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In Las Vegas, Downtown Steps Up to the Table

By BILLIE COHEN

LAS VEGAS is one of those places that always seem to be expanding — and usually with plenty of fanfare. In the last couple of years a number of high-profile high-rise condominium projects have been announced for the Strip. And while questions remain on how many of those condos will actually be built, another group of high rises is going up downtown, just five miles north of the Strip.

Since taking office in 1999, Mayor Oscar B. Goodman has made revitalizing the city's downtown a priority. Where the area used to be seedy, he wants it to be civilized. Where the only draw was the Fremont Street Experience, a touristy outdoor entertainment center, he wants locals to dine, drink, shop and enjoy the arts. More important, he also wants locals to live there.

"We're different than the Strip," Mayor Goodman said, adding, "What I'm trying to get downtown is the lights on 365 days a year. I'm looking for the resident; they're looking for the visitor who wants a Vegas address."

So far, most of the downtown units have been bought by second-home buyers and investors, but the mayor says he is confident that will change. And as several high-rise condo projects emerge out of the ground, the fruits of his efforts are starting to show.

In his first term, Mayor Goodman acquired 61 acres in the heart of downtown for a development officially called Union Park, but more often referred to as 61 Acres. It is to include a performing arts center, an Alzheimer's research facility designed by [Frank Gehry](#) (set to break ground on Oct. 25), two boutique hotels, a casino and residential property. Next to that site, the World Market Center is already partly open and is to eventually be a 12-million-square-foot trade-show complex housing one of the largest furniture markets in the world.

But residential growth is what is turning heads. The first person to dig into the market was Sam Cherry, a 28-year-old real estate developer and high school dropout whose first building, called Soho Lofts, is attracting buyers downtown. The lofts, in a tower at Las Vegas Boulevard and Hoover Avenue, opened in June and are almost sold out: 114 of the 120 units are taken.

When sales began two years ago, prices ranged from \$300,000 to \$2 million; now, units are reselling for \$600,000 to \$4 million.

“Soho Lofts, being the first one that got out of the ground here, really opened up the eyes of a lot of people that ‘Wow, they sold half-million to three-million-dollar units in downtown Las Vegas,’ ” Mr. Cherry said, “where two years prior to that you could have bought all of downtown for \$3 million.”

What Mr. Cherry said he was envisioning was a lively, pedestrian-friendly neighborhood where business, art and a quintessential coolness exist side by side.

“We’re trying to create a village atmosphere by putting the projects right next to each other,” he said. “All the projects have retail on the ground floor. We want to make it like New York City, Chicago or San Diego, when you walk out your front door and there’s retail right there. You’re mixing with your neighbors, you’re contained in a village atmosphere.”

Mr. Cherry has two more projects in the works: Newport Lofts, which is in the construction stage, will be a 23-story tower with 168 units and is to open next spring with prices in the same range as Soho Lofts (135 are sold); and Stanhi, a 65-story complex that will have 425 slightly more upscale units starting in the \$400,000 range when it opens for sales on Oct. 1. Ground has not been broken for that project, but Mr. Cherry expects it to be completed in 2009. Both are within two blocks of Soho Lofts.

“Sam Cherry went out on a long limb in building his first tower there,” said Dick Geyer, president of the Las Vegas Arts District Neighborhood Association. “It stands out as a big beacon on the corner of the arts district.” (The arts district is one of several enclaves in the newly coalescing downtown; others include the office, entertainment and casino districts.)

Construction has also begun on several other high-rise projects. The twin 41-story towers of Allure Las Vegas, developed by the Fifield Companies of Chicago, mark the gateway to downtown with 428 units ranging from studios to penthouses. The first tower is nearly finished and is 90 percent sold. Prices start around \$400,000 and average \$600 per square foot.

Juhl, a project by CityMark Development of San Diego, which broke ground in June, is a six-tower complex of residential and retail space that has already sold 60 percent of its 341 loft units, which range from \$200,000 to \$700,000.

Mayor Goodman is quick to note that many of the buyers — almost 80 percent — at Juhl are full-time residents who work downtown. According to Juhl’s sales manager, John Eiseley,

these buyers are paralegals, lawyers and judges who work in the area. But Mr. Eiseley said the complex was also getting a few creative types and entrepreneurs for its shopkeeper units, which allow small-business owners to set up boutiques on the ground floor and live above them.

Streamline Tower, a 21-story project (although it has no floors 4, 13, 14 or 24 for feng-shui reasons), will offer 275 units when it opens in December 2007; it is being developed by Barclays North. About 60 percent of the units have been sold, said Dusty Allen, the building's project manager, with a third of the buyers from California, a third from Nevada and the rest from around the country. "We have about 40 percent identifying themselves as primary users," Mr. Allen said.

Two more high-rises, Hue Lofts, a project by the developer Eddie Haddad, and Evolution Lofts, by Boulevard Properties and the Greenwald Group, are also in the pipeline.

While none of these projects embrace the glitz and glamour of abodes on the Strip, they do offer upscale modern design and amenities: fitness centers, pools and parking facilities are standard features.

Condo sales "went in a pretty predictable pattern," said Bea Goodwin, president of the Las Vegas High Rise and Condominium Association and part of the sales team at Allure, referring to the investors who bought there. "But I think what will happen is the investors who bought in real early will flip their residences. We'll have one flip of those folks and then it will be more a community of people who actually live there or actually spend a lot of time there."

As with so many revitalized neighborhoods, artists were the first ones to move downtown, before the redevelopment got started.

"When I moved to Las Vegas, I found myself in a warehouse space like the beginning of SoHo, or any other arts district you've ever seen anywhere in history," said Wes Myles, a commercial photographer who was one of the first artists to live and work downtown. "I moved into an old, trashed building and tried to convince the people of the city that this was the arts district and this is where it was going to happen. They didn't believe me."

In 1993, Mr. Myles moved into an industrial commercial building; three years later he bought it, evicted a tattoo parlor and furniture store and persuaded his artist friends to set up studios and galleries. By the late 90's, Mr. Myles began holding biannual art parties and huge gallery openings. (He also began actively working with city officials to rejuvenate the area, which he still does.)

In 2002, Cindy Funkhouser, a longtime downtown resident and owner of The Funk House antiques shop, formalized the random gallery openings into a monthly First Friday event. The first one drew 300 people; in August, more than 10,000 attended. As the Friday event grew in size and scope, developers said, it became a catalyst for the change that is visible now downtown.

Mr. Myles's building, now known as the Arts Factory, is home to 26 art-related tenants, 17 of which are galleries. Bars like the Icehouse Lounge, Art Bar and Triple George are drawing an after-work crowd, while Beauty Bar (a branch of the East Village, N.Y., night spot) opened last year for the hipster contingent.

Paul Devitt, the owner of Beauty Bar, said downtown was "the heart and soul of Las Vegas, the only spot where you could see the potential for a place where people could walk around." He added, "If I lived there, I would long for that."

Although the complete turnaround of downtown may take an additional 5 to 10 years, it is on the way. "It's already happening," Ms. Funkhouser said. "It's not something that can be stopped or is going to fall apart at this point. For one thing, we have people moving here from large cities, and they want this type of downtown."