

## DEMOGRAPHIA



# Las Vegas: Playground to the World

**Table One: Basic Information about the Las Vegas Metropolitan/Urban Area**

<i>Parameter</i>	<i>Value</i>	<i>Similar to</i>
Metropolitan Area 2005 population <sup>1</sup>	1,751,000	Milwaukee, San Antonio, Hamburg, Brisbane
Urban Area* 2000 Population <sup>2</sup>	1,314,000	San Antonio, Lyon, Hiroshima, Stockholm
Urban Land Area in 2000 (square miles)	286	Adelaide, Barcelona, Cape Town, Rochester (NY)
Urban Land Area (square kilometers)	741	
Population Per Square Mile	4,600	Honolulu, Christchurch, Ottawa-Gatineau, Vancouver
Population Per Square Kilometer	1,800	

\* Continuously built-up area (also called the urban agglomeration)

12 December 2006

## Introduction

Las Vegas is the largest metropolitan area and urban area in Nevada. It is located on Interstate highway 15, slightly less than 300 miles northwest of the city of Los Angeles and 425 miles (675 kilometers) south-southwest of the Salt Lake City core. Gaming (gambling) was legalized by the state of Nevada in 1931, and Las Vegas has emerged as the principal gaming center of the state and now the world. More recently, Las Vegas has become an important family recreation and leisure destination. Like other resort areas such as Orlando and Honolulu, Las Vegas has prospered from the democratization of prosperity that has produced so much additional household discretionary income since World War II. Without it, urban areas such as these would simply not exist in their present size and form.

## The Metropolitan Area

Las Vegas has probably experienced the greatest growth of any metropolitan area in the high-income world since 1950. In fact, in 1950, Las Vegas was not large enough to be considered a metropolitan area by the US Bureau of the Census. The population of the present metropolitan area

(Clark and Nye counties) was 51,000. From that time to 2005, the metropolitan area has grown to 1,750,000. In just the last five years, the Las Vegas metropolitan area has grown nearly 25 percent and now ranks 31<sup>st</sup> in the nation in population. The areas outside the central city grew approximately 30 percent from 2000 to 2005, compared to 14 percent in the city of Las Vegas.

As is typical of metropolitan areas in the United

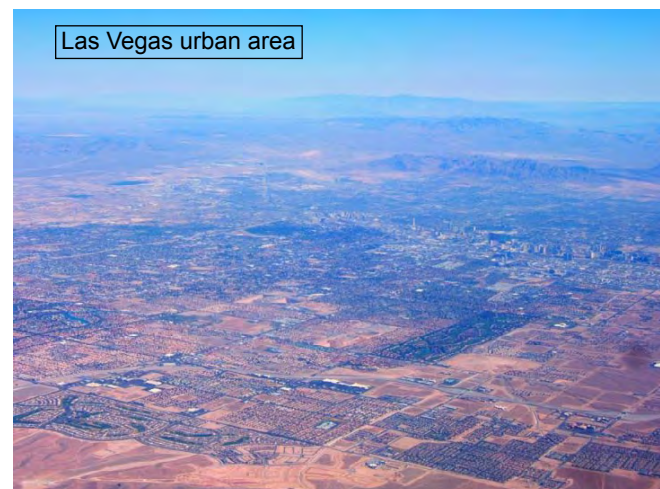


Table Two  
Las Vegas Metropolitan and Urban Area: 2000

Area	Population	Square Miles	Population /Square Mile
Las Vegas Urban Area	1,314,357	286	4,596
Exurban	44,090	37	1,182
Total Urban	1,358,447	323	4,202
Rural	49,803		
Metropolitan Area	1,408,250		

States, the land area is far larger than could be considered metropolitan by any stretch of the imagination. In the United States, metropolitan areas in 44 states (the six New England states excluded) are defined by county lines. In the West, many counties are very large. The two counties that comprise the Las Vegas metropolitan area (Clark and Nye) cover more than 26,000 square miles (67,000 square kilometers), more than eight times that of the Tokyo-Yokohama metropolitan area<sup>1</sup> and larger than the state of West Virginia. If metropolitan areas were defined in the United States based upon a more local census geography (such as the census tract), the metropolitan land area would be far less. This anomaly makes metropolitan area population densities farcical in the United States.

