

## Experts preview Las Vegas' 2007 prospects

By Phoebe Sweet / Staff Writer In Business Las Vegas 22.1. 2007

For the Strip, **\$30 billion in investment** (210 mdr SEK) means bigger and grander hotels and casinos than ever before.

But for the rest of the Las Vegas Valley, that \$30 billion translates into much, much more, according to Jeremy Aguero, a principal with economic consulting firm Applied Analysis.

"That \$30 billion in investment on the Strip, more than (during) any period in our history, transfers into broader economic prosperity outside the gaming market as well," Aguero said. "Generally speaking, **for every one hotel room**, at least historically, **we've created seven jobs** within Southern Nevada."

Aguero and other Southern Nevada business experts will discuss the economic and gaming prospects for 2007 at Preview Las Vegas at the Thomas & Mack Center on Jan. 25. The event is sponsored by the Las Vegas Chamber of Commerce and the Nevada Development Authority.

Aguero said **the 30,000 hotel rooms** slated for development along Las Vegas Boulevard will mean **more than 200,000 jobs, 100,000 off-Strip housing units and a continued ripple through the service sector.**

"If you start walking through the progression, (that is) the way the gaming industry has historically spurred on economic development throughout the valley," he said.

**More hotel rooms mean more jobs, which mean more people, retail space, warehouses and offices.**

"It's not just about **the gaming industry**," he said. "While they **represent 25 percent** of the workforce, that means 75 percent are (working) outside (the gaming industry)."

"The Las Vegas brand is not only about tourism, but has also been a success with regard to economic development."

At Preview, Aguero will discuss the top 10 economic indicators impacting Southern Nevada in 2007 with Rossi Ralenkotter, president and chief executive of the Las Vegas Convention and Visitors Authority, and Richard Lee, vice president and director of public relations for First American Title Co. of Nevada.

In addition to the gaming industry, Aguero said he will discuss population and employment growth.

"This is the first year in the last 20 where Nevada wasn't No. 1," in population growth, he said. "We've also been among the nation's leaders in job growth, although we've seen some falling off."

Aguero said he would also make predictions about the housing market, one of the valley's leading economic indicators, and the sustainability of current housing prices and construction activity.

"The last three years have been the worst in terms of permitting since 1993," Aguero said, adding that he would discuss at Preview how far off a turnaround could be.

He expects about **30 percent of the 90,000 condominiums currently planned to be constructed in the next 10 years.**

Aguero said he will also discuss income data and wage appreciation in Southern Nevada and the commercial real estate market.

## **Och inget slår världens största private project: Magnitude of CityCenter plan is enough to leave you speechless**

**Project CityCenter; 50 mdr SEK, the most expensive private project in history a mix of high-end hotel brands and technical innovation, seven major structures, designed by separate architects, built to open the same day with products not seen anywhere else,**

By Joe Schoenmann, Las Vegas Sun January 21, 2007



CityCenter panoramic view

In his poker-room days, Bobby Baldwin was known as "The Owl" because, as Card Player magazine put it, he was "a 15 percent better poker player than any man alive."

Walk into the room that holds the models of MGM Mirage's **\$7 billion** gamble, Project CityCenter, and if you're an investor, you pray The Owl is still on his perch. He is shepherding the project to its scheduled opening in November 2009.

**The magnitude of this thing** isn't for the dull of mind. Baldwin gave the Las Vegas Sun a rare glimpse for those outside these cloistered offices.

The model resides in a space reminiscent of the map room in "Raiders of the Lost Ark." Enter, and words seem to fail you. It's one thing to build, say, a single structure of inspiring scope and innovation such as Hoover Dam. Try wrapping your mind around **seven major structures, designed by separate architects, built to open the same day.**

They are there, laid before you, sprawling over a good 30 feet - miniature buildings, cars, trucks and roads struck from clay and balsa and glue and plastic. From the Jetson-esque, circular offramp-thing on Harmon Avenue meant to enable drivers to valet their cars with ease, to the spaceship-shaped lighting pods lining a pool of fanning waters, to a roof designed to be a work of art from on-high, there are too many variables to comprehend.

