

MARYLAND PARKWAY CORRIDOR



TRANSIT-ORIENTED DEVELOPMENT

Flamingo Road Focus Area Market Analysis

July 9, 2021



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FLAMINGO ROAD MARKET ANALYSIS

This report provides an analysis of the market demand for and feasibility of transit-oriented development (TOD) in the area around the proposed Flamingo Road transit station. This analysis is conducted with consideration to two market geographies:

FOCUS AREA

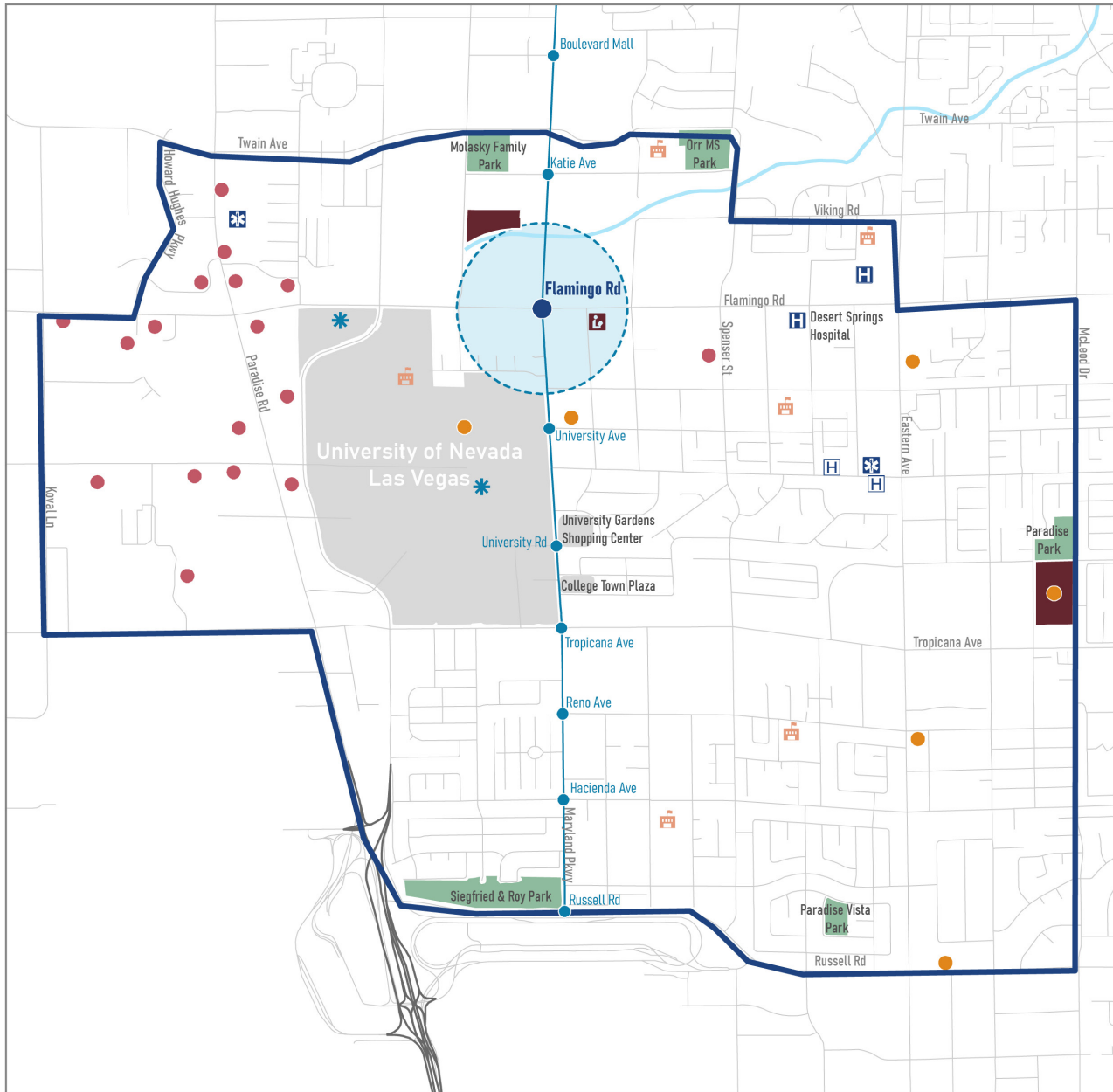
The Focus Area is a ¼ mile area surrounding the Flamingo Road station. This area currently has primarily retail and service uses, with strip retail on the northwest, northeast, and southeast corners of the Flamingo Road and Maryland Parkway intersection. There are apartments in the southwest portion of the Focus Area, as well as an office complex in the northwest portion, and a Clark County Library branch in the southeast portion.

MARKET AREA

The Market Area, shown in the map on the next page, is a much broader geography than the Focus Area. Bounded by McCarran International Airport/Russell Road on the south, McLeod Drive on the east, Flamingo Road/Twain Avenue on the north, and Paradise Road/Koval Lane on the west, this Market Area encompasses nearly 6 square miles of area surrounding the Flamingo Road station. The Market Area is used to gauge the market strengths and weaknesses for various development types (residential, retail, office, hospitality) in the larger area with similar market conditions and attributes to characterize the existing market for potential TOD in the Focus Area. Given its proximity to the University Road station and the similarities of market characteristics and opportunities, the Market Area utilized for this analysis is the same as that is used for the University Road market analysis.













STRENGTHS AND OPPORTUNITIES

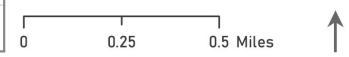
The Flamingo Road Market Area includes UNLV, multiple healthcare institutions, as well as retail and hotel establishments. UNLV is the major driver of market demand for new development in the Market Area. This section of the Maryland Parkway Corridor is largely oriented to residents in the area and UNLV activity and is anchored by major community serving retailers like Target, Vons, and Albertsons.



Major Destinations

- University of Nevada Las Vegas (UNLV)
- University Gardens Shopping Center
- College Town Plaza
- Desert Springs Hospital

-  CCSD School
-  Childcare Center
-  Hotel/Convention Center
-  Museum
-  Library
-  Hospital
-  Specialized Care Hospital
-  Emergency Clinic
-  Transit Station
-  Community Center
-  Focus Area (1/4 Mile)
-  Flamingo Road Market Area



SECTION 1: STATION AREA OVERVIEW

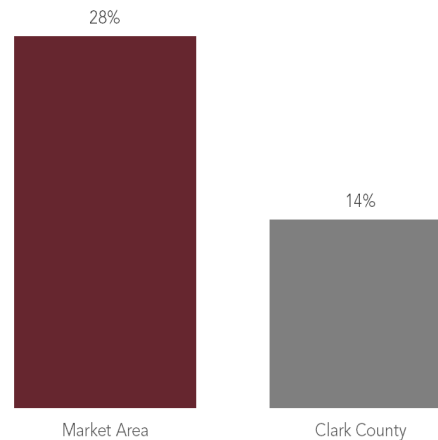
POPULATION AND HOUSEHOLDS

The Flamingo Road Market Area (illustrated in the map on page 2) is home to approximately 50,500 residents; with the area growing by just over 2,100 residents since 2010. This growth represents less than 1% of Clark County's population growth over this time, and the Market Area growth rate of 0.5% per year has been much slower than the County's 1.6% annual population growth.

Within the Market Area there is a greater proportion of households (HH) without autos (28%) compared to the County as a whole (14%). This is indicative of higher transit ridership and likely higher demand for TOD as well.

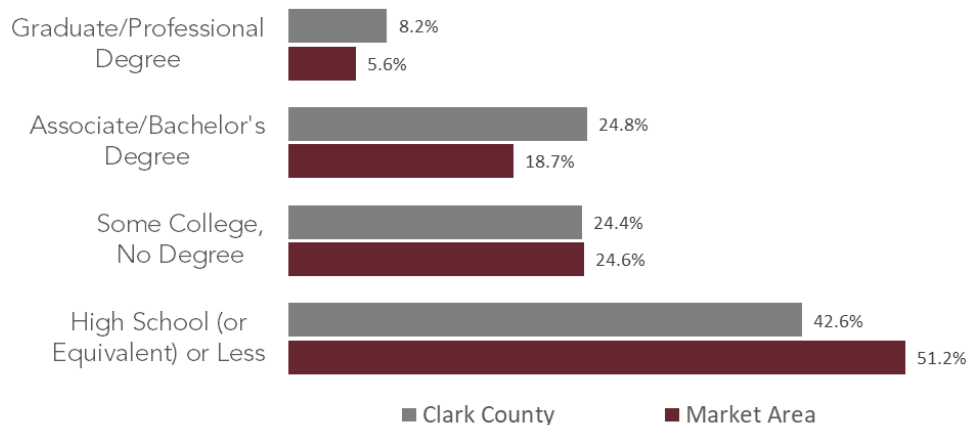
Market Area residents have a lower level of educational attainment than the County average. A smaller percentage of the population in the Market Area (25%) has completed a post secondary education (Associate Degree or higher) when compared to the overall County (33%). Additionally, residents in the Market Area have lower incomes than the County as a whole with a median household income of \$34,000 compared to \$58,800 countywide.