**The Exurbs:** The Las Vegas metropolitan area has five exurbs (urban areas outside the principal urban area). The largest is Pahrump (2005 population 33,000), located in Nye County approximately 45 miles (70 kilometers) west northwest of Las Vegas. Boulder City (2005 population 15,000) is located a few miles outside the Las Vegas urban area, near Hoover Dam. To the south is Laughlin, which has emerged as a major gaming center. This urban area of 8,200 is comparatively dense, with 5,700 persons per square mile (2,200 per square kilometer) in the 2000 census. Mesquite (16,000 people in 2005) is located to the northeast, near the Utah border and is an important gaming center. Drivers from Los Angeles (on Interstate

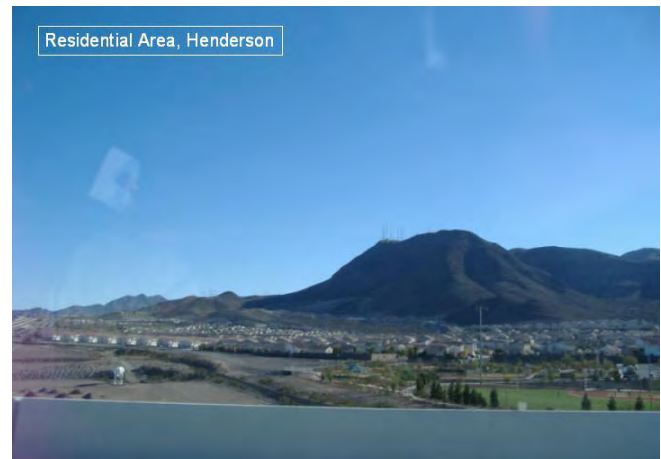


15) encounter a large gaming center stretched laterally along the Nevada-California border, which includes at least two major hotel/casinos. Similarly, another large hotel/casino is located a few miles outside the urban area along Interstate 15, at Jean.

## The Urban Area

The Las Vegas urban area had a population of 1,314,000 in 2000 and, based upon the metropolitan area population increase, likely reached 1,600,000 by 2005. The urban area is comparatively dense, with 4,600 persons per square mile (1,800 per square kilometer). This is one-third more dense than Portland and more dense than all but five of the 37 urban areas with 1,000,000 residents (Los Angeles, San Francisco, San Jose, New York, and New Orleans).<sup>2</sup>

**The Suburbs:** The suburbs of Las Vegas include nearly two-thirds of the urban area population and have a population density 15 percent greater than that of the central city. There are two large suburban municipalities, Henderson (2005 population 230,000) and North Las Vegas (2005 population 175,000). By far the largest suburban population is in the unincorporated portions







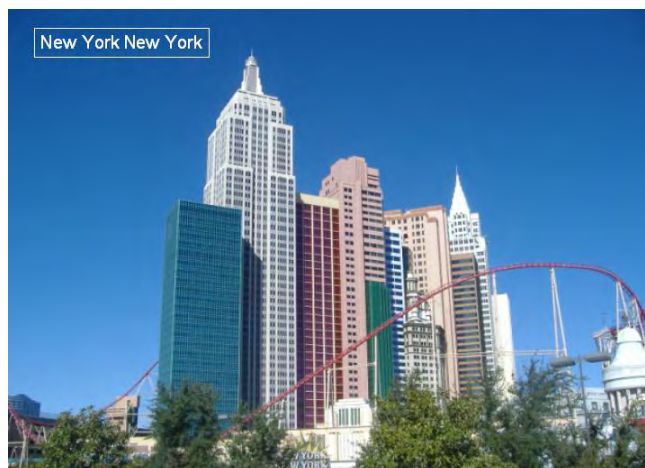
of Clark County, with more than 675,000 residents, part of which is exurban. The suburban areas are principally to the north, southeast and south. Single-family detached dwellings built at comparatively high density characterize neighborhoods. In 2000, slightly more than two-thirds of the urban area population was in the suburbs.

**The Central City:** The city of Las Vegas had a population of 545,000 in 2005, up from 478,000 in 2000. Like the suburban areas, residential development tends to be single-family detached housing, built at comparatively high densities.

**The Las Vegas Strip:** The most fascinating feature of the Las Vegas urban area is the Las Vegas Strip. This is the location of the largest hotels and casinos. The Strip extends for nearly five miles (eight kilometers) along Las Vegas Boulevard. As gaming expanded to other parts of the nation, hotel and casino operators expanded their entertainment offerings and have done much to make their facilities attractive.

