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Adapting Long-Range Plans to Economic Realities: A Case Study for Clark County

Carson City Business Resource Innovation Center

A Look to the Past with an Eye on the Future of Planning in the Las Vegas Valley

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LOOKING FORWARD

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Adapting Long-Range Plans to Economic Realities: A Case Study from Clark County

Teresa Motley, AICP

**Introduction**

In the mid-1990s, the Clark County Department of Aviation (CCDOA) concluded that the McCarran International Airport (LAS) could not accommodate projected long-term demand for commercial air service in the region. Based on historical growth patterns, projections for future growth, and the physical constraints of LAS, the County anticipated LAS would exceed capacity shortly before 2020. Planning and construction of a major airport takes decades. Accordingly, CCDOA began planning for a new commercial service airport in the Las Vegas metropolitan area to supplement the available capacity at LAS. The forecasted need was further confirmed in 2005 when the Federal Aviation Administration (FAA) recognized Las Vegas as one of eight metropolitan areas needing additional capacity by 2020.

After more than a decade of planning for a new commercial service airport, the County faced an unexpected dilemma. Historically, the rate of increase in aviation demand in the Las Vegas area has exceeded the national average, and tended to be relatively recession-proof. Unlike past recessions, however, the current recession’s lingering effects have resulted in stubbornly persistent decreased demand for air service at LAS. This has complicated CCDOA planners’ ability to accurately forecast future demand, and has called into question the time frame in which a new airport will be needed to supplement LAS.

Consequently, this year CCDOA had to reconsider how to continue planning for a major public infrastructure project that was expected to take almost two decades to plan, design, and build. The long lead time required to construct a new facility can be extraordinarily difficult to reconcile during an economic downturn of unknown proportions. Planners’ uncertainties regarding how to model future demand add to the complexity. This article explores Clark County’s approach to dealing with this issue.

**Planning the Ivanpah Airport Project**

In 1997, Clark County embarked on the lengthy process to find a site, obtain approvals for, and design and build a supplemental commercial airport. Among various locations considered, it became apparent that the Ivanpah Valley was the most promising site for a new airport. The Ivanpah Valley is located within 30 miles of downtown Las Vegas, has favorable topography and orientation, and is adjacent to existing transportation infrastructure including Interstate 15 near the California-Nevada border.
Because all potential airport sites in the Ivanpah Valley were owned by the federal government and managed by the Department of Interior through the Bureau of Land Management (BLM), the County sought federal approvals for the necessary land transfers. Federal legislation to allow Clark County to acquire the Ivanpah site was first introduced in 1998. In the legislation, Congress recognized that Clark County was the fastest-growing metropolitan area in the country and that "exorbitant growth" made the need for another airport in the Las Vegas area "absolutely critical." The Ivanpah Valley Airport Lands Transfer Act was enacted in 2000 and provided for transfer of title of the Airport site to the County. A subsequent 2002 federal statute (Title V of the Clark County Conservation of Public Land and Natural Resources Act) provided for transfer of additional land to the County for a noise overlay district, upon final federal approval of the Airport. In 2004, upon meeting conditions required in the 2000 Act, the County acquired title to the site in the Ivanpah Valley for the new airport.

At the same time, the County began to assemble a team of local and national planning firms to assist with the enormously complex planning tasks associated with a project of this magnitude. The Ivanpah Valley airport site was a greenfield site and there was little existing infrastructure to support the proposed airport. Creating the required infrastructure necessitated long-term planning for, among other things:

- infrastructure for stormwater and flood control (the site is partially located in a 100-year floodplain)
- coordination regarding air quality issues in an ozone nonattainment area
- surface transportation access via Interstate 15 and construction of new access road
- other transit or rail options for access to the airport
- relocation of high-voltage transmission lines
- construction of utilities, including water, sewer, and power; and
- coordination of land use planning between the County Department of Comprehensive Planning and the BLM to ensure that nearby development is consistent with relevant land use and management plans

In May 2005, the Clark County Board of Commissioners adopted a resolution concluding that forecasted demand could not be feasibly accommodated by expanding commercial service at LAS, and a new supplemental commercial service airport designed to serve primarily long-haul service was the only option for augmenting existing capacity at LAS to accommodate the exorbitant growth anticipated for the region.