Households with No Vehicle, 2019



Source: ESRI Business Analyst

Education (Population Age 25+), 2019



Source: ESRI Business Analyst

DEMOGRAPHIC SNAPSHOT

Market Area

2019 Demographics

Population: 50,500
Households: 21,300
Average HH Size: 2.37

Population Growth

The Market Area grew by an average of 235 new residents per year from 2010 to 2019.

Income

Median household income of \$34,000 in the Market Area is 42% lower than Clark County (\$58,800)

Clark County

2019 Demographics

Population: 2,257,890
Households: 816,505
Average HH Size: 2.77

Population Growth

Clark County grew by an average of 34,070 new residents per year from 2010 to 2019.

Income

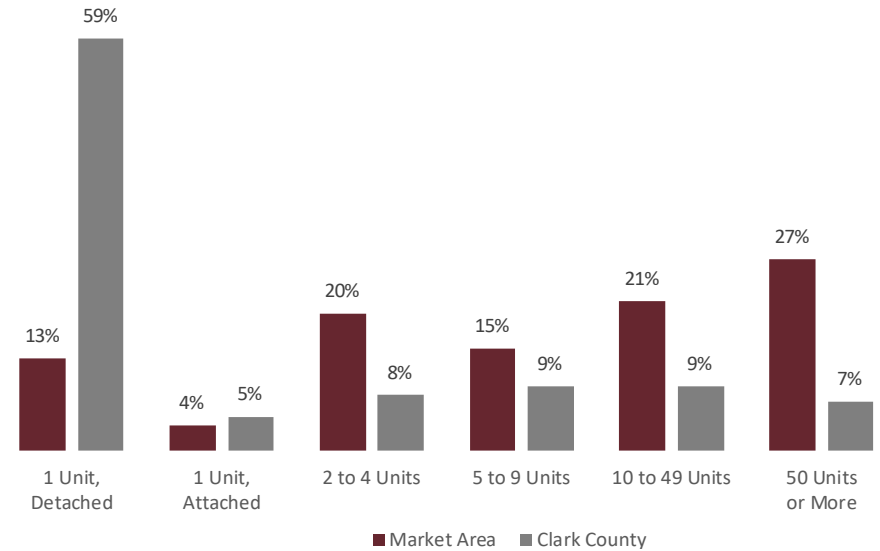
Median household income of \$58,800

HOUSING CONDITIONS

There are approximately 27,100 housing units in the Market Area, which is an increase from 26,000 housing units in 2010. Between 2010 and 2019 the Market Area captured only 1.0% of the housing growth in Clark County which added nearly 106,700 new units over this time. Overall, 2.9% of the County's housing is located in the Flamingo Road Market Area.

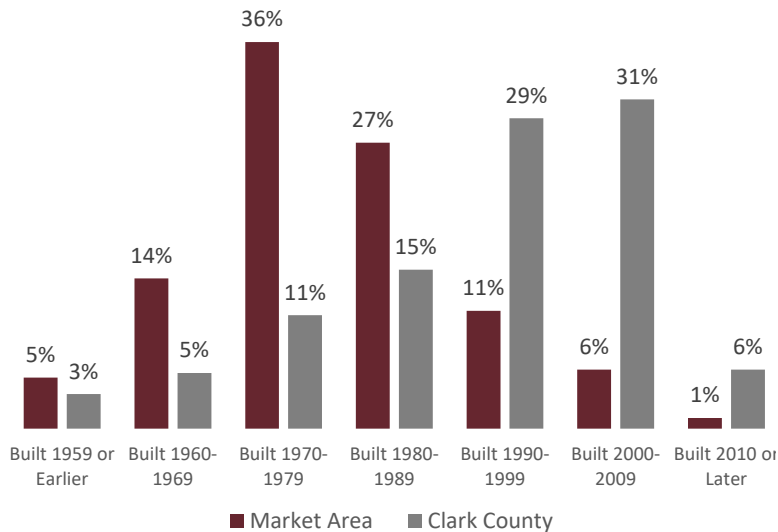
Housing composition in the Market Area differs in important ways from the County overall. A total of 59% of housing units in the County are single family detached homes compared to only 13% of homes in the Market Area. Almost half of homes in the Market Area (49%) are in buildings with 10 or more units, and 27% are in buildings with 50 or more units. This is a far greater percentage of large-scale multifamily housing than the County where only 16% of housing units are in buildings with 10 or more units. As is typical with a higher proportion of multifamily housing, more households in the Market Area are renters, 83% rent their homes, compared to 45% of households countywide.

Housing Units in Structure, 2019



Source: ESRI Business Analyst

Housing Units by Year Built



Source: ESRI Business Analyst

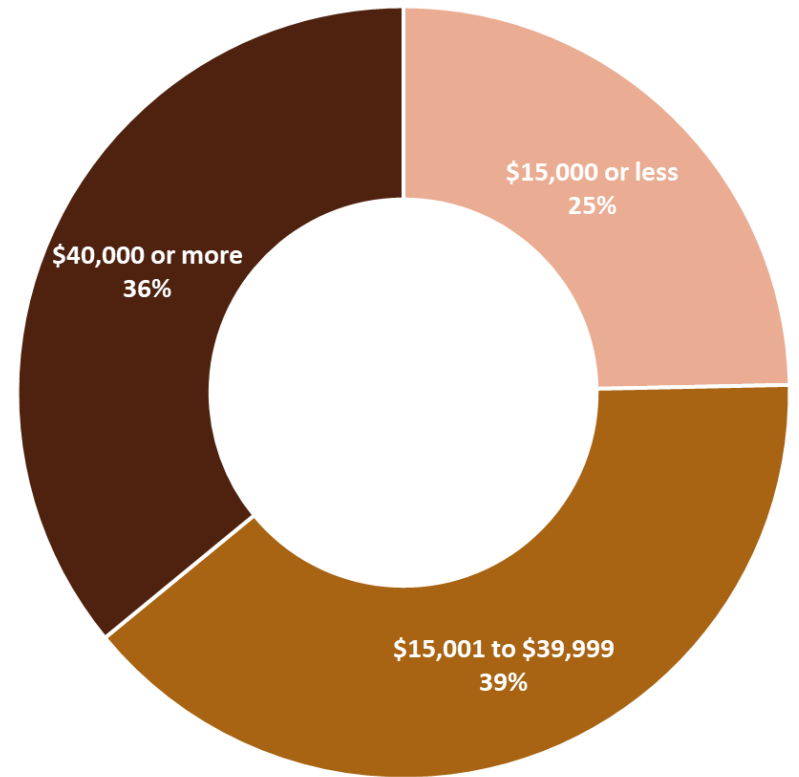
The housing stock in the Market Area is older in comparison to the countywide inventory. While two-thirds of homes in the County have been built since 1990, only 18% of homes in the Market Area have been constructed in this time period. By contrast, most homes in the Market Area (63%) were built between 1970 and 1990.

EMPLOYMENT

There are 36,700 jobs in the Market Area – 3.7% of the County’s 986,500 jobs. Overall employment in the Market Area has declined slightly since 2010 compared to job growth of over 2% per year in the County as a whole.

Within the Market Area, major employment sectors (accommodation/food service, health care, and education) reflect the major employers present in the area. Accommodation & food service, with 8,500 jobs, is the largest employment sector in the area. Healthcare (5,600 jobs) and Education (5,100 jobs) are the next two largest with UNLV’s 4,000 jobs comprising the majority of education employment in the area.

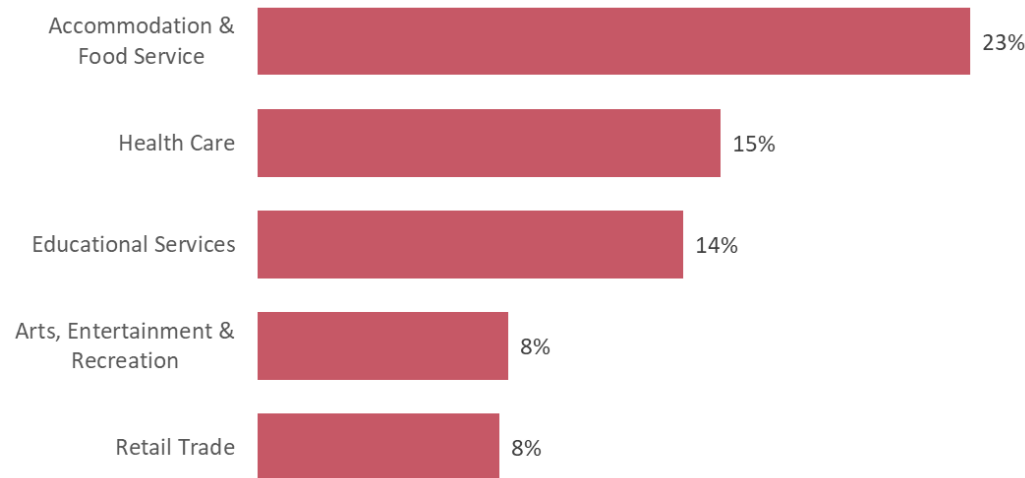
There are a wide distribution of wages in the Market Area as shown in the chart on the right: 25% of jobs pay \$15,000 or less per year, 39% pay between \$15,000 and \$40,000, and 36% pay \$40,000 per year or more. This wage range is slightly more skewed towards lower-paying jobs than the County overall where 21% of jobs pay \$15,000 or less, 40% pay between \$15,000 and \$40,000, and 39% pay \$40,000 or more. The overall average wage in the County is \$50,400.



