.

In order to capture income from tips for relevant occupations, we further adjusted hourly wage data from the Nevada Department of Employment, Training and Rehabilitation (DETR). In particular, we adjusted DETR’s hourly wage rates for “support level” occupations in food services (NAICS 722), and amusement/gambling (NAICS 713). Using “INCWAGE”, we determined that, on average, persons in support-level positions in food services earned \$12.40 an hour (see Table 13). The DETR placed the average hourly rate paid by food service employers at \$10.15, a difference of \$2.25, or 22 percent. Similarly, using PUMS “INCWAGE” we determined that, on average, persons in support-level positions in amusement/gambling earned \$16.48 an hour. According to DETR,

amusement/gambling employers paid on average \$12.25 for support-level occupations, a difference of \$4.23 or about 35 percent.

We applied these percentage adjustments to modify per worker costs stemming from a living wage. As a result, we increased food services and amusement/gambling wages at the 10th percentile and 25th percentile levels, which reduces the difference between these wage levels and the living wage at \$11.67.

APPENDIX B: IMPACT PER WORKER BY INDUSTRY, FOR POSITIONS WITH LEAST AND/OR SOME BARRIER TO ENTRY AND ONE PERSON PER HOUSEHOLD

APPENDIX B-1
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH
LEAST BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON PER HOUSEHOLD

		10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium- term OJT	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium- term OJT	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
Total		\$11.54	\$6.90	\$0.00	\$0	\$13.26	\$6.90	\$0.00	\$0
	Management								
	Specialists, technicians	\$12.01	\$6.90	\$0.00	\$0	\$14.39	\$6.90	\$0.00	\$0
	Support staff	\$10.10	\$6.90	\$0.00	\$0	\$11.73	\$6.90	\$0.00	\$0
210 Mining									
	Management								
	Specialists, technicians	\$9.49	\$6.90	\$0.00	\$0	\$11.99	\$6.90	\$0.00	\$0
	Support staff	\$10.90	\$6.90	\$0.00	\$0	\$12.25	\$6.90	\$0.00	\$0
220 Utilities									
	Management								
	Specialists, technicians								
	Support staff	\$21.75	\$6.90	\$0.00	\$0	\$23.80	\$6.90	\$0.00	\$0
230 Construction									
	Management								
	Specialists, technicians	\$13.08	\$6.90	\$0.00	\$0	\$16.14	\$6.90	\$0.00	\$0
	Support staff	\$12.32	\$6.90	\$0.00	\$0	\$14.31	\$6.90	\$0.00	\$0
311 Food Manufacturing									
	Management								
	Specialists, technicians	\$8.75	\$6.90	\$0.00	\$0	\$10.47	\$6.90	\$0.00	\$0
	Support staff	\$10.91	\$6.90	\$0.00	\$0	\$12.95	\$6.90	\$0.00	\$0
322 Non-Durable Goods Manufacturing									
	Management								
	Specialists, technicians	\$10.35	\$6.90	\$0.00	\$0	\$12.16	\$6.90	\$0.00	\$0
	Support staff	\$11.24	\$6.90	\$0.00	\$0	\$13.76	\$6.90	\$0.00	\$0
333 Durable Goods Manufacturing									
	Management								
	Specialists, technicians	\$10.54	\$6.90	\$0.00	\$0	\$11.98	\$6.90	\$0.00	\$0
	Support staff	\$11.20	\$6.90	\$0.00	\$0	\$12.93	\$6.90	\$0.00	\$0

APPENDIX B-1 (CONTINUED)
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH
LEAST BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON PER HOUSEHOLD

		10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
420 Wholesale	Management								
	Specialists, technicians	\$10.67	\$6.90	\$0.00	\$0	\$12.03	\$6.90	\$0.00	\$0
	Support staff	\$11.42	\$6.90	\$0.00	\$0	\$13.43	\$6.90	\$0.00	\$0
440 Retail	Management								
	Specialists, technicians	\$9.57	\$6.90	\$0.00	\$0	\$10.78	\$6.90	\$0.00	\$0
	Support staff	\$9.72	\$6.90	\$0.00	\$0	\$11.22	\$6.90	\$0.00	\$0
450 Retail	Management								
	Specialists, technicians	\$9.30	\$6.90	\$0.00	\$0	\$10.53	\$6.90	\$0.00	\$0
	Support staff	\$8.97	\$6.90	\$0.00	\$0	\$10.42	\$6.90	\$0.00	\$0
480 Transportation	Management								
	Specialists, technicians	\$9.92	\$6.90	\$0.00	\$0	\$11.10	\$6.90	\$0.00	\$0
	Support staff	\$10.51	\$6.90	\$0.00	\$0	\$11.93	\$6.90	\$0.00	\$0
491 Courier Services	Management								
	Specialists, technicians	\$37.02	\$6.90	\$0.00	\$0	\$37.02	\$6.90	\$0.00	\$0
	Support staff	\$19.28	\$6.90	\$0.00	\$0	\$19.79	\$6.90	\$0.00	\$0
493 Warehousing and Storage	Management								
	Specialists, technicians								
	Support staff	\$10.42	\$6.90	\$0.00	\$0	\$11.74	\$6.90	\$0.00	\$0
510 Information	Management								
	Specialists, technicians	\$15.14	\$6.90	\$0.00	\$0	\$16.61	\$6.90	\$0.00	\$0
	Support staff	\$12.00	\$6.90	\$0.00	\$0	\$14.19	\$6.90	\$0.00	\$0
520 Finance	Management								
	Specialists, technicians								
	Support staff	\$10.86	\$6.90	\$0.00	\$0	\$12.56	\$6.90	\$0.00	\$0
530 Real Estate	Management								
	Specialists, technicians	\$12.09	\$6.90	\$0.00	\$0	\$14.20	\$6.90	\$0.00	\$0
	Support staff	\$9.98	\$6.90	\$0.00	\$0	\$11.46	\$6.90	\$0.00	\$0
540 Professional and Technical Services	Management								
	Specialists, technicians	\$11.58	\$6.90	\$0.00	\$0	\$13.69	\$6.90	\$0.00	\$0
	Support staff	\$10.63	\$6.90	\$0.00	\$0	\$12.59	\$6.90	\$0.00	\$0

APPENDIX B-1 (CONTINUED)
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH
LEAST BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON PER HOUSEHOLD

	10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
550 Management of Enterprises								
Management								
Specialists, technicians	\$14.29	\$6.90	\$0.00	\$0	\$17.52	\$6.90	\$0.00	\$0
Support staff	\$11.74	\$6.90	\$0.00	\$0	\$13.72	\$6.90	\$0.00	\$0
561 Admin. and Support Servi.								
Management								
Specialists, technicians	\$8.19	\$6.90	\$0.00	\$0	\$9.36	\$6.90	\$0.00	\$0
Support staff	\$9.33	\$6.90	\$0.00	\$0	\$10.88	\$6.90	\$0.00	\$0
562 Waste Mngmnt and Remed.								
Management								
Specialists, technicians	\$17.82	\$6.90	\$0.00	\$0	\$21.74	\$6.90	\$0.00	\$0
Support staff	\$11.25	\$6.90	\$0.00	\$0	\$12.85	\$6.90	\$0.00	\$0
610 Educational Services								
Management								
Specialists, technicians	\$12.92	\$6.90	\$0.00	\$0	\$13.60	\$6.90	\$0.00	\$0
Support staff	\$12.88	\$6.90	\$0.00	\$0	\$14.74	\$6.90	\$0.00	\$0
620 Health Services								
Management								
Specialists, technicians	\$12.07	\$6.90	\$0.00	\$0	\$14.05	\$6.90	\$0.00	\$0
Support staff	\$11.41	\$6.90	\$0.00	\$0	\$12.83	\$6.90	\$0.00	\$0
711 Performing Arts and Spectator Sports								
Management								
Specialists, technicians								
Support staff	\$9.95	\$6.90	\$0.00	\$0	\$12.11	\$6.90	\$0.00	\$0
712 Museums, Parks and Historical Sites								
Management								
Specialists, technicians								
Support staff	\$10.10	\$6.90	\$0.00	\$0	\$11.35	\$6.90	\$0.00	\$0
713 Amusement, Gambling & Rec								
Management								
Specialists, technicians	\$8.91	\$6.90	\$0.00	\$0	\$9.94	\$6.90	\$0.00	\$0
Support staff	\$8.63	\$6.90	\$0.00	\$0	\$9.99	\$6.90	\$0.00	\$0
721 Accommodation								
Management								
Specialists, technicians	\$16.59	\$6.90	\$0.00	\$0	\$19.65	\$6.90	\$0.00	\$0
Support staff	\$10.57	\$6.90	\$0.00	\$0	\$12.36	\$6.90	\$0.00	\$0

APPENDIX B (CONTINUED)
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH LEAST BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON PER HOUSEHOLD

	10th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With the Least Barriers to Entry (short, medium-term OJT)	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
722 Food Svcs, Drinking Places								
Management								
Specialists, technicians								
Support staff	\$8.04	\$6.90	\$0.00	\$0	\$9.52	\$6.90	\$0.00	\$0
810 Other services								
Management								
Specialists, technicians	\$9.63	\$6.90	\$0.00	\$0	\$11.63	\$6.90	\$0.00	\$0
Support staff	\$9.04	\$6.90	\$0.00	\$0	\$10.52	\$6.90	\$0.00	\$0

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

APPENDIX B-2
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON HOUSEHOLD

	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
*Total	\$18.16	\$6.90	\$0.00	\$0	\$21.34	\$6.90	\$0.00	\$0
Management	\$16.41	\$6.90	\$0.00	\$0	\$19.50	\$6.90	\$0.00	\$0
Specialists, technicians	\$15.04	\$6.90	\$0.00	\$0	\$18.92	\$6.90	\$0.00	\$0
Support staff	\$11.42	\$6.90	\$0.00	\$0	\$13.08	\$6.90	\$0.00	\$0
210 Mining								
Management								
Specialists, technicians								
Support staff								
220 Utilities								
Management	\$25.14	\$6.90	\$0.00	\$0	\$35.63	\$6.90	\$0.00	\$0
Specialists, technicians	\$11.92	\$6.90	\$0.00	\$0	\$19.40	\$6.90	\$0.00	\$0
Support staff								
230 Construction								