In late 2005, the Federal Aviation Administration (FAA) and the BLM, acting as joint lead agencies (JLAs), initiated preparation of an environmental impact statement (EIS) for the new airport (now referred to as the "Southern Nevada Supplemental Airport" (SNSA). The EIS is being prepared by the federal agencies and is funded by Clark County.

From 2005 until 2009, CCDOA recognized that forecasts for continued growth in the region meant that the County would have to work efficiently to have the new airport ready in time to prevent a critical lack of capacity in air service. Because so much air travel to Las Vegas is for leisure or optional business that is sensitive to delays, the County needed not just to accommodate projected growth, but also to maintain an acceptable level of service (minimizing delays, providing efficient passenger processing, and adequate landside facilities). As a result, planning activity proceeded under a sense of urgency, with a number of planning actions proceeding simultaneously. While the JLAs and the EIS consultant worked on the EIS, the County continued its own planning for the airport layout and associated infrastructure. At the same time, FAA conducted an airspace study to assess the complicated airspace issues in one of the most crowded air corridors in the country. Preliminary design also started for a new arterial highway to serve the airport. In addition, the County worked with BLM to identify and protect public lands that would be needed for off-site infrastructure.
However, in 2009-2010, the economy slowed dramatically and demand for air service declined. Historic models used to predict the likely depth and length of the recession proved to be inaccurate. This serious downturn in air traffic led CCDOA to reassess its planning agenda for the SNSA. To compound the problem of decreased demand, the County had no reliable models to predict when the economy would recover, when air traffic would return to pre-recession levels, or when air traffic levels would exceed the capacity at LAS — all critical factors in the planning process for the new airport project. CCDOA struggled to determine how to adjust its planning effort for a new airport that would still be needed, but not on the timetable that had been assumed just a few years earlier. To abandon planning for the SNSA would result in the loss of millions of dollars and years of time invested in the project. Accordingly, the County decided that the most prudent course of action was to temporarily suspend funding for the federal government’s EIS and to slow down its on-going planning efforts until more accurate forecasts could be made of future growth.

**Planning in the Face of Uncertain Demand**

Planners must understand that with a long-term public infrastructure project, they cannot overreact to short-term economic pressures. By the same token, however, it is important not to “under-react” and fail to adjust in the face of uncertain need for a project. For projects like the Ivanpah Airport with a planning horizon of 15-20 years, and which require billions of dollars of public and private investment, deciding how to react to the lingering recession and long term uncertainty is particularly delicate. Millions of dollars have already been invested to purchase the site and plan and design the airport. Terminating the project outright would have resulted in the loss of these investments. It was also clear that to continue planning to open a new airport in 2018, as originally forecasted, would be imprudent when all available data suggested that a new airport would not be needed until several years later.

In response, CCDOA selected a “middle ground” that was designed to protect the investment already made but which slowed down the planning to a schedule that more accurately reflected economic realities. As a result, the planners’ focus for the Ivanpah Airport has shifted to three key goals: (1) preserving all “non-perishable” work product from the environmental study and planning efforts; (2) protecting the proposed airport site from encroachment that could impede development; and (3) refining existing forecasting tools to predict when demand for commercial air service would outstrip capacity at McCarran.

Until the path to economic recovery is better understood, planning for the Ivanpah Airport will proceed on a far slower track than had occurred over the past five years. In addition, the County is re-examining opportunities to increase the capacity of LAS through a combination of new technology and new air traffic procedures. One unexpected, though beneficial outcome of the changed economy is that the slower planning schedule for the Ivanpah Airport opens the door to opportunities to maximize capacity at McCarran that were unrealistic under the previously fast-paced plan to open the new airport. For example, optimization of McCarran will be costly and under pre-recession forecasts, would have been imprudent because such actions would have delayed the need for a supplemental airport for only an additional year or two — not long enough to make the investment worthwhile at that time. Under the current and projected growth rate, however, optimizing capacity at LAS will extend its ability to accommodate all Las Vegas commercial air traffic for a longer period of time, making it worthwhile to take such steps.

In the meantime, CCDOA is also taking action to preserve the value of the planning and environmental studies done for the new airport. Although some environmental studies do not have a long shelf-life, much of the work done to date to assess the baseline affected environment in the Ivanpah Valley will be valid when work on the EIS resumes. CCDOA planners are preserving and cataloging this work to maximize its usefulness. The same is true for other planning and site protection work. The airport layout plan, the flood control plans, the design for the arterial highway, and other infrastructure projects will not expire or need to be recreated if care is taken now to preserve their usefulness when the project fully resumes.

