

Public Purpose/Impact Analysis

NRS 279.486

City Council/Redevelopment Agency Meeting

October 19, 2022

Title of Project: Disposition and Development Agreement for a Mixed Use Project

Project Description: 84 residential units with 10,000 sf of commercial space and parking

Sponsor/Developer: Arthaus IV, LLC

Address of Project: NE corner of D Street and Jefferson Avenue

Per NRS 279.486 2(a) attach a copy of any contract, memorandum of understanding or other agreement between the agency or the legislative body and any other person relating to the redevelopment project to this report.

Please refer to RDA Resolution and Exhibit A for copy of agreement: Disposition and Development Agreement

Per NRS 279.486 2(b) (1) (I) List the costs of the redevelopment project, including, without limitation, the costs of acquiring any real property, clearance costs, relocation costs, the costs of any improvements which will be paid by the Redevelopment Agency and the amount of the anticipated interest on any bonds issued or sold to finance the project.

N/A

Per NRS 279.486 2(b) (1) (II) What is the estimated current value of the real property interest to be conveyed or leased, determined at its highest and best use permitted under the redevelopment plan?

\$440,000

Per NRS 279.486 2(b) (1) (III) what is the estimated value of the real property interest to be conveyed or leased, determined at the use and with the conditions, covenants and restrictions, and development costs required by the sale or lease, and the current purchase price or present value of the lease payments which the lessee is required to make during the term of the lease? If the sale price or present value of the total rental amount to be paid to the agency or legislative body is less than the fair market value of the real property interest to be conveyed or leased, determined at the highest and best use permitted under the redevelopment plan, the agency shall provide an explanation of the reason for the difference.

This property was acquired to provide workforce housing in a highly distressed land. An RFP was issued to find a developer; there were no viable responses. The RDA approached this developer with the opportunity to develop a mixed use building targeted to workforce housing for residents of the Historic Westside.

Per NRS 279.486 2(b) (2) How Does the Redevelopment Project Benefit the Public and Eliminate Blight:

Arthaus IV will develop 84 units of workforce housing with 10,000 sf of commercial space on six empty parcels of land investing over \$17,000,000 in the Historic Westside. This will be the first ground up new construction targeted towards residents of the neighborhood in several years. The project will provide construction and permanent jobs.

What is the amount of Private Investment and who is providing it?

Arthaus IV LLC is investing nearly \$17,000,000.

What is the amount of Public Investment and who is providing it?

The City of Las Vegas will provide \$1,000,000 in CDBG funds towards construction as well as convey the land for \$1 per parcel. The City of Las Vegas Redevelopment Agency will enter into a contract to lease the commercial space for local business incubation and assistance services. The RDA will enter into a Tax Increment Financing agreement.

How many Direct Jobs will be Created? 198 Full-Timed Equivalents

How many Indirect Jobs will be Created? 74 Indirect and Induced jobs

How many Direct Jobs will be Retained? TBD

Quantitative Economic Benefits:

The project will provide approximately \$16,393,248 in direct, indirect and induced labor income from the project. Approximately \$17,000,000 will be expended in materials and related costs during the project development.

Total Direct Economic Impact:

.Approximately \$12,639,177 in direct payroll will created. Approximately \$18,000,000 in costs and services will expended to create the project. The project will generate approximately \$2,849,671 in direct taxes.

Total Indirect Economic Impact:

Approximately \$799,678 in indirect labor income will be realized. Approximately \$402,511 of indirect taxes will be realized.

Economic Impact Study Performed: Yes ☒ No ☐

Return on Investment Analysis Performed: Yes ☐ No ☒