APPENDIX B-2
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME
BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON HOUSEHOLD

		10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One- Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One- Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
	Management	\$19.49	\$6.90	\$0.00	\$0	\$23.24	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.40	\$6.90	\$0.00	\$0	\$19.67	\$6.90	\$0.00	\$0
	Support staff								
311 Food Manufacturing									
	Management	\$15.46	\$6.90	\$0.00	\$0	\$18.07	\$6.90	\$0.00	\$0
	Specialists, technicians	\$11.98	\$6.90	\$0.00	\$0	\$15.07	\$6.90	\$0.00	\$0
	Support staff								
322 Non-Durable Goods Manufacturing									
	Management	\$16.98	\$6.90	\$0.00	\$0	\$20.84	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.74	\$6.90	\$0.00	\$0	\$18.71	\$6.90	\$0.00	\$0
	Support staff	\$8.28	\$6.90	\$0.00	\$0	\$9.00	\$6.90	\$0.00	\$0
333 Durable Goods Manufacturing									
	Management	\$21.45	\$6.90	\$0.00	\$0	\$24.85	\$6.90	\$0.00	\$0
	Specialists, technicians	\$16.28	\$6.90	\$0.00	\$0	\$18.36	\$6.90	\$0.00	\$0
	Support staff								
420 Wholesale									
	Management	\$18.28	\$6.90	\$0.00	\$0	\$23.27	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.82	\$6.90	\$0.00	\$0	\$17.17	\$6.90	\$0.00	\$0
	Support staff								
440 Retail									
	Management	\$13.52	\$6.90	\$0.00	\$0	\$15.68	\$6.90	\$0.00	\$0
	Specialists, technicians	\$9.55	\$6.90	\$0.00	\$0	\$10.91	\$6.90	\$0.00	\$0
	Support staff	\$8.58	\$6.90	\$0.00	\$0	\$9.66	\$6.90	\$0.00	\$0
450 Retail									
	Management	\$14.87	\$6.90	\$0.00	\$0	\$17.39	\$6.90	\$0.00	\$0
	Specialists, technicians	\$11.50	\$6.90	\$0.00	\$0	\$14.91	\$6.90	\$0.00	\$0
	Support staff								
480 Transportation									
	Management	\$18.25	\$6.90	\$0.00	\$0	\$20.94	\$6.90	\$0.00	\$0
	Specialists, technicians	\$8.78	\$6.90	\$0.00	\$0	\$10.75	\$6.90	\$0.00	\$0
	Support staff								
491 Courier Services									
	Management	\$28.28	\$6.90	\$0.00	\$0	\$29.35	\$6.90	\$0.00	\$0
	Specialists, technicians	\$25.98	\$6.90	\$0.00	\$0	\$26.92	\$6.90	\$0.00	\$0
	Support staff								
493 Warehousing and Storage									
	Management	\$16.92	\$6.90	\$0.00	\$0	\$21.33	\$6.90	\$0.00	\$0
	Specialists, technicians								
	Support staff								
510 Information									
	Management	\$18.02	\$6.90	\$0.00	\$0	\$22.06	\$6.90	\$0.00	\$0

APPENDIX B-2
IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME
BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON HOUSEHOLD

		10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One- Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One- Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
	Specialists, technicians	\$13.89	\$6.90	\$0.00	\$0	\$16.99	\$6.90	\$0.00	\$0
520 Finance	Support staff								
	Management	\$20.76	\$6.90	\$0.00	\$0	\$23.82	\$6.90	\$0.00	\$0
	Specialists, technicians	\$16.51	\$6.90	\$0.00	\$0	\$19.12	\$6.90	\$0.00	\$0
	Support staff	\$13.67	\$6.90	\$0.00	\$0	\$15.37	\$6.90	\$0.00	\$0
530 Real Estate									
	Management	\$15.51	\$6.90	\$0.00	\$0	\$18.51	\$6.90	\$0.00	\$0
	Specialists, technicians	\$13.44	\$6.90	\$0.00	\$0	\$16.78	\$6.90	\$0.00	\$0
	Support staff	NA	NA	NA	NA	NA	NA	NA	NA
540 Professional and Technical Services									
	Management	\$21.35	\$6.90	\$0.00	\$0	\$25.55	\$6.90	\$0.00	\$0
	Specialists, technicians	\$12.39	\$6.90	\$0.00	\$0	\$16.89	\$6.90	\$0.00	\$0
	Support staff								
550 Management of Companies and Enterprises									
	Management	\$19.26	\$6.90	\$0.00	\$0	\$22.25	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.64	\$6.90	\$0.00	\$0	\$18.28	\$6.90	\$0.00	\$0
	Support staff								
561 Administrative and Support Services									
	Management	\$15.10	\$6.90	\$0.00	\$0	\$18.10	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.31	\$6.90	\$0.00	\$0	\$18.40	\$6.90	\$0.00	\$0
	Support staff								
562 Waste Management and Remediation Service									
	Management	\$24.96	\$6.90	\$0.00	\$0	\$26.63	\$6.90	\$0.00	\$0
	Specialists, technicians	\$15.49	\$6.90	\$0.00	\$0	\$18.61	\$6.90	\$0.00	\$0
	Support staff								
610 Educational Services									
	Management	\$16.90	\$6.90	\$0.00	\$0	\$18.59	\$6.90	\$0.00	\$0
	Specialists, technicians	\$19.22	\$6.90	\$0.00	\$0	\$21.67	\$6.90	\$0.00	\$0
	Support staff								
620 Health Services									
	Management	\$17.18	\$6.90	\$0.00	\$0	\$20.04	\$6.90	\$0.00	\$0
	Specialists, technicians	\$13.80	\$6.90	\$0.00	\$0	\$16.24	\$6.90	\$0.00	\$0
	Support staff								
711 Performing Arts and Spectator Sports									
	Management	\$17.08	\$6.90	\$0.00	\$0	\$18.34	\$6.90	\$0.00	\$0
	Specialists, technicians	\$11.27	\$6.90	\$0.00	\$0	\$17.18	\$6.90	\$0.00	\$0
	Support staff								
712 Museums, Parks and Historical Sites									

APPENDIX B-2

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME BARRIERS TO ENTRY: ASSUMPTION: ONE PERSON HOUSEHOLD

	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with One-Person Household at 130 Poverty (\$6.90)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37 Hrs Week @ 50 Weeks
Management								
Specialists, technicians								
Support staff								
713 Amusement, Gambling & Recreation								
Management	\$13.79	\$6.90	\$0.00	\$0	\$16.98	\$6.90	\$0.00	\$0
Specialists, technicians	\$9.08	\$6.90	\$0.00	\$0	\$11.87	\$6.90	\$0.00	\$0
Support staff	\$10.41	\$6.90	\$0.00	\$0	\$11.57	\$6.90	\$0.00	\$0
721 Accommodation								
Management	\$15.82	\$6.90	\$0.00	\$0	\$19.57	\$6.90	\$0.00	\$0
Specialists, technicians	\$17.61	\$6.90	\$0.00	\$0	\$20.74	\$6.90	\$0.00	\$0
Support staff	\$13.96	\$6.90	\$0.00	\$0	\$16.30	\$6.90	\$0.00	\$0
722 Food Services and Drinking Places								
Management	\$14.68	\$6.90	\$0.00	\$0	\$16.86	\$6.90	\$0.00	\$0
Specialists, technicians	\$10.02	\$6.90	\$0.00	\$0	\$11.36	\$6.90	\$0.00	\$0
Support staff	\$9.65	\$6.90	\$0.00	\$0	\$10.80	\$6.90	\$0.00	\$0
810 Other services								
Management	\$16.22	\$6.90	\$0.00	\$0	\$18.77	\$6.90	\$0.00	\$0
Specialists, technicians	\$8.49	\$6.90	\$0.00	\$0	\$11.85	\$6.90	\$0.00	\$0
Support staff	\$12.17	\$6.90	\$0.00	\$0	\$13.79	\$6.90	\$0.00	\$0

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

APPENDIX C: EMPLOYMENT BY INDUSTRY AND BY BROAD OCCUPATIONAL CATEGORIES

Appendix Table C distributes private sector employment in two ways. Along the vertical axis, jobs in the County are divided by industry and, within these divisions, further divided by broad occupational categories, such as management, specialists/technicians, and support staff. Along the horizontal axis, data are divided by what we refer to as “levels of barriers to entry,” which are coded with the needs of target wage earners in mind. Occupations that require short- and medium term on the job training are referred to as occupations with the least barrier to entry, whereas jobs requiring long-term on the job training and work experience are referred to as occupations with some barriers to entry. Those requiring an AA or post secondary vocational education are occupations with moderate barriers to entry, and occupations requiring at least a Bachelor’s degree are referred to as occupations with high barriers to entry. Of the more than 780,600 private sector positions in Clark County (see Table 17), the State of Nevada has released data in a way that allows researchers to analyze 659,230 of the 780,600 positions.¹⁰ As Appendix Table C shows, of the 659,230 positions, 421,170 (63.9 percent) exhibit low barrier to entry traits and, of these, 30,240 (seven percent) are specialist/technician occupations and 390,930 (93 percent) are lower-level occupations that provide a range of support. The table also shows 103,400 positions in the some barriers to entry category and, of these, 42,200 (41 percent) are management occupations, 47,990 (46 percent) are specialist/technician occupations and 13,210 (13 percent) are lower-level support staff occupations.

¹⁰Both the United States Bureau of Labor Statistics and the Nevada DETR release industry data (including employment and occupational patterns) only for those industries that contain more than three establishments within a specific industry group (i.e. six-digit NAICS code), and/or for those industries where one establishment does not constitute at least 80 percent of total employment or total sales within a specific industry group.

