

**Viva Lost Vegas: Downtown Project, Corporate-Led Redevelopment, and the  
“Tradition of Invention”**

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## **Abstract**

### **Viva Lost Vegas: Downtown Project, Corporate-Led Redevelopment, and the “Tradition of Invention”**

This research is a case study analysis of Downtown Project, a corporate-led redevelopment endeavor currently taking place in downtown Las Vegas. Through private money and public partnerships, Internet retailer Zappos has relocated its headquarters to a neighborhood previously characterized by economic instability, and is actively constructing a concentrated “creative class” community of tech startups, entrepreneurs, and small businesses. By examining Downtown Project, this research seeks to analyze the ways in which corporate-led redevelopment plays a powerful role in the local growth machine, asking who benefits, at what potential costs, and whose interests are served in downtown redevelopment projects. This research situates Downtown Project within the current economic context of Las Vegas, one of the cities hit the hardest by the recession and foreclosure crisis, in addition to placing this endeavor within the historical context of Las Vegas development and the city’s “tradition of invention.” This research also provides analysis of how this particular development is both similar to and different from other notable U.S. examples of corporate-led redevelopment. This case study draws from physical observations, maps, media coverage, census tract information, financial records, and a series of interviews in order to critically examine the key players and prominent narratives of this ambitious attempt at community building, and ask questions about the social justice and equitable development aspects of such a project.

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## INTRODUCTION

This research is a case study analysis of “Downtown Project,” a privately financed, corporate-led redevelopment endeavor currently taking place in downtown Las Vegas. Spurred by the relocation of Internet retailer Zappos’ corporate headquarters to a neighborhood previously characterized by economic instability, Downtown Project is actively working to construct a concentrated “creative class” community of tech startups, entrepreneurs, and small businesses. Because Downtown Project is still in the primary phases of development, it is too early to gauge its lasting impacts on the surrounding community. However, several questions can be asked and analyzed in the context of downtown Las Vegas’ revitalization. This research seeks to understand who benefits, at what potential costs, and whose interests are served in downtown redevelopment projects. By examining Downtown Project through a growth machine perspective, this research analyzes the way in which corporate-led redevelopment plays a powerful role in the local growth machine, and how downtown revitalization serves a corporate growth strategy agenda.

This analysis focuses on the justice and equity issues related to urban development policy and literature, and will therefore seek to identify who benefits and who pays the costs in a downtown redevelopment project such as the one taking place in Las Vegas. This is a central question of the growth machine ideology, which will be the theoretical framework used in this research to analyze Downtown Project and its effects. Las Vegas provides an interesting case study for this type of analysis because of the fact that its corporate-led revitalization is currently under development. With the project under way, the process can be analyzed even though results and impacts are still coming

to light. This research situates Downtown Project within the current economic context of Las Vegas, one of the cities hit the hardest by the recession and foreclosure crisis, in addition to placing this endeavor within the historical context of Las Vegas development and “the way in which the city is configured by a tradition of invention rather than the invention of tradition” (Douglass and Raento 2004:8). This analysis provides a brief mention of how this particular development is both similar to and different from other notable U.S. examples of corporate-led redevelopment in cities such as Charlotte, North Carolina, Detroit, Michigan, and Omaha, Nebraska. As a case study, the research data has been drawn from physical observations, maps, media coverage, census tract information, financial records, and interviews in order to critically examine the key players and prominent narratives of this ambitious attempt at community building, and ask questions about the social justice and equitable development aspects of such a project. Displacement of long-time residents, privatization of public space, and an influx of services and businesses that cater to a wealthier, more educated, tech savvy consumer all demonstrate the ways in which a new socioeconomic class is being ushered into the area at the expense of those who were already there.

Existing literature has examined urban redevelopment projects across the country that have been led and funded by large companies. Tied to this phenomenon have been analyses of corporate growth strategies that have been enacted via urban development projects and public-private partnerships. In addition, the growth machine perspective asks us to critically analyze the corporate and political players involved in local growth strategies and development patterns. Downtown Project is a clear example of a corporate-led redevelopment initiative that promotes the corporate growth strategy of a large,

powerful company. Zappos, its CEO Tony Hsieh, and Downtown Project have established themselves as key elements of the local growth machine of Las Vegas, promoting development and attempting to lure businesses and human capital to the city. While Downtown Project is somewhat unique in its reliance on one man's personal fortune, it has nonetheless forged public-private partnerships as a means to enact its vision.

### **LITERATURE REVIEW**

A great deal of academic literature on urban development addresses the social justice and equity issues that this research seeks to explore, especially in regards to urban metropolitan growth. Paul Peterson, in his work *City Limits* (1981), examines the interests of cities and their pursuit of growth strategies. He sees urban growth as a natural outcome of logical efforts to better the community and enhance the local tax base, and argues that cities therefore pursue growth as if it were a public good. He likens the city to a business firm, and claims that cities therefore seek to maximize return on their resources in order to enhance their economic position. Clarence Stone (1987), in a response to Peterson's ideas, focuses instead on the reasons why politicians and other coalition builders are drawn towards the growth faction. His regime theory suggests that private entities with growth interests in a particular locale use the government to pursue their goals, and that this group has influential power because successful governing relies on its participation (Stone 1987).

Harvard economist Edward Glaeser claims that cities are the healthiest, greenest, and richest places to live in regards to cultural and economic wellbeing. In his book *Triumph of the City* (2011), he uses historical and global anecdotes to argue that cities



bring out the best in humankind, and that proximity to one another makes people more inventive and more productive, as individuals feed off of each other and achieve higher levels of specialization. Glaeser argues that successful cities are therefore those with the ability to attract people and enable them to collaborate. He suggests that education is key to urban success, and that technology encourages people to physically gather together, ultimately supporting the notion that we should nurture the growth of cities and the creative hubs they support (Glaser 2011). In a similar vein, Richard Florida puts forth his creative class perspective, which argues that diversity and creativity are the “basic drivers of innovation and regional and national growth” (Florida 2003:3). He posits that cities need to take into account the location decisions of creative individuals in order to spur urban growth and compete amongst “21<sup>st</sup>-century creative capitalism” (Florida 2003:3). In addition, Florida claims that companies cluster in certain locations in order to draw from concentrations of creative, talented individuals who contribute to innovation and economic success. This perspective again supports a pro-growth perspective, or at least a desire for the growth of certain segments of the population.