A consistent theme has developed in recent years: facilities that are copies of world-famous landmarks. Indeed, a trip down the Las Vegas Strip might be considered a rental car tour of the world.

For example, the Luxor Hotel has a pyramid and a



replica of the Sphinx in front of it on Las Vegas Boulevard. Slightly to the north is New York New York, with imitations of Manhattan's skyline, a replica of the Statue of Liberty, and a not-too-convincing replica of the Brooklyn Bridge. The Paris Hotel has a replica of the Eiffel Tower and the Orsay Museum. A bit further north is the Venetian Hotel, with a replica of the St. Mark's bell tower and gondolas.

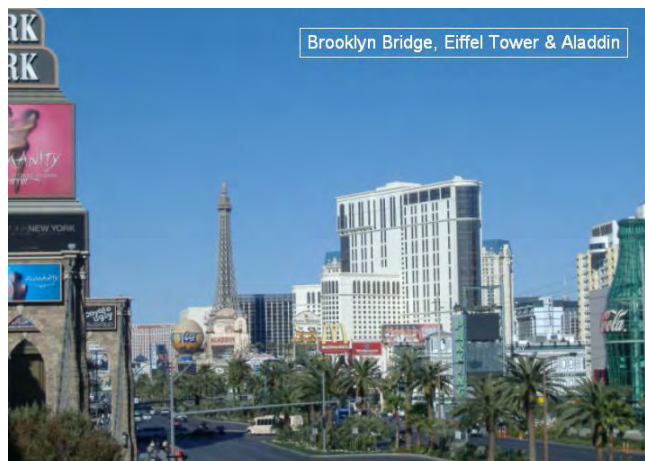
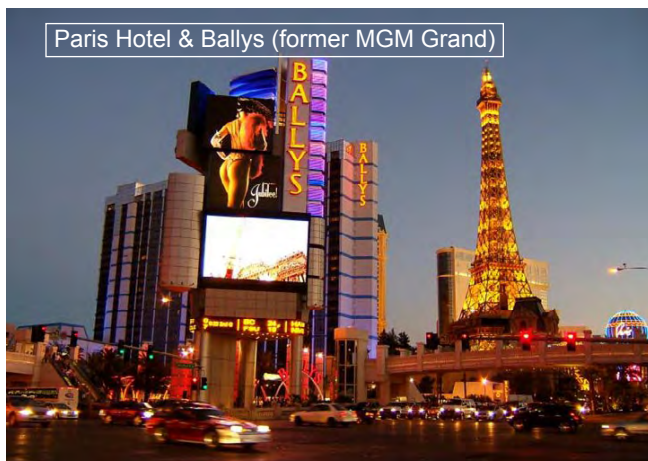
The replicas tend to be smaller than the originals, as is obviously the case with the New York skyline and the Eiffel Tower.

The hotels that have been developed during the past 15 years tend to have larger shopping areas and more restaurants than the older hotels.

The Las Vegas Strip has become a destination for families with children. Some of the hotels are particularly attractive to children, with amusement park rides and other attractions. Excalibur and Treasure Island are examples. Bellagio presents an impressive fountain show in the large artificial lagoon built in the foreground.

The Stratosphere Hotel is 1,150 feet (375 meters) in height, rivaling the Empire State Building in height (which is 150 feet or 50 meters higher). There are amusement rides on top of the hotel, including a roller coaster.

The MGM Grand Hotel has more rooms than any



Las Vegas Strip: Stratosphere Hotel



other hotel building in the world (5,000). This hotel was built in the early 1990s. A previous version suffered a disastrous fire in 1980 and was rebuilt. It was later sold and renamed Bally's.