Market Area Jobs by Wage, 2017

Source: US Census LEHD

Market Area Top Employment Sectors, 2019



Source: ERSI Business Analyst

Within the Market Area, there are jobs available to a variety of education levels – 12% of jobs require less than a high school education and 22% require a Bachelor’s or advanced degree. There is a greater presence of jobs requiring a bachelor’s degree than the presence of residents with a bachelor’s degree. This distribution reflects that there are a number of people who work in the Market Area but live outside the area, especially those with higher educational attainment. This is an indication that the area is attracting workers with a diverse mix of educational attainment.

Workers in the Market Area live throughout Clark County. This is largely due to the presence of larger destination employers, including Desert Springs and Kindred Hospitals, as well as the University of Nevada, Las Vegas campus. UNLV attracts a wide diversity of employees, students, and visitors, and this regional orientation means that there is opportunity to attract campus supporting uses that are oriented to demographic groups less present in the Market Area currently. While nearly three quarters of employees commute 10 miles or less, 95% of those employed in the Market Area live outside its boundaries. Conversely, 92% of those who live within the Market Area work outside its boundaries.

EMPLOYMENT BY INDUSTRY SNAPSHOT

Market Area

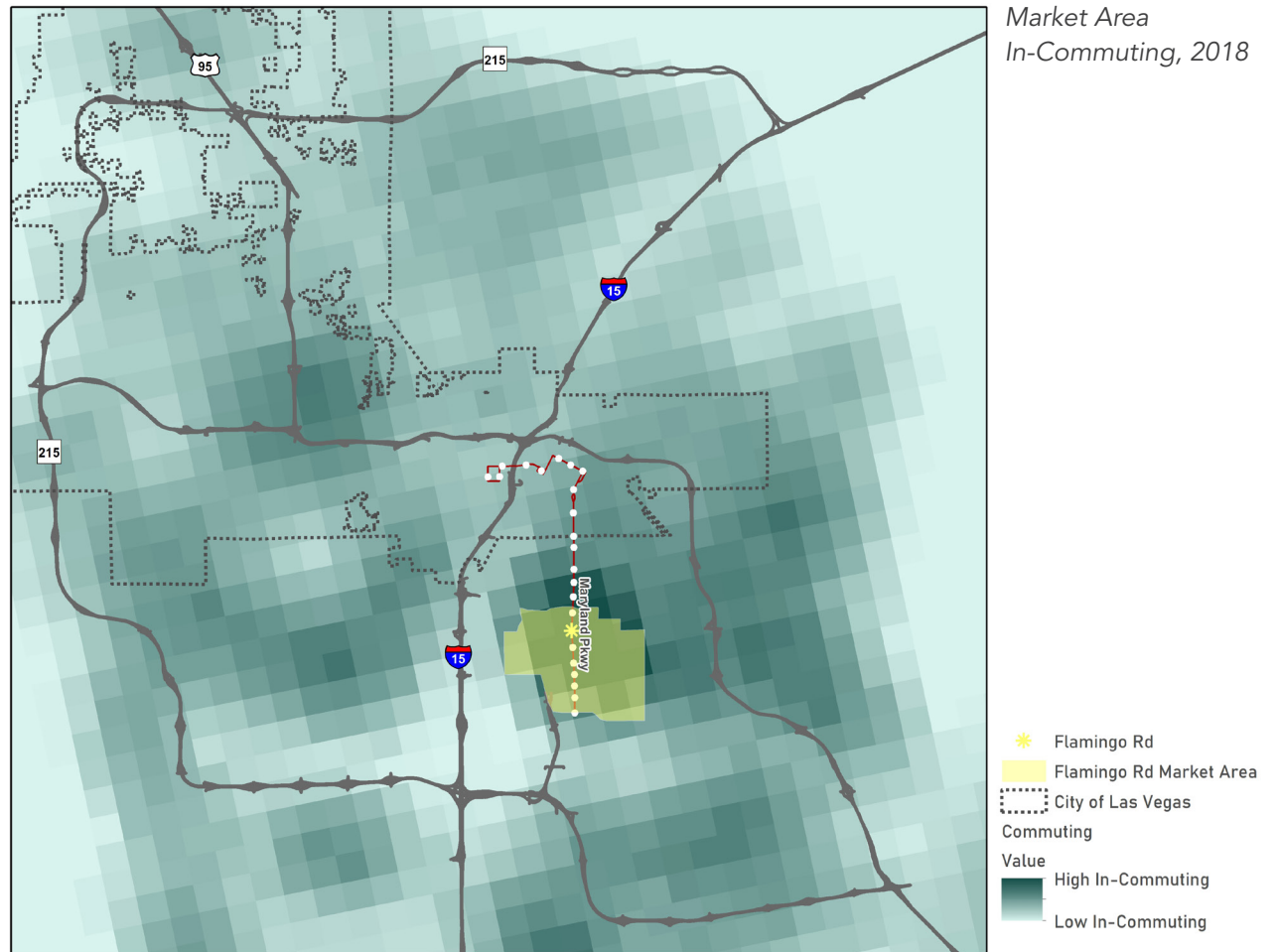
Major Employment Industries:

1. Accommodation and Food Service (23%)
2. Health Care (15%)
3. Education (14%)

Clark County

Major Employment Industries:

1. Accommodation and Food Service (17%)
2. Arts, Entertainment, and Recreation (14%)
3. Retail (12%)



Source: U.S. Census Longitudinal Employer-Household Dynamics (LEHD), 2018

MULTIFAMILY RESIDENTIAL MARKET

Multifamily units in the Flamingo Road Market Area account for approximately 7% of Clark County's total inventory. Market Area apartment average rental rates are on par with the County averaging \$1.17 per square foot; however, rents for new units within the Market Area are higher than the County overall at \$2.69 compared to \$1.38 in the County. Vacancy rates are slightly lower in the Market Area at 6.8% compared to 7.2% in the County overall.

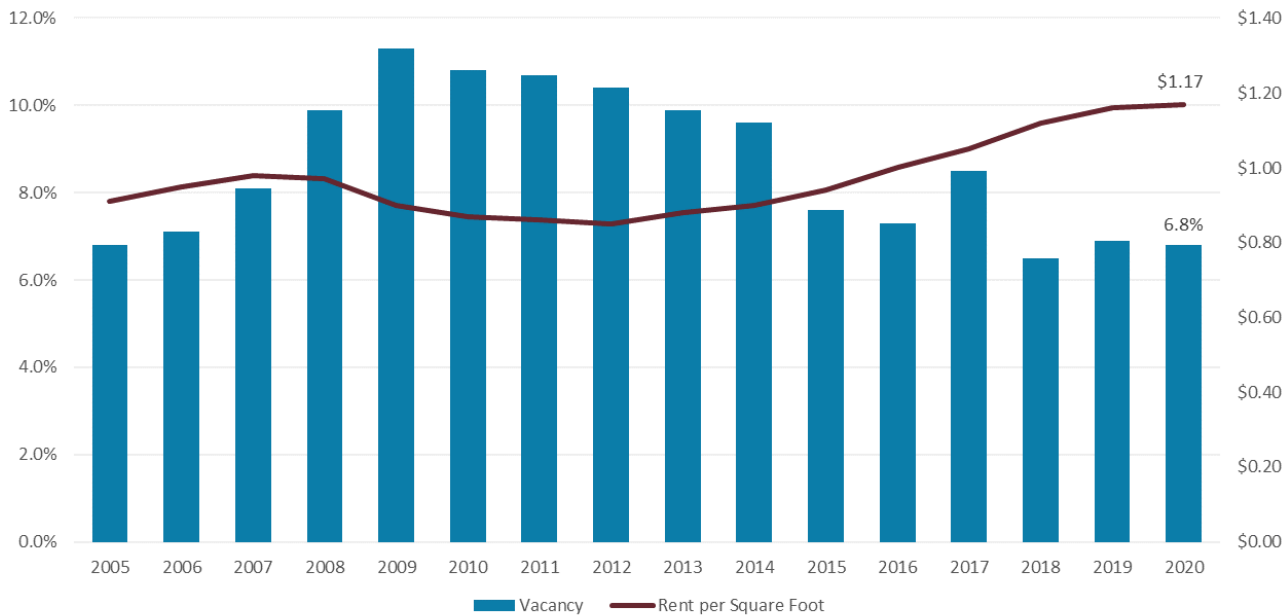
There have been four new apartment developments built in the Market Area since 2015, including two student apartment projects. The residential market for new housing in the Market Area is relatively strong, with new units renting for an average of \$2.69 per square foot compared to \$1.17 overall for units of all ages. The Market Area maintains a 6.8% vacancy rate with new projects in lease up.

