

Blueprint for American Prosperity
Unleashing the Potential of a Metropolitan Nation



Metropolitan Las Vegas
Challenges and Opportunities

Nevada Vision Stakeholder Group

Mark Muro

February 11, 2010

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Why Brookings Mountain West cares

Challenges and emerging opportunities

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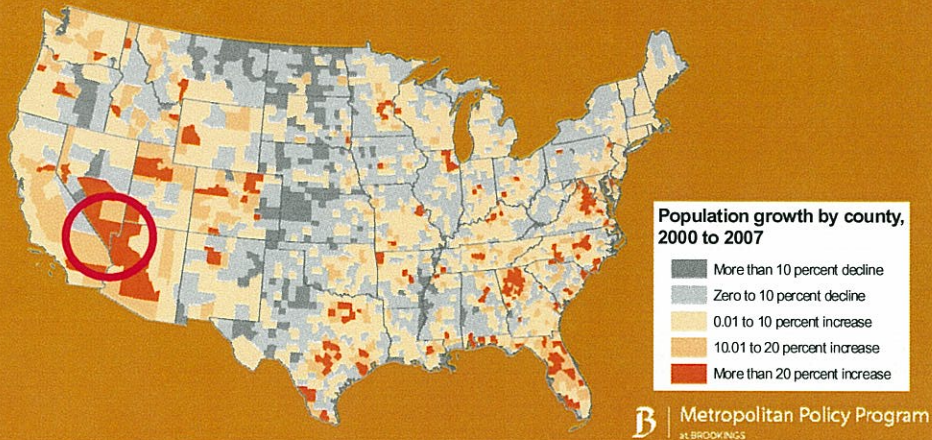
EXHIBIT B NevadaStakeholder Document consists of 20 pages.

☒ Entire document provided.

A copy of the complete document is available through
the Research Library (775/684-6827) or e-mail
library@lcb.state.nv.us. Meeting Date: 2/11/10

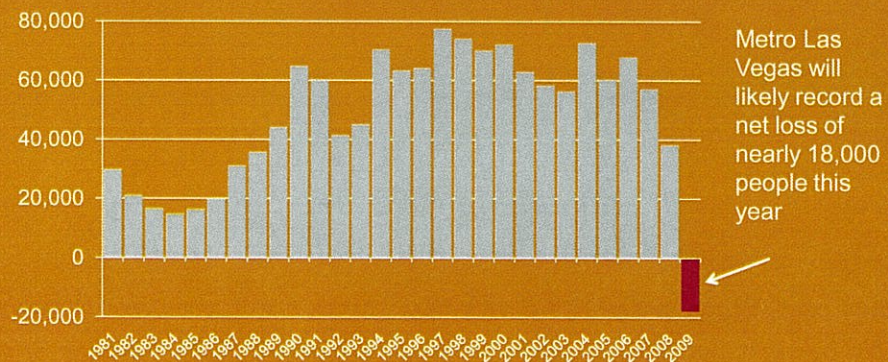
One reason is growth

Metro Las Vegas grew by 17 percent between 2000 and 2007 (or 2.5 percent a year!)



One reason is growth

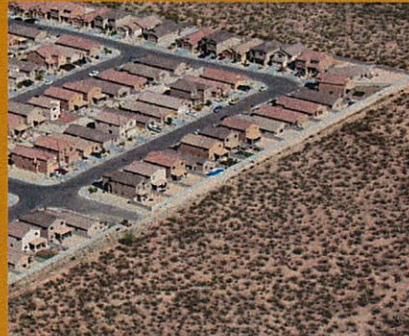
Since then, however, growth has slowed to precipitously—and for now has turned negative



Source: U.S. Census Bureau Population Estimates data and metropolitan Las Vegas estimates for 2009 from Applied Analysis

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Another is the invention here in the Mountain region of new urban forms



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And we're here because you're at ground zero of the world economic crisis



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In this regard, there is growing consensus
the nation's economies need to reposition



