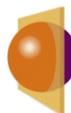


EAST HENDERSON INVESTMENT STRATEGY

STAKEHOLDER OUTREACH SUMMARY REPORT

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PUBLIC RELATIONS

Prepared for the:



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Background

The City of Henderson believes that certain types of investment in the community will lead to positive economic growth and stabilization. This is particularly appropriate for older neighborhoods in the East Henderson Redevelopment Area, such as Valley View, Pittman, and the Boulder Highway and Sunset Corridors. Tax increment financing provides financial resources to homeowners, individual businesses and developers to spur economic growth and enhance community development.

When the downturn in the national economy occurred in 2008, southern Nevada was hit hard, and redevelopment districts suffered. With the rising economy in the past three years, however, property values have risen back to pre-2008 levels and opportunities for community investment and incentive resources are again available. As part of the *East Henderson Investment Strategy*, residents, business leaders and property owners were contacted to share their vision of their community, the unique challenges that stymie neighborhood growth and the opportunities for change. This information will guide the Redevelopment Agency's decision-making process and inform the investment actions included in the *East Henderson Investment Strategy*. It is imperative that the Strategy solutions satisfy community needs and goals, and establish an environment for continued private investment.

Key Themes from Public Outreach

Positive Attributes of the East Henderson Redevelopment Area

- Sense of Community
- Trails, Parks and Open Spaces
- Proximity and Access
- Affordability

Concerns for the East Henderson Redevelopment Area and Conditions that Need Change or Improvement

- Blight and Physical Appearance
- Crime and Homelessness
- Lack of Code Enforcement
- Transient Residential Population
- Lack of Neighborhood Amenities
- Underdevelopment and Over Industrial Uses

Vision for the Future

- More Job Opportunities
- More Stringent Code Enforcement
- Neighborhood Scale Retail and Restaurant Services

Methodology

Project team members developed a multi-pronged approach to obtaining input and feedback from residents and workers of the East Henderson Redevelopment Area, including individual interviews with select constituents, an open house for residents of the Valley View neighborhood to complement neighborhood input already gained from the Pittman community, various pop-up events throughout the study area, an online survey, and a focus group with businesses along the Boulder Highway and Sunset corridors.

Seventeen individuals were interviewed early in the information gathering stage, ranging from long-time residents and business owners, the president of an LDS Stake in the Valley View Neighborhood, and the Chair of the Henderson Redevelopment Advisory Board. In October, a Neighborhood Open House attracted more than 60 participants. In early November, a focus group was held, but only one business owner was able to attend; his input, however, was invaluable because of his deep understanding of the area.

Stakeholder interviews were conducted with the following:

- Scott Muelrath and Amber Stidham, Henderson Chamber of Commerce
- Craig McCall, owner of multiple Boulder Highway properties
- Chris Dingall, City of Henderson Code Enforcement Department
- Jeanine Abramo, Clark County School District
- Michelle Romero, Michelle Romero Consulting
- Lee Farris, Landwell Company, developers of Cadence master planned community
- John Ramous, Harsch investment Properties
- Khem Babar, Best Western Plus
- Steven Brown, City of Henderson Police Department, Community Policing
- Nathan Goldberg, Regional Transportation Commission of Southern Nevada
- Jerry Olivia, Stout Management Company
- George Huang, Battle Arms Development
- Robyn Hogan and Larry Wandel, Toll Brothers
- Douglas Coombs, Las Vegas Habitat for Humanity
- John Vanderploeg, Chair of Henderson Redevelopment Advisory Committee

Interviewees and Focus Group attendees were asked the following questions:

- What are the key development opportunities you see for the study area?
- What are the key constraints to development in East Henderson?
- What are three things the City could do to encourage development in Henderson?
- What are your priorities for the area?
- What is your general perception of the development market in the area?
- What is the community perception of the area?
- What are the strengths and weaknesses of this market for business development?
- What is your sense of the City's attitude for development in this area?

Residents who attended the Valley View open house were directed to five different display stations where they provided both general and specific thoughts and ideas related to their community. This

information was recorded from notes posted on display boards as well as in interviews with project team members at each display area, which included:

- What is the Best Thing about the Valley View Neighborhood?
- What is the Biggest Challenge in Valley View?
- What would Improve Valley View the Most?
- What features or amenities would be most desirable in a future park on Drake Street?
- What would be the Best Use for the Bruce & Randy Way Property?

A twenty-question survey was also circulated throughout the East Henderson Redevelopment Area at 10 pop-up events and community gatherings from the end of July through September of 2018.

Respondents were asked their opinion about factors affecting quality of life issues; education, public safety and health care facilities; access to retail and commercial services; and desired enhancements that would improve their neighborhood. More than 140 individuals responded to the survey; 40% were homeowners, 60% were renters.

The predominant reason residents selected for choosing to live in the East Henderson Redevelopment Area was affordability (43%), followed by convenience to work (34%) and proximity to supermarkets and retail centers (30%). Less important was proximity to parks and public amenities (27%) and health care facilities (21%).¹ It is interesting to note that a relatively large number (17%) were still living in the neighborhood where they grew up and even more (27%) wanted to be near family and friends, suggesting that sense of community was an important consideration.

