

Office of Business Development

Strategic Business Plan

Effective July 1, 2010

CITY VISION

A world-class, vibrant, affordable, economically and ethnically diverse, progressive city where citizens feel safe, enjoy their neighborhoods and access their city government.

CITY MISSION

To provide residents, visitors and the business community with the highest quality municipal services in an efficient, courteous manner and to enhance the quality of life through planning and visionary leadership.

DEPARTMENT VISION

A dynamic, results-oriented agency in which businesses, developers and the community feel supported in a revitalized city that promotes prosperity, sustainability and economic diversity.

DEPARTMENT MISSION

The mission of the Office of Business Development is to provide business attraction and retention, urban and economic development services to businesses, developers and investors so they can operate profitably, which contributes to a sustainable, diverse Las Vegas economy.

ISSUE STATEMENTS

Issue Statement 1:

The lack of a local stable diversified economy will, if not addressed, continue to put the city of Las Vegas and the region at risk during economic downturns, resulting in:

- Limited viability of urban development and economic diversification
 - Slow absorption and lower occupancy of new commercial and residential development
 - Inability of the city of Las Vegas and its development partners to execute planned investments
 - Potential loss of existing investors
 - Reduced revenue/capital
 - Increased and/or prolonged unemployment
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Issue Statement 2:

The lack of competitively priced commercial and residential land within the city of Las Vegas which, if not addressed, will result in:

- Impeded economic diversification
- Lack of new development projects (i.e. urban sites)
- Impeded construction and permanent job growth
- Lack of industrial zoning (i.e. business parks)

Issue Statement 3:

The relatively high costs of development in the urban core (i.e. vertical construction, high land cost compared to other markets, remediation cost, demolition, utilities, restrictive development codes and competition from the Strip) if not offset by market adjustments and/or revised state statutes to create and/or expand city and state incentive programs, will result in:

- Delays and/or cancellation of new and/or future expansion by existing businesses
- Diminished property taxes
- Impedes or restrict job growth
- Slowed development of urban sites and business parks
- Impede funding for projects

Issue Statement 4:

A continuing lack of a customer-oriented approach for pre-development, plans reviews and permitting among city departments will, if not addressed, result in:

- Loss of customers
- Poor customer relations
- Decrease in permit activity
- Decrease in revenue (fee collection)

Issue Statement 5:

Continuing lack of access to capital and incentives for both large and small scale city-approved projects, if not addressed, will result in:

- Shuttered and/or foreclosed strip/shopping centers and residential units
- No job creation or retention
- Decreased property taxes
- Loss of customers, i.e. businesses, investors

STRATEGIC RESULTS

Strategic Result 1 - Diversification

By the end of FY 2014, OBD will contribute to the diversification of the economy by increasing by 5% the share of employment categories other than gaming and construction as a proportion of total employment (annual diversification result-1 MSA)

By the end of FY 2014, OBD will influence the creation or retention of direct jobs by 5% within the city of Las Vegas.

Strategic Result 2 – Competitively priced land

By the end of FY 2014, the Office of Business Development will have 75% of RDA/OBD real property available for redevelopment.

Strategic Result 3 – Vertical Construction Costs

By the end of FY 2014, OBD will influence 5% increase (change) in RDA tax base (annual)

Strategic Result 4 – Customer-oriented approach (permit activity)

By the end of FY 2014, the Office of Business Development will achieve 30% of building permit valuation for RDA projects as compared to total building permit valuation for the entire city. (RDA permit valuation/total city permit valuation)

Strategic Result 5 - \$\$\$/Incentives

By the end of FY 2014, OBD will demonstrate the effectiveness of incentive programs by maintaining a public-to-private investment ratio of at least 1-to-10 (high-rise projects, mid-rise projects, mixed-use including tenant improvements and rehabilitation (VIP).

By the end of FY 2014, OBD will increase the number of clients that receive incentives by 50% (i.e. Tax Increment, Visual Improvement Program) by creating or expanding incentive programs by 100%.

DEPARTMENT ORGANIZATION

1. Administrative Line of Business
 - 1.1. Management and Planning Administration Program J11000
 - 1.2. Personnel Resources Program J12000
 - 1.3. Financial Management Program J13000

2. Redevelopment Line of Business
 - 2.1. Development Negotiations and Project Administration Program J21000
 - 2.2. Development Management Program J22000

3. Business Development Line of Business
 - 3.1 Business Attraction and Expansion Program J31000

Administrative Line of Business

Purpose Statement

The mission of the Administrative Line of Business is to provide fiscal, consultation and personnel services to city staff, so they can effectively manage human and material resources.