Critics of Glaeser and Florida question the importance that such scholars place on these drivers of local and regional growth. Andy Pratt critically examines the role of the creative class as a causal mechanism of urban growth, and cites as problematic the fact that “the implication is that cities must adapt themselves to the values and mores of the creative class” (Pratt 2008:114). Pratt criticizes both Florida and Glaeser as using assumptions and ideas about the lure of certain creative classes that have not been tested. Ann Markusen (2006) uses a case study of artists to demonstrate why she believes the creative class to be “a fuzzy concept and why it is nearly impossible to conceptualize a

common class interest for its purported members” (Markusen 2006:1921). She concludes that advocates of the creative city should be asked to specifically define their terms and articulate the exact groups and behaviors that they are so certain are drivers of innovation and urban development. In a recent article for the *Journal of Urban Affairs*, Markusen (2014) reflects on ten years of creative city research, noting the spotty nature of it and posing several research questions aimed at furthering and clarifying the creative city agenda. She specifically addresses the equity and diversity concerns surrounding urban arts and culture, calling on researchers to study the participation of marginalized groups in such cultural opportunities and build an understanding of how these programs and initiatives might cater to a broader range of urban residents (Markusen 2014).

Extensive literature details the elements of the growth machine, and provides analyses of urban growth coalitions across the country. Canan and Hennessy (1989) use the growth machine perspective to conduct a case study analysis of a land use conflict on the Hawaiian island of Moloka'i. The authors note that such a case study is instructive because “conflicts in the social system are directly observable in the spatial order,” and use the growth machine ideology to understand how matters of growth are tied to community attachment (Canan and Hennessy 1989:227). The study works to extend Molotch's notion towards an understanding of how growth issues are connected to collective attachment, and “the contradictions inherent in selling place, lifestyle, and culture” (Canan and Hennessy 1989:228). The research supports and illustrates the growth machine notion that choices surrounding land use do create communal associations.

Smith and Graves (2005) write about the downtown redevelopment of Charlotte, North Carolina by Bank of America as a means to create a desirable neighborhood for the company's headquarters and employees. The authors draw the conclusion that in order to understand the motivations behind such projects, we must change the way we conceptualize and define "profit," arguing that this definition must be expanded to include both image and prestige (Smith and Graves 2005:412). Downtown Project's allocation of funds towards components such as real estate development and education has clear benefits for the Zappos employees and their families who will be relocating to the area. However, the allocation of financial resources to things such as small businesses and tech startups suggests a focus not just on bringing *employees* into an environment that they want to live in, but also a desire to create a *business climate* that Tony Hsieh wants his company to exist within. As Michael Borer, associate professor of sociology at University of Nevada Las Vegas, points out, "there is a precedent for some of what Tony Hsieh is doing in terms of the classic company town, because he's not just building. He and the Downtown Project are building places and these businesses in some ways for his own employees that he's moved here" (Wright 2013).

Schlichtman (2009) employs the notion of a "niche city" in his case study of downtown High Point, North Carolina. He asserts that globalization and the global economy has resulted in a competition for both resources and recognition that has led to the construction and cultivation of specific, unique economies and land use patterns. Schlichtman argues that the post-industrial niche city "forges global centrality by creating an economic specialization in a specific segment of the global service economy" (Schlichtman 2009). Through its motivations to create a hub of tech startups and creative

endeavors with a heavy concentration of entrepreneurs, artists, and the “anti-Strip,” Downtown Project can be viewed as attempting to create a specific, niche economy and community within the already-niche confines of Las Vegas.

Corporate-led redevelopment projects have taken place in a number of other cities as well, including those spearheaded by Quicken Loans in Detroit, Michigan and Mutual of Omaha in Omaha, Nebraska (Austen 2014; Gonzalez 2013). Downtown Project and the revitalization of downtown Las Vegas bear striking similarities to some of these projects, but also embody key differences that will be further examined. In addition, Downtown Project can be analyzed for the similarities and differences it has in comparison to the construction of other large, Internet startup campuses and communities. As opposed to the popular tech startup trend of building a campus on the isolated outskirts of a city or metropolitan area, Downtown Project is bringing a tech community into the heart of an existing, well-populated city. This key difference makes for some interesting analysis of both the well-intentioned and problematic issues that such an endeavor brings to light.

### ***The Growth Machine***

Harvey Molotch’s growth machine hypothesis was first introduced in 1976, but remains a key theoretical framework through which to analyze urban processes. The growth machine perspective views the urban landscape as a manifestation of the interests of city elites. This theoretical perspective questions the widely held belief that growth is always a good thing, and notes that cities are in constant competition with one another to draw resources to their own locale at the expense of others. Molotch examines those at the top of the local power structure and the ways in which their priorities and decision-

making capabilities affect land use patterns, budget expenditures, and urban social life. He concludes that the conditions of community life are largely an outcome of the political, economic, and social forces embedded in this growth machine.

Molotch speculates that the political and economic essence of a given locale is growth. When one's future is tied to the future of a larger area, a "we feeling" develops and a given actor within the community "strives, at the expense of others, to enhance the land-use potential of the parcels with which it is associated" (Molotch 1976:311).

Members of the growth machine are identified as including local government, corporations, businessmen, developers, builders, political officials, the chamber of commerce, the local newspaper, leaders of public agencies, and mortgage bankers. Molotch notes that "the people who participate with their energies, and particularly their fortunes, in local affairs are the sort of persons who – at least in vast disproportion to their representation in the population – have the most to gain or lose in land-use decisions" (Molotch 1976:314).

In a later analysis of the urban political economy and its correspondence with the growth machine, Molotch examines the way in which both local and national politics matter in determining the strength and mode of growth machine dynamics (Molotch 1993:29). He notes that "since the economy is socially embedded, so are the geographic relations bound up with it; urban arrangements are thus subject to the same social forces as any other collective human endeavor" (Molotch 1993:31). He therefore analyzes the growth machine argument as a version of urban political economy, and one that incorporates culture, human agency, the physical environment, and local context. His book with John Logan, *Urban Fortunes: The Political Economy of Place*, aims to

“construct a sociology of cities on the basis of a sociology of urban property relations,” and uses a Marxist theory of urban geography to analyze the conflicting relations between the members of the growth machine and those who oppose the negative effects of urban growth (Logan and Molotch 1987:13).

Molotch’s growth machine hypothesis is a useful theoretical framework through which to examine Downtown Project for several key reasons. First, it recognizes the economic and political significance of land use, and its value as a resource that largely benefits a specific coalition of local players. Second, it identifies the primary members and supporters of the growth machine and the ways in which their direct benefits vary. Third, Molotch suggests that the competition for land is a powerful force for “organizing political action and for creating political positions and ideological orientations” (Canan and Hennessy 1989:239). Finally, the growth machine hypothesis presumes that antigrowth coalitions will arise due to a recognition that growth is only beneficial for a specific segment of the local population. Each of these important theoretical elements makes this hypothesis a useful framework through which to examine the redevelopment of downtown Las Vegas.