The sentiment about proximity was born out in more specific questions where three-fourths of respondents rated access to supermarkets, shopping, libraries and post offices as great or good. Less than 10% ranked access to community facilities, including health care, as poor. Nearly 80% gave positive marks for neighborhood parks and trails, but respondents were less enthusiastic about mobility infrastructure where one-third ranked sidewalks and street lighting as fair or poor, and roadways fared worse, with 40% providing negative marks. The quality of East Henderson Redevelopment Area schools also received mixed reviews, with 47% ranking them great or good and 34% finding them fair or poor.

By far, the biggest neighborhood complaints focused on rundown properties and crime. Only 54% ranked public safety positively, and these two concerns dominated the response to the number one issue facing their neighborhood. Comments indicate that gangs, drugs, homelessness and transient tenants were more of a problem than transportation or access to neighborhood amenities. Not surprisingly, residents felt that improving the quality of life in the area could be accomplished through more community events to bring neighbors together (44%), more neighborhood beautification efforts (38%), increased code enforcement (28%), and improved quality of housing (32%).²

The perception of the City of Henderson's responsiveness to neighborhood concerns is generally positive, but there is room for improvement: only 23% felt that the City was very responsive, while 41% ranked the responsive rate as moderate; 13% were negative and 22% didn't know.

¹ Respondents were able to select more than one answer choice.

² Respondents were able to select up to three answer choices.

Positive Attributes of the East Henderson Redevelopment Area

Sense of Community

Long-time residents are quite fond of their neighborhood. Many moved there from the original Henderson townsite in order to take advantage of larger homes and home lots, and a newer, family-friendly community. As the Valley View and Pittman neighborhoods aged, many of those moved again. The ones who stayed, however, cited tradition, affection for the community and desire to be close to friends and family as reasons for staying. This is evident in the fact that older residents take care of their properties, and are disturbed by the lack of respect for property from renters and absentee landlords.

For business owners, two distinct categories emerged: 1) those who have more industrial business uses who like the convenience and direct access to the region, and are not necessarily interested in seeing more commercial or visitor friendly uses, and 2) property owners who would like to see less industrial uses and are eager for a change in development standards to improve the physical environment.

Trails, Parks and Open Spaces

Residents have direct access to numerous open space facilities, including Lake Mead, the Henderson Bird Viewing Preserve, and the Clark County Wetlands Parks. The residents are also very comfortable with the location of neighborhood parks and are also very interested in having existing parks enhanced rather than having new facilities built.

Proximity and Access

Lake Mead Boulevard and Boulder Highway are well-travelled arterials with quick access to the I-515 beltway, the US 95 freeway, hospitals, shopping centers, recreation centers and downtown Henderson. Boulder Highway is also a major transit corridor that is convenient for those who rely on public transportation. Residents feel that they have easy access to work as well as to many of the essential commercial and retail centers they need on a daily basis. There is also a highly favorable interest in having some form of high capacity transit that would link Boulder Highway to the airport and to the Las Vegas Strip. In addition, more advanced transit could stimulate commercial development along the corridor.

Affordability

Affordability is a two-pronged measure for both residents and business owners alike. Valley View and Pittman both have aging populations, many of whom are on fixed incomes, so the prospect of moving into a more expensive community is not desirable. However, rental affordability, influenced by absentee landlords who do not maintain their properties, as well as the presence of low-income housing developments has brought younger and more transient residents to the area as well. The threat of gentrification is countered by a similar threat of continued neighborhood deterioration.

Concerns for the East Henderson Redevelopment Area and Conditions that Need Change or Improvement

Blight and Physical Appearance

It was observed by one participant that development is easier to do than redevelopment because, with the former, one is starting with a clean slate; with the latter, incentives must be available to change current uses into something more modern and more desirable. Along the Boulder Highway and Sunset business corridors, the physical appearance itself deters redevelopment interest because the area appears unclean, unhealthy and unfriendly. This perception creates uncertainty for new investors who do not want to risk leading the way with no guarantee that additional redevelopment is forthcoming. Many current business owners are content with the status quo because it meets their current needs; they don't want to see zoning changes or other restraints that would force them to relocate or impact their ability to operate. As it stands, Boulder Highway is a transit route, not a destination route. More progressive property owners would like a more attractive appearance to stimulate greater investment and create a destination environment. There must be a catalyst, however, whether it is a significant private investment, a public investment, or more stringent City code enforcement to effect change.

Transient Residential Population

For residents in the East Henderson Redevelopment Area, the physical deterioration of their community is perceived as a direct result of a shifting demographic that many blame on single-family homes owned by absentee landlords and on low-cost multi-family developments that the City has allowed, such as the four-plexes located on Kola Street. The result is a hodge-podge of well-maintained homes adjacent to unsightly, unkempt properties. City-sponsored neighborhood clean-ups can have a temporary effect, but they do not get at the root of the problem and the physical blight returns quickly. Long-time residents are concerned that the neighborhood will continue to deteriorate unless rental property owners are held accountable for their tenants and for the physical state of their properties.

