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Las Vegas' new CityCenter, a big gamble prepares to open

By Kitty Bean Yancey, USA TODAY

LAS VEGAS — Some of the world's top architects and designers have taken a fresh deck of cards and created a Xanadu on the [Las Vegas Strip](#).

CityCenter's half-dozen glass-and-steel towers — including two condo high-rises that lean 5 degrees instead of standing upright — add a futuristic look to this desert destination.

Inside, it resembles a modern art gallery and mind-boggling design showcase more than themed Vegas resorts. Pieces include an 84-foot silver serpentine sculpture depicting the course of the [Colorado river](#), designed by [Maya Lin](#) of [Vietnam Veterans Memorial](#) fame. That hangs above the front desk of the Aria Resort & Casino.

The \$8.5 billion hotel/living/dining/entertainment/shopping destination is billed as the largest privately funded construction project in the USA and is considered Vegas' big gamble. Its lack of emphasis on gaming (only Aria has a casino), edgy style and city-within-a-city layout are "the next step in the evolution of Vegas," says CityCenter CEO [Bobby Baldwin](#)— unlike anything yet seen in the USA's adult [Disneyland](#).

PHOTO GALLERY: [First look at Las Vegas CityCenter](#)

CityCenter is due to open in stages on 67 acres, starting Dec. 1 with the Vdara resort/condo, Dec. 3 with the Crystals retail/dining/entertainment complex, and Dec. 4 with the [Mandarin Oriental](#), Las Vegas hotel and residences. This joint venture between the MGM Mirage casino-resort giant and Dubai World — a United Arab Emirates firm that invests in various properties — is premiering during one of the less-stellar years in Vegas history. It's \$1.2 billion over budget, causing analysts to speculate whether the big bet will pay off.

"Clearly, the timing couldn't be much worse, though it's slightly better than a year ago," says Robert LaFleur, gaming analyst at Susquehanna Financial Group. (The Group owns a less-than-5% share of [MGM Mirage](#), LaFleur says; the exact share is not disclosed.) "The Las Vegas market is a tough place" at the moment, he says.

Visitor numbers were down 4.7% January through September vs. 2008, the Las Vegas Convention and Visitors Authority reports. Convention attendance dropped 27.1% during that period. Hotel discounting is the norm now, leaving luxe Aria and Vdara little choice but to open at official rates under \$200 — from \$179 on slow days for Aria; \$149 for Vdara. That's at least 20% off what they originally expected, guesses [Anthony Curtis](#), publisher of the *Las Vegas Advisor* and an expert on local deals. He found a \$129 offer at Vdara in December.

Mandarin Oriental is banking on high rollers, with 392 rooms and suites that start at \$545, with a second night free.

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Baldwin, a poker-faced former [World Series](#) of Poker champ, is used to taking risks. He sees CityCenter, designed for the high-end visitor, as bringing more culture to Vegas and serving as "a huge economic spark plug" for the struggling destination. It will provide 12,000 jobs, he says.

However, MGM Mirage had to seek outside financing from various banks to complete CityCenter. What will happen to the 10,000 construction workers who have been toiling around the clock remains to be seen.

What isn't a matter of speculation is that an early tour of CityCenter reveals that renowned architects and designers including Argentina-born César Pelli and New York's Rockwell Group have created a new look for Vegas between MGM Mirage's Bellagio and Monte Carlo resorts. A tram is due to connect the three starting Dec. 1.

Flashy neon signs and glitter are out. Natural materials such as recycled wood, stone and concrete are in. Six buildings in the complex already have gold status in the Leadership in Energy and Environmental Design (LEED) Green Building Rating System. That's based on a third-party rating for eco-correctness; CityCenter's status is a record in energy-squandering Vegas. (The 400-room Harmon boutique hotel, not due till late next year, isn't LEED-certified yet.)

Yes, there is a lavish [Cirque du Soleil](#) Elvis tribute in Aria's showroom, but there are no lava-spewing volcanoes or pirate-ship battles on manmade lagoons — just art installations by the likes of [Frank Stella](#) and Claes Oldenburg and multihued arcs of water that will collide and explode in a pool outside Aria. They're from designers of the dancing-to-music Bellagio fountains but are on a micro scale.

"The idea was to be different and leading-edge," says Baldwin, sitting in his office next to the construction site off [Frank Sinatra](#) Drive, which still is swarming with workers. The CityCenter team traveled the world seeking design inspiration. "If I had seen it (in Vegas), I didn't want it," Baldwin says. He chose multiple architects to avoid a single look.

Focal points

CityCenter, with its intricate details, can take days to take in.

Its centerpiece resort is 61-story Aria (so named because arias are focal points in operas), due to open Dec. 16. It has 4,004 rooms and suites accessed via smart keycards — wave



them in front of doors to open. A cutting-edge system lets guests set everything from lighting levels to temperature to drapes, alarms and "do not disturb" signs via the TV or bedside panel. A downside: Standard rooms are small, so spring for larger quarters if you can.