APPENDIX TABLE C
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEVELS OF ENTRY TO BARRIER

		Total Number of Positions (non-confidential only)	Positions With Least Barrier To Entry: Short-, Medium- OJT	Positions With Some Barriers to Entry: Long-OJT, work- exp.	Positions With Moderate Barriers to Entry: AA, VOC	Positions With High Barriers to Entry: minimum BA
Total		659,230	421,170	103,400	72,600	62,060
			63.90%	15.70%	11.00%	9.40%
		77,810	0	42,200	9,900	25,710
		146,120	30,240	47,990	32,330	35,560
		435,300	390,930	13,210	30,370	790
210 Mining		50	50	0	0	0
	Management					
	Specialists, technicians	0	0			
	Support staff	50	50			
220 Utilities		140	20	120	0	0
	Management	80		80		0
	Specialists, technicians	40		40		
	Support staff	20	20			
230 Construction		67,920	26,920	34,500	890	5,610
	Management	9,870		6,140		3,730
	Specialists, technicians	45,280	14,440	28,360	600	1,880
	Support staff	12,770	12,480		290	
311 Food Manufacturing		2,240	1,520	610	0	110
	Management	200		100		100
	Specialists, technicians	1,370	850	510		10
	Support staff	670	670			
322 Non-Durable Goods Manufacturing		4,440	3,210	830	60	340
	Management	640		340		300
	Specialists, technicians	2,180	1,650	430	60	40
	Support staff	1,620	1,560	60		
333 Durable Goods Manufacturing		5,290	2,410	1,220	310	1,350
	Management	1,060		450		610
	Specialists, technicians	3,090	1,270	770	310	740
	Support staff	1,140	1,140			
420 Wholesale		19,000	14,950	1,030	850	2,170
	Management	2,260		830		1,430
	Specialists, technicians	2,530	740	200	850	740
	Support staff	14,210	14,210			
440 Retail		52,580	41,790	6,840	1,360	2,590
	Management	7,360		5,800		1,560
	Specialists, technicians	5,340	2,070	880	1,360	1,030
	Support staff	39,880	39,720	160		
450 Retail		21,330	17,700	2,790	20	820
	Management	3,230		2,690		540
	Specialists, technicians	860	460	100	20	280
	Support staff	17,240	17,240			

APPENDIX TABLE C
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEVELS OF ENTRY TO BARRIER

		Total Number of Positions (non-confidential only)	Positions With Least Barrier To Entry: Short-, Medium- OJT	Positions With Some Barriers to Entry: Long-OJT, work- exp.	Positions With Moderate Barriers to Entry: AA, VOC	Positions With High Barriers to Entry: minimum BA
480	Transportation	19,390	17,500	690	910	290
	Management	910		650		260
	Specialists, technicians	3,020	2,040	40	910	30
	Support staff	15,460	15,460			
491	Courier Services	3,720	3,370	240	70	40
	Management	170		170		0
	Specialists, technicians	180	0	70	70	40
	Support staff	3,370	3,370			
493	Warehousing and Storage	2,350	2,240	50	0	60
	Management	110		50		60
	Specialists, technicians	0				0
	Support staff	2,240	2,240			
510	Information	5,370	2,350	1,460	400	1,160
	Management	730		320		410
	Specialists, technicians	2,290	0	1,140	400	750
	Support staff	2,350	2,350			0
520	Finance	21,760	13,010	2,270	1,240	5,240
	Management	3,110		1,530		1,580
	Specialists, technicians	3,780		580	60	3,140
	Support staff	14,870	13,010	160	1,180	520
530	Real Estate	15,400	7,820	3,180	2,110	2,290
	Management	2,880		900		1,980
	Specialists, technicians	3,280	190	2,020	760	310
	Support staff	9,240	7,630	260	1,350	
540	Professional and Technical Services	30,820	11,730	2,050	4,900	12,140
	Management	3,260		1,020		2,240
	Specialists, technicians	16,320	1,500	1,030	3,890	9,900
	Support staff	11,240	10,230		1,010	
550	Management of Companies and Enterprises	10,860	4,330	920	320	5,290
	Management	3,750		760	0	2,990
	Specialists, technicians	2,780	0	160	320	2,300
	Support staff	4,330	4,330			
561	Administrative and Support Services	47,410	38,510	4,870	1,520	2,510
	Management	3,580		2,120		1,460
	Specialists, technicians	5,690	1,290	2,750	600	1,050
	Support staff	38,140	37,220		920	
562	Waste Management and Remediation Service	620	510	80	30	0
	Management	30		30		0
	Specialists, technicians	410	330	50	30	
	Support staff	180	180			
610	Educational Services	9,840	1,580	740	1,310	6,210
	Management	1,100		390		710
	Specialists, technicians	7,160	0	350	1,310	5,500

APPENDIX TABLE C
EMPLOYMENT BY INDUSTRY BY BROAD OCCUPATION CATEGORIES, AND BY LEVELS OF ENTRY TO BARRIER

		Total Number of Positions (non-confidential only)	Positions With Least Barrier To Entry: Short-, Medium- OJT	Positions With Some Barriers to Entry: Long-OJT, work- exp.	Positions With Moderate Barriers to Entry: AA, VOC	Positions With High Barriers to Entry: minimum BA
620 Health Services	Support staff	1,580	1,580			
		56,980	27,020	1,260	20,710	7,990
	Management	3,180		880		2,300
	Specialists, technicians	25,280	760	380	18,600	5,540
711 Performing Arts and Spectator Sports	Support staff	28,520	26,260		2,110	150
		3,330	700	2,080	70	480
	Management	320		0		320
	Specialists, technicians	2,310		2,080	70	160
712 Museums, Parks and Historical Sites	Support staff	700	700			
		180	150	0	0	30
	Management					
	Specialists, technicians	30				30
713 Amusement, Gambling & Recreation Ind	Support staff	150	150			
		10,040	7,080	900	1,780	280
	Management	1,120		510	370	240
	Specialists, technicians	530	390	100	0	40
721 Accommodation	Support staff	8,390	6,690	290	1,410	
		160,990	107,720	20,720	29,280	3,270
	Management	19,970		9,750	8,700	1,520
	Specialists, technicians	9,650	1,970	5,100	880	1,700
722 Food Services and Drinking Places	Support staff	131,370	105,750	5,870	19,700	50
		72,830	58,890	12,560	830	550
	Management	7,350		6,040	830	480
	Specialists, technicians	180		110		70
810 Other services	Support staff	65,300	58,890	6,410		
		14,350	8,090	1,390	3,630	1,240
	Management	1,540		650	0	890
	Specialists, technicians	2,540	290	740	1,230	280
	Support staff	10,270	7,800	0	2,400	70

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

APPENDIX D: MARKET WAGES COMPARED TO LIVING WAGE

Appendix Tables D-1 and D-2 below provide estimates on extent to which new businesses interested in locating in the City of Las Vegas' redevelopment area may be affected by a living wage requirement. For example, when comparing the target hourly wage of \$11.67 against wages earned by lowest paid food manufacturing (NAICS 311) wage earners in "least barrier to entry occupations," Table D-1 below shows that 8.3 percent of these food manufacturing workers would be covered by the living wage requirement. Since data is available on what the 25th percentile food manufacturing worker in "least barrier to entry occupations" typically makes, we can also analyze whether these workers making above the 10th percentile level would be also subject to the living wage requirement. Indeed, Table 19 above shows that average wage earned by the 25th percentile food manufacturing worker (i.e. \$10.47/hr -- specialist/technician occupations) is less than the \$11.67 target. Thus, Table 20 shows the cumulative percent of food manufacturing workers (13.8 percent) potentially affected by the living wage requirement, in the event such a business opens in the redevelopment area.

In the case of durable goods manufacturing (NAICS 333), Table D-1 shows that the living wage requirement primarily affects workers at the 10th percentile wage level in least barrier to entry occupations: the average wage associated with the 10th percentile worker is less than the target wage, and taking into account the number of workers at that wage level (with an adjustment for the increment between the wage for the 10th percentile worker and the \$11.67 target), we calculate that 4.9 percent of the durable goods manufacturing workforce would be subject to the living wage requirement. When we examine wage data for workers in this industry above the 10th percentile and up to the 25th percentile level, no additional workers would be subject to the requirement, as workers above the 10th percentile level make more than the target. While the cumulative extent to which a businesses' workforce would be subject to the living wage requirement depends on the industry the business is in, in general, businesses interested in locating in the redevelopment area can expect to have 10.3 percent of their workforce subject to the living wage requirement.

**APPENDIX TABLE D-1
EMPLOYMENT BY INDUSTRY (LEAST BARRIER TO ENTRY OCCUPATIONS) : AGGREGATE
IMPACTS**

	Total Positions	Number of Positions With Least Barrier To Entry at 0-10th Percentile	Impacted Positions As Percent of Total Positions	Number of Positions With Least Barrier To Entry at 0-25th Percentile (cumulative)	Impacted Positions As Percent of Total Positions (cumulative)
Total	659,040	43,447	6.6%	67,973	10.3%
210 Mining	50	5	10.0%	5	10.0%
220 Utilities	140	0	0.0%	0	0.0%
230 Construction	67,920	0	0.0%	0	0.0%
311 Food Manufacturing	2,240	185	8.3%	309	13.8%
322 Non-Durable Goods Manufacturing	4,440	348	7.8%	348	7.8%
333 Durable Goods Manufacturing	5,290	260	4.9%	260	4.9%
420 Wholesale	19,000	1,533	8.1%	1,533	8.1%
440 Retail	52,580	5,020	9.5%	10,883	20.7%
450 Retail	21,330	2,300	10.8%	4,954	23.2%
480 Transportation	19,390	1,956	10.1%	2,252	11.6%
491 Courier Services	3,720	0	0.0%	0	0.0%
493 Warehousing and Storage	2,350	251	10.7%	251	10.7%
510 Information	5,370	0	0.0%	0	0.0%
520 Finance	21,760	1,398	6.4%	1,398	6.4%
530 Real Estate	15,400	892	5.8%	1,943	12.6%
540 Professional and Technical Services	30,820	1,274	4.1%	1,274	4.1%
550 Management of Companies and Enterprises	10,860	0	0.0%	0	0.0%
561 Administrative and Support Services	47,410	4,838	10.2%	10,386	21.9%
562 Waste Management and Remediation Service	620	19	3.1%	19	3.1%
610 Educational Services	9,840	0	0.0%	0	0.0%
620 Health Services	56,980	2,685	4.7%	2,685	4.7%
711 Performing Arts and Spectator Sports	3,330	82	2.5%	82	2.5%
712 Museums, Parks and Historical Sites	180	17	9.4%	39	21.7%
713 Amusement, Gambling & Recreation Ind	10,040	672	6.7%	672	6.7%
721 Accommodation	160,990	11,678	7.3%	11,678	7.3%
722 Food Services and Drinking Places	72,830	6,997	9.6%	14,772	20.3%
810 Other services	14,350	1,042	7.3%	2,235	15.6%

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

Appendix Table D-2 is similar to the table above. Appendix Table D-2 focuses on occupations in the “some barrier to entry” category.