In addition, CCDOA continues to work with BLM and FAA to monitor proposed land uses adjacent to or near the airport site. In the absence of a final Record of Decision approving the airport, the County and the agencies must be vigilant in protecting the usefulness of the site as a commercial service airport. This means monitoring to identify potential interference with future airport radar (e.g., from new wind farms), monitoring to identify potential interference with future pilots’ visual abilities (e.g., by reflection from new industrial-scale solar power projects), and monitoring to identify potentially competing uses of other sites required for necessary airport infrastructure (such as the flood retention basins and the arterial highway.) It also requires working closely with the County’s other planning departments regarding compliance with new ozone standards, and protection of threatened and endangered species such as the desert tortoise.
CARSON CITY OPENS
Business Resource
Innovation Center

Departments team up to better assist local entrepreneurs and businesses

LEE PLEMEL, AICP

The Carson City Office of Business Development, Library, and Permit Center joined forces to open the Business Resource Innovation Center (BRIC) this August. The project is a strategic coordination of city business and development functions to better assist Carson City businesses with everything from concept to licensing.

The BRIC’s mission is to provide essential business information, regulator requirements, business planning tools, and business-related programming and instruction. This represents a shift in the redevelopment agency’s focus from financial assistance for individual projects to a more comprehensive business assistance program, including:

- A centralized location for planning, building, business license, economic development, and redevelopment
- Library resource functions, such as free public access to computers, a business research library, graphics and design software, and WiFi access
- A business resource technician to assist with marketing and business planning, and research and market analysis Conference rooms available to business organizations for meetings and training

The city also partnered with regional business groups such as the Carson City Chamber of Commerce, Northern Nevada Development Authority, Carson City Downtown Businesses Association, Carson City Arts and Culture Coalition, and Nevada Small Business Development Center to further coordinate resources.

The BRIC project was made possible by a grant obtained by the library to provide the office space and resources. Grant funding expires in two years, and the City will evaluate the BRIC’s success to determine if it should continue to operate as originally proposed.

“It’s a work in progress,” says Redevelopment Manager Joe McCarthy. “We’ll keep responding to the business community’s needs and modifying our economic development programs to meet them.” McCarthy adds that the agency plans to invest more funds into public infrastructure in the upcoming years. “I want to make the BRIC the business resource hub for the entire community.”

The BRIC is located at 108 East Proctor Street, adjacent to City Hall, consolidating the previously isolated permit center with other City offices. For additional information on the Business Resource Innovation Center, contact Lee Plemel, Planning Director, (775) 283-7075, lplemel@carson.org.

Lee Plemel has been the Carson City Planning Director for the past two years, and has worked in the city’s Planning Division for 9 years. He’s been a planner in Nevada for 14 years.

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Conclusion

Planning for a massive infrastructure project like a new commercial airport is complex under any circumstances. When economic conditions make established forecasting tools unreliable, that complexity is magnified many times over. When CCDOA embarked on the planning for Ivanpah Airport, it knew that planning and construction would take 15-20 years, and would in all likelihood have to weather many economic storms.

The current recession has turned growth predictions upside down, and has called for a creative and nimble response from the CCDOA’s planners. When the County determined that the new airport would not be needed for at least several years beyond 2018, CCDOA carefully and strategically suspended some studies and planning activities and continued others on a slower timetable. The County knows that the Ivanpah Airport will be needed at some point. The uncertainty is when. Therefore, CCDOA has sought to preserve its existing investment and to position itself to resume planning, design, and ultimately construction as soon as reliable economic forecasts predict a need for the new airport.

1 The planned new airport would be the first major new commercial airport in the nation since Denver International Airport, which opened in February 1995.


Teresa R. Motley, AICP, is Airport Planning Manager for the Clark County Department of Aviation and has been with the department for 17 years. As Planning Manager, she oversees a staff of 13 who are responsible for airport-related facilities planning, land use planning, airspace and environmental planning, and noise mitigation and abatement programs. Prior to coming to the Department of Aviation, she spent one year in the Clark County Comprehensive Planning Department, and one year interning for Utah County and the City of Provo, Utah. Originally from Danville, Virginia, she has a Master’s Degree in Geography with an emphasis in Planning from Brigham Young University, and is a Certified Member of the American Association of Airport Executives.