### ***The Tradition of Invention***

Douglass and Raento (2004) write about the history and mindset that resulted in Las Vegas becoming the successful tourist attraction it is today. The authors acknowledge the city as being one of the world’s top destinations, while simultaneously noting that “urban and tourism studies alike struggle to produce a comprehensive analysis of the Las Vegas phenomenon, while frequently underscoring its inauthenticity and artificiality” (Douglass and Raento 2004:7). The article notes the tendency amongst urban

scholars to downplay the exceptionalism of Las Vegas, and seeks to further explore “the way in which the city is configured by a tradition of invention rather than the invention of tradition” (Douglass and Raento 2004:8). Emphasis is placed upon the historical context in which Las Vegas emerged, the key figures who have helped shape it, and how the area’s “critical massing of simulacra constitutes its own authentic reality” (Douglass and Raento 2004:8).

The trajectory of Las Vegas development has been characterized by several influential individuals, who have used their fortune and power to create and re-create the city in their image. Howard Hughes, a well-known businessman, had a significant impact on the Las Vegas casino and gaming industry. Because of the favorable tax haven Nevada provided, Hughes took his business acumen to Las Vegas, where he engaged in the buying of casinos and the upgrading of the city’s image and respectability through corporate ownership of gaming institutions (Douglass and Raento 2004:13). Bugsy Siegel, another driving force behind the development of Las Vegas, erected a new type of hotel-casino in 1946, the likes of which the city had never seen before. Called “the Flamingo,” Siegel’s hotel sparked a series of hotel-casino developments that played off of tropical and desert themes, in addition to geographical and historical themes such as the Riviera, Caesar’s Palace, and the Monte Carlo. In 1989, Steve Wynn added his legacy to the Las Vegas gaming scene by building the Mirage in an attempt to sway the city’s image towards attracting a higher end of the tourist market. The endeavor enjoyed a wildly successful debut, and sparked a reconfiguration of the Strip into high-end, luxury mega-properties. “Las Vegas went from being a proletarian’s discount delight to one in which hotels like the Bellagio and the Venetian command \$400 for a night’s stay... It

was during the 90s, then, that the Strip discovered its real capacity to reinvent itself almost at will” (Douglass and Raento 2004:16).

Douglass and Raento note that Las Vegas hosts “simultaneously, multiple incarnations of itself,” and recruits the tourist “into the endless army of... the Strip’s sensory overload of which they are an integral component” (2004:17). The use of exotic, historical, geographic, and futuristic themes contributes to the “disneyfication” of the city. And yet, Las Vegas has managed to capture the appeal of new residents in addition to tourists, with its metropolitan population growing by an astonishing 83% between 1990 and 2000 (Douglass and Raento 2004:18). In *The Tourist* (1976), MacCannell distinguishes between a genuine tourist attraction – an organic existence based on historical, geographical, and/or cultural circumstance – and a simulated tourist experience – a contrived fabrication brought about by modern day capitalism and corporate dominance. Researchers and critics have overwhelmingly deemed Las Vegas as the latter, analyzing the city as an inauthentic reality, a construct of visual media, and “more fully fake than any place on earth” (Douglass and Raento 2004:20). Yet Douglass and Raento make an important observation: “Las Vegas is no more nor less a human invention than Rome, Paris, or San Francisco. Nor are the latter devoid of simulacra; indeed they are replete with them... What does distinguish Las Vegas... then, is not an invented tradition (as if there could be any other kind), but rather its tradition of invention. (2004:21).

## **METHODOLOGY**

This research begins with a description of Downtown Project and the Zappos relocation that spurred the formation of such an entity. Qualitative data drawn from interviews, media coverage, maps, photographs, physical observations, and government



records are used to illustrate the process by which a growth coalition has worked to transform the land use of downtown Las Vegas, in addition to providing an understanding of the local economic and social context in which this redevelopment began to take shape. Interviews were conducted with local residents, small business owners, Downtown Project team members, a Zappos employee, local social service providers, and a Las Vegas-based academic. Relevant media coverage was analyzed from both local and national sources, from the years 2010 through 2014. Most notably, the *Las Vegas Review-Journal* has provided extensive coverage of the downtown revitalization ever since the formation of Downtown Project. Articles from the *Review-Journal*'s archives that contained the phrase "Downtown Project" were gathered, analyzed, and included as relevant. In addition, a special documentary short was produced by the *Review-Journal*'s editorial team, and contains ample, relevant commentary and interviews from local entities involved with the redevelopment. Quotes, material, and leads for interview subjects were drawn from this video.

Photographs were taken of the downtown neighborhood in 2014, and compared to Google Street View images from 2011 of the same blocks, in order to provide a visual understanding of how the physical landscape has changed since Downtown Project began enacting its vision. The websites of local government offices were used to gather relevant information on the connection between public entities and the private development taking place downtown. Most notably, the Redevelopment Agency provided a useful collection of maps, demographics, and development processes. An analysis of the data provides a critical perspective on the social justice and equitable development implications of Downtown Project.

## **FINDINGS: BENEFITS AND COSTS**

Downtown Project is a private redevelopment entity, funded with the personal fortune of Zappos CEO Tony Hsieh, which is taking the lead on revitalizing downtown Las Vegas. The project is working to construct a creative class community of tech startups, artists, creative entrepreneurs, and small businesses in the neighborhood surrounding the new Zappos headquarters. Downtown Project has quickly changed the built landscape of downtown by adding retail shops, boutiques, restaurants, co-working spaces, a car-sharing program, a school, a healthcare clinic, and a dog park, amongst other things. However, the new additions to the area have resulted in consequences such as the displacement of local residents and businesses, the privatization of public space, and a clear demographic shift towards a more privileged social class.

### **Benefits [Planned and Realized] by Downtown Project**

#### ***Zappos***

In 2004, online apparel and footwear retailer Zappos moved its headquarters and 70 employees from San Francisco to Henderson, Nevada, a suburb of Las Vegas. During the following decade, Zappos was purchased by Amazon for \$1.2 billion and grew to nearly 2,000 employees. The company grosses over \$1 billion in merchandise sales annually, and has repeatedly been named one of *Fortune Magazine*'s "100 Best Companies to Work For" (City of Las Vegas 2010). Zappos founder and CEO Tony Hsieh, who maintained operational independence after the Amazon acquisition, realized in 2010 that the growing company would soon be in need of a new headquarters. It was around this time that city leadership announced plans to relocate city hall and vacate the current facility in downtown Las Vegas, and Hsieh started to consider its potential for a

new, urban Zappos campus and the possibilities that would accompany a downtown location (City of Las Vegas 2010). He told the *Las Vegas Review-Journal* that he wondered “what if it’s more like an NYU campus, where the city kind of blends in with the campus and you don’t really know where one begins and the other ends... and what if, like, every coffee shop or bar is actually a potential meeting space or conference room” (Wright 2013).

On February 1, 2012, the Las Vegas City Council unanimously approved the final deal for the relocation of the Zappos headquarters into the old city hall building at 400 Stewart Avenue. Zappos leased the building from Resort Gaming Group, which paid \$18 million for the acquisition; the purchase of the site included the building and seven surrounding acres of land on which to develop the future corporate campus (Miller 2012; City of Las Vegas 2010). Zappos and Amazon spent \$60 million renovating the old city hall building into a facility fit for a tech business. An editorial in the *Las Vegas Review-Journal* points out that this will provide taxpayers with \$34 million in principal and interest on the downtown property (Las Vegas Review-Journal 2013).