**APPENDIX TABLE D-2
EMPLOYMENT BY INDUSTRY (SOME BARRIER TO ENTRY OCCUPATIONS) : AGGREGATE
IMPACTS**

	Total Positions	Number of Positions With Some Barrier To Entry at 0-10th Percentile	Impacted Positions As Percent of Total Positions	Number of Positions With Some Barrier To Entry at 0-25th Percentile (cumulative)	Impacted Positions As Percent of Total Positions (cumulative)
Total	659,040	470	0.07%	640	0.10%
210 Mining	50	0	0.00%	0	0.00%
220 Utilities	140	0	0.00%	0	0.00%
230 Construction	67,920	0	0.00%	0	0.00%
311 Food Manufacturing	2,240	0	0.00%	0	0.00%
322 Non-Durable Goods Manufacturing	4,440	8	0.18%	19	0.43%
333 Durable Goods Manufacturing	5,290	0	0.00%	0	0.00%
420 Wholesale	19,000	0	0.00%	0	0.00%
440 Retail	52,580	130	0.25%	283	0.54%
450 Retail	21,330	10	0.05%	10	0.05%
480 Transportation	19,390	5	0.03%	11	0.06%
491 Courier Services	3,720	0	0.00%	0	0.00%
493 Warehousing and Storage	2,350	0	0.00%	0	0.00%
510 Information	5,370	0	0.00%	0	0.00%
520 Finance	21,760	0	0.00%	0	0.00%
530 Real Estate	15,400	0	0.00%	0	0.00%
540 Professional and Technical Services	30,820	0	0.00%	0	0.00%
550 Management of Companies and Enterprises	10,860	0	0.00%	0	0.00%
561 Administrative and Support Services	47,410	0	0.00%	0	0.00%
562 Waste Management and Remediation Service	620	0	0.00%	0	0.00%
610 Educational Services	9,840	0	0.00%	0	0.00%
620 Health Services	56,980	0	0.00%	0	0.00%
711 Performing Arts and Spectator Sports	3,330	215	6.46%	215	6.46%
712 Museums, Parks and Historical Sites	180	0	0.00%	0	0.00%
713 Amusement, Gambling & Recreation Ind	10,040	0	0.0%	0	0.0%
721 Accommodation	160,990	0	0.0%	0	0.0%
722 Food Services and Drinking Places	72,830	0	0.0%	0	0.0%
810 Other services	14,350	102	0.71%	102	0.71%

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

Appendix Tables D-3 and D-4 estimate potential impacts in the event beneficiaries of redevelopment project area assistance increase their respective wages so that the lowest wage equals to or exceeds the average hourly wage associated with the 130 percent poverty level. Estimates in the tables below are based on the average size household at the 100-130 federal poverty, which amounts to three persons per household. For this household, the 130 federal

poverty income level of \$23,800, when converted into a full-time hourly rate, amounts to \$11.67. Table D-3 compares 10th percentile (lowest, entry-level) and the 25th (next lowest) percentile average hourly rates for various occupations with low barriers to entry. In other words, these occupations require short- and medium-term on the job training. For example, as Table D-3 shows, the 10th percentile wage for lower-level support positions in construction is, on average, \$12.32. When compared against the \$11.67 target wage level, there is no impact, as market rate wages at this level already exceed the target. On the other hand, the tenth percentile wage in food services for occupation requiring either short- or medium-term on the job training is, on average, \$9.82 an hour. Increasing this pay to \$11.67 results in an impact of \$1.85 per worker hour, which when annualized, amounts to an annual per worker impact of \$3,462. The \$11.67 target is also compared against the 25th percentile average wage for the same occupations in the same industry also requiring short- or medium-term training. While a number of industries are impacted at particular occupational levels when comparing 25th percentile wage against the target wage, fewer industries are impacted, in part because, in many cases, the 25th percentile wage equals and/or exceeds the \$11.67 target.

APPENDIX TABLE D-3

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH LEAST BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Total	\$11.54	\$11.67	-\$0.12	-\$232	\$13.26	\$11.67	\$0.00	\$0
Management								
Specialists, technicians	\$12.01	\$11.67	\$0.00	\$0	\$14.39	\$11.67	\$0.00	\$0
Support staff	\$10.10	\$11.67	-\$1.57	-\$2,940	\$11.73	\$11.67	\$0.00	\$0
210 Mining				-\$1,441				\$0
Management								
Specialists, technicians	\$9.49	\$11.67	-\$2.18	-\$4,084	\$11.99	\$11.67	\$0.00	\$0
Support staff	\$10.90	\$11.67	-\$0.77	-\$1,441	\$12.25	\$11.67	\$0.00	\$0
220 Utilities				\$0				
Management								\$0
Specialists, technicians								
Support staff	\$21.75	\$11.67	\$0.00	\$0	\$23.80	\$11.67	\$0.00	\$0
230 Construction				\$0				\$0
Management								
Specialists, technicians	\$13.08	\$11.67	\$0.00	\$0	\$16.14	\$11.67	\$0.00	\$0
Support staff	\$12.32	\$11.67	\$0.00	\$0	\$14.31	\$11.67	\$0.00	\$0
311 Food Manufacturing				-\$3,682				-\$2,255

APPENDIX TABLE D-3

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH LEAST BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Management								
Specialists, technicians	\$8.75	\$11.67	-\$2.91	-\$5,464	\$10.47	\$11.67	-\$1.20	-\$2,255
Support staff	\$10.91	\$11.67	-\$0.76	-\$1,421	\$12.95	\$11.67	\$0.00	\$0
322 Non-Durable Goods Manufacturing				-\$1,667				\$0
Management								
Specialists, technicians	\$10.35	\$11.67	-\$1.32	-\$2,481	\$12.16	\$11.67	\$0.00	\$0
Support staff	\$11.24	\$11.67	-\$0.43	-\$807	\$13.76	\$11.67	\$0.00	\$0
333 Durable Goods Manufacturing				-\$1,529				\$0
Management								
Specialists, technicians	\$10.54	\$11.67	-\$1.13	-\$2,117	\$11.98	\$11.67	\$0.00	\$0
Support staff	\$11.20	\$11.67	-\$0.47	-\$875	\$12.93	\$11.67	\$0.00	\$0
420 Wholesale				-\$530				\$0
Management								
Specialists, technicians	\$10.67	\$11.67	-\$1.00	-\$1,866	\$12.03	\$11.67	\$0.00	\$0
Support staff	\$11.42	\$11.67	-\$0.25	-\$460	\$13.43	\$11.67	\$0.00	\$0
440 Retail				-\$3,666				-\$872
Management								
Specialists, technicians	\$9.57	\$11.67	-\$2.10	-\$3,942	\$10.78	\$11.67	-\$0.89	-\$1,663
Support staff	\$9.72	\$11.67	-\$1.95	-\$3,652	\$11.22	\$11.67	-\$0.44	-\$831
450 Retail				-\$5,041				-\$2,338
Management								
Specialists, technicians	\$9.30	\$11.67	-\$2.37	-\$4,447	\$10.53	\$11.67	-\$1.14	-\$2,138
Support staff	\$8.97	\$11.67	-\$2.70	-\$5,057	\$10.42	\$11.67	-\$1.25	-\$2,343
480 Transportation				-\$2,300				-\$1,066
Management								
Specialists, technicians	\$9.92	\$11.67	-\$1.75	-\$3,278	\$11.10	\$11.67	-\$0.57	-\$1,066
Support staff	\$10.51	\$11.67	-\$1.16	-\$2,171	\$11.93	\$11.67	\$0.00	\$0
491 Courier Services				\$0				\$0
Management								
Specialists, technicians	\$37.02	\$11.67	\$0.00	\$0	\$37.02	\$11.67	\$0.00	\$0
Support staff	\$19.28	\$11.67	\$0.00	\$0	\$19.79	\$11.67	\$0.00	\$0
493 Warehousing and Storage				-\$2,339				\$0
Management								
Specialists, technicians								
Support staff	\$10.42	\$11.67	-\$1.25	-\$2,339	\$11.74	\$11.67	\$0.00	\$0
510 Information				\$0				\$0
Management								
Specialists, technicians	\$15.14	\$11.67	\$0.00	\$0	\$16.61	\$11.67	\$0.00	\$0
Support staff	\$12.00	\$11.67	\$0.00	\$0	\$14.19	\$11.67	\$0.00	\$0

