

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
April 17, 2013

Title of Project: Commercial Visual Improvement Agreement (CVIP) between the LV Redevelopment Agency and Artemus W Ham III (Property Owner) and Barolo's NV, LLC (CVIP Participant & Tenant) 508 Fremont Street)

Project Description: Exterior renovations and new signage and improvements to an existing building.

Sponsor/Developer: Barolo's NV, LLC (Jody Ann Ghanem-Principal)

Assistance Provided by: Redevelopment Agency. Total Exterior project cost is approximately \$37,884.00. Agency will reimburse the CVIP applicant on a 1:1 basis for pre-approved qualified exterior improvements. The Agency will reimburse the EVIP applicant up to a maximum of \$18,942.00, for exterior improvements to the building. Agency will also record a Façade Easement and Building Maintenance Agreement against the property for a period of five (5) years, from date of completion of project.

Number of Direct Jobs Created: Thirty-three (33) Full-time jobs, consisting of twenty-five (25) full-time and ten (10) part-time jobs and three (3) contract jobs.

Number of Indirect Jobs Created: Not Applicable

Number of Direct Jobs Retained: Not Applicable

Pertinent Statutes Used for Public Purpose:

In accordance with NRS 279.486, the EVIP applicant has submitted a signed and notarized Participant Affidavit and Employment Plan which states that without the Redevelopment Agency's assistance, the proposed project would not be completed to a level that would be beneficial to the redevelopment area and the surrounding neighborhood. Any potential job creation opportunities will be advertised within the surrounding neighborhoods for qualified applicants.

How Does the Project Benefit the Public:

Barolo's NV, LLC. is leasing a property (approximately 1,600 sf) from Artemus W. Ham III. This property was formally a small convenience store and cigar shop for many years. The improvements will provide a significant visual upgrade to an important location on Fremont Street and renovate a building to current code standards.

This project is located in the Fremont East Entertainment District (FED). This newly formed entertainment district was formed in 2002 to attract nightclubs/bars, restaurants and live entertainment venues to the area as a way to revitalize the

surrounding neighborhood. In addition, the FED had \$5.1 million worth of streetscape improvements installed. These improvements, along with 4 new nightclubs, have revitalized the area and lessened blighting conditions.

The City and Redevelopment Agency are focusing financial and staff resources to the continued development of this area as an entertainment destination for local residents and visitors to downtown Las Vegas. As the FED grows and other projects are completed with the FED and surrounding neighborhood, a renewed interest by property owners and business owners to renovate their property or expand their business will increase.

This project will help stabilize and increase positive economic activity within the surrounding neighborhood. Barolo's NV, LLC. will encourage the creation of new business and/or appropriate development, and creates jobs or other business opportunities for nearby residents and increases local revenues from desirable sources.

Quantitative Economic Benefits:

Total project cost for the project is approximately \$550,000 and is being fed into the local economy through the employment of qualified contractors for the rehabilitation of the building.

Private Investment:

Applicant will be funding this project cost of approximately \$550,000 through owners equity

Public Investment:

The QSP program requires a 4:1 match from the applicant for all code compliance and deferred maintenance improvements. For this project, the public investment will be \$68,942 (\$50,000 QSP and \$18,942 CVIP), resulting in a \$8:\$1 private to public ratio.

Total Direct Economic Impact:

Not Applicable

Total Indirect Economic Impact:

Not Applicable

Economic Impact Study Performed:

Yes

No

Return on Investment Analysis Performed:

Yes

No