Local government was quick to praise the potential that such a relocation might have on the city. In a December 1, 2010 press release, then-Mayor Oscar Goodman stated that “this is a game changer for Southern Nevada. This move will bring about a critical mass of creative persons to the inner core of Las Vegas in addition to causing a significant shot in the arm for the economy and for new jobs” (City of Las Vegas 2010). Councilman Ricki Barlow, who represents the downtown area in which the new Zappos headquarters is located, claimed that “having Zappos in the downtown will be a spark to so many other businesses and attractions. The spinoff from this is going to be fabulous,

and will create a domino effect of success” (City of Las Vegas 2010). Andrew Donner, founder and CEO of Resort Gaming Group, asserted that Zappos “is committed to this project and more importantly, to reinvigorating downtown. The support of this caliber of business leader speaks volumes for our city. We believe this project will have more impact on downtown revitalization than any other development to date” (City of Las Vegas 2010). Donner added that “the economic uplift that will be created by Zappos’ move to downtown will be significant. Zappos’ corporate campus will elevate downtown, its profile, its vibe and its appeal to both locals and tourists alike” (City of Las Vegas 2010).

### ***Downtown Project***

Downtown Project was launched in conjunction with the Zappos relocation announcement, and is an entity that is taking the lead on revitalizing downtown Las Vegas in a bold attempt to “build the most community-focused large city in the world” (Downtown Project 2014). Prompted by the relocation of the Zappos headquarters and its roughly 2,000 employees to the downtown area, Downtown Project aims to create a specific, concentrated community of tech startups, artists, creative entrepreneurs, and small businesses. Downtown Project was established as a way to manage and oversee the revitalization of the downtown area, and was founded with \$350 million of Hsieh’s own personal fortune. The entity is a private redevelopment effort, and views itself as a “startup entrepreneurial venture that happens to also have good intentions” (Schoenmann 2014). Of the total funds, \$200 million are being invested in real estate, \$50 million in small businesses, \$50 million in education, and \$50 million in tech startups (Downtown Project 2014).

Downtown Project makes it clear that they are not a charity or nonprofit, noting that “due to limited resources, we unfortunately aren’t able to address and solve every single problem that exists in a city” (Downtown Project 2014). The entity initially professed to focus on the “three C’s” of Collisions, Co-Learning, and Community, but in late 2013 decided to drop “community” in favor of “connectedness.” The project’s website operationalizes their “three C’s,” noting that “connectedness” refers to the number and substance of connections established between people in the downtown community. “Collisions” refers to what they term “collisionable hours,” or the amount of time that an individual spends out and about in the neighborhood, thereby creating “an opportunity for serendipitous interactions to occur” (Downtown Project 2014). “Co-Learning” refers to the number of hours spent learning from other people within the downtown area.

Upon Hsieh’s decision to move Zappos into the vacant city hall building in downtown Las Vegas, he started to contemplate how he might build an urban community for his employees that would reflect the company culture and simultaneously transform the “derelict” core of a major U.S. city (Pratt 2012). Hsieh told *The New York Times* that transforming downtown Las Vegas would “ultimately help us attract and retain more employees for Zappos” and would “help revitalize the economy” of the city at large (Pratt 2012). Downtown Project aims to bring 10,000 upwardly mobile, innovative professionals to the area over the next five years; as of Fall 2013, Downtown Project had set up 30 real estate companies, purchased more than 15 buildings, and started work on 16 construction projects in downtown Las Vegas. Within a year of the project’s founding, 15 tech startups had committed to relocating to downtown (Pratt 2012). When addressing

the connection between Zappos and his new downtown vision, Hsieh noted, “historically, we’ve thought of our brand in terms of the three C’s, meaning clothing and customer service and company culture – and now we’ve added a fourth C, which is community” (Wright 2013).

Downtown Project claims to be “a group of passionate people committed to helping to transform Downtown Las Vegas into the most community-focused large city in the world. We are doing that by inspiring and empowering people to follow their passions to create a vibrant, connected urban core” (Downtown Project 2014). Their website ([downtownproject.com](http://downtownproject.com)) asserts that the project aims to bring together communities of passion, add density of ground level activities, spaces, and businesses, create the coworking capital of the world, create the shipping container capital of the world, and do all this in less than five years. To make these goals happen, Downtown Project is focusing its efforts on arts, music, culture, community, coworking, education, entrepreneurship, technology, and urban development (Downtown Project 2014). The entity states that its internal goal is “to help make downtown Vegas a place of inspiration, entrepreneurial energy, creativity, innovation, upward mobility, and discovery, through the 3 C’s of collisions, co-learning, and connectedness” (Downtown Project 2014).

Downtown Project cites Edward Glaeser’s *Triumph of the City* and Richard Florida’s *The Rise of the Creative Class* as inspiration for its ambitious revitalization strategy. The goal of attracting 10,000 new residents “is derived from unpacking Glaeser’s metric (borrowed from Jane Jacobs) that says 100 homes per acre is the ideal density for creating the sort of unplanned interactions that make successful cities paragons of creativity” (Pratt 2012). Glaeser was brought in to observe Downtown

Project's strategy and progress, and noted that a unique element of Hsieh's plan was the idea of leading with human capital, rather than building structures first and hoping for human capital to come later. Florida has suggested that he thinks Downtown Project needs a "robust community process" in order to be successful – one that carefully incorporates the surrounding community and takes various peoples' wishes into account (Pratt 2012).

### *Nevada Redevelopment*

The recent economic trends in Las Vegas provide an interesting and important context in which to situate Downtown Project. The metro area has ranked one of the highest in the country for foreclosure rates over the past five years, and has fared almost as poorly in both unemployment and bankruptcy (Segall 2013; Robison 2010; Sieroty 2014). The city's economy relies heavily on tourism, with high-end gambling, dining, and shopping forming a vast majority of its international draw. Las Vegas relies so heavily on tourism, image, and desirability that these elements sometimes occur at the expense of residents and their amenities; the State of Nevada ranks as one of the worst in the U.S. in regards to education and healthcare (Takahashi 2012; Engel 2014).

Downtown Las Vegas in particular has historically contained a high concentration of liquor stores, pawnshops, and vacant lots, and is less than two miles south of the "homeless corridor," which houses a handful of soup kitchens, shelters, and service providers. *The New York Times* notes that "although Hsieh and his team repeatedly refer to the area as a series of empty lots, downtown Las Vegas has for decades been a magnet for low-rent apartments and the homeless – in part because several large social-services agencies have offices nearby" (Pratt 2012). Oscar Goodman told the *Review-Journal*,

when speaking about his tenure as mayor, that “had the downtown failed and gone in the direction where it was, it would have turned into the downtown of cities... all over the country – became warzones, rubble. And I did not want that to happen here because nobody distinguishes... when they hear Las Vegas they think of the Strip, and when they read that Las Vegas’ downtown went into the toilet, they’ll equate it with the Strip and it would have a devastating effect on us becoming the number one tourist destination in the world” (Wright 2013).