Key Results

- Key result measures achieving target for the reporting period
- ALOB expenditures to total department operating expenditures
- 90% of department employee performance evaluations completed by the due date
- 27.5 sick/FMLA/unpaid leave hours used per employee per quarter
- 60% of employees attending 5+ hours of CLV training per year
- 95% of purchase transactions have a purchase order or release date that is before the invoice date
- 2% or less of timecards are unsigned
- 90% of department revenues and expenditures are aligned to the SBP

Redevelopment Line of Business (Vibrant Urban Fabric)

Purpose Statement

The purpose of the Redevelopment Line of Business is to provide development negotiations and coordination to developers and investors and asset management services to the city so they can successfully invest and develop real estate within the redevelopment area and the city limits.

Key Results

- 5% Increase (change) in RDA tax base (annual)
- 30% of building permit valuation for projects located within the RDA as compared to the total building permit valuation for the entire city (quarterly)

Business Development Line of Business (Pro-Business Environment)

Purpose Statement

The purpose of the Business Development Line of Business is to provide marketing, information and consultation services to businesses so they can start, expand and sustain their businesses.

Key Results

- Increase (change) in RDA workforce (annual-BLS/Census)
- Increase (change) in City workforce (annual-BLS/Census)
- Increase (change) in workforce in Neighborhood Revitalization Area (NRA) (P&D) (annual-BLS/Census)
- Change in share of employment categories other than gaming and construction as a proportion of total employment (annual diversification result- MSA)
- Increase of direct jobs created or retained within the city of Las Vegas

PROGRAMS

1. Administrative Line of Business

Purpose Statement

The mission of the Administrative Line of Business is to provide fiscal, consultation and personnel services to city staff, so they can effectively manage human and material resources.

1.1 Management & Planning Administration Program – J11000

Program Purpose Statement

The purpose of the Management and Planning Administration Program is to provide strategic business planning, budget preparation, policy/procedure support and interagency collaboration services to department staff and external entities, so they can ensure department strategic results are achieved.

Program Services

- Executive Reports (City Manager Reports, City Council Reports, Ad Hoc Reports, Special Project Reports and Performance Reports)
- Redevelopment studies
- Compliance Reviews (Contracts, including Memorandums of Understanding, etc.)
- Ordinances and Resolutions
- Emergency Plans and Exercises, Citizen Reports
- Meeting Minutes
- Special Projects
- Plans: (Master, Department Strategic Business, Budget and Continuity of Operations)
- Policies and Procedures
- Presentations, Agenda Items / Packets
- Audit of Operations Responses
- Interagency collaborations
- Special Events
- Speaking Engagements
- Citizen Customer Services
- Advertisements
- Staff Meetings
- Agenda Postings

Family of Measures

Results

1. Key result measures achieving target for the reporting period (**key**) (KRMs achieving target/KRMs that have a value for the reporting period)
2. ALOB expenditures to total department operating expenditures (**key**) (target set by the department)
3. 100% of key result measures not achieving target for the reporting period have a response submitted by the department

Outputs

1. Key result measures achieving targets for the reporting period
2. Administrative Line of Business expenditures
3. Contracts audited

Demands

1. Administrative Line of Business expenditures budgeted

Efficiencies

1. Administrative Line of Business expenditure per employee

Program Manager(s)

- **Bill Arent**
- **Steve van Gorp**

Program Budget **\$939,237**

1. Administrative Line of Business

Purpose Statement The mission of the Administrative Line of Business is to provide fiscal, consultation and personnel services to city staff, so they can effectively manage human and material resources.

1.2 Personnel Resources Program – J12000

Program Purpose Statement The purpose of the Personnel Resources Program is to provide salary, training and management services to department employees, so they can hire and retain a quality workforce.

Program Services

- Department Recruitment and Selection
- Department Personnel Records
- Department Employee Training Sessions
- Department Employee Performance Evaluations
- Department Employee Development Consultations/Sessions
- Department Discipline and Grievance Hearings
- Department Time Cards

Family of Measures

Results

1. 90% of department employee performance evaluations completed by the due date (**key**)
2. 27.5 sick/FMLA/unpaid leave hours used per employee per quarter (**key**)
3. 60% of employees attending 5+ hours of CLV training per year (**key**)

1. Department employee performance evaluations completed by the due date
2. Department sick/FMLA/unpaid leave hours used per quarter
3. Department employees who attended 5+ hours of CLV training per year

Demands

1. Department sick/FMLA/unpaid leave hours anticipated to be used per quarter

Efficiencies

1. Personnel Resources Program expenditure per department employee

Program Manager(s)

- **Bill Arent**
- **Steve van Gorp**

Program Budget \$89,786

1. Administrative Line of Business

Purpose Statement The mission of Administrative Line of Business is to provide fiscal, consultation and personnel services to city staff, so they can effectively manage human and material resources.