MULTIFAMILY SNAPSHOT

- 15,723 units
- 265 built since 2015 (1.7% growth)
- Average rent of \$1.17/sf for all units
- Average rent of \$2.69/sf for new units
- 6.8% vacancy

The Market Area has captured 1.5% of County growth since 2015

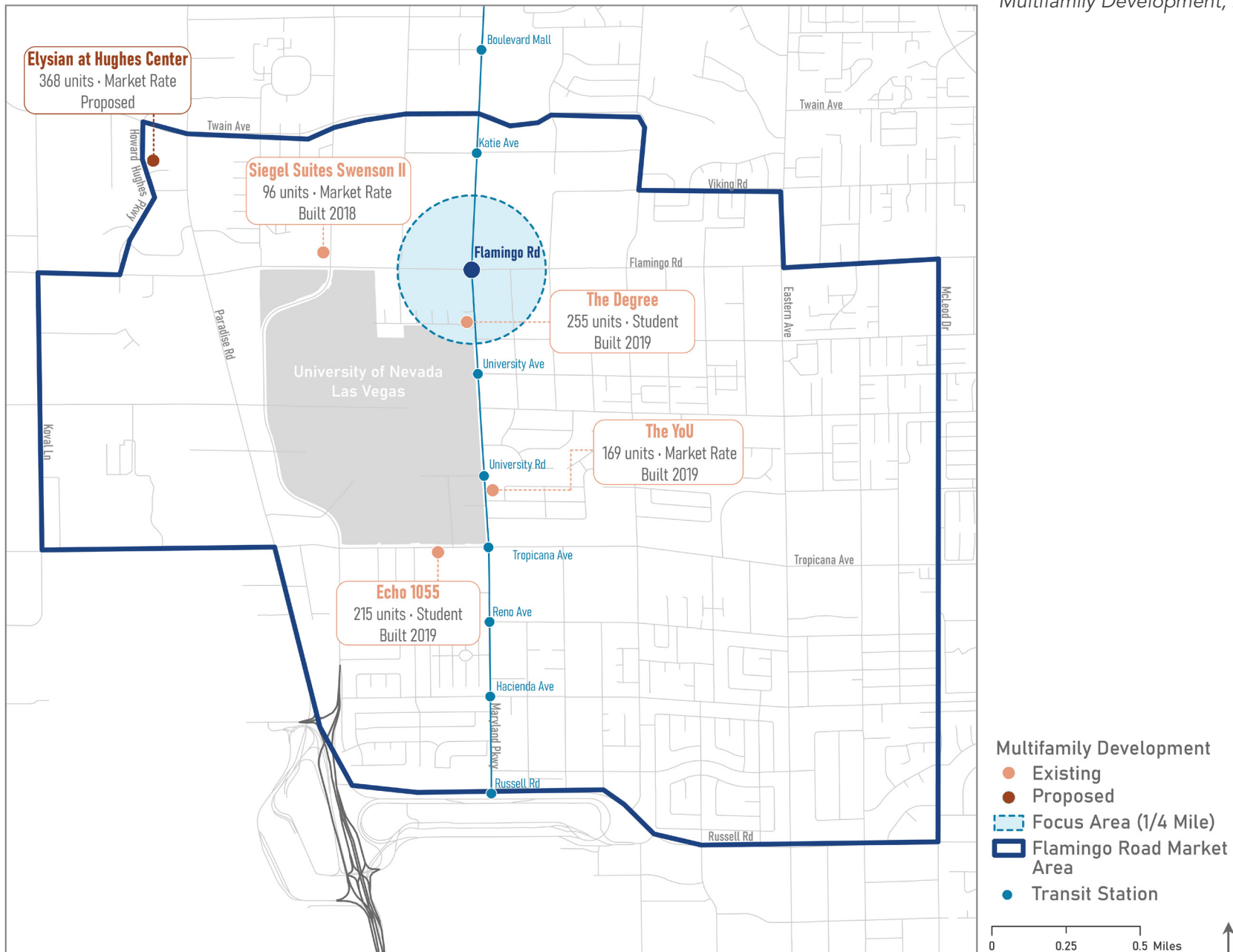
Multifamily Vacancy and Rent, 2005-2020



Source: CoStar

Market Opportunity

Students are the primary drivers of the residential market in this area. All of the new apartment development in the Market Area has been oriented to students or towards lower income residents. Three of the recently constructed projects are student oriented, and the fourth (Siegel Suites Swenson II) provides economy units with month-to-month rental agreements. Additional student oriented units are also in the development pipeline (either under construction or proposed).



COMMERCIAL MARKET

RETAIL

There are 3.48 million square feet of retail space in the Market Area accounting for 3% of the County's 116.45 million total square feet. The Market Area has grown by 1.6% since 2015 by adding 56,100 square feet of new space. Over this time the County's retail inventory grew by 4 million square feet or 3.6%.

The retail market in the Market Area is outperforming the County with average rents almost 1.5 times higher (\$26.69 compared to \$18.78). Rents for new development in the Market Area are even stronger compared to new development countywide, and the new development next to UNLV is attracting higher than average rental rates for smaller tenants oriented towards university students and visitors.

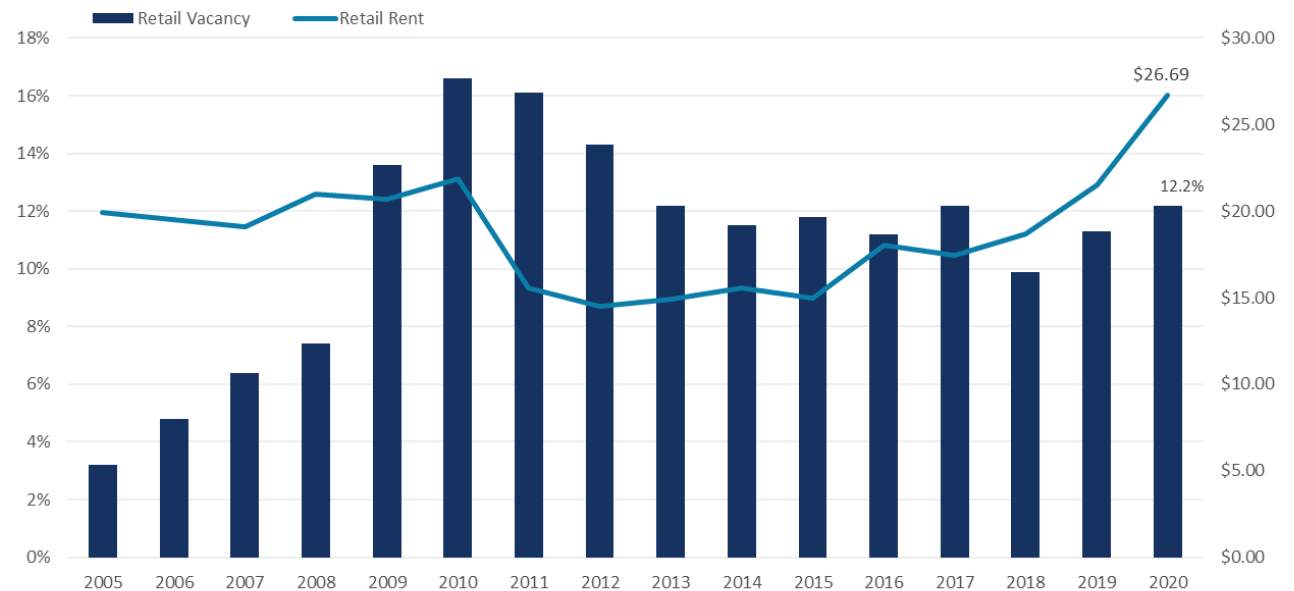
RETAIL SNAPSHOT

- 3.48 million SF
- 56,100 SF built since 2015 (1.6% growth)
- Captured 1.3% of County growth

HOTEL

There are 25 hotels within the Market Area with a total of 7,300 rooms. Three quarters of area hotels were built prior to 2000, and there has not been any new hotel development since 2010. The most recent hotel development was the Four Points by Sheraton on Palos Verdes Street which was built in 2009. Five hotels within the Market Area (representing 972 rooms and 13% of the total inventory) have been renovated since 2010. The majority of the hotel inventory is located in the western half of the Market Area which is closer to the Las Vegas Boulevard South strip.

Retail Vacancy and Rent, 2005-2020



Source: CoStar

OFFICE

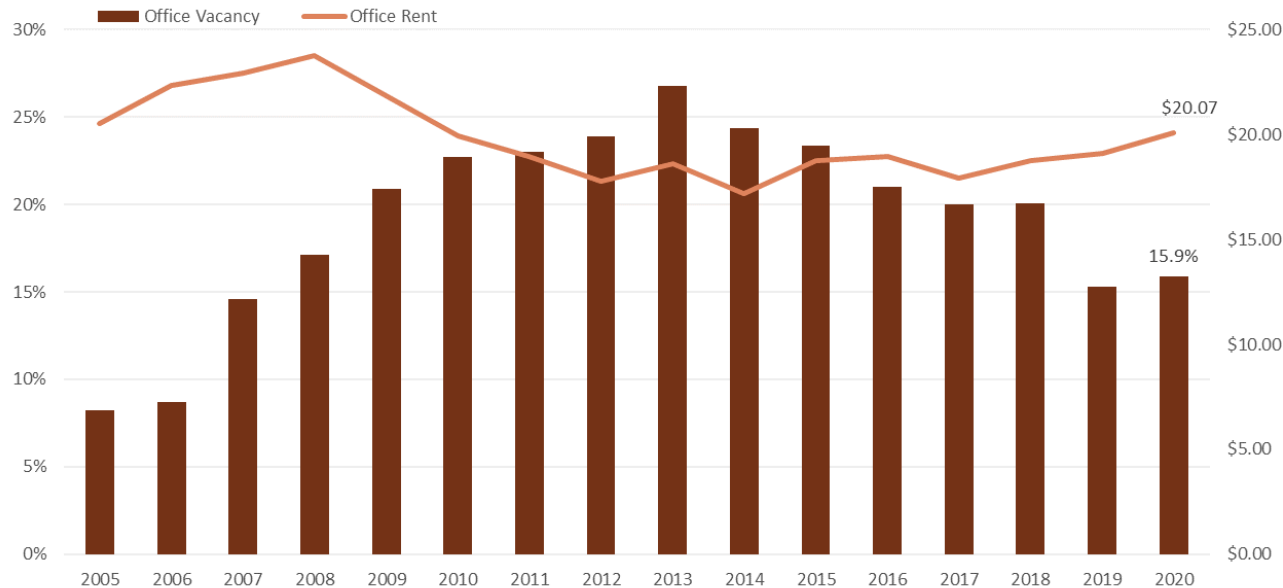
There are 3.56 million square feet of office space in the Market Area accounting for 5.4% of the 66.36 million square feet of space in the County. The Market Area has added 1.7% to its office inventory since 2015 with 61,150 square feet of new development. This new office space, in the University Gateway project, is primarily occupied by UNLV Administration.