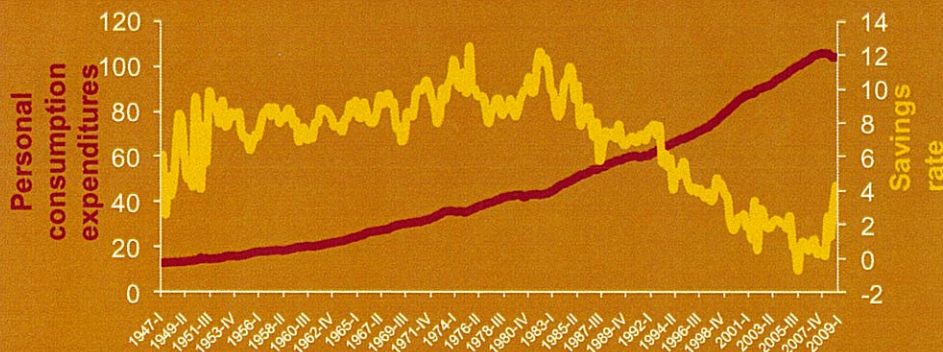
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*"The rebuilt American
economy must be more
export-oriented and
less consumption-
oriented"*

-Lawrence Summers,
Director, National Economic
Council

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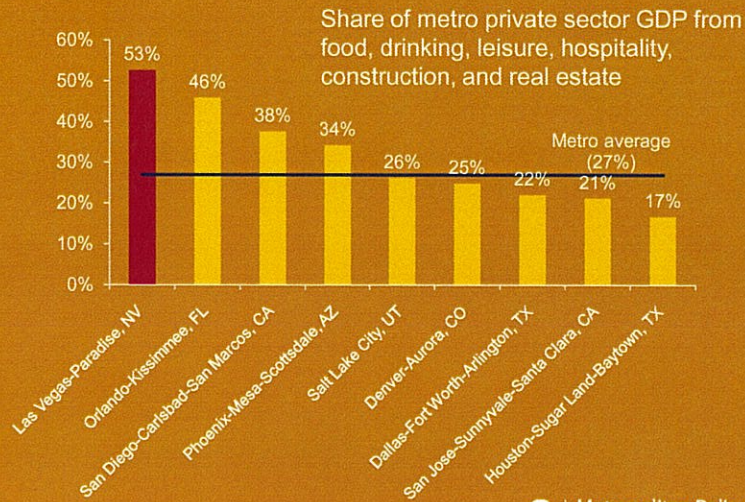
And indeed, consumption is down
nationally and the savings rate is rising



Source: Bureau of Economic Analysis, 1947 Q1- 2009 Q1

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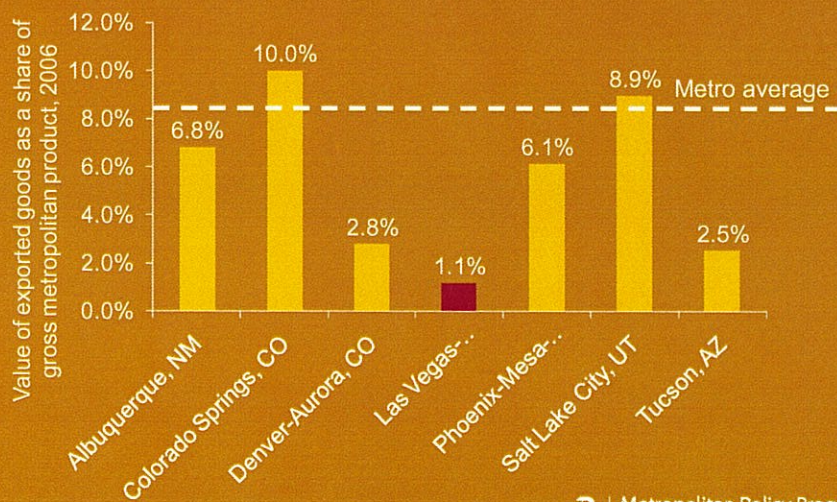
And yet, this is problematic given Vegas' – and so Nevada's – hyper-dependency on consumption