APPENDIX TABLE D-3

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH LEAST BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
520 Finance				-\$1,515				\$0
Management								
Specialists, technicians								
Support staff	\$10.86	\$11.67	-\$0.81	-\$1,515	\$12.56	\$11.67	\$0.00	\$0
530 Real Estate				-\$3,081				-\$384
Management								
Specialists, technicians	\$12.09	\$11.67	\$0.00	\$0	\$14.20	\$11.67	\$0.00	\$0
Support staff	\$9.98	\$11.67	-\$1.68	-\$3,158	\$11.46	\$11.67	-\$0.21	-\$394
540 Professional and Tech Services				-\$1,726				\$0
Management								
Specialists, technicians	\$11.58	\$11.67	-\$0.09	-\$161	\$13.69	\$11.67	\$0.00	\$0
Support staff	\$10.63	\$11.67	-\$1.04	-\$1,955	\$12.59	\$11.67	\$0.00	\$0
550 Management of Companies				\$0				\$0
Management								
Specialists, technicians	\$14.29	\$11.67	\$0.00	\$0	\$17.52	\$11.67	\$0.00	\$0
Support staff	\$11.74	\$11.67	\$0.00	\$0	\$13.72	\$11.67	\$0.00	\$0
561 Admin & Support Services				-\$4,452				-\$1,581
Management								
Specialists, technicians	\$8.19	\$11.67	-\$3.48	-\$6,530	\$9.36	\$11.67	-\$2.31	-\$4,331
Support staff	\$9.33	\$11.67	-\$2.34	-\$4,380	\$10.88	\$11.67	-\$0.79	-\$1,486
562 Waste Mgt and Remediation				-\$276				\$0
Management								
Specialists, technicians	\$17.82	\$11.67	\$0.00	\$0	\$21.74	\$11.67	\$0.00	\$0
Support staff	\$11.25	\$11.67	-\$0.42	-\$782	\$12.85	\$11.67	\$0.00	\$0
610 Educational Services				\$0				\$0
Management								
Specialists, technicians	\$12.92	\$11.67	\$0.00	\$0	\$13.60	\$11.67	\$0.00	\$0
Support staff	\$12.88	\$11.67	\$0.00	\$0	\$14.74	\$11.67	\$0.00	\$0
620 Health Services				-\$469				\$0
Management								
Specialists, technicians	\$12.07	\$11.67	\$0.00	\$0	\$14.05	\$11.67	\$0.00	\$0
Support staff	\$11.41	\$11.67	-\$0.26	-\$483	\$12.83	\$11.67	\$0.00	\$0
711 Performing Arts Spectator				-\$3,229				\$0
Management								
Specialists, technicians								
Support staff	\$9.95	\$11.67	-\$1.72	-\$3,229	\$12.11	\$11.67	\$0.00	\$0
712 Museums, Parks and Sites				-\$2,941				-\$606
Management								
Specialists, technicians								

APPENDIX TABLE D-3

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH LEAST BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Least Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Support staff	\$10.10	\$11.67	-\$1.57	-\$2,941	\$11.35	\$11.67	-\$0.32	-\$606
713 Amusement, Gambling & Rec. Management				-\$105				
Specialists, technicians	\$11.99	\$11.67	\$0.00	\$0	\$13.38	\$11.67	\$0	\$0
Support staff	\$11.61	\$11.67	-\$0.06	-\$105	\$13.44	\$11.67	\$0	\$0
721 Accommodation Management				-\$2,029				\$0
Specialists, technicians	\$16.59	\$11.67	\$0.00	\$0	\$19.65	\$11.67	\$0.00	\$0
Support staff	\$12.91	\$11.67	-\$1.10	-\$2,067	\$12.36	\$11.67	\$0.00	\$0
722 Food Services and Drinking Places Management				-\$3,462				\$0
Specialists, technicians								
Support staff	\$9.82	\$11.67	-\$1.85	-\$3,462	\$12.36	\$11.67	\$0.00	\$0
810 Other services Management				-\$4,891				-\$2,069
Specialists, technicians	\$9.63	\$11.67	-\$2.04	-\$3,828	\$11.63	\$11.67	-\$0.04	-\$69
Support staff	\$9.04	\$11.67	-\$2.63	-\$4,931	\$10.52	\$11.67	-\$1.14	-\$2,144

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

Appendix Table D-4 is similar to the table directly above, except this table compares the \$11.67 hourly target wage against wages associated with occupations with “some barriers to entry”, i.e. occupations requiring long-term on the job training or work experience. Because these occupations across most industries tend to pay higher, there is little to no impact at either the 10th percentile wage or the 25th percentile wages, although retail (NAICS 440) exhibits impacts.

APPENDIX TABLE D-4

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Total	\$18.16	\$11.67	\$0.00	\$0.00	\$21.34	\$0.00	\$0.00	\$0.00
Management	\$16.41	\$11.67	\$0.00		\$19.50	\$0.00	\$0.00	
Specialists, technicians	\$15.04	\$11.67	\$0.00	\$0.00	\$18.92	\$11.67	\$0.00	\$0.00
Support staff	\$11.42	\$11.67	-\$0.25	-\$466.00	\$13.08	\$11.67	\$0.00	\$0.00
210 Mining								
Management								
Specialists, technicians								
Support staff								
220 Utilities								
Management	\$25.14	\$11.67	\$0.00	\$0.00	\$35.63	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$11.92	\$11.67	\$0.00	\$0.00	\$19.40	\$11.67	\$0.00	\$0.00
Support staff								
230 Construction								
Management	\$19.49	\$11.67	\$0.00	\$0.00	\$23.24	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$15.40	\$11.67	\$0.00	\$0.00	\$19.67	\$11.67	\$0.00	\$0.00
Support staff								
311 Food Manufacturing								
Management	\$15.46	\$11.67	\$0.00	\$0.00	\$18.07	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$11.98	\$11.67	\$0.00	\$0.00	\$15.07	\$11.67	\$0.00	\$0.00
Support staff								
322 Non-Durable Goods Manufacturing								
Management	\$16.98	\$11.67	\$0.00	\$0.00	\$20.84	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$15.74	\$11.67	\$0.00	\$0.00	\$18.71	\$11.67	\$0.00	\$0.00
Support staff	\$8.28	\$11.67	-\$3.39	-\$6,353.00	\$9.00	\$11.67	-\$2.67	-\$5,003.00
333 Durable Goods Manufacturing								
Management	\$21.45	\$11.67	\$0.00	\$0.00	\$24.85	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$16.28	\$11.67	\$0.00	\$0.00	\$18.36	\$11.67	\$0.00	\$0.00
Support staff								
420 Wholesale								
Management	\$18.28	\$11.67	\$0.00	\$0.00	\$23.27	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$15.82	\$11.67	\$0.00	\$0.00	\$17.17	\$11.67	\$0.00	\$0.00
Support staff								
440 Retail								
Management	\$13.52	\$11.67	\$0.00	\$0.00	\$15.68	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$9.55	\$11.67	-\$2.12	-\$3,975.00	\$10.91	\$11.67	-\$0.76	-\$1,416.00
Support staff	\$8.58	\$11.67	-\$3.09	-\$5,791.00	\$9.66	\$11.67	-\$2.01	-\$3,766.00
450 Retail								
Management	\$14.87	\$11.67	\$0.00	\$0.00	\$17.39	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$11.50	\$11.67	-\$0.17	-\$325.00	\$14.91	\$11.67	\$0.00	\$0.00

APPENDIX TABLE D-4

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Support staff								
480 Transportation								
Management	\$18.25	\$11.67	\$0.00	\$0.00	\$20.94	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$8.78	\$11.67	-\$2.89	-\$5,409.00	\$10.75	\$11.67	-\$0.92	-\$1,722.00
Support staff								
491 Courier Services								
Management	\$28.28	\$11.67	\$0.00	\$0.00	\$29.35	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$25.98	\$11.67	\$0.00	\$0.00	\$26.92	\$11.67	\$0.00	\$0.00
Support staff								
493 Warehousing and Storage								
Management	\$16.92	\$11.67	\$0.00	\$0.00	\$21.33	\$11.67	\$0.00	\$0.00
Specialists, technicians								
Support staff								
510 Information								
Management	\$18.02	\$11.67	\$0.00	\$0.00	\$22.06	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$13.89	\$11.67	\$0.00	\$0.00	\$16.99	\$11.67	\$0.00	\$0.00
Support staff								
520 Finance								
Management	\$20.76	\$11.67	\$0.00	\$0.00	\$23.82	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$16.51	\$11.67	\$0.00	\$0.00	\$19.12	\$11.67	\$0.00	\$0.00
Support staff	\$13.67	\$11.67	\$0.00	\$0.00	\$15.37	\$11.67	\$0.00	\$0.00
530 Real Estate								
Management	\$15.51	\$11.67	\$0.00	\$0.00	\$18.51	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$13.44	\$11.67	\$0.00	\$0.00	\$16.78	\$11.67	\$0.00	\$0.00
Support staff	NA	NA	NA	NA	NA	NA	NA	NA
540 Professional and Technical Services								
Management	\$21.35	\$11.67	\$0.00	\$0.00	\$25.55	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$12.39	\$11.67	\$0.00	\$0.00	\$16.89	\$11.67	\$0.00	\$0.00
Support staff								
550 Management of Companies and Enterprises								
Management	\$19.26	\$11.67	\$0.00	\$0.00	\$22.25	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$15.64	\$11.67	\$0.00	\$0.00	\$18.28	\$11.67	\$0.00	\$0.00
Support staff								
561 Administrative and Support Services								
Management	\$15.10	\$11.67	\$0.00	\$0.00	\$18.10	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$15.31	\$11.67	\$0.00	\$0.00	\$18.40	\$11.67	\$0.00	\$0.00
Support staff								
562 Waste Management and Remediation Service								
Management	\$24.96	\$11.67	\$0.00	\$0.00	\$26.63	\$11.67	\$0.00	\$0.00

