



Las Vegas

Agenda Item No.: 5.

**AGENDA SUMMARY PAGE**

**REDEVELOPMENT AGENCY MEETING OF: SEPTEMBER 5, 2018**

**DEPARTMENT: ECONOMIC AND URBAN DEVELOPMENT**

**DIRECTOR: WILLIAM ARENT**

**SUBJECT:**

Discussion for possible action regarding the creation of a Medical District Targeted Industry Program (MD-TIP) initially funded at \$300,000 to provide financial assistance to attract specific targeted industries to the Medical District and approval of the agreement template for future applicants (RDA Special Revenue Fund) - Redevelopment Area 1 and 2 - Wards 1 and 5 (Tarkanian and Ca)

**Fiscal Impact**

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No Impact

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Augmentation Required

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Budget Funds Available

**Amount:** \$300,000

**Funding Source:** RDA Special Revenue Fund

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

**PURPOSE/BACKGROUND:**

The Redevelopment Agency is proposing a program to encourage interior and exterior rehabilitation, renovation and/or expansion of commercial or industrial properties for designated targeted industries relocating or expanding in specific areas of the Las Vegas Medical District. The targeted industries have been determined by the Las Vegas Medical District Advisory Council.

**RECOMMENDATION:**

Approval

**BACKUP DOCUMENTATION:**

1. Las Vegas Medical District Targeted Industry Program Handbook
2. City of Las Vegas Redevelopment Agency Medical District Targeted Industry Incentive Agreement (Owner)
3. Key Area Map
4. Submitted at Meeting - PowerPoint Presentation

Motion made by LOIS TARKANIAN to Approve

Passed For: 7; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

CEDRIC CREAR, MICHELE FIORE, BOB COFFIN, CAROLYN G. GOODMAN, LOIS TARKANIAN, STAVROS S. ANTHONY, STEVEN G. SEROKA; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

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SHANI COLEMAN, Redevelopment Manager, introduced ALEXANDER LIN, a second-year University of Nevada, Las Vegas (UNLV) School of Medicine student who is participating in their community service program and wanted to work on the development and redevelopment of the Las Vegas Medical District. A second student, who is a first-year student, could not be present at the meeting because of class, but she wanted to provide MR. LIN the opportunity to understand and see how the City is developing the Las Vegas Medical District with this incentive.

CHAIR GOODMAN asked MR. LIN where he did his undergraduate work to which MR. LIN responded UNLV majoring in pre-professional biology. He confirmed for the Chair that he was in the inaugural class of the UNLV Medical School. The Chair and MEMBER TARKANIAN were thrilled with this.

MS. COLEMAN stated what was before them was an incentive specifically for the Medical District. When developing the Medical District, what would be important not only to District users but also neighborhoods was considered. As such, Applied Analysis was engaged to understand what was going on in the District as it currently sits. They did an industrial study and helped to identify targeted industries/businesses that would support and create a great Las Vegas Medical District.

Using the attached PowerPoint presentation, she reviewed the objective which is to target the types of businesses identified to open and operate in the Las Vegas Medical District or afford existing businesses the opportunity to expand. She confirmed for CHAIR GOODMAN that they were being offered incentives. The approval being requested was for incentives that would provide interior and exterior improvements to the business and would allow them to open and operate within the Medical District.

MS. COLEMAN named the targeted industries pointing out these were not just medical-related entities or employees of the District. There are a number of neighborhoods around the Medical District that staff wanted to make sure were supported as well. More sit-down restaurants were something the Advisory Council indicated they would like to see more of which is why full-service and limited restaurants are at the top of the list of targeted industries.

She explained an incentive was established that is very similar to incentives the Council has approved before; however, this incentive covers internal and exterior improvements and is specific to the Medical District. It requires the participant to do a two-to-one match, so in order to receive the full \$50,000, the participant would need to spend \$100,000.

Using a map, MS. COLEMAN pointed out the Core Area and the Secondary Areas. It is believed the greatest potential for development is in the Core Area, which is where the UNLV School of Medicine is currently operating, along with the University Medical Center (UMC) and Valley Hospital, which is why there is a higher opportunity for incentive in that area.

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Staff did not wish to exclude the Secondary Areas which are areas that already have some medical or the potential for medical. She noted that Symphony Park was not included on the map because as a master-planned community, there are other opportunities for investment and incentives in that area.

MEMBER COFFIN spoke of a lost opportunity if the Cleveland Clinic Lou Ruvo Center for Brain Health and their expansions are excluded. MS. COLEMAN clarified that Symphony Park is part of the Medical District, it just was not included in this incentive program because staff did not want to change anything that was already set in place by the City Council for that area. Additionally, Cleveland Clinic is a partner with the City as far as the Las Vegas Medical District.

MEMBER TARKANIAN thought staff may want to look at the whole medical plan because it includes some of MEMBER CREARS ward as well as Symphony Park. CHAIR GOODMAN stated what was being considered was only the incentive program in the green area on the map. MS. COLEMAN clarified it covered both the green and blue areas, but there were different incentive levels for each.

MEMBER CREAR asked if this could be combined with another grant such as the Visual Improvement Program grant. MS. COLEMAN confirmed this incentive is designed to be utilized with other incentives the City has, but there was a cap of \$95,000 on one project that the City would support. She added medical offices were specifically left out of the targeted industries because staff felt as the Medical District, they would come anyway. She provided the example that a medical office provider looking to do improvements to their 7,000 square-foot property could apply for OTIP (Office Tenant Incentive Program) and could also apply specifically for a Medical District incentive. She also confirmed for MEMBER CREAR this incentive was not for new construction; it was for improvements to existing structures.

MEMBER COFFIN asked if the ability existed to differentiate between large corporations and chains that do not need the money and who Council believed needed it. MS. COLEMAN explained there is an application process and all incentives are approved by the City Council so any concerns could be addressed when the application was brought before the Council.

ASSISTANT CITY ATTORNEY TERI PONTICELLO added that as part of the Nevada Revised Statute requirements for redevelopment, findings have to be made by the City Council which include that the grant given would be a benefit to the redevelopment area, and the applicant has to demonstrate there are no reasonable means of financing. MEMBER COFFIN thanked MS. PONTICELLO for the explanation.

CHAIR GOODMAN asked if the application required information about other investments in Nevada. MS. PONTICELLO stated that was not typically required on the application, but staff does some underwriting to see if the applicant is creditworthy and that they can follow through with the project.

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MEMBER TARKANIAN asked if there was room for restaurants in the Valley Hospital and UMC areas. MS. COLEMAN stated the Medical District is a dense, urban area which means there are going to be mixed uses. If Valley Hospital or UMC decides to build a new facility, the City hoped some of the amenities being targeted would be included, such as a restaurant or a gym, etc. Staff believes the Medical District is going to be a hub of mixed-use environments, and this incentive can support that.

MS. COLEMAN asked for approval of the Medical District incentive.