

Landowners seek high price

Las Vegas' prized 61 acres has company.

A private partnership is marketing 55 acres in downtown Las Vegas and calling the collection of city blocks just north of the Stratosphere „Project Neon Lights.“ Expectations are that the site would be home to a casino or resort.

The borders of the property are Wyoming Avenue on the south, Charleston Boulevard on the north, Main Street on the east, and the railroad tracks near Interstate 15 on the west. The area is just north of the Stratosphere and includes several furniture stores, car repair shops and other small businesses. It also includes a small piece of the city's Arts District.

The partnership marketing the land secured commitments from property owners to sell the land if the price is right.

Exactly how many of the landowners within the targeted area have signed on to the project is unclear, at least partly because all property owners involved had to promise not to discuss the matter publicly. However, one property owner said almost all of the other landowners in the area have signed on.

„Only three tried to fight it,“ said the property owner, who agreed to discuss the plan on the condition of anonymity. That property owner also said that the sale agreements have been extended to March, and the sale would happen only if they were being paid the equivalent of USD 8 million per acre.

Project Neon Lights is, for now, a plan by TR Las Vegas LLC, a partnership headed by local commercial real estate broker Robert Reel and downtown business owner Tom Prato, according to city sources.

Prato referred calls to Reel, who wouldn't talk in detail about the plan, but said that the USD 8 million per acre price

„is high.“ He wouldn't say what the asking price is.

If the asking price is about USD 8 million per acre, that would effectively limit the types of projects that could be financially successful on the land, city officials and others said.

„There are only a few things in this market that could absorb that kind of cost,“ City Business Development Director Scott Adams said. „Gaming clearly is one. The second would be a high-end hotel and condominium project. Even a straight condo project probably couldn't.“

Cindy Funkhouser, owner of the antique store the Funk House, was one of the property owners from that area who didn't join in.

Funkhouser said that Prato, owner of Artistic Ironworks, pitched the idea to her late last year.

„He said they were trying to assemble land from Charleston to Wyoming and Main Street to the railroad tracks, and they would flatten the whole thing,“ Funkhouser said. „They said it would be beautiful like the Strip, and I said we don't need another Strip, we have a Strip, and this isn't what the Arts District needs.“

Funkhouser is the founder of First Friday, a monthly outdoor arts bazaar held in the city's burgeoning Arts District.

Las Vegas Mayor Oscar Goodman said he met with at least one of the partners about two months ago and again two weeks ago and their plans „are very much still in process.“

Goodman said his understanding of the project is that the various landowners are joining an association they all have a partial ownership in, and that association will sell the land as one large piece.

„It's a very smart idea,“ Goodman said.

The city-owned 61 acres, several blocks north of the Project Neon Lights-targeted land, is the largest single available tract downtown now, and the city is planning to build „a city within a city“ there.

Elsewhere downtown, a group known as Livework owns much of several blocks around Bonneville Avenue and Main Street, which in that crowded part of the city is less than 15 acres.

Adams would not comment on Project Neon Lights specifically, but said that for a private group to control a 50-plus acre block of downtown would be „very significant and rare.“

Goodman would not speculate on what the land could ultimately be home to, other than to say it is obviously going to be more than an office building.

When asked whether a casino could go there, the mayor said that sounded like a „great idea.“

At more than 50 acres, there would be enough land for a resort.

Also, the city’s letter of support from Adams, which he wrote in January, specifically mentions gaming as a possible use for that land.

„The city may use its best efforts to assist in a developer’s vision for the project to include possible gaming approval and executing mixed-use overlay zoning,“ the letter said. „The city wishes to express its support for this development opportunity,“ and lists several tax and other incentives the city might use to help the redevelopment of that area.

However, the letter also points out that the city has not given, and Adams cannot promise, any specific approvals or obligations for the area. Those can be given only by the City Council.

Adams said he writes about two or three similar letters for

developers each year.

„We're out trying to encourage redevelopment and development of downtown; so this is a great idea if they can pull it off,“ he said.