APPENDIX TABLE D-4

IMPACT PER WORKER BY INDUSTRY, BROAD OCCUPATIONAL LEVELS AND POSITIONS WITH SOME BARRIERS TO ENTRY

	10th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wage Correlated with Avg.-Sized Household at 130 Poverty (\$11.67)	Impact Per Worker Hour	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks	25th Percentile Average Wages for Positions With Some Barriers to Entry: Long-OJT, work-experience	Average Wages: Lowest Entry-Level (10 percentile wage)	Average Wages: Next to Lowest Entry-Level (25 percentile wage)	Annual Impact Per Worker Assuming 37.5 Hrs Week @ 50 Weeks
Specialists, technicians	\$15.49	\$11.67	\$0.00	\$0.00	\$18.61	\$11.67	\$0.00	\$0.00
Support staff								
610 Educational Services								
Management	\$16.90	\$11.67	\$0.00	\$0.00	\$18.59	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$19.22	\$11.67	\$0.00	\$0.00	\$21.67	\$11.67	\$0.00	\$0.00
Support staff								
620 Health Services								
Management	\$17.18	\$11.67	\$0.00	\$0.00	\$20.04	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$13.80	\$11.67	\$0.00	\$0.00	\$16.24	\$11.67	\$0.00	\$0.00
Support staff								
711 Performing Arts and Spectator Sports								
Management	\$17.08	\$11.67	\$0.00	\$0.00	\$18.34	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$11.27	\$11.67	-\$0.40	-\$753.00	\$17.18	\$11.67	\$0.00	\$0.00
Support staff								
712 Museums, Parks and Historical Sites								
Management								
Specialists, technicians								
Support staff								
713 Amusement, Gambling & Recreation Ind								
Management	\$13.79	\$11.67	\$0.00	\$0.00	\$16.98	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$12.22	\$11.67	\$0.00	\$0.00	\$15.97	\$11.67	\$0.00	\$0.00
Support staff	\$14.01	\$11.67	\$0.00	\$0.00	\$15.57	\$11.67	\$0.00	\$0.00
721 Accommodation								
Management	\$15.82	\$11.67	\$0.00	\$0.00	\$19.57	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$17.61	\$11.67	\$0.00	\$0.00	\$20.74	\$11.67	\$0.00	\$0.00
Support staff	\$13.96	\$11.67	\$0.00	\$0.00	\$16.30	\$11.67	\$0.00	\$0.00
722 Food Services and Drinking Places								
Management	\$14.68	\$11.67	\$0.00	\$0.00	\$16.86	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$12.24	\$11.67	\$0.00	\$0.00	\$13.88	\$11.67	\$0.00	\$0.00
Support staff	\$11.79	\$11.67	\$0.00	\$0.00	\$13.20	\$11.67	\$0.00	\$0.00
810 Other services								
Management	\$16.22	\$11.67	\$0.00	\$0.00	\$18.77	\$11.67	\$0.00	\$0.00
Specialists, technicians	\$8.49	\$11.67	-\$3.18	-\$5,955.00	\$11.85	\$11.67	\$0.00	\$0.00
Support staff	\$12.17	\$11.67	\$0.00	\$0.00	\$13.79	\$11.67	\$0.00	\$0.00

Source: ADE, Inc., based on Nevada DETR and California LMID-EDD

APPENDIX E: WEIGHTED AVERAGE IMPACT

Appendix Tables E-1 and E-2 below presents data used for calculating average weighted per worker impacts identified in Table 21 above.

**APPENDIX TABLE E-1
DISTRIBUTION OF LEAST- AND SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS**

	Total	Least Barrier To Entry						Some Barrier To Entry					
		Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total	Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total
Total	659,230	42,117	43,452	6.60%	63,187	24,526	3.70%	10,340	1,117	0.20%	15,522	969	0.10%
Management	77,810	0	0	0.00%	0	0	0.00%	4,220	0	0.00%	6,336	0	0.00%
Specialists	146,120	3,024	1,441	1.00%	4,541	1,055	0.70%	4,799	453	0.30%	7,203	149	0.10%
Support staff	435,300	39,093	42,011	9.70%	58,646	23,471	5.40%	1,321	664	0.20%	1,983	820	0.20%
210 Mining	50	5	5	10.00%	8	0	0.00%	0	0	0.00%	0	0	0.00%
Management	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Specialists	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Support staff	50	5	5	10.00%	8	0	0.00%	0	0	0.00%	0	0	0.00%
220 Utilities	140	2	0	0.00%	3	0	0.00%	12	0	0.00%	18	0	0.00%
Management	80	0	0	0.00%	0	0	0.00%	8	0	0.00%	12	0	0.00%
Specialists	40	0	0	0.00%	0	0	0.00%	4	0	0.00%	6	0	0.00%
Support staff	20	2	0	0.00%	3	0	0.00%	0	0	0.00%	0	0	0.00%
230 Construction	67,920	2,692	0	0.00%	4,038	0	0.00%	3,450	0	0.00%	5,175	0	0.00%
Management	9,870	0	0	0.00%	0	0	0.00%	614	0	0.00%	921	0	0.00%
Specialists	45,280	1,444	0	0.00%	2166	0	0.00%	2836	0	0.00%	4254	0	0.00%
Support staff	12,770	1,248	0	0.00%	1872	0	0.00%	0	0	0.00%	0	0	0.00%
311 Food Manufact	2,240	152	185	8.30%	229	124	5.50%	61	0	0.00%	92	0	0.00%
Management	200	0	0	0.00%	0	0	0.00%	10	0	0.00%	15	0	0.00%
Specialists	1,370	85	113	8.20%	128	124	9.10%	51	0	0.00%	77	0	0.00%
Support staff	670	67	72	10.70%	101	0	0.00%	0	0	0.00%	0	0	0.00%
322 Non-Durables	4,440	321	348	7.80%	482	0	0.00%	83	8	0.20%	125	11	0.20%
Management	640	0	0	0.00%	0	0	0.00%	34	0	0.00%	51	0	0.00%
Specialists	2,180	165	186	8.50%	248	0	0.00%	43	0	0.00%	65	0	0.00%
Support staff	1,620	156	162	10.00%	234	0	0.00%	6	8	0.50%	9	11	0.70%
333 Durable Goods	5,290	241	260	4.90%	362	0	0.00%	122	0	0.00%	184	0	0.00%
Management	1,060	0	0	0.00%	0	0	0.00%	45	0	0.00%	68	0	0.00%
Specialists	3,090	127	141	4.60%	191	0	0.00%	77	0	0.00%	116	0	0.00%
Support staff	1,140	114	119	10.40%	171	0	0.00%	0	0	0.00%	0	0	0.00%
420 Wholesale	19,000	1,495	1,533	8.10%	2,243	0	0.00%	103	0	0.00%	155	0	0.00%
Management	2,260	0	0	0.00%	0	0	0.00%	83	0	0.00%	125	0	0.00%
Specialists	2,530	74	81	3.20%	111	0	0.00%	20	0	0.00%	30	0	0.00%
Support staff	14,210	1,421	1,452	10.20%	2132	0	0.00%	0	0	0.00%	0	0	0.00%

APPENDIX TABLE E-1
DISTRIBUTION OF LEAST- AND SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

		Total	Least Barrier To Entry						Some Barrier To Entry					
			Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total	Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total
440 Retail	52,580	4,179	5,020	9.50%	6,269	5,863	11.20%		684	130	0.20%	1,026	153	0.30%
Management	7,360	0	0	0.00%	0	0	0.00%		580	0	0.00%	870	0	0.00%
Specialists	5,340	207	252	4.70%	311	309	5.80%		88	108	2.00%	132	127	2.40%
Support staff	39,880	3,972	4,768	12.00%	5958	5554	13.90%		16	22	0.10%	24	26	0.10%
450 Retail	21,330	1,770	2,300	10.80%	2,655	2,654	12.40%		279	10	0.00%	419	0	0.00%
Management	3,230	0	0	0.00%	0	0	0.00%		269	0	0.00%	404	0	0.00%
Specialists	860	46	58	6.70%	69	69	8.00%		10	10	1.20%	15	0	0.00%
Support staff	17,240	1,724	2,242	13.00%	2586	2585	15.00%		0	0	0.00%	0	0	0.00%
480 Transpor.	19,390	1,750	1,956	10.10%	2,625	296	1.50%		69	5	0.00%	104	6	0.00%
Management	910	0	0	0.00%	0	0	0.00%		65	0	0.00%	98	0	0.00%
Specialists	3,020	204	240	7.90%	306	296	9.80%		4	5	0.20%	6	6	0.20%
Support staff	15,460	1,546	1,716	11.10%	2319	0	0.00%		0	0	0.00%	0	0	0.00%
491 Courier Srv.	3,720	337	0	0.00%	506	0	0.00%		24	0	0.00%	37	0	0.00%
Management	170	0	0	0.00%	0	0	0.00%		17	0	0.00%	26	0	0.00%
Specialists	180	0	0	0.00%	0	0	0.00%		7	0	0.00%	11	0	0.00%
Support staff	3,370	337	0	0.00%	506	0	0.00%		0	0	0.00%	0	0	0.00%
493 Warehousing	2,350	224	251	10.70%	336	0	0.00%		5	0	0.00%	8	0	0.00%
Management	110	0	0	0.00%	0	0	0.00%		5	0	0.00%	8	0	0.00%
Specialists	0	0	0	0.00%	0	0	0.00%		0	0	0.00%	0	0	0.00%
Support staff	2,240	224	251	11.20%	336	0	0.00%		0	0	0.00%	0	0	0.00%
510 Information	5,370	235	0	0.00%	353	0	0.00%		146	0	0.00%	219	0	0.00%
Management	730	0	0	0.00%	0	0	0.00%		32	0	0.00%	48	0	0.00%
Specialists	2,290	0	0	0.00%	0	0	0.00%		114	0	0.00%	171	0	0.00%
Support staff	2,350	235	0	0.00%	353	0	0.00%		0	0	0.00%	0	0	0.00%
520 Finance	21,760	1,301	1,398	6.40%	1,952	0	0.00%		227	0	0.00%	341	0	0.00%
Management	3,110	0	0	0.00%	0	0	0.00%		153	0	0.00%	230	0	0.00%
Specialists	3,780	0	0	0.00%	0	0	0.00%		58	0	0.00%	87	0	0.00%
Support staff	14,870	1,301	1,398	9.40%	1952	0	0.00%		16	0	0.00%	24	0	0.00%
530 Real Estate	15,400	782	892	5.80%	1,174	1,051	6.80%		318	0	0.00%	477	0	0.00%
Management	2,880	0	0	0.00%	0	0	0.00%		90	0	0.00%	135	0	0.00%
Specialists	3,280	19	0	0.00%	29	0	0.00%		202	0	0.00%	303	0	0.00%
Support staff	9,240	763	892	9.70%	1145	1051	11.40%		26	0	0.00%	39	0	0.00%
540 Professional	30,820	1,173	1,274	4.10%	1,760	0	0.00%		205	0	0.00%	308	0	0.00%
Management	3,260	0	0	0.00%	0	0	0.00%		102	0	0.00%	153	0	0.00%
Specialists	16,320	150	151	0.90%	225	0	0.00%		103	0	0.00%	155	0	0.00%
Support staff	11,240	1,023	1,123	10.00%	1535	0	0.00%		0	0	0.00%	0	0	0.00%
550 MCE	10,860	433	0	0.00%	650	0	0.00%		92	0	0.00%	138	0	0.00%
Management	3,750	0	0	0.00%	0	0	0.00%		76	0	0.00%	114	0	0.00%
Specialists	2,780	0	0	0.00%	0	0	0.00%		16	0	0.00%	24	0	0.00%
Support staff	4,330	433	0	0.00%	650	0	0.00%		0	0	0.00%	0	0	0.00%
561 Admn Supp	47,410	3,851	4,838	10.20%	5,777	5,548	11.70%		487	0	0.00%	731	0	0.00%