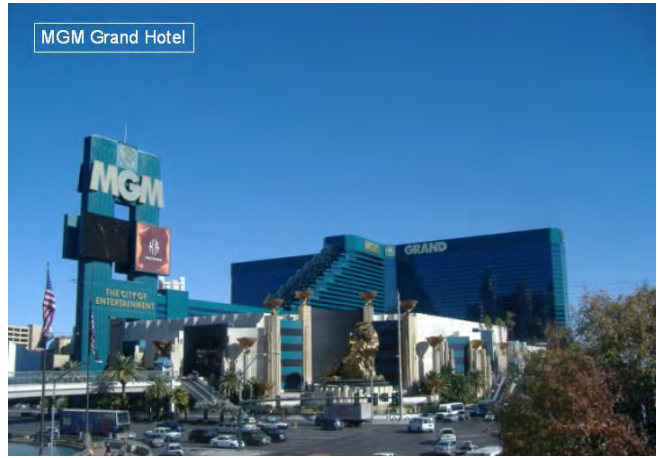
It appears that architects and psychologists have worked hard to keep gamblers in the gaming areas. Generally, the public areas of the hotels and casinos have black ceilings and no windows. There are no clocks. This makes it easy to forget time. Routes to attractions often meander through the casino areas, providing all manner of temptation to gamble.

**Other Gaming Areas:** Downtown Las Vegas also has large hotel/casinos, though not nearly to the extent of the Las Vegas Strip. The first casinos in Las Vegas were in the downtown area. Perhaps the most famous is the Golden Nugget, which was established in 1946, though has been extensively expanded and rebuilt. Other hotel/casinos have been built in other parts of the urban area.

## The Los Angeles Connection

The growth of Las Vegas has been closely associated with Los Angeles. The Los Angeles urban area has added more

MGM Grand Hotel



population than any high-income world urban area other than Tokyo-Yokohama since 1950. With a population of approximately 15 million, the Los Angeles urban area provides a strong, virtually adjacent market for Las Vegas. Generally, the 200 to 300 miles (325 to 500 kilometers) between the two can be driven in three to five hours. Airplanes take one hour. There is concern about rising traffic congestion between the two metropolitan areas. Inevitably, there have been proposals to establish high-speed rail or maglev service, but either would require huge subsidies, while having minimal impact on traffic. The transportation capacity answer is simply to widen Interstate 15 to six or eight lanes, which can be easily and cost-effectively done within the current roadway footprint (in the median).

The relationship to Los Angeles is also evident in the large, free parking lots behind virtually all of the hotels. Las Vegas is car country. A large share of the tourists reach Las Vegas by automobile, principally from the Los Angeles area.

The impact of Los Angeles on Las Vegas is evident when compared to Reno, which was the largest metropolitan area in Nevada as late as 1950. Reno has since fallen far

Statue of Liberty at New York New York

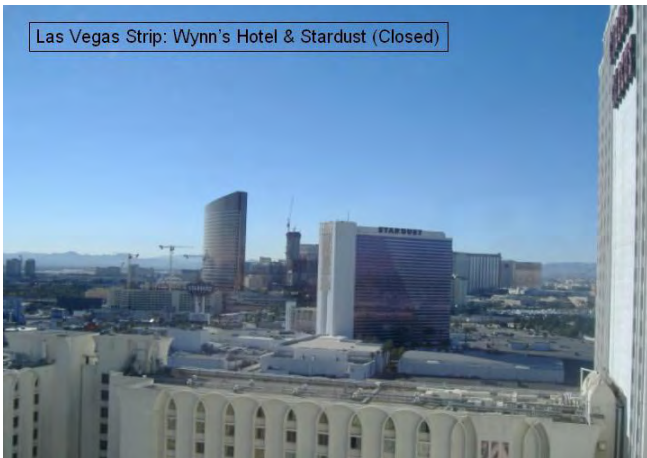


Las Vegas Strip: Treasure Island Hotel





Las Vegas Strip: Wynn's Hotel & Stardust (Closed)



behind Las Vegas, with a metropolitan population of approximately 400,000. Reno's largest adjacent market is the San Francisco Bay area, which has grown far more slowly than Los Angeles.

