NAIOP
COMMERCIAL REAL ESTATE DEVELOPMENT ASSOCIATION
SOUTHERN NEVADA CHAPTER

For immediate release
July 30, 2020

Media Contact: Denyce Tuller, B&P Public Relations – (702) 680-4003, dtuller@bpadlv.com

NAIOP Southern Nevada chapter presents findings from Southern Nevada Industrial Land analysis

LAS VEGAS – NAIOP Southern Nevada, the Commercial Real Estate Development Association representing commercial real estate developers, owners and related professionals in office, industrial, retail and mixed-use real estate, recently released the findings from the Southern Nevada Industrial Land analysis.

The study by local firm RCG Economics evaluates whether short-term and long-term developable land constraints could negatively impact the region's economic strength and resilience.

"For many years, NAIOP Southern Nevada has been advocating for the importance of a balanced approach to managing federal lands in Southern Nevada," said Julie Cleaver, NAIOP Southern Nevada chapter president. "Expansion of the disposal boundary of the Southern Nevada Public Lands Management Act, coupled with a regional plan, will allow for efficient development and keep the region competitive."

Highlights from the study include:

- To attract industry and new business, Southern Nevada will require properly configured and sized land parcels in appropriate locations. Without this, Southern Nevada will be less competitive than other regions.

- The supply of the right-sized parcels for large-scale development in Southern Nevada is extremely scarce. The study shows there are only 22 local parcels consisting of at least 60 acres, of which only 15 of those local parcels are privately owned and could be potentially available for development. There is a strong possibility that all these parcels will be absorbed in the near to mid-term.

- The region is projected to require about 14,100 acres of developable employment land to meet the needs of the expected economic and job growth by 2035.

- The shortage of developable parcels in Southern Nevada poses a significant challenge to future economic sustainability and growth. Southern Nevada will face a land shortage that will stunt economic development if nothing is done to expand regional access to lands needed.

According to NAIOP Southern Nevada, the results of the study demonstrate the impact to the Southern Nevada economy from competitive cost disadvantages due to land constraints and quantifies the potential future reduction in economic output, employment, earnings and gross regional product (GRP). According to RCG's study, a projected cost disadvantage of 3% to 5% by the year 2035 would significantly and negatively affect Southern Nevada's economy.

These cost disadvantages translate into an economic output reduction ranging from $43.6 billion to $69.5 billion, employment growth slowdown reducing job growth by 204,800 to 329,100 jobs, a decrease in the growth of local earnings by $12.2 billion to $19.5 billion and reduction in GRP from $22.5 billion to $36.1 billion over the study period. NAIOP leaders conclude that local land constraints have a significant impact on the economic viability of Southern Nevada.

About NAIOP Southern Nevada

NAIOP Southern Nevada is a chapter of NAIOP, the Commercial Real Estate Development Association, and it comprises nearly 600 members serving the Southern Nevada market. NAIOP is the leading organization for developers, owners and related professionals in office, industrial, retail and mixed-use real estate, with 19,000 members in North America. NAIOP advances responsible commercial real estate development and advocates for effective public policy. For more information, visit www.naiopnv.org. For more information on NAIOP corporate, visit www.naiop.org.

###