APPENDIX TABLE E-1

DISTRIBUTION OF LEAST- AND SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Total	Least Barrier To Entry						Some Barrier To Entry					
		Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total	Number of Workers at 10th Percentile	Number of Workers w/ Wages Below the Target, Based on Calibration Off of 10th Percentile	Affected Workers As Percent of Total	Number of Workers at 25th Percentile	Number of Workers Between 10th and 25th Percentile w/ Wages Below the Target, Based on Calibration Off of 25th Percentile	Affected Workers As Percent of Total
Management	3,580	0	0	0.00%	0	0	0.00%	212	0	0.00%	318	0	0.00%
Specialists	5,690	129	184	3.20%	194	219	3.80%	275	0	0.00%	413	0	0.00%
Support staff	38,140	3,722	4,654	12.20%	5583	5329	14.00%	0	0	0.00%	0	0	0.00%
562 Waste	620	51	19	3.10%	77	0	0.00%	8	0	0.00%	13	0	0.00%
Management	30	0	0	0.00%	0	0	0.00%	3	0	0.00%	5	0	0.00%
Specialists	410	33	0	0.00%	50	0	0.00%	5	0	0.00%	8	0	0.00%
Support staff	180	18	19	10.60%	27	0	0.00%	0	0	0.00%	0	0	0.00%
610 Education	9,840	158	0	0.00%	237	0	0.00%	74	0	0.00%	112	0	0.00%
Management	1,100	0	0	0.00%	0	0	0.00%	39	0	0.00%	59	0	0.00%
Specialists	7,160	0	0	0.00%	0	0	0.00%	35	0	0.00%	53	0	0.00%
Support staff	1,580	158	0	0.00%	237	0	0.00%	0	0	0.00%	0	0	0.00%
620 Health Srves	56,980	2,702	2,685	4.70%	4,053	0	0.00%	126	0	0.00%	189	0	0.00%
Management	3,180	0	0	0.00%	0	0	0.00%	88	0	0.00%	132	0	0.00%
Specialists	25,280	76	0	0.00%	114	0	0.00%	38	0	0.00%	57	0	0.00%
Support staff	28,520	2,626	2,685	9.40%	3939	0	0.00%	0	0	0.00%	0	0	0.00%
711 Enter.	3,330	70	82	2.50%	105	0	0.00%	208	215	6.50%	312	0	0.00%
Management	320	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Specialists	2,310	0	0	0.00%	0	0	0.00%	208	215	9.30%	312	0	0.00%
Support staff	700	70	82	11.70%	105	0	0.00%	0	0	0.00%	0	0	0.00%
712 Museums	180	15	17	9.40%	23	22	12.20%	0	0	0.00%	0	0	0.00%
Management	0	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Specialists	30	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%
Support staff	150	15	17	11.30%	23	22	14.70%	0	0	0.00%	0	0	0.00%
713 Amuse. Gamblg	10,040	708	672	6.70%	1,063	0	0.00%	90	0	0.00%	136	0	0.00%
Management	1,120	0	0	0.00%	0	0	0.00%	51	0	0.00%	77	0	0.00%
Specialists	530	39	0	0.00%	59	0	0.00%	10	0	0.00%	15	0	0.00%
Support staff	8,390	669	672	8.00%	1004	0	0.00%	90	0	0.00%	136	0	0.00%
721 Accom.	160,990	10,772	11,678	7.30%	16,159	0	0.00%	2,072	0	0.00%	3,109	0	0.00%
Management	19,970	0	0	0.00%	0	0	0.00%	975	0	0.00%	1463	0	0.00%
Specialists	9,650	197	0	0.00%	296	0	0.00%	510	0	0.00%	765	0	0.00%
Support staff	131,370	10,575	11,678	8.90%	15863	0	0.00%	587	0	0.00%	881	0	0.00%
722 Food Srves	72,830	5,889	6,997	9.60%	8,834	7,775	10.70%	1,256	647	0.90%	1,885	799	1.10%
Management	7,350	0	0	0.00%	0	0	0.00%	604	0	0.00%	906	0	0.00%
Specialists	180	0	0	0.00%	0	0	0.00%	11	13	7.20%	17	16	8.90%
Support staff	65,300	5,889	6,997	10.70%	8834	7,775	11.90%	641	634	1.00%	962	783	1.20%
810 Other serv.	14,350	809	1,042	7.30%	1,214	1,193	8.30%	139	102	0.70%	209	0	0.00%
Management	1,540	0	0	0.00%	0	0	0.00%	65	0	0.00%	98	0	0.00%
Specialists	2,540	29	35	1.40%	44	38	1.50%	74	102	4.00%	111	0	0.00%
Support staff	10,270	780	1,007	9.80%	1170	1155	11.20%	0	0	0.00%	0	0	0.00%

APPENDIX TABLE E-2
WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF LEAST- BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Least Barrier To Entry									
	First 10th Percentile					10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker		Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (least barrier to entry)
210 Mining	-\$1,441	-\$1,441	10.0%	-\$144		\$0	\$0	0.0%	\$0	-\$144
Management	\$0					\$0				
Specialists	-\$4,084					\$0				
Support staff	-\$1,441					\$0				
220 Utilities	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
230 Construction	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
311 Food Mft.	-\$3,682	-\$3,891	8.3%	-\$321		-\$2,255	-\$2,253	5.5%	-\$125	-\$446
Management	\$0					\$0				
Specialists	-\$5,464					-\$2,255				
Support staff	-\$1,421					\$0				
322 No-Durable s	-\$1,667	-\$1,702	7.8%	-\$133		\$0	\$0	0.0%	\$0	-\$133
Management	\$0					\$0				
Specialists	-\$2,481					\$0				
Support staff	-\$807					\$0				
333 Durables	-\$1,529	-\$1,549	4.9%	-\$76		\$0	\$0	0.0%	\$0	-\$76
Management	\$0					\$0				
Specialists	-\$2,117					\$0				
Support staff	-\$875					\$0				
420 Wholesale	-\$530	-\$534	8.1%	-\$43		\$0	\$0	0.0%	\$0	-\$43
Management	\$0					\$0				
Specialists	-\$1,866					\$0				
Support staff	-\$460					\$0				
440 Retail	-\$3,666	-\$3,667	9.5%	-\$350		-\$872	-\$875	11.2%	-\$98	-\$448
Management	\$0					\$0				
Specialists	-\$3,942					-\$1,663				
Support staff	-\$3,652					-\$831				
450 Retail	-\$5,041	-\$5,042	10.8%	-\$544		-\$2,338	-\$2,337	12.4%	-\$291	-\$834
Management	\$0					\$0				
Specialists	-\$4,447					-\$2,138				
Support staff	-\$5,057					-\$2,343				
480 Transp.	-\$2,300	-\$2,307	10.1%	-\$233		-\$1,066	-\$1,066	1.5%	-\$16	-\$249
Management	\$0					\$0				
Specialists	-\$3,278					-\$1,066				
Support staff	-\$2,171					\$0				
491 Courier Serv	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				

APPENDIX TABLE E-2

WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF LEAST- BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Least Barrier To Entry									
	First 10th Percentile					10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker		Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (least barrier to entry)
Support staff	\$0					\$0				
493 Warehousing	-\$2,339	-\$2,339	10.7%	-\$250		\$0	\$0	0.0%	\$0	-\$250
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	-\$2,339					\$0				
510 Information	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
520 Finance	-\$1,515	-\$1,515	6.4%	-\$97		\$0	\$0	0.0%	\$0	-\$97
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	-\$1,515					\$0				
530 Real Estate	-\$3,081	-\$3,158	5.8%	-\$183		-\$384	-\$394	6.8%	-\$27	-\$210
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	-\$3,158					-\$394				
540 Professional	-\$1,726	-\$1,742	4.1%	-\$72		\$0	\$0	0.0%	\$0	-\$72
Management	\$0					\$0				
Specialists	-\$161					\$0				
Support staff	-\$1,955					\$0				
550 MCE	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
561 Adm Sup	-\$4,452	-\$4,462	10.2%	-\$455		-\$1,581	-\$1,598	11.7%	-\$187	-\$642
Management	\$0					\$0				
Specialists	-\$6,530					-\$4,331				
Support staff	-\$4,380					-\$1,486				
562 Waste	-\$276	-\$782	3.1%	-\$24		\$0	\$0	0.0%	\$0	-\$24
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	-\$782					\$0				
610 Education	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
620 Health	-\$469	-\$483	4.7%	-\$23		\$0	\$0	0.0%	\$0	-\$23
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	-\$483					\$0				
711 Entertainment	-\$3,229	-\$3,229	2.5%	-\$80		\$0	\$0	0.0%	\$0	-\$80
Management	\$0					\$0				

APPENDIX TABLE E-2
WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF LEAST- BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Least Barrier To Entry								
	First 10th Percentile				10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (least barrier to entry)
Specialists	\$0				\$0				
Support staff	-\$3,229				\$0				
712 Museums	-\$2,941	-\$2,941	9.4%	-\$278	-\$606	-\$602	12.2%	-\$74	-\$351
Management	\$0				\$0				
Specialists	\$0				\$0				
Support staff	-\$2,941				-\$606				
713 Amuse, Gmbl	-\$105	-\$105	6.7%	-\$7	\$0	\$0	0.0%	\$0	-\$7
Management	\$0				\$0				
Specialists	\$0				\$0				
Support staff	-\$105				\$0				
721 Accommodations	-\$2,029	-\$2,067	7.3%	-\$150	\$0	\$0	0.0%	\$0	-\$150
Management	\$0				\$0				
Specialists	\$0				\$0				
Support staff	-\$2,067				\$0				
722 Food Svc	-\$3,462	-\$3,462	9.6%	-\$333	-\$72	-\$72	10.7%	-\$8	-\$341
Management	\$0				\$0				
Specialists	\$0				\$0				
Support staff	-\$3,462				-\$72				
810 Other svc	-\$4,891	-\$4,894	7.3%	-\$355	-\$2,069	-\$2,078	8.3%	-\$173	-\$528
Management	\$0				\$0				
Specialists	-\$3,828				-\$69				
Support staff	-\$4,931				-\$2,144				

Source: ADE, Inc.