A common theme amongst urban theorists is to ask questions about “opportunity costs,” or the ways in which local resources have been allocated towards growth machine endeavors, and how those funds might have been better spent. An analysis of the redevelopment programs and other business incentives used by local government shows that Downtown Project is specifically catered to as part of the city’s trend towards redeveloping its downtown core. The City of Las Vegas employs a “Fast Track Program” whose goal is to assist businesses located within a designated Redevelopment Area to expedite their entitlements and permits. The city’s Redevelopment Agency specifically designed a “Retail Downtown Las Vegas” program that provides assistance to retailers attempting to find a location, as well as helping any associated developers, property owners, or commercial brokers with “recruiting high-quality retail tenants” (City of Las Vegas 2014). On their website, the City of Las Vegas notes the type of assistance that is provided, offering Redevelopment Agency (RDA) incentives to entice retailers to the area, giving expedited assistance to both tenants and property owners within the RDA for improvements and development, and identifying anchor development projects that will



provide the “highest and best use for ground-floor commercial, office and downtown residential uses” (City of Las Vegas 2014).

In the Las Vegas Global Economic Alliance’s “Comprehensive Economic Development Strategy,” prepared in July 2013, the efforts to build a tech startup community in the downtown area are mentioned on the first page of the report. The Executive Summary notes that “after five years of profound economic disruption, the Las Vegas region is showing signs of renewed strength... Previously disparate groups are collaborating as never before to help expand and diversify the Southern Nevada economy” (Las Vegas Global Economic Alliance 2013). One of the efforts credited is “a rapidly burgeoning startup community, particularly in the area of technology... resulting in greater capital investment, talent recruitment, and innovation in technology and entrepreneurship” (Las Vegas Global Economic Alliance 2013). The report also notes the national and international recognition that Las Vegas has garnered as a result of such economic development and entrepreneurial efforts.

The report notes that counties in Southern Nevada were asked to provide an assessment of projects that they believe require funding in order to continue meeting, or to better meet, the needs of the area. Support for Downtown Project is listed as one of the programs, and the report recommends that “the city will continue to work closely with the DowntownProject.com (DTP) and support their initiatives. The collaborative relationship will be beneficial to the City and the DTP” (Las Vegas Global Economic Alliance 2013). The following suggested area of support is “e-commerce strategy,” noting that particular attention should be given to the success of Zappos and the extent to which the company has grown its business during its tenure in the Las Vegas area. The

report suggests that “their future move to downtown will be a major catalyst in the renaissance of the downtown,” and indicates that the city should focus on how to attract similar businesses to the area (Las Vegas Global Economic Alliance 2013). Efforts and programs such as these, that specifically cater and direct the resources of local government towards Downtown Project and its endeavors, demonstrate how vital city funds and time are assisting a private entity in its quest to redevelop an area of town.

### ***Built Environment***

As part of their redevelopment efforts, Downtown Project has numerous built structures and businesses that have either opened already or are slated to open in the near future. One of the project’s most notable built structures is the Downtown Container Park, which opened in December 2013 at 7<sup>th</sup> and Fremont Streets. When addressing the thought process behind the Container Park, Downtown Project notes that “to quickly create spaces for new businesses here requires innovative thinking, so we’re using repurposed shipping containers as places for entrepreneurs to follow their passions” (Downtown Project 2014). Container Park boasts an assortment of trendy retail shops, artist boutiques, and dining options, each located within a repurposed metal shipping container. The center of the Park is home to “The Treehouse,” a play space large enough to accommodate both children and adults.

Work in Progress is a co-working space for tech startups and creative individuals, and has been so successful that a second location is scheduled to open. Stitch Factory, located directly across the street from the new Zappos headquarters, is a co-working space for fashion endeavors and entrepreneurs. Project 100 is the Tesla car-sharing program that Downtown Project is bringing to the community in an attempt to encourage

residents to reduce dependency on their own personal vehicles. Hydrant Club is downtown's new membership-only dog park. Inspire Theater was built in the renovated space of an old 7-11, at a cost of \$5.5 million. The venue hosts a theater with over 150 seats, a newsstand, a coffee and pastry shop, free Wi-Fi, four bars, and a rooftop patio with downtown views (Spillman 2014). The site is used to host film screenings, discussions with directors, and TED-style talks.

9th Bridge School is a new learning facility, spearheaded by Downtown Project, that is attempting to “rewire” education by focusing on brain-based teaching, sustainability, curiosity, independence, and entrepreneurship (Lu 2013). Turntable Health is a “membership-based primary care and wellness ecosystem” funded by Downtown Project and focused on technology and preventative care (Turntable Health 2014). In addition to the average physician's appointment, members get a Health Coach who guides them through goal-setting, access to their doctor via video chat, exercise classes, and healthy cooking lessons in an on-site demonstration kitchen (Turntable Health 2014).

While some of the benefits of Downtown Project are evident, costs are emerging as well. The repurposing of downtown land has resulted in the displacement and relocation of long-time, typically low-income residents, privatization of public space, and the catering of businesses and services to a more high-end, privileged clientele. Each of these issues helps to paint a picture of the impact Downtown Project is having upon the old community, and what kind of socioeconomic ecosystem is being ushered into the neighborhood.

## **Costs of Downtown Project**

### ***Displacement***

One of the most obvious impacts that have come with the expansion of Downtown Project is the displacement of local residents. Situated in close proximity to many of the city's homeless service providers, downtown Las Vegas has long been home to numerous weekly motels that serve as a residence for those who cannot afford the financial responsibilities of a full time or permanent living situation. The John E. Carson hotel, located at the corner of 6<sup>th</sup> Street and Carson Avenue, is one of many properties that have been purchased by Downtown Project. In May 2013, remaining residents of the hotel had their belongings moved out of the building by Downtown Project members, and relocated to the Dragon Hotel, several blocks away. The John E. Carson hotel had made itself available to longer-term residents for a weekly price of \$130, or a monthly price of \$475. Robert Brunner, Executive Director of the nearby Las Vegas Rescue Mission, spoke to the *Review-Journal* about the existence of weekly motels in the area: "The business model exists and succeeds because it fulfills a need for individuals who can't afford to meet the obligations and needs of a fulltime, permanent lease. When I look at the number of individuals who have come through our program, who the Mission has helped – we've helped them get back on their feet to an extent, they've been able to accumulate some funds. The next rung of the ladder is the weekly motel" (Wright 2013).