While office rents in the Market Area have been increasing since 2012 at an average of \$20.07 per square foot in 2020, they have yet to recover to the 2008 peak of \$23.75. Despite the continued strengthening of rents, office vacancy in the Market Area remains high at 16% in 2019 through Q1 of 2020. From 2009 through 2018, vacancy averaged over 20% every year. Vacancy rates across the County have been between 10% and 11% recently and were highest in 2010 and 2011 at 18.3%.

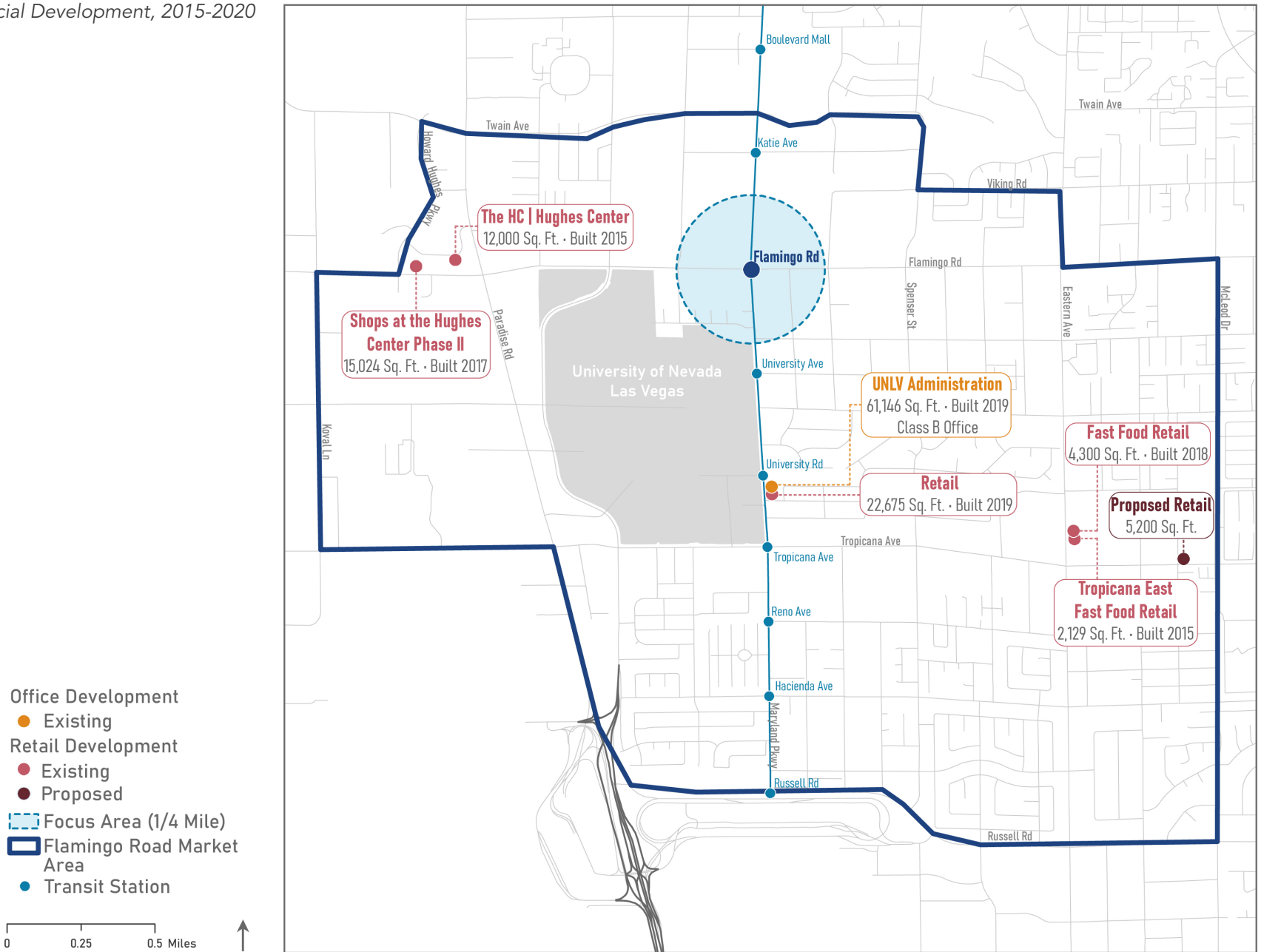
RETAIL SNAPSHOT

- 3.56 million SF
- 61,140 SF built since 2015 (1.7% growth)
- All in 1 new project near UNLV
- Captured 2.4% of County growth

Office Vacancy and Rent, 2005-2020



Source: CoStar



SECTION 2: DEMAND ANALYSIS

RESIDENTIAL

Trend

This section estimates demand for new housing in the Market Area by applying capture rates to forecasted countywide housing growth.

The Flamingo Road Market Area has captured approximately 1% of the County's overall growth since 2010. In recent years this capture has been slightly higher with the Market Area capturing 2.5% of County growth since 2017. Accounting for two recent student housing projects in the area, the Market Area has captured close to 3% of County growth indicating that including student housing demand in market potential can increase the development opportunity within the Market Area.

Demand Forecast

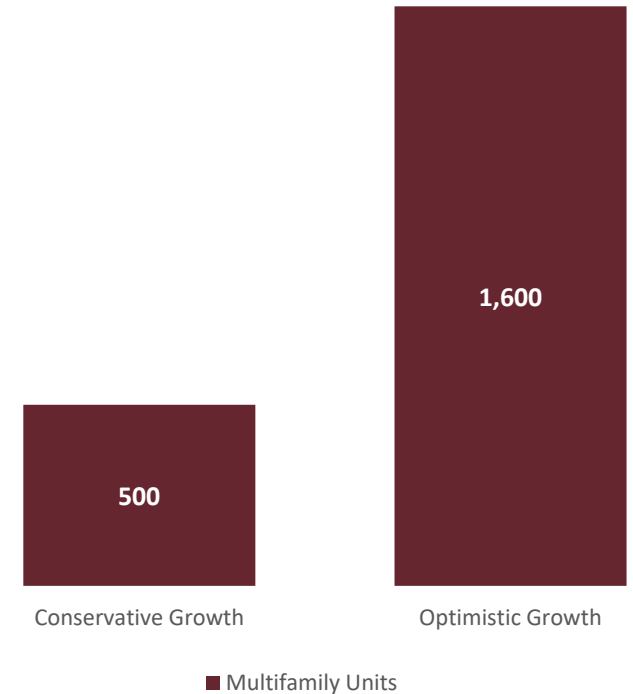
Clark County population growth forecasts (prepared by Center for Business and Economic Research) anticipate an additional 337,000 residents in the County between 2020 and 2030 which is an average of 33,700 new residents per year (1.3% annual growth). This annual growth rate, applied to the County's housing stock, translates to approximately 135,770 new housing units over the next 10 years.

Accounting for the 4,090 units currently under construction in the County (including 368 in the Market Area), there is a net demand for 131,680 new units or 13,168 new housing units per year. Applying recent

trends, 40% of this growth can be expected in multifamily housing (including apartments and condos) or an additional 52,700 multifamily units by 2030.

Two trends were used to create growth scenarios for the Market Area: the overall 2010-2019 Market Area trend of 1% capture of County growth, and the more optimistic trend accounting for additional student development of 3% capture of County growth. Based on the projected countywide growth of 52,700 multifamily housing units by 2030 and applying these capture rates, the Flamingo Road Market Area could capture between 500 and 1,600 new multifamily housing units over this time period. This translates to an average annual production of between 50 and 160 new multifamily units per year, or one large project every 1-2 years.

