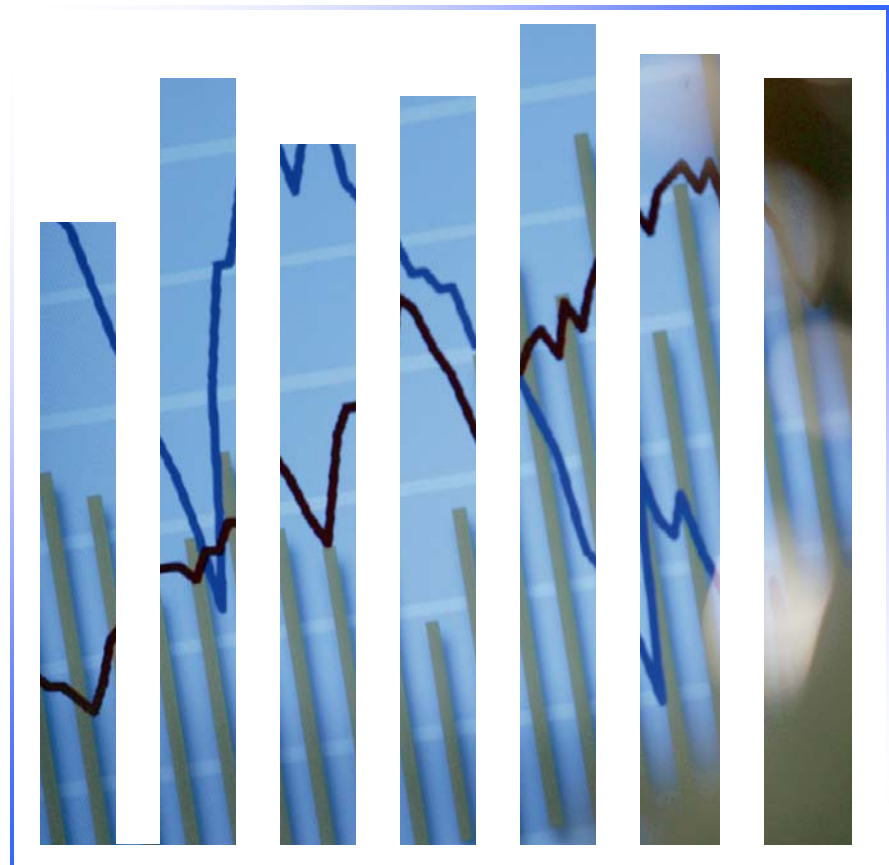


Economic Impact Assessment

Cactus Avenue at Interstate 15 Interchange Project

Prepared for Clark County, Nevada

September 2009



Introduction

Appplied Analysis has been asked by Clark County, Nevada (“Clark County”) to review and analyze the impacts of the proposed Cactus Avenue at Interstate 15 Interchange Project (“the Project”) on Southern Nevada. This memorandum summarizes the salient findings of our review and analysis.

Generally located along the Interstate 15 and Cactus Avenue (east of Dean Martin Drive and west of Las Vegas Boulevard) the Clark County Public Works Department (“CCPWD”) anticipates the Project to offer a new, conveniently located gateway to southern Nevada’s arterial expressways. The subsequent items discuss in further detail the scope of the Project:

- Maintain three travel lanes in each direction on the Interstate 15
- Provide three travel lanes in each direction on Cactus Avenue from Dean Martin Drive to Las Vegas Boulevard
- Construct a new interchange along Interstate 15 at Cactus Avenue
- Construct new traffic signals at
 - Cactus Avenue and Dean Martin Drive
 - I-15 Interchange Ramps and Cactus Avenue
 - Cactus Avenue and Las Vegas Boulevard
- Construct a new bridge over the frontage road on the east side of Interstate 15
- Construct a drainage facilities within the interchange

Economic Competitiveness

The Project will commence construction in the Enterprise planning area, a census-designated place within Clark County, Nevada. According to the Clark County Department of Comprehensive Planning, as of July 2008 Enterprise had an estimated 151,115 inhabitants and represented approximately 4.0 percent of the County’s population. Over the past ten years, Enterprise grew at a compounded annual growth rate of 27.5 percent.

The planned Cactus interchange will provide improved traffic mobility and a convenient access point to Interstate 15 (“I-15”) for residents within the vicinity and nearby master-planned communities including Mountain’s Edge, Rhodes Ranch and Southern Highlands; presenting immediate benefits for commuting motorists travelling from the southern portions of the Las Vegas valley to major employment centers along the interstate highway system. Worth noting is that the Project is expected to alleviate motorists’ travel times by 635,000 hours annually, while reducing total distance traveled by 184,000 miles per year.¹

¹ Information on the Project was provided by Clark County. Applied Analysis did not evaluate the effectiveness of the proposed improvements and/or reasonableness of the estimated construction costs. Estimates and analyses contained herein are based on limited available information available at the time this report was drafted.

The Project will also be essential in the development of surrounding parcels zoned for commercial uses. Office, retail and industrial centers in close proximity will experience long-term benefits such as increased traffic flow, while current and proposed resort establishments in the southern part of Clark County’s gaming enterprise district will become more accessible for patrons.

Job Creation and Economic Stimulus

In total, the Project is estimated at \$57.8 million, which includes costs associated with road improvements and the construction of the interchange.² A regional flood control facility is also affirmed as an integral part of the design plan.

The IMPLAN model, one of three generally accepted and widely used input-output economic modeling applications, was used to estimate the employment, income and output impacts of the Project. Direct, indirect and induced construction and development impacts for the Clark County region were specifically considered. Direct impacts are those sourced to the project itself. In total, the \$57.8 million in construction activity is anticipated to require 487 person-years of employment (i.e., one person employed full-time for one year) and generate \$27.0 million in wage salary payments to those working directly on the Project.

Indirect and induced impacts are commonly referred to as the economic “ripple effect” or “secondary impacts” of major projects such as the one considered here. These include impacts on supplier industries (e.g., concrete suppliers) and businesses supported by the spending of direct employees within the community (e.g., a grocery store clerk or family physician). When these impacts are included, the identified Project supports an estimated 765 person years of employment, generates \$37.9 million in wage and salary payments and stimulates approximately \$89.1 million in aggregate economic activity. Stated otherwise, for every \$1.00 spent on the Project \$1.54 in economic activity is generated throughout the Clark County local economy.

Economic Impact Summary I-215/Airport Connector Interchange Project

	Direct Impact	Indirect Impacts	Induced Impacts	Total Project Impacts
Employment*	487	102	176	765
Personal Income	\$ 26,951,958	\$ 4,577,066	\$ 6,379,993	\$ 37,909,017
Economic Output	\$ 57,800,000	\$ 11,612,745	\$ 19,682,688	\$ 89,095,432

*Expressed in person years of employment; one person employed full time for one year.

² \$5.5 million associated with land acquisition has been excluded for analysis purposes.