1.3 Financial Management Program – J13000

Program Purpose Statement The purpose of the Financial Management Program is to provide administrative support services to city management and staff, so they can receive financial tools needed to meet department program measures.

- Program Services**
- Contract Development and Administration Consultations (including Memorandums of Understanding, multiagency agreements, etc.)
 - Financial Reports
 - Financial Projections
 - Payment Authorizations
 - Purchasing Requests
Petty Cash, Purchasing Card
Purchase Orders
 - Debt Evaluations
 - Grant Application Submissions
 - Grant Status Reports
 - Investment Evaluations
 - Project and Financial Impact Analyses
 - Revenue Generating Leases, Permits, Agreements
 - Travel Arrangements
 - Travel Authorizations
 - Fixed Asset Inventories

- Family of Measures**
- Results
1. 95% of purchase transactions have a purchase order or release date that is before the invoice date (**key**)
 2. 2% or less of timecards are unsigned (**key**)
 3. 90% of department revenues and expenditures aligned to strategic business plans (**key**)
 4. 2% or less of department revenues and expenditures have no assigned job number

- Outputs
1. Purchase transactions for which the purchase order or release date is before the invoice date
 2. Unsigned timecards
 3. Department quarterly revenues and expenditures
 4. Department revenues and expenditures with no assigned job number

- Demands
1. Department revenues and expenditures budgeted for the quarter

- Efficiencies
1. Administrative Line of Business costs as a percentage of direct department costs (overhead rate)

Program Manager(s)

- Bill Arent
- Steve van Gorp

Program Budget -\$2,493,608(includes debt service)

2. Redevelopment Line of Business

Purpose Statement The purpose of the Redevelopment Line of Business is to provide development negotiations and coordination to developers and investors and asset management services to the city so they can successfully invest and develop real estate within the redevelopment area and the city limits.

2.1 Development Negotiations and Project Administration Program J21000

Program Purpose Statement The purpose of the Development Negotiations and Project Administration Program is to provide contract negotiations and project management to developers and businesses so they can obtain agreements within the city to build on targeted sites.

Program Services

- Manage implementation of contracts and agreements
- Purchase and Sale Agreements (PSA's) for Property Dispositions
- Disposition and Development Agreements (DDA's)
- Development leases and licenses
- Exclusive Negotiating Agreements
- Memorandum of understanding
- Prevailing Wage Reports
- Public Purpose Analysis
- Employment Plan
- Escrow services for property dispositions
- Tax Increment Financing rebates (Owner participation agreements (OPA's))
- Tourism Improvement Districts

Family of Measures

Results

1. Public investment per job on executed DDA's, OPA's and PSA's (annual)
2. Maintain \$1 to \$15 ratio in public/private investment (annual)
3. 5% Increase (change) in RDA tax base (annual) (**key**)

Outputs

1. Employment (DETR)
2. Public investment on executed DDA's, OPA's and PSA's
3. Private investment on executed DDA's, OPA's and PSA's
4. Jobs created

Demands

1. Anticipated \$ public investment on executed DDA's, OPA's and PSA's
2. Anticipated \$ private investment on executed DDA's, OPA's and PSA's

Efficiencies

1. Development Negotiations Program expenditure per private investment \$\$ generated

Program Manager(s)

- Scott Carter
- Steve van Gorp

Program Budget \$1,995,232 (includes contribution to CPY's and ODP)

2. Redevelopment Line of Business

Purpose Statement The purpose of the Redevelopment Line of Business is to provide development negotiations and coordination to developers and investors and asset management services to the city so they can successfully invest and develop real estate within the redevelopment area and the city limits.

2.2 Development Management Program - J22000

Program Purpose Statement The purpose of the Development Management Program is to acquire and manage real property to retain an inventory for redevelopment and to provide project and planning coordination and liaison services to businesses, developers and the city of Las Vegas so they can obtain assistance to complete redevelopment projects.

Program Services

- Permit and license expediting services
- Asset management (within the RDA and city-owned business parks)
- Revenue Generating Agreements, leases, licenses
- Entitlement assistance (land use)
- Purchase & Sale Agreements for property acquisitions
- Escrow Services for Property acquisitions
- Property inspections and documentation
- Centennial and RDA plan interpretations, expansions and updates
- Utility coordination services and agreements, i.e. regulatory approval of utilities
- Capital improvement coordination
- Design review board services
- Environmental site assessments and remediation services

Family of Measures

Results

1. 75% of RDA/OBD real property is available for redevelopment (annual)
2. 30% of building permit valuation for RDA projects as compared to total building permit valuation for the entire city. (RDA permit valuation/total city permit valuation) **(key)**

Outputs

1. Available acres
2. Building permits issued in the RDA
3. Permit valuation in the RDA

Demands

1. Total acres in inventory
2. Permit valuation in the city
3. Projects entitled in the RDA

Efficiencies

1. Development management program expenditures per # of acres in inventory.
2. Development management program expenditure per the total amount of building permit valuation for projects located in the RDA

Program Manager(s)

- Julie Quisenberry
- Steve van Gorp

Program Budget \$2,031,717

3. Business Development Line of Business

Purpose Statement The purpose of the Business Development Line of Business is to provide marketing, information and consultation services to businesses so they can start, expand and sustain their businesses.