Crime and Homelessness

Over the past two decades, residents and business owners have observed that crime has visibly risen in the East Henderson Redevelopment Area, mostly due to illegal drug activity. The City has located a relatively new police substation nearby which has helped, but it is not recognized as a sufficient deterrent. Many residents feel that parks and community spaces are not safe, particularly at night, and several indicated that they are cautious and at times uncomfortable in their own neighborhoods. Some offered solutions included more police patrols and more site intervention, but the real culprit for many is the lax rental standards.

Lack of Code Enforcement

For concerned business owners and residents alike, a fundamental solution to the physical and environmental deterioration of their community is the ability to enact more stringent efforts to curb code violations. Tenants and landlords have little incentive to maintain or improve their properties unless there is a corresponding disincentive that makes the investment worthwhile. The general sense is that code enforcement needs to be more aggressive and needs escalating fines or penalties if the

violations are not remediated. Along the business corridors, code enforcement can be one catalyst for change; for residential neighborhoods, it could return community pride and civic responsibility.

Lack of Neighborhood Amenities

Though there are major commercial centers near Lake Mead and Boulder Highway, the actual neighborhood services are limited in nature. For example, there are many fast food restaurants nearby, but very few options for sit-down dining; there are big box stores like Walmart, but limited neighborhood daily service businesses like day care, dry cleaners and small retail shops.

Along the Boulder Highway corridor, the lack of consumer-friendly restaurant, retail and commercial assets is a barrier to economic diversification as well. Participants recognized that as the Cadence community develops and sells out, these amenities will eventually follow, but it may not be in a manner convenient to the business corridor or to the older neighborhoods.

Participants in the public meetings and in surveys also expressed a strong desire for more community events to bring residents together to encourage safety and community connections.

Underdevelopment and Over Industrial Uses

The Boulder Highway and Sunset corridors have a history of industrial use, and both the perception and reality of this use is detrimental to re-use or redevelopment. Property values have gone up, in part spurred by the spirit of the Cadence Community, but this in itself has not been an effective catalyst for change. And current opportunities offered by the Redevelopment Agency, such as façade improvements and support for exterior improvements are helpful from a property enhancement perspective, but do little to actually change the industrial character of the corridor.

Some suggestions offered were to have more prescriptive zoning in place where existing ownership would be grandfathered in for current mixed-use zoning, but new property owners would be subject to the new zoning criteria. It was also suggested that separate departments such as Code Enforcement, Planning and Redevelopment could coordinate their activities more effectively so that they are not working at cross purposes.

Another barrier is that Boulder Highway is controlled by NDOT, and they have denied access applications and other requests that would have helped convert street-fronting properties into a higher use. The City needs to find a way to work with NDOT so that it doesn't complicate projects that could have a positive effect on the corridor.

Vision for the Future

More Job Opportunities

Just as Cadence is redefining the residential nature of the area and eventually will stimulate neighborhood amenities, it was observed that increased job density along Boulder Highway would also be a significant catalyst for improving the quality of life for businesses and residents alike. Redevelopment needs to work hand-in hand with Economic Development to market the corridor for

more diversity and greater economic activity. Current business uses have low job density; attracting businesses with greater employment needs will positively impact the character of the corridor, will turn the corridor into a destination zone rather than just a transit route, and will bring residents who wish to live near their work who will also take pride in where they live.

Stricter Code Enforcement

As mentioned before, active code enforcement with teeth will show existing property owners that they must keep up the physical appearance of their properties, or there will be consequences. Along the business corridor, this will in turn show potential investors that the City is backing up its commitment to redevelopment by holding all property owners to an elevated standard. The same theory holds true for the residential neighborhoods of Valley View and Pittman, where delinquent landlords will find it more financially beneficial to keep their properties up and to hold tenants accountable, then to pay the fines.

It was observed by some participants that there are enough violations currently to justify at least one full time code enforcement officer for the area, and the resulting penalties would more than pay for the personnel costs.

Neighborhood Scale Retail and Restaurant Services

Residents and business owners alike recognize that there is no single solution to create the change necessary to improve the existing quality of life or to stimulate economic investment in neighborhood scale retail and restaurant amenities. It is the classic which comes first, the investment and then the demand, or the demand and then the investment. In this case, many participants believe they are joined.

Participants recognize that Cadence by itself, as an example, will have a transformative effect over time, but not a comprehensive one. Code enforcement alone will not resolve all of the issues or concerns that are negatively impacting the older neighborhoods within the East Henderson Redevelopment Area, but it is a start.

By and large, the residents in Pittman and Valley View love where they live and are cautiously optimistic because of the attention they are receiving from the City. Business owners who would like to see Boulder Highway and Sunset Road become more economically productive are more skeptical, but are still just as committed to help as they can.

As one observer noted, "It is the City itself that has defined itself as one who cares about its residents and its businesses. That's the positive attitude: the shared sense that the future is bright."