Source: Bureau of Economic Analysis

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In fact, Las Vegas exports very few hard goods beyond consumption



Source: International Trade Administration and the Bureau of Economic Analysis

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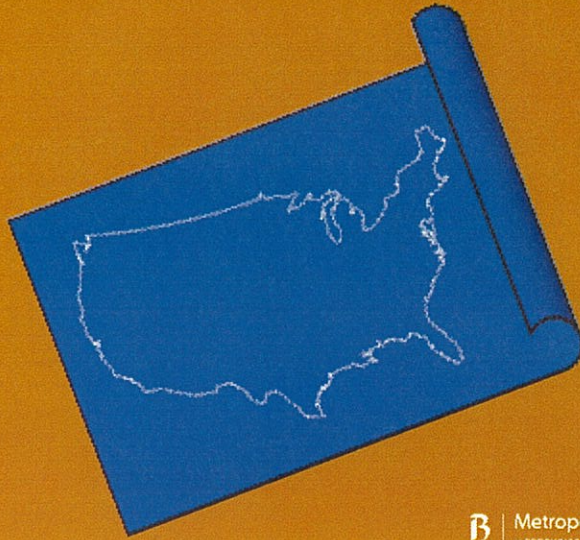
All of which means:

?

Why Brookings Mountain West cares

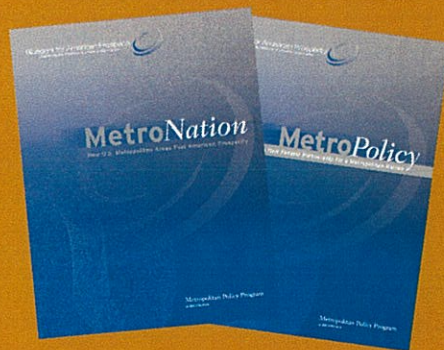
Challenges and emerging opportunities

To help places assess their standing, we have developed a *Blueprint for American Prosperity*



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The *Blueprint* is a deep-going prosperity analysis framework and federal policy agenda for metros



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According to the *Blueprint*, true prosperity depends on achieving three types of growth

Productive growth
that boosts innovation and productivity and so generates quality jobs and rising incomes



Inclusive growth
that fosters a strong middle class by addressing the training and education needs of an increasingly diverse population



Sustainable growth
that promotes sensible urban form, reduces resource consumption and emissions, and protects the environment

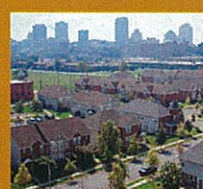
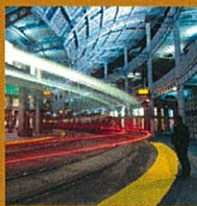


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To achieve these goals, the nation must leverage four key assets and improve regional governance

Infrastructure
Innovation
Human Capital
Sustainable, Quality Places

+
Improved governance networks



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So how is Las Vegas doing?

Vegas faces serious challenges...but it
also has momentum

Infrastructure

Innovation

Sustainable, Quality Places

Like the other Mountain metros, greater Las Vegas is underserved by interstates

Las Vegas and Phoenix are the largest two adjacent metros not served by an interstate highway



I-15—linking Las Vegas and LA—offers only two lanes each direction in some places

Source: Federal Highway Administration

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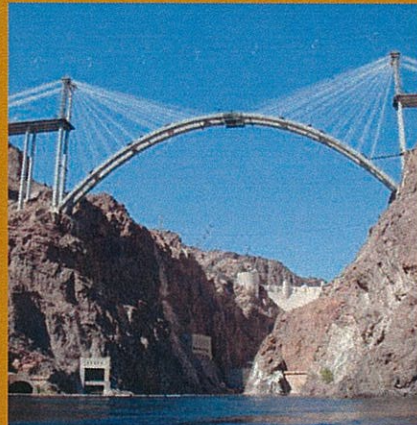
Greater Las Vegas and the rest of the megas are also undersupplied with intercity rail