Market Area Residential Growth 2020-2030



Source: Economic & Planning Systems

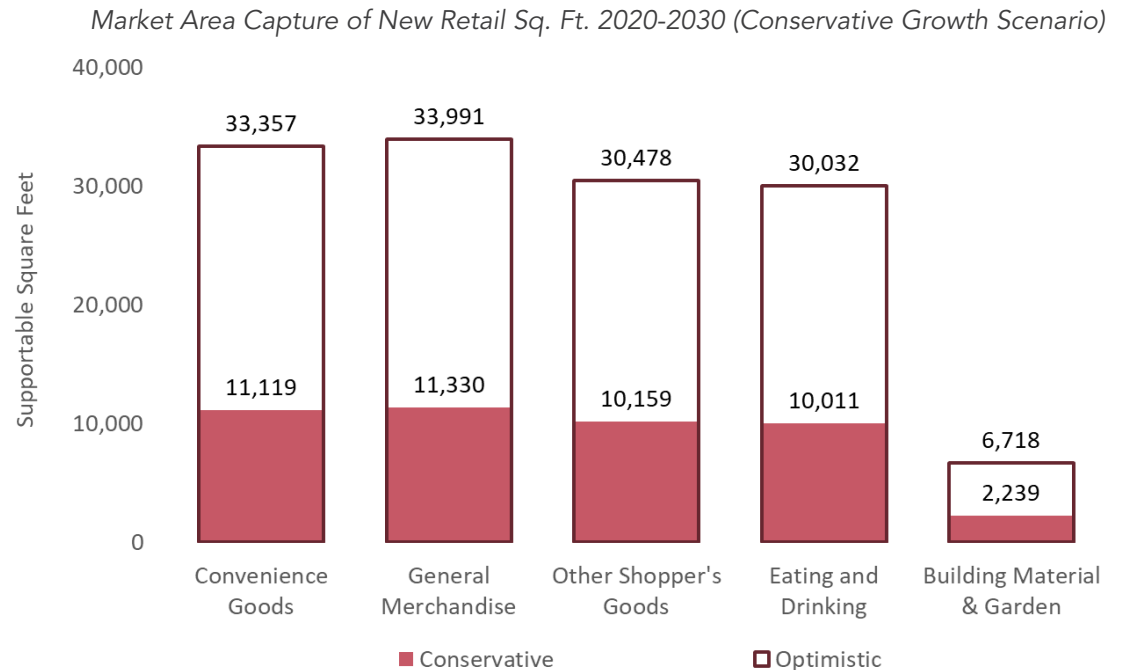
RETAIL

A demand estimate for future retail space in the Market Area was developed based on anticipated population growth and the related growth in retail spending. This analysis of retail development potential in the Market Area accounts for capture of demand from new residents considering the spending patterns for local retail (i.e., inflow and outflow of resident dollars). Demand analysis is based on the population of the area, per capita income, and spending habits for consumers in Nevada as reported by the Census of Retail Trade and ESRI Retail Marketplace data. To estimate retail demand for the area, the total personal income (TPI) is calculated by multiplying the population by per capita income for the Market Area. TPI is used along with spending patterns for consumers in the state to estimate retail expenditure potential: the amount of money that the average resident spends on retail goods. After accounting for leakage (outflow of dollars to retailers outside of the Market Area), this spending potential is converted to the amount of retail square footage that can be supported by new residents living in the area based on sales per square foot by store category.

Utilizing the growth capture scenarios from the residential demand analysis, there is potential for between 3,400 and 10,100 new residents in the Market Area by 2030. Retail expenditures of these residents will create demand for an additional 69,200 to 207,500 square feet of retail space over this time.

Of this total demand, not all is likely to be accommodated within the Market Area. Depending on the retail sector, there is potential for the Market Area to capture between 0 and 75% of resident spending. The highest capture rates are for convenience goods (e.g., grocery stores, pharmacies, liquor stores) and shoppers' goods (e.g., Target, Walmart, etc.), as well as restaurants while spending in more specialized sectors such as building material and garden stores is more likely to occur elsewhere in the community. Accounting for the capture and leakage of spending across sectors, the growth scenarios for the Market Area project demand for between 45,000 and 135,000 square feet of retail space by 2030.

This new demand is summarized in the chart below. Within the Market Area, the opportunity for capture of new spending is highest in Convenience Goods and General Merchandise and is also strong in Shopper's Goods and Eating & Drinking. These retail sectors with the strongest potential are also the most likely to locate in a TOD area. While there will be limited new demand for Building Material and Garden stores, and there is an opportunity for some Market Area capture, TOD locations are more likely to attract local and community-oriented retailers.



Source: Economic & Planning Systems

Market Area Capture of New Retail Sq. Ft. 2020-2030

Description	Retail Sales % of TPI (2019)	Capture Rate	Conservative Growth		Optimistic Growth		
			Expenditure Potential	Supportable Sq. Ft.	Expenditure Potential	Supportable Sq. Ft.	
Convenience Goods							
Grocery Stores	5.6%	75%	\$2,824,042	7,060	\$8,472,125	21,180	
Specialty Food Stores	0.2%	50%	\$81,995	205	\$245,984	615	
Beer, Wine, & Liquor Stores	0.3%	75%	\$139,299	464	\$417,898	1,393	
Health and Personal Care	2.7%	75%	<u>\$1,355,789</u>	<u>3,389</u>	<u>\$4,067,368</u>	<u>10,168</u>	
Total Convenience Goods	8.8%		\$4,401,125	11,119	\$13,203,375	33,357	
Shopper's Goods							
General Merchandise							
Department Stores (including discount department, superstores, and warehouse clubs)	5.3%	75%	\$2,668,883	8,896	\$8,006,649	26,689	
Other General Merchandise Stores	2.5%	50%	<u>\$851,935</u>	<u>2,434</u>	<u>\$2,555,806</u>	<u>7,302</u>	
Subtotal (General Merchandise)	7.8%		\$3,520,819	11,330	\$10,562,456	33,991	
Other Shopper's Goods							
Clothing & Accessories	3.7%	50%	\$1,230,203	3,515	\$3,690,610	10,545	
Furniture & Home Furnishings	1.2%	25%	\$208,799	835	\$626,397	2,506	
Electronics & Appliances	1.1%	50%	\$380,401	761	\$1,141,203	2,282	
Sporting Goods, Hobby, Book, & Music Stores	1.2%	50%	<u>\$403,507</u>	<u>1,153</u>	<u>\$1,210,522</u>	<u>3,459</u>	
Miscellaneous Retail	1.9%	75%	\$973,886	3,896	\$2,921,657	11,687	
Subtotal (Other Shopper's Goods)	9.2%						
Total Shopper's Goods	17.0%		\$6,717,615	21,490	\$20,152,845	64,469	
Eating and Drinking	7.0%	75%	\$3,503,772	10,011	\$10,511,315	30,032	
Building Material & Garden							
Building Material & Supplies Dealers	2.0%	50%	\$671,835	2,239	\$2,015,504	6,718	
Lawn & Garden Equipment & Supply Stores	0.1%	0%	<u>\$0</u>	<u>0</u>	<u>\$0</u>	<u>0</u>	
Total Building Material & Garden	2.1%		\$671,835	2,239	\$2,015,504	6,718	
Total Retail Goods	34.9%		\$15,294,346	44,859	\$45,883,039	134,576	

Source: ESRI; Economic & Planning Systems

OFFICE

Employment Growth

Countywide employment growth forecasts (already cited) outline an increase of 43,670 jobs (private non-farm employment) in Clark County between 2020 and 2030. This equates to an average of 4,367 new jobs per year or 0.3% average annual growth. Over 70% of this growth is expected in just two industries – Health Care (36% of growth) and Accommodations and Food Services (35% of growth) while nine industries are expected to remain flat or decrease.

Based on the current capture of County employment, the Flamingo Road Market Area is expected to grow by 1,667 jobs over this time – which is 3.8% of County growth. Applying the countywide growth rates by industry, over one-third of employment growth in the Market Area is expected to be in Health Care jobs, with 20% of growth in Accommodations & Food Service and 15% of growth in Education jobs.

Office Demand

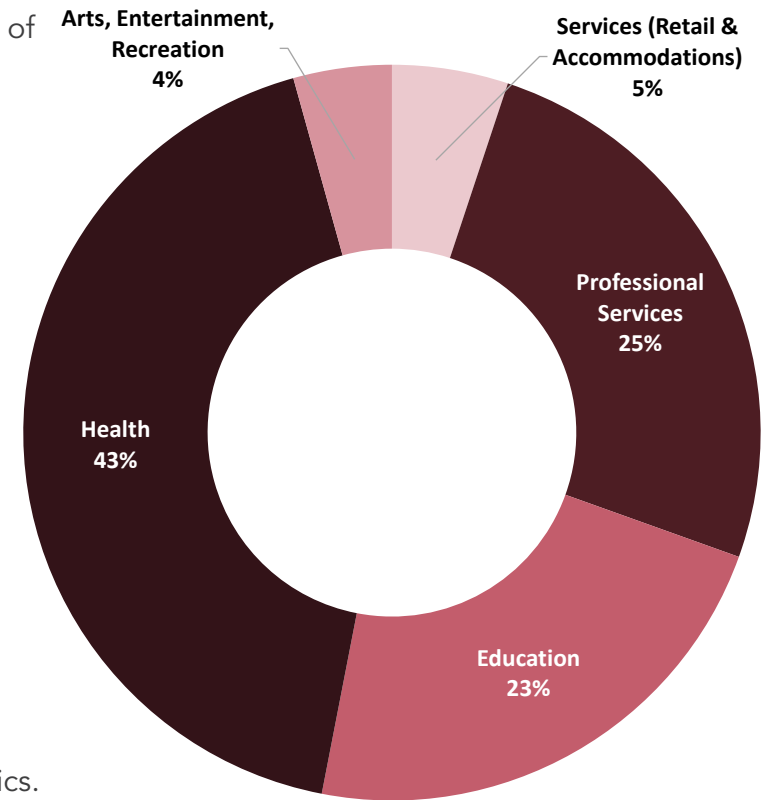
Demand for office development in the Market Area is based on employment growth in sectors that occupy office space. Accounting for the share of employees within each employment sector that utilize office space (e.g., 100% of employment in Finance and Insurance, versus 50% of employment in Health Care) over the next 10 years the Market Area is expected to see demand for an additional 300,000 square feet of office space. This demand is primarily generated by the Health Care industry, accounting for 43% of demand, indicating that major development opportunities are likely to be associated with hospitals and related medical offices and clinics.