Now in his mid-50s, Baldwin revels in the explanations. He describes how things go together, how many hours of work are involved in various elements, how much money went into this or that roof or wall or roadway.

He walks between two sections of the model, held on tables 4 feet high, and points to works of art and fascination that he guarantees will be one of a kind, given that MGM Mirage spent **several million dollars for research and development "to do products not seen anywhere else."** You want to break out a cell-phone camera, but photos aren't allowed, in part because nothing is set in stone. The architects are constantly working and tweaking various pieces. A tower designed by James KM Cheng, a firm from Vancouver, British Columbia, was eliminated to make room for open space.

"We've had many, many models, some of which are crushed," Baldwin says. Then he smiles: "Some are crushed by me."

Everything about CityCenter is outsized. Even the "construction trailer," the building we're standing in, is part of a two-building, \$40 million complex that is something of a rarity. Not only was it meant to bring together this team of some of the best architects, bean counters, contractors and artists in the world, but after construction, it will be demolished to make way for future expansion of CityCenter.

Baldwin chuckles about Vegas one-upmanship, as casino owners try to outdo each other with even bigger, even more fantastic. CityCenter jumps along that spectrum, if for no other reason than it is **the most expensive private project in history.**

A few more figures:

At its peak, Baldwin says, CityCenter will employ 8,000 construction workers.

When finished, it will employ 12,000 people, adding to MGM Mirage's employment base of 60,000, the largest in Nevada.

The people-mover alone, linking all the buildings in the 18 million-square-foot project, will cost \$150 million.

The place is full of other wonders, including **a self-shaping ice sculpture** that will consist of several vertical blocks of ice, each of which has metal rods at its core that reach different temperatures along its length, creating irregular blocks as the ice melts.

"Ice Henge," one reporter whispered.

In **the main retail building**, which acts as CityCenter's entrance from the Strip, ceilings will reach to 100 feet because of a Daniel Libeskind-designed roof that is a multifaceted and sky-lighted structure designed to save condo residents the visual blight of looking down upon a plain roof.

"And it won't have a painted sky," Baldwin said, referring to the Vegas-style casino staple of faux blue skies and painted clouds. "Here, you can actually look up and see the sky."

Asked by a wiseguy where the bowling alleys and buffets will be found, Baldwin smiled. "It's not a place to get the buffet. This is definitely a tourist destination ! It's not designed to cater to locals."

On that point, CityCenter is a disappointment that falls short of its original billing two years ago. It was foreseen then as a "live-work" community. Residents working in CityCenter office buildings would take the people-mover to their CityCenter condos. The idea stopped urban planners in their tracks. It was hailed as a potential model for cities the world over.

In its most recent incarnation, however, no plans exist for office buildings. If you work at CityCenter, you're more likely to live in the suburbs than in one of its \$500,000-and-up condos.

Some buyers, however, are obviously interested in the place. **Only two weeks after public sales began, CityCenter has reservations for 1,500 of 2,700 condominiums.**

It's gone so well, in fact, Baldwin says he's starting to think about keeping the planners, designers and others together to do something more, perhaps on MGM Mirage's 300 acres of under- or undeveloped Las Vegas land.

"After you figure out how to do one of these things, you think economy of scale" and how keeping everyone together would enable another project to be done at less cost. "Let's have some fun."

At a smoky table in Binion's Horseshoe, where Baldwin won the World Series of Poker in 1978, you can imagine The Owl saying the same thing.

## **Las Vegas kokar av utbyggnader:**

The valley's top economic engine, of course, is the casino industry, and the next five years will produce the biggest period of resort growth in Las Vegas history, measured by invested capital.

With **Palazzo** scheduled to open next to its sister property Venetian by the end of this year, and **Encore** opening next to its sister Wynn Las Vegas by the end of 2008 - two ultra-high-end properties that each cost close to \$2 billion - the stage will be set for two mammoth projects to follow.

MGM Mirage's \$7 billion Project **CityCenter** and Boyd Gaming's \$4 billion **Echelon Place** will signal a new era on the Strip corridor, with intensive development, **a mix of high-end hotel brands and technical innovation** fueling what will undoubtedly be incredible lures to our city's tourism corridor.

And there are plenty of other resort and condominium projects slated to be built, on and off the Strip.

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