The lack of rail service between Las Vegas and cities such as Los Angeles and Phoenix results in long travel times on strained highways



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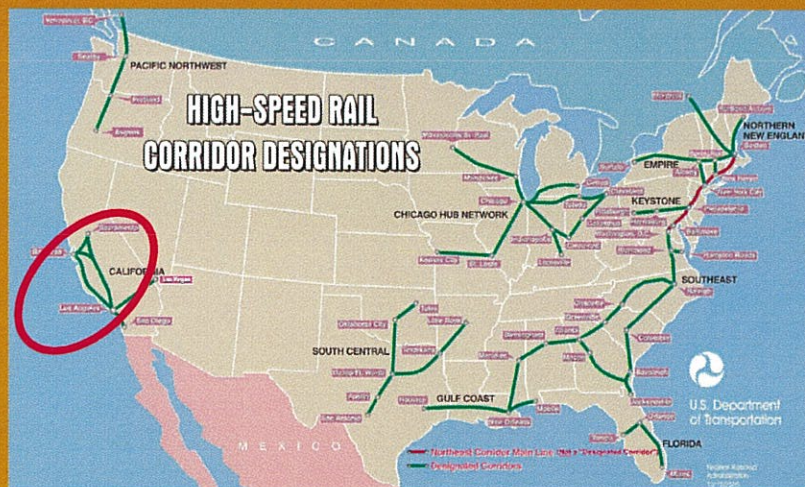
And yet, “Mountain Megs” has helped reenergize discussions of I-11



Source: Maricopa Association of Governments

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A high speed rail link with southern California is now in the mix



Source: U.S. Department of Transportation

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And McCarran International Airport remains a world class asset



The hub ranked as America's 6th busiest airport in 2008, just behind fifth-place Denver and ahead of 10th-place Phoenix

Source: Airports Council International

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Challenges

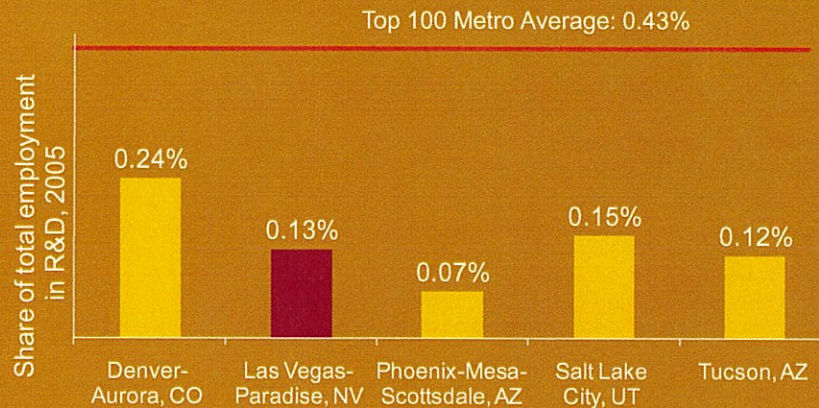
Infrastructure

Innovation

Sustainable, Quality Places

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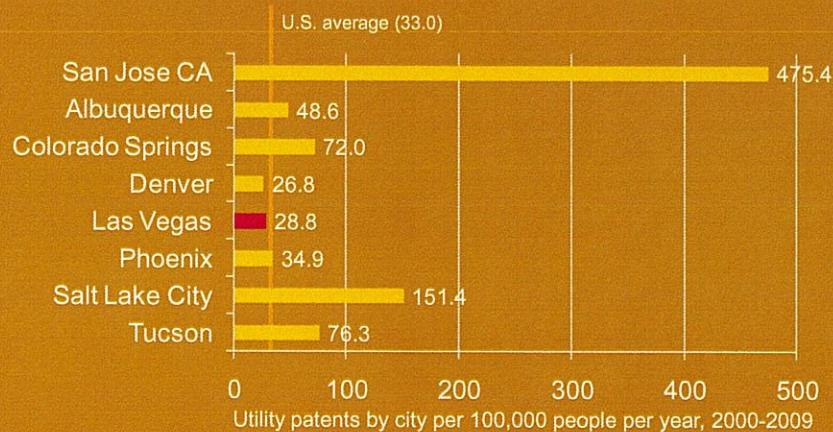
R&D is a critical driver of innovation and productivity but Vegas conducts little of it