A 19,000 square foot building constructed in 1955 and formerly housing 65 hotel rooms, the John E. Carson was purchased by Downtown Project in 2012. After significant renovations to the structure, new businesses began to open to the public in May, from office and commercial space within the building. Businesses that are now

located in the John E. Carson building include a gourmet donut shop, a juice and smoothie bar, a flower shop, a fine-dining restaurant with a rooftop bar, a sushi restaurant, a social media company, an architecture firm, a Bikram Yoga studio, and the Las Vegas Film Festival (Snel 2014). The building now features an outdoor courtyard for patrons to enjoy their food and beverages, and still displays the original “John E. Carson Hotel No Vacancy” sign (Snel 2014). As part of their upcoming plans, Downtown Project intends to renovate Eden’s Hotel next door, as well.

And yet, not all local service providers think Downtown Project’s plans are having a negative effect on the area’s low-income residents. John Fogal, director of development at the Las Vegas Rescue Mission, has been part of the community for nine years. He cites Downtown Project-funded volunteer ambassador programs, such as “Downtown Dynamos,” as helping greet, direct, and provide assistance to those in the community, including homeless individuals. Fogal notes “that’s one of our biggest connections to the project is partnering with some of these volunteer programs and some of those kind of on-the-street level aspects of what the project is doing, to work together to take care of everybody.” When asked about the potential of Downtown Project’s investment to either benefit or exclude at-risk and homeless populations, Fogal acknowledges “I really believe that this whole movement can, and in fact I really think it will, have an overall very, very positive impact on our community, particularly downtown and Las Vegas across the board – including on that social side of things, for those in need and the homeless... But of course there are risks.”

Vegas Tech Fund Partner Zach Ware points out that “there’s never been a situation where we didn’t, for example, not only pay to move people, but pay their first

month's rent and negotiate a cheaper rent for them at an alternative location. No other person would do that. We've made it easier for people to relocate" (Wright 2013). Displaced residents from the John E. Carson Hotel expressed an understanding of why they had to relocate, but concern over their options. Douglas MacKenzie, a long-term resident of the John E. Carson Hotel told the *Las Vegas Review-Journal*, "I hate that I had to move but it's their place and they can do what they want. I just wish they'd gave us a little more options on where we could move to. Something a little better than The Dragon, because The Dragon is just a room. I would have liked an efficiency apartment where I could cook" (Wright 2013). Local entrepreneur and business owner Michael Cornthwaite operates The Beat Coffeehouse and the Downtown Cocktail Room, and has been an active local participant in Downtown Project's vision. Cornthwaite expressed little remorse over the displacement of other local residents, saying "I'm a little bit on the side of: if you're not a contributor then let other people contribute. Make room for those people that want to contribute and want to be a part of something. If you don't want to be then there's fifty other weekly motels in a two-mile radius. Go find one" (Wright 2013).

However, it isn't just residents that have started being displaced by Downtown Project; local businesses have started to feel the impact of the redevelopment as well. Brothers Steve and Manny Yono own Fremont Family Market and Deli, a business that has been in downtown Las Vegas for fifteen years. Last year their landlord refused to renew their lease, renting the property to Downtown Project instead and causing the Yono's to move their business to another nearby location. Steve Yono told the *Review-Journal* that "to see a building that was boarded up, to build a business to a million six a year, and to lose it just because of... the new regime that's coming into the area – that

part is hurtful to us” (Wright 2013). Manny added that “[when] my father passed away, hundreds of people from the area, people that we haven’t seen in four or five years, hear about this... they came in with a white sheet of paper, maybe about six feet long, and everybody wrote a message on it. If that’s not a community, I don’t know what is” (Wright 2013).

A Cut Above the Rest barbershop, located at 7<sup>th</sup> and Carson Street, has been providing services to the downtown community for 14 years. However, Downtown Project recruited a trendy barbershop from Los Angeles to occupy one of the retail spaces in the new Container Park, located right down the street from A Cut Above the Rest. Owner Tim Wilkinson expressed his disappointment and concern, noting that his shop could have been able to meet the needs of the ever-growing downtown community. Referring to Downtown Project affiliates, he notes that “they [took] several walks in this area but never came here and spoke with us in regards to giving us an opportunity. And I feel as if there could have been some type of hybrid connection in regards to his ideas and what was already here – to be able to come together and still be able to be successful in regards to his idea and the vision he had with coming downtown” (Wright 2013).

### ***Privatization of Public Space***

With the repurposing of downtown land, the privatization of public space has come to the forefront of the debate as well. In his analysis of the Los Angeles political economy, Mike Davis argues that the “architectural privatization of the public sphere” has resulted in exclusive and invasive security measures (Davis 1990:155). He suggests that such precautions allay middle- and upper-class fears about urban dangers, therefore creating a sense of safety for consumption while simultaneously contributing to the

gentrification process. However, Downtown Project's Zach Ware claims that "a community is only as good as the diversity of the people in it, and I think people perceive us a lot as a tool for gentrification, or a cause for it, and we work really, really hard to not let that happen" (Wright 2013).

One example of the privatization of public space in downtown Las Vegas is the creation of the private, members-only dog park "Hydrant Club," which opened in December 2013 at 9<sup>th</sup> and Fremont Street, formerly a vacant lot. Tony Hsieh reached out to long-time dog trainer Cathy Brooks, asking her to partner with Downtown Project in opening the park. While most dog facilities in Las Vegas are free of charge, Hydrant Club membership fees range from \$40 to over \$200 a month (Brennan 2013). Customized packages are available based on the member's needs, such as weekend- or weekday-only access, or an all-access option. Doggie daycare and training opportunities are available, and a special key card is required to access the park. Besides a monthly fee, membership requires an entrance exam for each dog, a behavioral screening, and up-to-date vaccination records. Critics have referred to the park as "snobbish" while some downtown residents have praised the new addition to the community. Resident Alex Hamlin told the *Las Vegas Review-Journal* "it is something I really wished for moving down here, and influenced my decision to move down here" (Spillman 2013). Club members also claim that the park is for the community as much as it is for pets, suggesting that Hydrant Club provides an opportunity for residents of downtown to interact and socialize with one another.

When Container Park first opened in late 2013, the outdoor retail and dining mecca enforced a policy of random bag searches. Numerous customers complained to



local media outlets about the policy, causing Downtown Project to drop the procedure just three weeks after the opening of Container Park. However, this didn't prevent some residents and visitors from being offended at the perceived violation of privacy (Schoenmann 2013). The Park still keeps security guards at the front entrance, whose job is to greet and make eye contact with visitors, and oversee the activities of the area. A Downtown Project executive told local media that customer's bags will only be searched if the safety of others is deemed to be at risk (Schoenmann 2013).