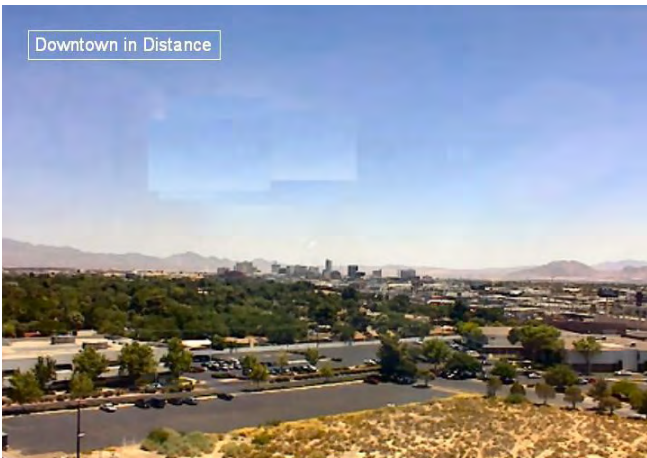
## Gaming Competition

New Jersey legalized gaming in Atlantic City in the 1970s. Since then, gaming has expanded significantly throughout the United States and the world. The competition does not appear to have diminished the popularity of Las Vegas. Casino and hotel operators have responded by expanding their offerings to attract to families and children and have added an array of new attractions, such as the replicas of world sites noted above.

## Housing

As late as the early 2000s, Las Vegas was an affordable housing market, with median house prices approximately three times median household incomes. However, as development has continued, the supply of privately owned land on the periphery has declined. Most of the developable

Downtown in Distance



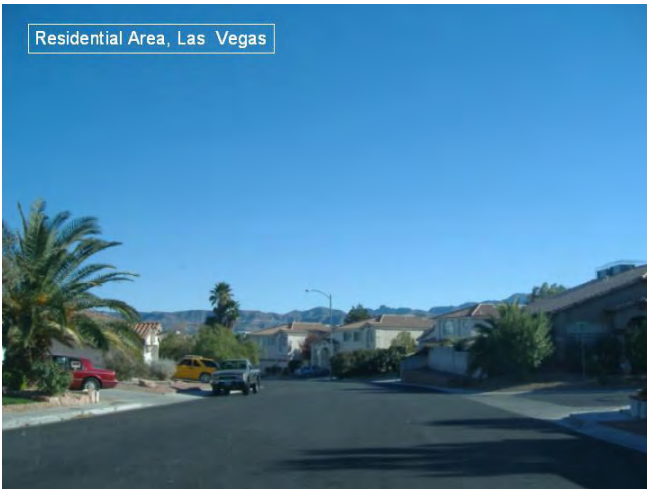
land was owned by the federal government, which has historically sold land to developers to accomodate Las Vegas' growth. However, since 2001 land sales have been limited due to environmental concerns. Recent federal auctions have obtained more than \$300,000 per acre. The federal government itself has been surprised at this, having anticipated only one-eighth the sales revenues.

This land scarcity premium has driven the price of housing up and Las Vegas is now among the most unaffordable housing markets in the United States. In one particularly curious transaction, exurban Boulder City purchased more than 160 square miles (250 square kilometers) of land for the purpose of preservation. This represents a land area more than one-half that of the Las Vegas urban area, which is located only a few miles from the urban fringe. This land could have accommodated more than 750,000 people at Las Vegas densities and could have been important in alleviating the land shortage and the unaffordable housing market. Thus, while Las Vegas does not generally practice "smart growth" or "urban containment" per se, the effect of government policies—federal auctions and Boulder City preservation—is the same.

Residential Area, Las Vegas



Residential Area, Las Vegas





## Transport

### Highways

Las Vegas has more intense traffic than its population would justify. Among the 39 US urban areas with more than 1,000,000 population, Las Vegas ranks 36<sup>th</sup>, with a daily miles of vehicle travel per capita of 18.7. Only Philadelphia, New York and New Orleans<sup>3</sup> have less average travel.<sup>4</sup> Nonetheless, Las Vegas has a traffic intensity more than 10 percent above average, ranking 8<sup>th</sup> out of 39. Generally, more dense urban areas have greater traffic intensities and this appears to be the cause in Las Vegas.

Further, Las Vegas has an underdeveloped freeway system. The only freeway that crosses the entire urban area is Interstate 15, which operates from San Diego, through metropolitan Los Angeles to Salt Lake City and beyond. Interstate 515 has a route from downtown to Henderson, while Interstate 215 is being developed as a belt route (ring road) around the outer portion of the urban area. Las Vegas, like Austin, had too small a population to justify a large freeway network when the interstate system



was finalized in the middle 1950s and has paid the price in greater traffic congestion (also like Austin) as a result.

To cope with the intense traffic in the Las Vegas Strip area, local officials have built extremely wide streets and overpasses. This is illustrated by the seven westbound traffic lanes that approach Las Vegas Boulevard on Tropicana Avenue.