Description	2020	2030	10-Year Job Growth	10-Year New Office Sq. Ft	Annual New Office Sq. Ft
Flamingo Road Market Area					
Services (Retail & Accommodations)	15,333	15,948	615	15,449	1,545
Professional Services	11,087	11,554	467	77,018	7,702
Education	6,840	7,297	456	68,455	6,846
Health Care	7,437	8,471	1,035	129,327	12,933
Arts, Entertainment, Recreation	4,028	4,290	262	13,080	1,308
Total	47,686	49,353	1,667	297,729	29,773

* Note: total may not add to sum of industries shown due to exclusion of industries that do not generate office demand

Source: Center for Business and Economic Research; Economic & Planning Systems

New Office Demand by Sector



Source: Economic & Planning Systems

Market Area Office Demand 2020-2030

SECTION 3: DEVELOPMENT OPPORTUNITIES

DEVELOPMENT SITES

The analysis of development opportunities for TOD looks at the Flamingo Road Focus Area – the ¼ mile radius around the proposed station.

PARCEL ANALYSIS

Within the Focus Area, development opportunity analysis was conducted at a parcel level. Using a multi-layered approach, parcels were identified that are:

- Over ½ acre in size (as parcels smaller than this likely cannot accommodate a development of scale)

And

- Currently vacant

Or

- Existing development is low value (defined as a ratio of improvement value to land value of less than 0.5)

The Focus Area is mostly developed with few vacant parcels. The area has a mixture of retail shopping centers, apartment buildings, and some office uses. There are limited apparent development opportunity sites based on existing uses, land values, and density of development.

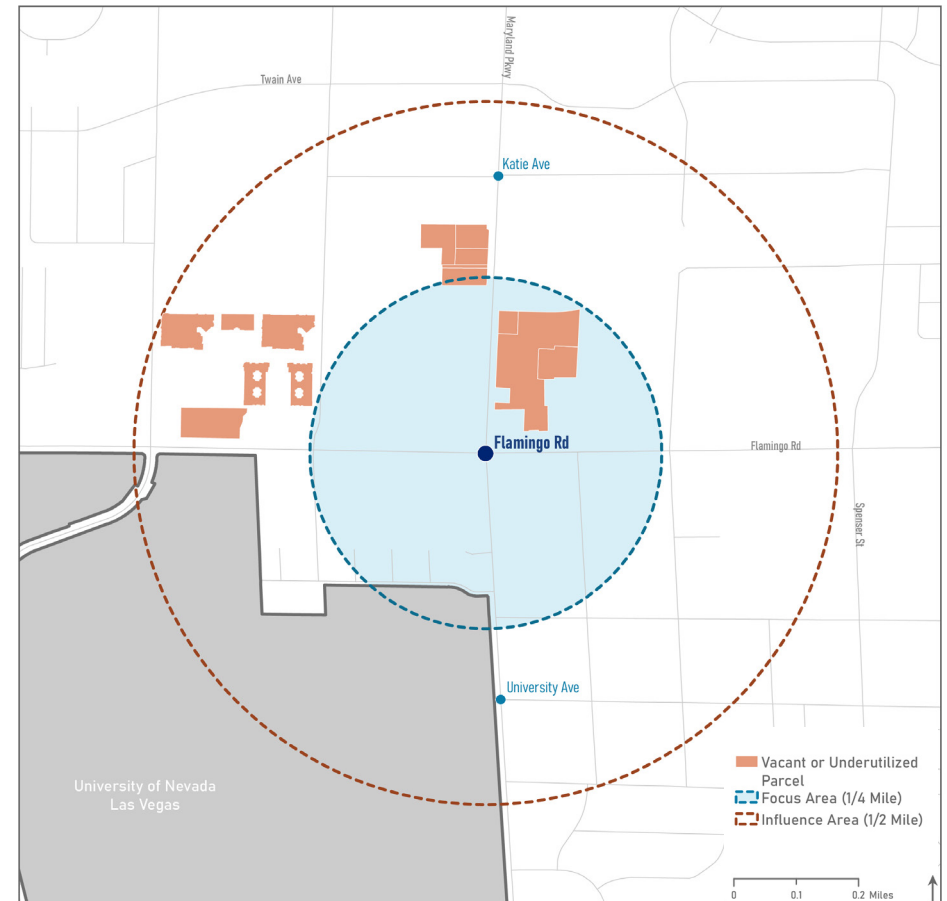
Three potential sites were identified that could be developed for TOD or with transit supportive uses. The most readily developable site(s) is the remaining undeveloped parcels of a planned project between University Center Drive and

Cambridge Street on the north side of Flamingo Road. This project was partially developed as the Las Vegas Grand Apartment project and occupies part of the western portion of the property. The remainder of this site could support additional transit supportive multifamily housing and retail uses along Flamingo Road. The existing apartments do, however, currently have a security fence surrounding them limiting access and walkability.

The other two potential sites currently have retail and office uses on them. The Mission Center shopping center on the northeast corner of Flamingo Road and Maryland Parkway has a major vacancy on the northern portion of the center. This large vacant space used to be occupied by TJ Maxx and Toys R Us. This portion of the center fronts the Flamingo Wash on its north edge.

The other potential site would be the aggregation of underutilized retail and office uses north of the wash on the west side of Maryland Parkway. The State of Nevada Division of Welfare and the Clark County Social Services Department occupy two of the buildings, which are single story buildings. The consolidation of these two tenants into a larger community servicing office building may be feasible. As well, this site is adjacent to the Cambridge Recreation Center, which is a major community asset in the area.

Opportunity Parcels



DEVELOPMENT FEASIBILITY

Two measures of development feasibility—land sale prices and rental rates—were applied to the Market Area to gauge the supportability of new development by type.

LAND SALES

For this analysis, land sales are defined as property sales that were completed for the purpose of development (or redevelopment) and include both parcels that are vacant and those that are already developed. The average sale price per square foot for land from property sales completed within the Market Area is compared to the average countywide. This comparison assesses the value of land in the Market Area by use type to estimate the strength of the market for new development. Land sales for each TOD land use category are included.

The average sale price for land sales in the Flamingo Road Market Area from 2017 through mid-2020 is \$19.87 per square foot as shown in the table to the right. This average price is 12 percent higher than the countywide average of \$17.67 per square foot.

There were a limited number of sales in the Market Area over the past 3 years. With only 23 sales over this time, the Market Area accounted for 1.3 percent of countywide sales of this type. The performance of the Market Area relative to the County varies by development type. Land sold for retail

and hotel development generated higher than average sales prices while other uses had below average sales prices. While the hotel sales show strong market strength, they are not as relevant for potential TOD. These sales were predominately located closer to the Las Vegas Strip than Maryland Parkway indicating the demand for those uses is tied more to tourism-related demand from Las Vegas Boulevard South than locally driven demand that would be reflected on Maryland Parkway. For retail, the proximity to UNLV and existing market presence of Maryland Parkway are drivers of retail land sales prices that are higher than the County average despite the limited growth of households in the Market Area (which would otherwise indicate limited demand for additional retail space).

RENTAL RATES

To gauge the feasibility of new development, the average rental rates (both overall and for new development) for retail space, office space, and apartments within the Focus Area are compared to the Market Area and countywide average. This measure gauges if rental rates achieved for new space in the Market Area and/or Focus Area are high enough to support new development.

Retail - The average rental rates for retail within the Flamingo Road Focus Area (\$21.09 per sf) are slightly higher than the countywide average (\$18.78 per sf). Rates for space in the Market Area for all space and new space are significantly higher than found in the Focus Area. The strength of the retail rates in the Market Area indicates the

Flamingo Road Market Area Land Sales, 2017-2020

Proposed Use	Clark County		Flamingo Road MA		% Diff.
	Price per SF	# of Sales	Price per SF	# of Sales	
Entertainment	\$28.98	24	\$12.43	2	-57%
Retail	\$21.28	649	\$32.86	6	54%
Mixed-Use	\$17.82	116	\$12.88	3	-28%
Hotel	\$16.12	24	\$33.51	2	108%
Unknown	\$15.32	780	\$17.56	6	15%
Multifamily	\$12.43	156	\$5.17	4	-58%
Average/Total	\$17.67	1,749	\$19.87	23	12%

Source: CoStar; Economic & Planning Systems

growing demand and development activity around the UNLV campus especially further south of the Flamingo Road Focus Area at University Road. The increasing demand for student/campus serving retail and increase in student-oriented housing near the campus makes the Flamingo Road Focus Area an attractive location to try to capture sales from this market.

Office - There does not appear to be a significant demand for new office development in this area. The average rental rate for office space in the Market Area is \$16.11 per square foot (Gross/ Full Service)—which is less than the countywide average. This is illustrated by the difference between rents in the Focus Area and the average rental rate for new office uses in the county (\$32.51 per square foot). Existing office vacancy rates of 16% in the Market Area are also indicative of weak demand. There has not been significant new office development within the Market Area to use as a point of comparison. If there was demand for new office space in this area, it would be expected that the overall rental rates would be higher than the County (indicating a constrained supply).