One of the many activities backed by Downtown Project is the new Life is Beautiful festival, which debuted in October 2013. The festival, which is slated to be an annual event, showcases music, food, arts, and keynote speakers. A two-day event, which in October 2013 had more than 60,000 people in attendance, the festival takes over and fences in 15 square blocks of downtown Las Vegas (Life Is Beautiful 2014). Festival co-founder and CEO Rehan Choudhry told the *Las Vegas Sun* that "this is the first time in Las Vegas history that this volume of city streets has been blocked off and included within a special event" (Schoenmann 2013). Closing off such a large section within the urban core of a major U.S. city is believed to be a first as well (Schoenmann 2013). Tickets to the inaugural festival in 2013 cost \$95 for one day or \$159 for the weekend (Lake 2013). As with other downtown endeavors, Life Is Beautiful worked to showcase the redevelopment underway in downtown Las Vegas. Hsieh told *Entrepreneur.com* "we think it's important for the city to have a vibrant arts and music scene," referring to the downtown area as an "entrepreneur's Disneyland" (Villano 2013). Just like Disneyland, Life Is Beautiful entailed a large, fenced-off portion of land and a steep admission price.

### *Demographic Shift*

Those opposed to Downtown Project have also argued that the types of services and products that the new small businesses and tech startups provide are catered to a specific class and level of cultural capital. Longtime Las Vegas resident Josh Ellis voiced his criticism of the downtown redevelopment and emerging tech scene to the *Las Vegas Sun*. Ellis claims that downtown's app and website developers are creating things that people don't need, and are "trying to solve problems that most of the world doesn't have" (Schoenmann 2013). He suggests that "the tech industry is built by middle-class people and funded by rich people, and the things they want to build are the things rich people get excited about" (Schoenmann 2013).

The changing of the "Three C's" rhetoric from "community" to "connectedness" may demonstrate a response to some of the backlash directed at Downtown Project. They claim that by using the word community so heavily, "a lot of people misinterpreted or misunderstood our goals... we've found that a lot of people no longer view us as another business or developer that will co-exist amongst many other businesses and developers, but instead there are a lot of people that seem to expect us to address and solve every single problem that exists in a city" (Downtown Project 2014). As a result, the project substituted "connectedness" in place of "community," claiming that such a concept was "a lot more clearly defined and easier to measure" (Downtown Project 2014). As previously noted, Downtown Project defines "connectedness" as the quantity and substance of connections established between those in the downtown community. This shift towards a concept that represents exclusivity suggests the necessity of cultural capital, money, education, and other resources in order to feel comfortable accessing the

new amenities that the project has brought to the area. “Connectedness” implies that the emphasis is on certain members of the “community” who have developed specific relationships and partnerships, rather than the area and its residents as a whole.

### ***A Business Development, Not a Charity Organization***

Despite the criticism that has been voiced against their operations, both Zappos and Downtown Project keep forging ahead with their vision for Las Vegas. As Fred Mossler, an early Zappos employee and Downtown Project investor, claims: “If we can help the community and get it right here, in one of the places probably that I would say most people expect it the least – in downtown Las Vegas – then I think that model could be used by other cities... We just passed the first point in human history where more than 50% of the world’s population lives in cities, and in our lifetime that is supposed to move past 75% of the world’s population. So having successful cities, I think, is just super important to the human race” (Wright 2013). Zach Ware, who heads Downtown Project’s Vegas Tech Fund, explains that “we want to make sure that we set the right example of how to invest and then ultimately be able to say, if you want to reinvest in the community, here’s what we’ve learned about doing that and here’s a way you can approach doing that” (Wright 2013).

Mikela Lee-Manaois serves as Downtown Relations and Information Liason for Zappos, and is responsible for helping to integrate the company’s employees into the ever-changing downtown community. Lee-Manaois explains that her team achieves this “through community events for our employees and the community, supporting community events and encouraging our employees to attend, sponsorships that would drive our employees to support these events, and being a resource for our employees with

any downtown related inquiries.” The Downtown Community Team at Zappos consists of Lee-Manaois and one other Zappos employee, and the two facilitate any and all downtown communication and planning of community events.

Zappos has worked to make downtown integration a focus of company strategy in light of the recent move. In the creation of their campus, the company incorporated public areas where members of the community are welcomed to spend time, such as an open central plaza and lobby space. The new Zappos campus has held fundraising events, partnered with local businesses for seasonal festivals, and hosts a monthly community tailgate for the local minor league team during baseball season. When asked whether Zappos envisions its employees benefitting from the resources Downtown Project is working to build in the community, Lee-Manaois notes that “with the growth of the community that Zappos is immersed in, our business and employees are bound to benefit from these resources.”

While Downtown Project is a unique endeavor in many ways, elements of the development can be tied to key components of the widely recognized Las Vegas imagery, such as feigned originality and attention-grabbing extremism. The entrance to Container Park is marked by a giant metal praying mantis sculpture, which periodically spews flames from its antennae. The membership-only dog park, Hydrant Club, boasts the world’s largest functioning fire hydrant at its entrance (Hydrant Club 2014). Due to city building code restrictions, Container Park was not able to use actual, intact shipping containers for retail spaces, as Downtown Project had initially hoped (Spillman 2013). Instead, they had to utilize siding and other such materials to give the appearance of shipping containers. Although couched in a different ethos, this demonstrates the same

type of attention-grabbing extremism and feigned originality that is replicated in numerous structures along the Strip.

In keeping with the Las Vegas trajectory of development, it could also be argued that Hsieh is not the first man to come to the city with a vision and tried to remake it in his image. Following in the footsteps of Howard Hughes, Bugsy Siegel, and Steve Wynn, Hsieh is using his power, influence, and immense financial capital to enact his vision of Las Vegas, in yet another urban experiment in a long line of previous “traditions of invention.” Putting his own tech-based business spin on his redevelopment efforts, Hsieh claims, “you don’t have very many opportunities to help shape the future of a major city, and that’s pretty exciting... its thinking of the city as a startup” (Wright 2013).

The growth machine perspective is especially useful for understanding a process such as corporate-led redevelopment. Molotch notes that governments strive to maintain an attractive business climate that will lure corporations, but acknowledges that “government decisions are not the only kinds of social activities which affect local growth changes; decisions made by private corporations also have major impact. When a national corporation decides to locate... in a given locale, it sets the conditions for the surrounding land use pattern” (Molotch 1976:312). Molotch also points out that job creation is a primary reason given for the necessity of a growth-is-good ideology in a local community, and yet growth does not make jobs, but rather distributes them (Molotch 1976:320). This is especially important to understand when analyzing the specific context of Downtown Project and the relocation of the Zappos headquarters. The company moved from Henderson, Nevada – a suburb of Las Vegas – into the downtown area. Therefore jobs were not created for the metropolitan area, per say, but rather they

were simply moved from one part of the city to another. While it can be argued that the establishment of Downtown Project has created jobs, some contend that the efforts of Downtown Project are pushing out and eliminating existing jobs from the downtown area. In addition, the efforts to create a tech community in downtown Las Vegas have capitalized on the notion that the city of Las Vegas provides a much more attractive business climate than other tech capitals, such as Silicon Valley, in the form of cheap land, ample space, tax benefits, etc. By drawing tech companies to Las Vegas at the expense of San Francisco or other popular startup cities, jobs once again may be simply redistributed – in this case, across state lines – rather than created.