Source: Analysis of 2005 Census data by Ned Hill

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Patenting rates remain low



Source: U.S. Trade & Patent Office

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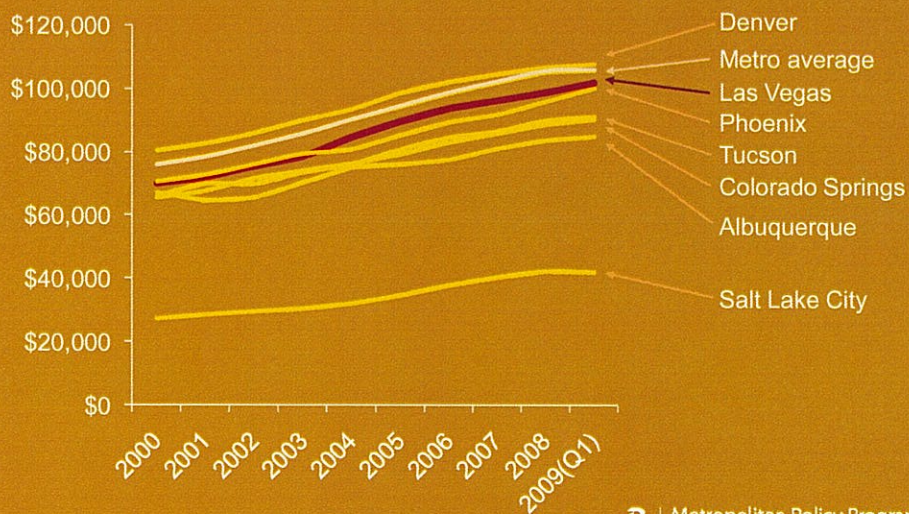
Partly as a result Las Vegas remains pretty weak in critical green export activities



Source: Brookings analysis of 2006 data from County Business Patterns and U.S. Census Foreign Trade Office. "Green" data are from the Michigan Department of Energy, Labor, and Economic Growth

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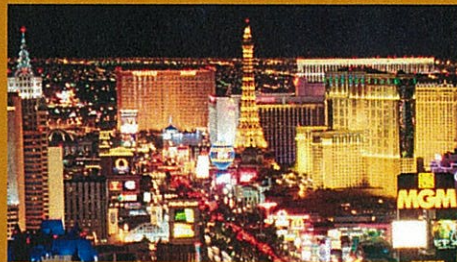
And yet, Las Vegas' productivity continues to outstrip most regional competitors



Source: Gross Metropolitan Product data from Moody's Economy.com

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The convening-hospitality-gaming sector remains a world-class source of export income and innovation



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And natural assets, focus, and convening power are building new sectors



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Challenges

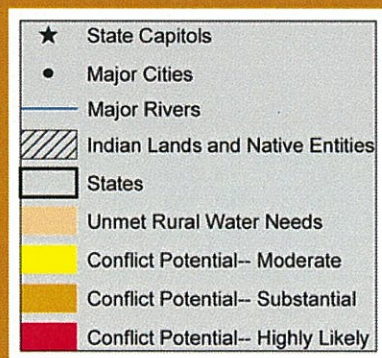
Infrastructure

Innovation

Sustainable, Quality Places

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Climate change has heightened water supply questions



Source: U.S. Bureau of Reclamation

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And while natural growth constraints have fueled relatively dense development, policy choices have left the region auto-dependent and poorly linked



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And yet, a strong, dense job core represents an important starting point



Ninety percent of Las Vegas area jobs are located within 10 miles of the city center