APPENDIX TABLE E-3

WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Some Barrier To Entry									
	First 10th Percentile					10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker		Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (Some barrier to entry)
210 Mining	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
220 Utilities	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
230 Construction	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
311 Food Mft.	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
322 No-Durable s	\$0	-\$6,353	0.2%	-\$11		\$0	-\$5,003	0.2%	-\$12	-\$24
Management Specialists	\$0					\$0				
Support staff	-\$6,353					-\$5,003				
333 Durables	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
420 Wholesale	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				
440 Retail	\$0	-\$4,282	0.2%	-\$11		\$0	-\$1,815	0.3%	-\$5	-\$16
Management Specialists	\$0					\$0				
Support staff	-\$3,975					-\$1,416				
	-\$5,791					-\$3,766				
450 Retail	\$0	-\$325	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	-\$325					\$0				
480 Transp.	\$0	-\$5,409	0.0%	-\$1		\$0	-\$1,722	0.0%	-\$1	-\$2
Management Specialists	\$0					\$0				
Support staff	-\$5,409					-\$1,722				
491 Courier Serv	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management Specialists	\$0					\$0				
Support staff	\$0					\$0				

APPENDIX TABLE E-3
WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Some Barrier To Entry									
	First 10th Percentile					10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker		Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (Some barrier to entry)
493 Warehousing	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
510 Information	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
520 Finance	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
530 Real Estate	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
540 Professional	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
550 MCE	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
561 Adm Sup	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
562 Waste	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
610 Education	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
620 Health	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
711 Entertainment	\$0	-\$753	6.5%	-\$49		\$0	\$0	0.0%	\$0	-\$49
Management	\$0					\$0				
Specialists	-\$753					\$0				

APPENDIX TABLE E-3

WEIGHTED AVERAGE COST PER AFFECTED WORKER BY INDUSTRY, BASED ON DISTRIBUTION OF SOME BARRIER TO ENTRY OCCUPATIONS BY INDUSTRY AND BROAD OCCUPATIONS

	Some Barrier To Entry									
	First 10th Percentile					10th to 25th Percentile				
	Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker		Impact Per Worker By Occupation	Weighted Avg. Impact Per Worker By Industry	Percent of Affected Workers in this Category	Adjusted Cost Per Worker	Cumulative Adjusted Cost/Worker (Some barrier to entry)
Support staff	\$0					\$0				
712 Museums	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
713 Amuse, Gmbl	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
721 Accommod.	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
722 Food Svc	\$0	\$0	0.0%	\$0		\$0	\$0	0.0%	\$0	\$0
Management	\$0					\$0				
Specialists	\$0					\$0				
Support staff	\$0					\$0				
810 Other svc	\$0	-\$5,955	0.7%	-\$42		\$0	\$0	0.0%	\$0	-\$42
Management	\$0					\$0				
Specialists	-\$5,955					\$0				
Support staff	\$0					\$0				

Source: ADE, Inc.

APPENDIX F: THRESHOLD OF SIGNIFICANCE

Chapter 5 of the report addresses the significance of potential cost increases for businesses affected by the living wage. The analysis uses a measure of the costs in relation to projected profit levels for each type of business, indicating that costs that exceed ten percent of net income may cause adverse effects on businesses. The ten percent of profit threshold has been adopted by the California Air Resources Board and is a measure frequently used in the context of analyzing impacts of air quality regulations. This Appendix provides more detailed explanation of the rationale for this measure of significance.

When analyzing the impacts of proposed new regulation, ADE utilizes methodology discussed in a 1995 California Air Resources Board report called “Development of a Methodology to Assess the Economic Impact Required by SB513/AB969” (by Peter Berck, PhD, UC Berkeley Department of Agricultural and Resources Economics, Contract No. 93-314, August, 1995). Berck reviewed a methodology to assess the impact that California Environmental Protection Agency proposed regulations would have on the ability of California businesses to compete. The California Air Resources Board (CARB) has incorporated the methodologies described in this report in its own assessment of socioeconomic impacts of its own air quality rules, relating to determining the threshold above which a rule and its associated costs is deemed to have significant impacts. Berck reviewed the threshold in his analysis and wrote, “The Air Resources Board’s (ARB) use of a 10 percent change in Return on Equity (ROE) (i.e. a change in ROE from 10 percent to a ROE of 9 percent) as a threshold for a finding of no significant, adverse impact on either competitiveness or jobs seems reasonable or even conservative.”

However, in order to estimate net income, ADE uses ratios for return on sales (ROS). We compare regulatory costs against ROS because this yields a more consistent analysis, especially for medium- to large-size establishments. As part of the ROS analysis, we typically review a number of sources when estimating rates of return on a ROS basis, including the US IRS, Dun and Bradstreet, CCH, and RMA, which publish various financial ratios at the national level for detailed industries. We apply industry-specific returns rates (ROS) against revenues generated by industries in the region, to estimate net profits based on sales.

For purpose of illustration, the table below includes raw data on sales and equity generated by industries. Data in the table below come from the US IRS. That source also has enough information to calculate industry-specific after-tax net profits. Comparing the after-tax net profit amount against sales results in a net profit rate, particularly a “return on sales” rate. Comparing the after-tax net profit amount against industry equity results in a net profit rate expressed as a “return on equity.”

When estimating amount of net profits generated by affected sources and industries in the region, we prefer to use the ROS method because while the US Census publishes equity data for industries at the national level, the Census publishes industry-specific revenue data at all

levels, including county and region. While it is possible to estimate local and regional equity using the IRS' national equity data, it is important to note that, relative to revenues, there is greater variability with respect to equity retained by establishments, even those in the same industries, as a number of factors contribute to equity. On the other hand, there is less variability when it comes to revenues, as similarly-sized establishments in similar industries in the same regions and/or across the nation, more or less, generate the same amount of revenues, with respect to firm-wide revenues and revenues on per unit bases (i.e. revenues per worker). Thus, analysts can use national or state level revenue data when local and/or regional industry-specific revenue data are not available from the US Census.

TABLE F-1
SALES, EQUITY AND AFTER TAX NET PROFITS

US IRS 2006	Sales ('000)	Equity ('000)	After-Tax Net Profits ('000)	ROS	ROE
Agriculture, forestry, fishing and hunting	\$127,728,942	\$41,888,111	\$7,665,137	6.0%	18.3%
Mining	\$327,272,187	\$301,618,194	\$54,567,732	16.7%	18.1%
Construction	\$1,582,459,140	\$235,900,066	\$80,733,939	5.1%	34.2%
Manufacturing	\$6,939,924,620	\$3,472,835,947	\$449,209,101	6.5%	12.9%
Wholesale trade	\$3,600,433,365	\$792,110,967	\$106,408,479	3.0%	13.4%
Retail trade	\$3,486,005,061	\$535,392,876	\$100,322,818	2.9%	18.7%
Transportation and warehousing	\$712,406,648	\$169,869,060	\$30,825,843	4.3%	18.1%
Information	\$943,412,447	\$1,398,529,600	\$103,365,198	11.0%	7.4%
Finance and insurance	\$1,893,916,912	\$15,425,982,243	\$598,760,121	31.6%	3.9%
Real estate and rental and leasing	\$286,352,886	\$234,491,052	\$33,858,823	11.8%	14.4%
Professional, scientific, and technical services	\$887,903,283	\$241,059,087	\$64,714,112	7.3%	26.8%
Health care and social assistance	\$37,263,167	\$9,292,323	\$34,449,132	6.2%	64.5%
Arts, entertainment, and recreation	\$558,081,916	\$53,450,392	\$7,580,583	8.8%	37.0%
Accommodation and food services	\$85,789,078	\$20,471,164	\$23,867,654	5.7%	19.9%
Other services	\$416,996,282	\$119,639,851	\$10,126,632	5.0%	30.8%

Source: ADE, Inc. , based on US IRS

In a hypothetical situation, there could be two manufacturing plants in the same industries, both employing 20 workers, who, on average generate \$200,000 per worker. Thus, each hypothetical site generates \$4 million. However, one plant leases its site and equipment, while the other owns the property on which it operates, as well the equipment, resulting in the latter having more equity relative to the former even though each generates similar revenues. Thus, while extra caution is warranted when using national-level equity data to estimate local and regional industries' equity, for the most part, such is not the case when using national or state revenue data to estimate local and regional revenues, when such data is not readily available from the US Census. In the end, the discrete amount of net profits generated by an industry or source affected by a rule should be the same whether one multiplies a ROS rate against revenues or a ROE rate against equity.

AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

SUBJECT:

CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE REDEVELOPMENT AGENCY. NO SUBJECT MAY BE ACTED UPON BY THE REDEVELOPMENT AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED



AGENDA SUMMARY PAGE
REDEVELOPMENT AGENCY MEETING OF: APRIL 20, 2011

SUBJECT:

AGENCY MEMBER RECOGNITION: COMMENTS MADE BY INDIVIDUAL AGENCY MEMBERS DURING THIS PORTION OF THE AGENDA WILL NOT BE ACTED UPON BY THE AGENCY UNLESS THAT SUBJECT IS ON THE AGENDA AND SCHEDULED FOR ACTION