Aria's casino looks like no other in Vegas, incorporating earthy colors and a forest theme. You'd never guess the faux tree trunks in an adjacent bar are carved out of foam. Gamers who hate the smell of cigarettes will find a system new to Vegas that sucks smoke up and away, says Aria and Vdara President Bill McBeath, giving a tour as hard-hats hammer and rush to finish.

As at other casino resorts, there's a separate entrance, check-in and quarters for VIPs, plus private gaming areas. One has \$2,000-a-pull slot machines.

Some walls in Aria's upscale Chinese restaurant are made of jade-colored silk, ripped out and redone when McBeath didn't like the original craftsmanship.

The masses can sip and chew at Aria's coffee shop, shaped like a Mayan pyramid and made of reclaimed river rocks. (No Starbucks here or elsewhere in CityCenter. "Everyone has a Starbucks," McBeath sniffs.) Aria's spa with 62 treatment rooms has something new for been-there-done-that hedonists: a sauna-like salt-block room from Japan and a relaxation area with heated-stone chaise longues.

With big-spending and superstitious Chinese gamblers in mind, Aria lacks floors 40-49. "The number four in Chinese when said sounds like the word for death," MGM Mirage spokeswoman Jenn Michaels explains. "The superstition is strongest in a gaming environment."

Next tour stop is Vdara, the hotel/condo that's the first to open and that Michaels calls the "sleeper" of CityCenter. Just steps from Aria, it should play well with visitors who seek serenity as well as access to the action, and it's the best value in CityCenter. All accommodations are non-smoking suites with kitchens and floor-to-ceiling glass windows (request one with views of the Bellagio fountains). A rooftop pool and spa with Champagne bar add to its appeal.

The Mandarin Oriental is all muted elegance, including an Asian-style welcome in the intimate 23rd-floor lobby with polished black-granite reception desk, adjoining a tea lounge and bar. The bar offers amazing views of the Strip through 20-foot picture windows.

The three-story Crystals retail/entertainment center aims to entice with ice-crystal sculptures, a carpet of flowers that changes seasonally and the most futuristic-looking shops in Vegas. The 750,000-square-foot complex has the largest Louis Vuitton and Prada stores in the USA. Not one luxury retailer pulled out, even in these tough times, says Crystals general manager Farid Matraki.

The shopping/dining/partying district looks like a design showplace. It also offers Vegas' most velvet-rope shopping experience, with a separate entrance accessible only to those bearing invitation-only cards. "God only knows Las Vegas doesn't need another mall," says Matraki. "We're trying to create an experience. Everyone is using their best and newest concepts here."

CityCenter's 2,400 condos, at every lodging property but Aria and Harmon and in the two leaning Veer Towers, are downplayed on the tour, perhaps because that market in Vegas – as elsewhere – is dismal. MGM Mirage announced a 30% price reduction in October after some buyers threatened lawsuits because of the drop in value. Lower-end studios that once were \$500,000 now are about \$350,000, Michaels says, adding that about half the condos are sold.

Tempting offers

CityCenter's opening comes on the heels of MGM's reported third-quarter net loss of \$750.4 million, in part because of falling room revenue at its nine other Vegas casino resorts and because it wrote down the value of CityCenter. Until Dubai World came aboard, there was doubt CityCenter would be finished.

Now that it's about to open, MGM Mirage is offering the under-\$200 come-ons and wooing guests who've visited its other Vegas properties with free-night offers with a paid stay. Another way to get deals is to sign the guest books on CityCenter hotel websites, Michaels says.

MGM also is encouraging everyone to take a gander at CityCenter. "Hopefully, they'll see this as the next evolution of Vegas," says CityCenter chief Baldwin, who doesn't blink when asked whether the project is too ambitious for the times or suited to the Vegas crowd. "We believe we know what the customer wants. ... If I'm accused of anything, it's of being different."

Even those going after the same deep-pocketed guests, such as Strip kingpin Steve Wynn, wish CityCenter well – at least publicly.

"We've got our fingers crossed that it's a success and that it grows the market," says Wynn, whose nearly year-old Encore has started discounting rooms as low as \$109. He adds, enigmatically, "It's certainly different than anything we've seen before, and the fellows who run it are almost as mystified as we are."

Vegas does have a track record of "new hotels creating new demand," analyst LaFleur notes. CityCenter hopes to attract sophisticates who wouldn't normally consider a Vegas vacation.

A just-released report by CB Richard Ellis, which analyzes real estate and Vegas, says that "10% to 30% of CityCenter's revenue will be incremental revenue for the market," but the "balance is expected to come at the expense of existing Strip casinos."

Says *Las Vegas Advisor's* Curtis, "Short term, there's lots of skepticism and even worry that it may hurt a little more than it helps. I think it will have its glow time early, then tread water waiting for the economy to return. But if things get back to normal, it will be a big winner."

If it's a visitor magnet, "It could be a turnaround point for the city," says Brent Pirotsch, a CB Richard Ellis analyst.

Still, CityCenter creators "are clearly opening with a 2007 business mode – high-end rooms and restaurants, less emphasis on gaming," LaFleur says. "The question is, in a post-prosperity society, has something changed in people's spending habits?"

"Are there enough people to support four high-end (hotels) and go out and spend (on celebrity chefs and luxury goods)? In my opinion, the jury is still out."

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