3.1 Business Attraction and Expansion Program- J31000

Program Purpose Statement The purpose of the Business Attraction and Expansion program is to provide consultation, mentoring, marketing and facilitation services to targeted businesses, property owners and entrepreneurs so they can receive information requested to attract, sustain and/or expand their business.

- Program Services**
- Visual Improvement Program
 - Community/Business Liaisons
 - Facilitation services
 - Association Services (i.e. agendas, strategic plans, business improvement plans)
 - Business surveys
 - Demographic Information Reports
 - Onsite visits
 - Marketing and Trade Shows
 - Social Media, Presentations
 - Networking coordination referrals
 - Referrals (Nevada Development Authority incentives)
 - Consultations
 - Third party feasibility and marketing studies
 - Fiscal and Economic Impact Studies, Industry studies
 - Media Releases
 - Advertising Campaigns
 - Annual reports, marketing
 - Retail initiative services (demographics; site selection)
 - Requests for qualifications
 - Requests for proposals

- Family of Measures**
- Results
1. Increase (change) in RDA workforce (annual-BLS/Census) **(key)**
 2. Increase (change) in city workforce (annual-BLS/Census) **(key)**
 3. Increase (change) in workforce in Neighborhood Revitalization Area (NRA) (P&D) (annual-BLS/Census) **(key)**
 4. Change in share of employment categories other than gaming and construction as a proportion of total employment (annual diversification result-I MSA) **(key)**
 5. Increase of direct jobs created or retained within the city of Las Vegas **(key)**

Outputs

1. Businesses attracted
2. Web site hits (social media vs. traditional marketing - measure)
3. New storefronts in Fremont East occupied
4. Vacancy rate within Downtown Centennial Plan area
5. Jobs in RDA (or the city as a whole)
6. Meetings with Chambers

Demands

1. Vacant and occupied storefronts in Fremont East and Downtown Centennial Plan Area
2. Businesses requesting financial assistance

Efficiencies

1. Business Retention and Expansion program expenditures per direct job created/retained (qualifier would be compared to industry standard).

Program Manager(s)

- Rich Atkins
- Romeo Betea

Program Budget \$4,294,881

FY11 Strategic Business Plan Addendum

2. Redevelopment Line of Business

2.1 Development Negotiations and Project Administration Program

Primary Customers: List the specific customers who are direct beneficiaries of the services. 1) **Developers** 2) **Business Owners**

Secondary Customers: List the customers who do not directly receive the program's services but who would be impacted if the service or program were cut. 1) **Citizens – no new projects would mean no new jobs or taxes.**

Targets for Key Results

4. KRM #1 Public investment per job on executed DDA's, OPA's and PSA's (annual)

Target Setter: Who is responsible for setting the target for this performance measure?
Director

Describe how the target was developed. (Formula? If yes, describe the formula. Trend? If yes, describe the trend. Benchmark? If yes, describe the benchmark data source. If the measure changed from the FY10 target, describe why.) **Trend – We have tracked how many jobs have been created versus the amount of public investment required.**

5. KRM #2 Increase (change) in public/private investment (annual – 0%)

Target Setter: Who is responsible for setting the target for this performance measure?
Director

Describe how the target was developed. (Formula? If yes, describe the formula. Trend? If yes, describe the trend. Benchmark? If yes, describe the benchmark data source. If the measure changed from the FY10 target, describe why.) **Trend – We have a long history of getting developers and business owners to invest more and more of their own money into projects and minimizing public investment.**

6. KRM #3 **Increase (change) in RDA tax base (annual – key- 5%)**

Target Setter: Who is responsible for setting the target for this performance measure?
Director

Describe how the target was developed. (Formula? If yes, describe the formula. Trend? If yes, describe the trend. Benchmark? If yes, describe the benchmark data source. If the measure changed from the FY10 target, describe why.) **Benchmark – when contract negotiations are successful new projects are built. When new projects are built blight is removed from our neighborhood. When blight is removed from our neighborhoods property tax revenue increases.**

2.2 Development Management Program

Primary Customers: RDA, CLV, Business Owners and Developers

Secondary Customers: General Public

Targets for Key Results

KRM #1 Building permit valuation for RDA projects as compared to total building permit valuation for the entire city. Target – 30%

Target Setter: Steve van Gorp

How the target was developed: RDA permit valuation/total city permit valuation