### **CONCLUSION**

An examination of Downtown Project provides insight into a unique and unusual approach to downtown redevelopment and corporate-led gentrification, while at the same time identifying important similarities to other processes that have taken place or are currently underway in other U.S. cities. Downtown Project is unique in that it relies so heavily on one man and his personal fortune. While many projects of this nature rely on public-private partnerships, Downtown Project was founded solely with private funds, therefore making the plan and execution of the project beholden to the vision of a small group of investors. In addition, Downtown Project is unique in the way in which it has been spearheaded by a group of people with no experience in urban development or city planning, but who instead have a specific bent towards entrepreneurship, technology, and the “hacking” of traditional methodology. However, the overall aims and goals of Downtown Project have similarities to other corporate-led, city center redevelopment projects such as those spearheaded by Bank of America in Charlotte, North Carolina,

Quicken Loans in Detroit, Michigan, and Mutual of Omaha in Omaha, Nebraska. In projects such as these, a corporate entity has used its power and influence to transform a surrounding neighborhood into a desirable business climate for its company and employees. Examining these types of corporate-led redevelopment projects helps to paint a picture of the local decisions that are being made within the context of a local economy and urban growth machine.

Future research should continue to track the progress and impacts of Downtown Project, investigating any ongoing and new attempts at incorporating numerous voices and different perspectives. As financial impacts or opportunity costs of the downtown redevelopment become clearer, further analysis should be done on who exactly has benefitted from the project. Such analysis should continue to examine job creation, tax breaks, financial incentives, and public-private partnerships, as well as exact numbers and statistics on who is taking advantage of the amenities and opportunities offered by Downtown Project as well as who is being displaced and paying other costs. At a later date, an analysis of the shift in demographics of the downtown area would prove to be informative. A comparison of corporate-led downtown redevelopment projects that have recently taken place or are currently underway would also provide an interesting analysis that would help us to better understand how local growth coalitions and urban growth machines are exacting their specific visions on city centers. As UNLV sociology professor Michael Borer points out, “in any narrative, there are going to be villains, victims, and heroes. Because some of the change happening downtown is happening so quickly, it’s hard to figure out exactly who’s playing those characters right now” (Wright 2013).

However, as Downtown Project's vision unfolds, particular attention could be paid to certain segments of the population and to specific impacts of the redevelopment, therefore making it possible to lessen some of the negative effects and better ensure a just and equitable development. First, a concerted effort should be enacted to maintain and expand affordable housing options for community members of all different socioeconomic classes, thereby reducing displacement. Second, Downtown Project should work to cultivate relationships with existing businesses in the area, acknowledge their presence in the retail landscape of Downtown Las Vegas, include them in the planning process, and ensure that the influx of consumers and financial capital will benefit both new and existing businesses. Third, it would be beneficial to all members of the community if Downtown Project worked with local government, service agencies, academics, and others to hone in on ways that they can use their financial, social, and cultural capital to enhance the lives and chances of the downtown community's less privileged residents. The specifics of how they might go about doing this would depend upon the information gleaned from key informants in the social services and academic realm, but with a carefully thought out plan, Downtown Project could ensure that their efforts truly are benefitting both new and existing members of the community.

A current analysis of Downtown Project shows that, while it is too early to gauge any final or lasting impacts of the endeavor, we can begin to see specific patterns in who benefits from the project and who loses out. Support from the mayor, city councilmembers, local developers, and other area businesses demonstrates a clear championing of a pro-growth ideology by members of the local growth machine. Dissent has arisen from local residents, smaller neighborhood businesses, and academics, all of



who are objecting to the vision that they see as privileging some while excluding others. Displacement of long-time residents, privatization of public space, and an influx of services and businesses that cater to a wealthier, more educated, tech savvy consumer all demonstrate the ways in which a new socioeconomic class is being ushered into the area at the expense of those who were already there. The cultural know-how and social capital that is required to take advantage of the new services, opportunities, and connections offered by Downtown Project is not on par with that of the previous and existing population of downtown Las Vegas. As Borer explains: “I have a real problem with the term revitalization. Revitalization means that you’re going to breathe new life into a place, into an area. Well what about the life that was already there? ...When you use the word ‘revitalization,’ you end up implying that those lives didn’t have value. So they’re not the ones who are being revitalized. Its about the revitalization of new business owners or the new community or new culture or the new “creative class” that ends up entering that old urban wilderness” (Wright 2013).

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## **APPENDIX A**

### Interview Subjects

**Mikela Lee-Manaois**  
Zappos Community Liaison  
April 29, 2014

**Local Resident of Downtown, Pre- and Post-Downtown Project Development**  
March 21, 2014

**Small Business Owner of Container Park Boutique**  
March 31, 2014

**John Fogal**  
Director of Development, Las Vegas Rescue Mission  
March 20, 2014

**Executive of Downtown Non-Profit Corporation**  
March 19, 2014

**University of Nevada Las Vegas Academic**  
March 18, 2014

**Downtown Project Hospitality Team Members**  
January 9, 2014

**Downtown Project Spokeswoman**  
April 15, 2014

**APPENDIX B**

<b>Elements of an Urban Growth Machine</b>	<b>Selected Las Vegas Growth Machine Members</b>
<i>Elected Officials</i>	<ul style="list-style-type: none"> <li>- Carolyn Goodman, Current Mayor of Las Vegas</li> <li>- Oscar Goodman, Former Mayor of Las Vegas</li> <li>- Las Vegas City Council</li> </ul>
<i>Local Government Agencies</i>	<ul style="list-style-type: none"> <li>- Las Vegas Redevelopment Agency (Elizabeth Fretwell, Executive Director)</li> <li>- Department of Economic and Urban Development (Bill Arent, Director)</li> </ul>
<i>Corporations &amp; Local Business Leaders</i>	<ul style="list-style-type: none"> <li>- Zappos &amp; CEO Tony Hsieh</li> <li>- Downtown Project</li> <li>- Vegas Tech Fund</li> <li>- Michael Cornthwaite, Downtown Business Owner &amp; Entrepreneur</li> <li>- Container Park Businesses &amp; Restaurants</li> <li>- Las Vegas Metro Chamber of Commerce</li> </ul>
<i>Developers &amp; Builders</i>	<ul style="list-style-type: none"> <li>- Resort Gaming Group &amp; CEO Andrew Donner</li> <li>- Breslin Builders, General Contractor of Container Park</li> </ul>
<i>Local Media</i>	<ul style="list-style-type: none"> <li>- Las Vegas Review-Journal</li> <li>- Las Vegas Sun</li> <li>- Vegas Inc.</li> </ul>