Source: Elizabeth Kneebone (Brookings, 2009)

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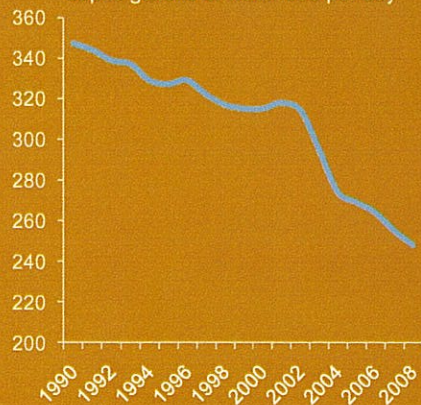
Radical new urban design is beginning to retrofit the autoscape



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Huge strides are being made on other aspects of sustainability, such as water

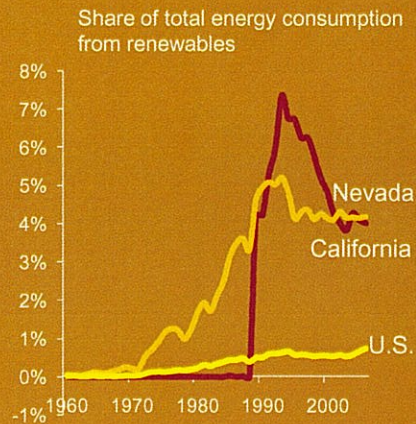
Southern Nevada Water Authority per capita gallons of water use per day



Source: Southern Nevada Water Authority, "Water Resource Plan 2009"

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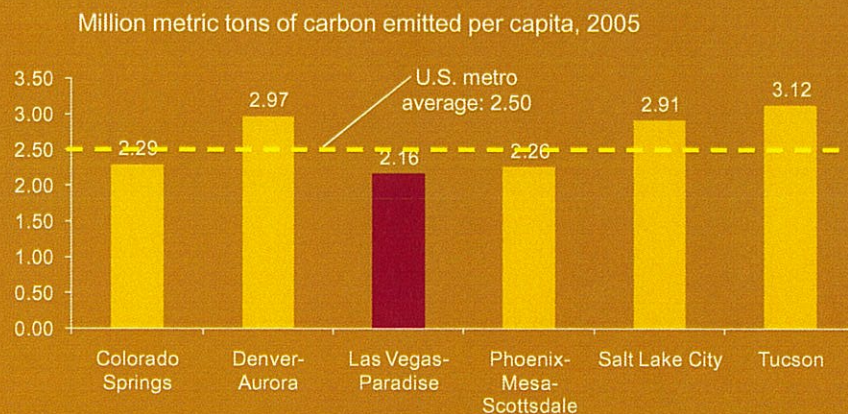
And the region has shifted faster, and farther, toward renewables than anywhere



Source: Energy Information Administration

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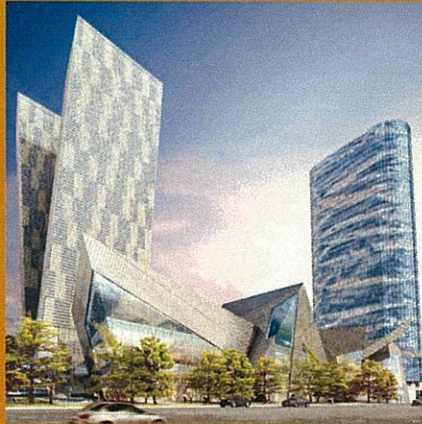
Partly as a result, Las Vegas's carbon footprint remains below the national and regional average



Source: "Shrinking the Carbon Footprint of Metropolitan America" (Brookings, 2008)

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In short, Las Vegas faces the future with significant promise...if it uses its time well



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For More Information

Mark Muro

Washington Director, Brookings Mountain West

Fellow and Policy Director, Brookings Institution

(202) 797-6315

mmuro@brookings.edu

<http://brookingsmtnwest.unlv.edu>

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