### Public Transport

**Bus:** Las Vegas has substantially increased the use of public transport. A new public transport system was established in the early 1990s and today carries approximately 50,000,000 trips (including transfers). This is quintuple the 10,000,000 trips that were carried before. The increase in ridership is principally due to the expansion of the route network to cover most of the urban area. There is strong tourist ridership along the Las Vegas Strip, where the public transport administration (Regional Transportation Commission) has established "The Deuce," an attractive double-deck bus service. Nonetheless, the overall market share of public transport hovers at approximately 1.0 percent, which is nearly the same as the urban area average





Las Vegas monorail &amp; 16-story parking garage



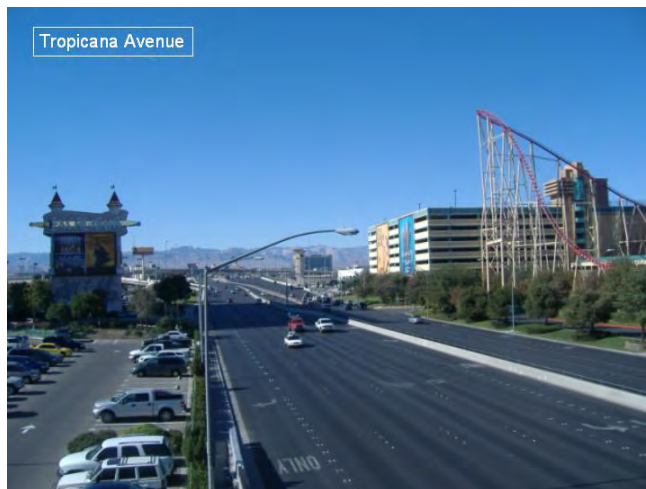
for the nation outside New York.

The Regional Transportation Commission competitively contracts all of the service to private operators and, as a result, costs are substantially lower than in the non-competitive environments typical of American and Canadian public transport.

**Monorail:** The Las Vegas Monorail is a privately financed venture that was to be profitable and carry 53,500 riders per day. The right of way is located behind the hotels on the east side of Las Vegas Boulevard South, which means that the monorail is able to provide convenient service to only one side of the Strip.

The author took part in an evaluation of the plans, before bonds were issued.<sup>5</sup> Our judgment was that the daily ridership would be in the range of 16,900 to 25,400 and that the ridership would be insufficient to pay the operating and capital costs. The Las Vegas Monorail has had safety and operating problems and has not achieved its ridership or revenue objectives. Ridership has never reached 25,000 per day, the high level of our forecast, and recently has been around 20,100, near the mid-point of our forecast.<sup>6</sup> This is more than 60 percent short of what was characterized as an “investment grade” projection that

Tropicana Avenue



was prepared for investors.

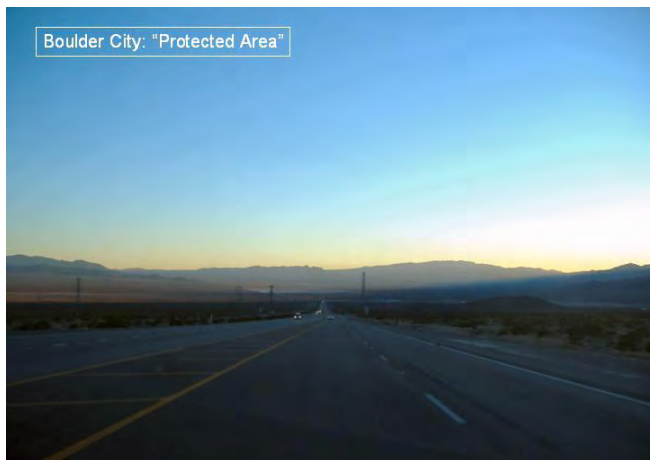
There are three more monorails, which operate without charging fares, on the west side of Las Vegas Boulevard South. These monorails are smaller than the Las Vegas Monorail and provide service between adjacent hotels.