Multifamily - For apartments, the average rental rate in the Focus Area is \$1.21 per square foot per month which is slightly higher than the countywide average. There has been one apartment project built in the Focus Area, the Degree, a student housing project. There has been significant development activity in the Market Area. New units in the Market Area are primarily new student-oriented units built near the UNLV campus. These units are achieving average rental rates of \$2.69 per square foot which indicates the demand for student housing and the higher rental rates student units are able to achieve due to their rent structures (e.g., rented by the bedroom not unit). Additional multifamily housing that is student oriented is likely feasible in the near term in the Focus Area.

FEASIBILITY FINDINGS

The following findings were developed based on the two feasibility measures:

- Retail uses appear to generate land values and lease rates that support new development. The size of the consumer

base in the Focus Area between Market Area residents, UNLV students, and area workers continues to support retail uses serving their everyday retail needs. Retail uses, especially food-oriented businesses, could serve as an attraction, anchor, and a catalyzing component of TOD within the Focus Area.

- Multifamily development in the Market Area is providing strong rental rates and it appears that these uses could support new development if student oriented. It is more difficult to assess the feasibility of traditional, non-student-oriented apartments due to the lack of recent market rate apartment development in the Market Area. There is, however, one proposed project in the northwest portion of the Market Area, that when completed, may provide support and momentum for market rate development along Maryland Parkway.
- Hotel land sales in the Market Area indicate they can support new development; however, it is unclear if a hotel use on Maryland Parkway is supportable given the distance to the Las Vegas Strip. A hotel use that is oriented to UNLV visitors and activity may be in demand but may not be able to overcome competition from more casino and entertainment-oriented hotel options that can also serve UNLV activity.

Focus Area and Market Area Average Rental Rates Comparison

Use	Rent per Sq. Ft. Factor	Time-Period	Clark County		Flamingo. Rd. Market Area		Flamingo Rd. Focus Area	
			New	All	New	All	New	All
Retail	per sf (NNN)	Annual	\$35.16	\$18.78	\$58.54	\$26.69	---	\$21.09
Office	per sf (Gross)	Annual	\$32.51	\$20.74	---	\$20.07	---	\$16.11
Apartment	per sf	Monthly	\$1.38	\$1.17	\$2.69	\$1.17	---	\$1.21

Source: CoStar; Economic & Planning Systems

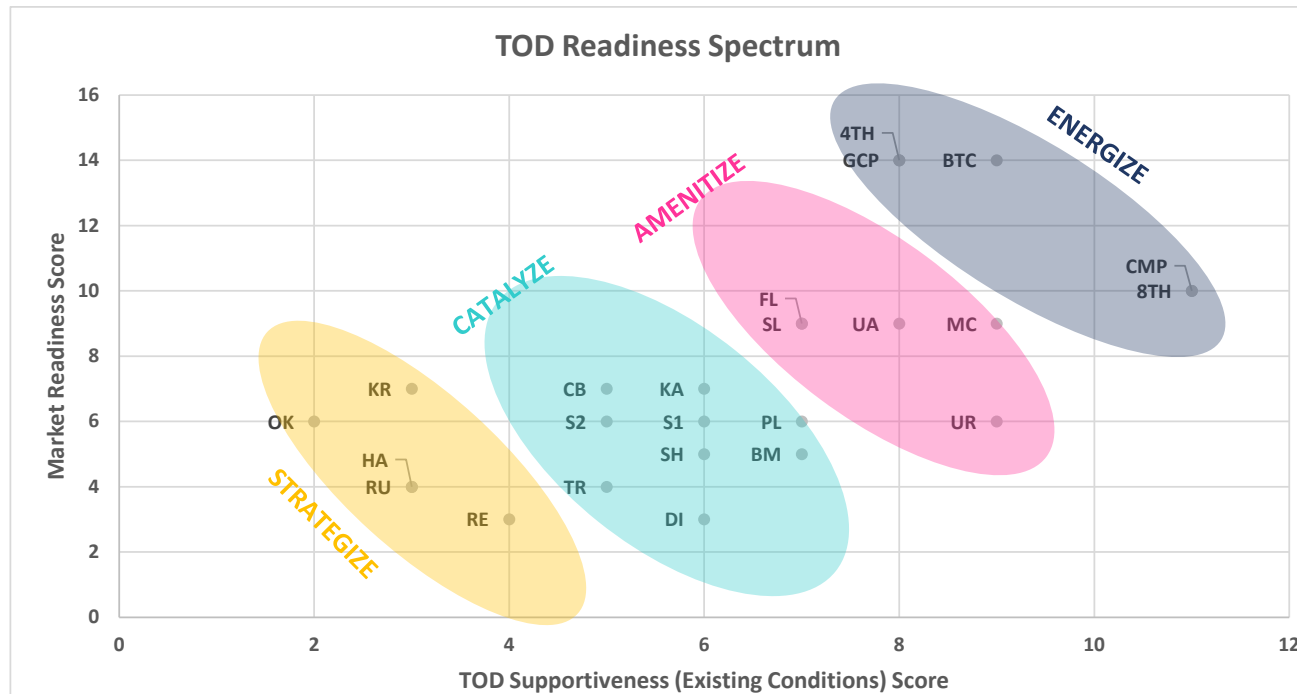
TOD MATURITY

A TOD Readiness Spectrum was created to categorize Focus Areas along the corridor in terms of their readiness to attract and support TOD. Focus Areas have been organized into four categories (Energize, Amenitize, Catalyze, and Strategize) based on their market readiness and supportiveness of the built environment. Overarching strategies for supporting TOD were developed for each category.

The Flamingo Road Focus Area is within the Amenitize category as shown to the right. Focus Areas in this category are close to being TOD-Ready but need amenities, infrastructure, and/or connectivity improvements to enhance their ability to attract additional TOD. Strategies for this category include:

- Provide/improve amenities within the public realm
- Create multi-modal first and final mile connections to surrounding area
- Prioritize and complete necessary infrastructure investments
- Improve ground-floor experience
- Incentivize mixed income/affordable housing

The Flamingo Road Focus Area fits well within this category as the area is attracting higher density uses and has transit supportive land uses around it; however, it also has a largely auto-oriented built environment. Additional improvements to provide amenities that are attractive to developers and users of transit-oriented projects can help generate additional demand and increase the attractiveness for TOD in the Focus Area.



PRIORITY ACTION AND VALUE CAPTURE RECOMMENDATIONS

PRIORITY ACTION RECOMMENDATIONS

Priority Actions

Reach out to the property owner/ developer of the vacant parcels around the Las Vegas Grand Apartments to determine their plans for the properties and identify any barriers to development of the rest of the site.

- The vacant sites are part of a planned development between University Center Drive and Cambridge Street on the north side of Flamingo Road. One apartment complex has been built in the project, but the remainder has remained vacant. Outreach to the property owner/developer can help understand what barriers to development exist. As well, the outreach could present the opportunity to discuss changes to the development plan and landscaping approach to make it more transit oriented. The existing apartment building is behind a fence and gate, which inhibits walkability.

Explore opportunities to oriented activity and/or uses along the Flamingo Wash.

- The Flamingo Wash runs through the Focus Area north of Flamingo Road. The wash currently is walled or fenced off from its surroundings and can be a connectivity barrier in the area. The wash also attracts homeless camps and undesired activities to the area since there is limited activity along it and areas can be hidden from ground level. The wash could become an amenity for the area if it can be improved to support recreation opportunities (i.e., bike/pedestrian trail) or enhance the visual appeal as a way to attract reinvestment in the area.
- There are two potential development sites adjacent to the wash. The first are sites currently used by the State of Nevada and the Clark County Social Services offices. The location of these service providers next to the Cambridge Recreation Center also creates an opportunity to grow the presence and community destination appeal of the recreation center if uses are connected and coordinated. This effort could also help to orient more activity and uses to the wash area running through the Focus Area.

The second site is the large, vacant tenant space on the north edge of the Mission Center shopping center, on the northeast corner of Maryland Parkway and Flamingo Road. Outreach to the center owner could determine if there is potential for redevelopment of the northern portion of the center for TOD or transit supportive uses along the wash.

VALUE CAPTURE RECOMMENDATIONS

A value capture toolkit has been developed for this effort and is provided in a separate document. Two potential value capture tools were identified that fit the conditions present and have the potential to be successful in the Flamingo Road Focus Area.

- **Joint development** – UNLV is a major landowner on the edges of their campus and some of this land could be used for TOD. Using university land can help reduce land costs for a development that provides uses that are not currently feasible or need to be subsidized but provide a broader community purpose. It should be noted that the use of university land (which is owned by the State) may have restrictions related to use that may present a barrier. The collection of State of Nevada and Clark County Social Services uses along Maryland Parkway, north of Flamingo Road, may present the opportunity for a public-private partnership. These uses could potentially consolidate into a new facility and building that can also include space for private uses or other civic uses.
- **Naming Rights** – Given the connectivity of the Maryland Parkway Corridor to the main UNLV campus and the UNLV Medical School in the Medical District, there are natural opportunities to provide naming rights for individual stations or the whole transit line in exchange for contributions to fund improvements that support the transit line.

