

Public Purpose/Impact Analysis

City Council/Redevelopment Agency Meeting
April 17, 2013

Title of Project: Commercial Visual Improvement Program Agreement (CVIP) between the LV Redevelopment Agency and Mission Spring Properties, LLC (Property Owner) and PublicUS, LLC (QSP Participant & Tenant) 1126 Fremont Street)

Project Description: Installation of glass storefront, boxout awning supports, signage, screen wall exterior and wood cladding exterior, painting and outdoor dining area.

Sponsor/Developer: PublicUS, LLC (Nicholas P.K. Akiona-Principal)

Assistance Provided by: Redevelopment Agency. Estimated CVIP project cost is approximately \$112,290.00. Agency will reimburse the CVIP applicant on a 1:1 basis for qualified exterior improvements. The Agency will reimburse the CVIP applicant up to a maximum of \$50,000.00.

Number of Direct Jobs Created: Fifteen (15) Full-time 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 CVIP applicant has submitted a signed and notarized Participant Affidavit and Employment Plan which states that without the Redevelopment Agency's assistance, the proposed project would not be completed to a level that would be beneficial to the redevelopment area and the surrounding neighborhood. Any potential job creation opportunities will be advertised within the surrounding neighborhoods for qualified applicants.

How Does the Project Benefit the Public:

PublicUS, LLC is leasing a building (approximately 3,600 sf) on Fremont Street, adjacent to the Urban Lofts. This property was formally the Philly Steak Restaurant. The improvements will provide a significant interior and exterior upgrades to an important corner location at Maryland Parkway and Fremont Street and renovate a building to current code standards.

This project is located approximately three blocks east of Fremont East Entertainment District (FEED). This property has been in a state of decline for the past 10 years. It suffers for high vacancy, ill-suited tenants and is located near other vacant motels and businesses that attract an undesirable element within the neighborhood. Recently, a number of properties in the surrounding neighborhood

have been bought by investors that will be renovating and rehabilitating a number of properties that are either vacant or severely blighted. Adjacent to this project is the Urban Lofts. These residential units, approximately 30, sit behind the property and with the increase in foot traffic and legal business activity, it is expected to begin to revitalize the area and lessen 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 this area grows and other projects are completed within the 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. PublicUS, 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 \$268,000.00 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 \$279,682.00 through owners' equity.

Public Investment:

The CVIP program requires a 1:1 match from the applicant for all qualified exterior improvements. For this project, the total public investment will be \$79,975.00 (\$50,000 CVIP and \$29,975 QSP) resulting in a \$3.35:\$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