## References

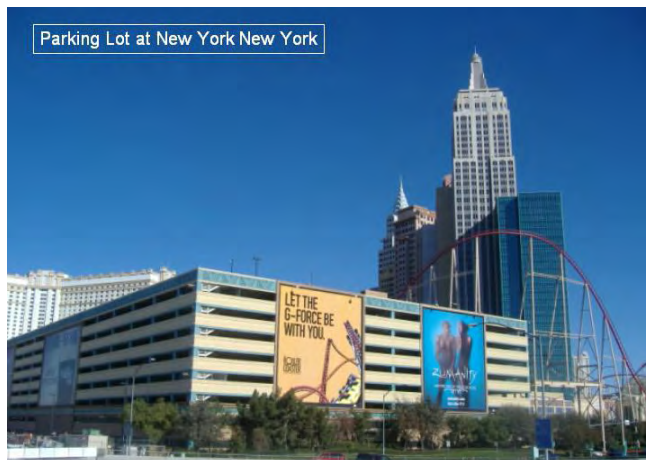
1. See <http://tinyurl.com/y36vql>.
2. 2000 data. The population reduction in New Orleans from the failure of levees associated with Hurricane Katrina has apparently reduced its population density to below that of Las Vegas by as much as 40 percent (<http://tinyurl.com/y2apuk>).
3. Based upon data before Hurricane Katrina.
4. <http://tinyurl.com/y3gwqa>.
5. <http://tinyurl.com/tlsfr>.
6. <http://tinyurl.com/wowze>.

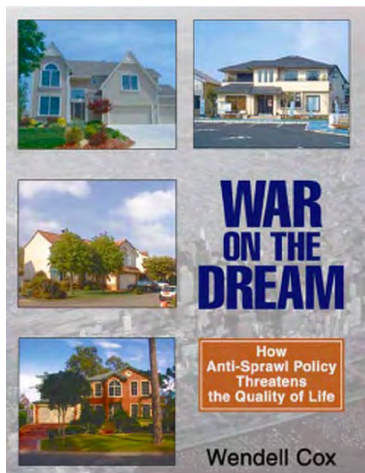
*Aerial, twilight, and monorail photos by Randal O'Toole; remaining photos by Wendell Cox.*

Boulder City: "Protected Area"



Parking Lot at New York New York





# War on the Dream

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## Urban Tours by Rental Car: About the Series

*Urban Tours by Rental Car* offers perspectives on urban development obtained by automobile tours through urban areas. Rental cars are not the favored method for visiting cities, especially those outside one's own country. Instead, tourists and urban planners favor packaged tours or local public transport systems. Both are splendid ways for seeing the city as it used to be --- the very reason for most tourist visits. The historical core areas contain monuments, prime government and religious edifices and quaint neighborhoods that are often centuries old. This is particularly important to tourists from the newer urban areas of the American, Canadian or Australian West, where history extends not far before World War II. It is further understandable that few tourists travel thousands of miles to see the newer suburban areas that look very much like home. But most tourists do not profess to be students of the urban area.

For the urban planner interested in understanding the whole urban area, it is not enough to study the core alone, regardless of its architectural attractiveness, romanticism, history or affirmation of an individually preferred life style. No one, regardless of the depth of their education can develop reliable conceptions from an unrepresentative sample, and urban cores are the very essence of unrepresentative samples. Both public transport and packaged tours miss the larger part --- the expanse of sprawling residential and business development that rings virtually all major urban areas. They may be of little interest to many urban planners, but they should be.

Stripping away regional architectural facades, one might as well be in the suburbs of Phoenix, Portland, Perth or Paris. Here, the automobile is king, because no public transport system has been developed that can effectively serve destinations outside the core (at least at a price any society can afford). While public transport market shares are higher in European suburban areas than in the New World, much of the difference is attributable to lower incomes and less automobile access. Indeed, public transport's principal weakness, lack of automobile competitiveness, is itself a contributing factor to the rising motorization occurring from the suburbs of Copenhagen and Nagoya to the suburbs of Lagos and Mumbai. To oversimplify this phenomenon as being a "love affair with the automobile" is the equivalent of saying that Singaporeans or Brazilians have a love affair with air conditioning. Human beings prefer comfort to discomfort and they prefer free time to time over which they have no control.

It is no wonder that tourists return to the United States thinking that all Paris looks like the second arrondissement (less than one percent does) and that urban planners think all of Milan looks like the architectural treasures that surround the Cathedral. In fact, the sprawling suburbs of Europe, Japan, Canada and Connecticut resemble one another in many ways. For any seeking to study the urban area in its entirety --- not just the favored haunts of core-dwelling elites --- there is no alternative to "getting behind the wheel." Thus, "urban tours by rental car."