

# MANUFACTURING, TRANSPORTATION, DISTRIBUTION & LOGISTICS

### KINGMAN, ARIZONA

The park is a perfect fit for those business in manufacturing and distribution industries. Companies involved in the production of high value-added hard goods ranging the gamut of materials from composites and metals, to plastics and refractory materials. These goods may be simple one-piece components, mechanical devices, electronics, complex multiple part apparatus, or anything in between. Manufacturing businesses see substantial benefits from their Kingman location, with convenient access to transportation, low business costs, business-friendly environmental regulations, easy-access to savvy manufacturing talent, and an active year-round lifestyle

Companies such as, American Woodmark, West Cost Netting, Tru Serve, Interstate Trailers, Laron Engineering, Dillon Transportation, Cascades Tissues Group, and Honeywell Aerospace are all examples of manufacturers and distribution companies that call the Kingman Industrial Park Home

If you're company is considering a **manufacturing** or **distribution** location in Arizona, our economic development experts are here to help you explore all that the Kingman Industrial Park has to offer.



- Available and site ready industrial properties located in national OPPORTUNITY ZONE INVESTMENT AREAS
- Rail served properties BNSF via Patriot
- Railroad short line provider
- A workforce trained and experienced in manufacturing
- Easy access to suppliers and customers in the west coast markets
- Low business costs & Business friendly environmental regulations
- Programs that make it easy to connect with suppliers business and
- workforce in the Kingman Region
- Easy access to California and the Western United States



KINGMAN INDUSTRIAL PARK & THE CITY OF KINGMAN, ARIZONA
TEL: (928) 565-1416 FAX: (928) 757-9871

### COST OF BUSINESS

### **Industrial Land & Building Costs**

Large Electric Costs (Unisource Energy

Basic cost per month

On peak

Off peak

Energy (annual avg. \$/kwh)

Demand (\$/KW)

Cost per acre \$36,000-\$150,000 Lease rate (\$/sqft/month) \$0.35-\$0.65 Construction cost (\$/sqft) \$80.03-\$109.28

### INCENTIVES

Opportunity Zone Properties

Quality jobs tax credit program

Sales tax exemption for machinery

and equipment
Research & Development Income Tax

Credit Program

Accelerated Depreciation Schedules

Qualified Facilities Tax Credits

Sources: Unisource Energy Services Tariff, Large General Service Time-of-use, July 2018; 2018
RS Means Building Construction Costs and Square Foot Costs (pre-engineered metal warehouse building, 10,000 to 60,000 square fooet); Loopnet, July 2018.

Government Property Lease

Excise Tax & Jobs Training

Grant Program

### Comparative annual nonexempt labor costs comparison

Vs. Phoenix, Las Vegas, Riverside/San Bernardino, St. George

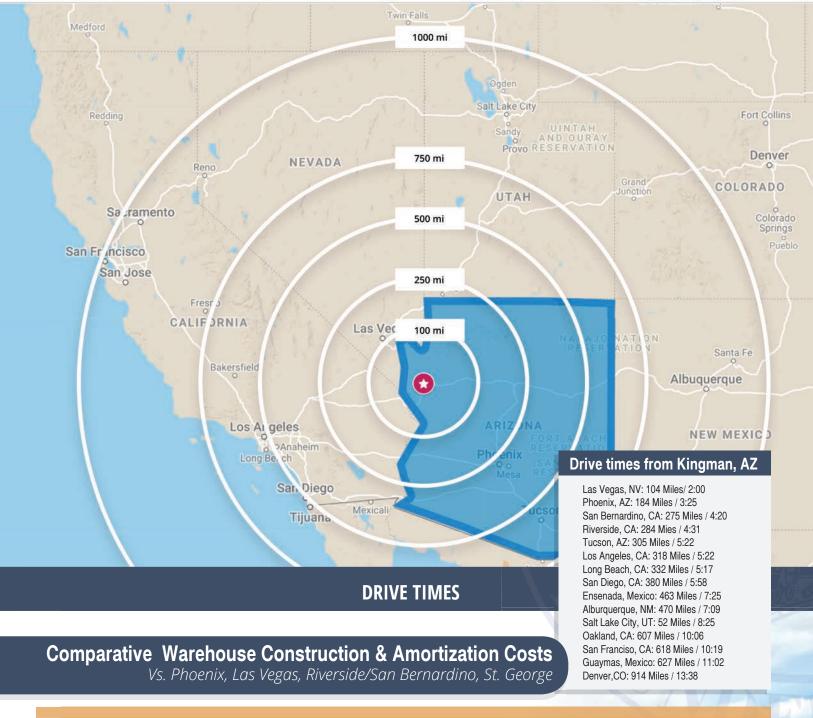
\$300.00

\$0.1914

\$0.0863

\$14.51

JOB TITLE	# OF WORKERS	KINGMAN	PHOENIX,AZ	LAS VEGAS, NV	RIVERSIDE/SAN BERNARDINO, CA	ST.GEORGE, UT
Warehouse Worker	20	\$9.25	\$13.10	\$14.36	\$13.63	\$9.28
Material Handler	25	\$11.17	\$14.00	\$15.35	\$14.62	\$10.56
Order Filler	30	\$12.58	\$14.23	\$15.27	\$14.83	\$11.08
Light Assembly	10	\$12.81	\$14.61	\$15.68	\$14.82	\$12.52
Packer	10	\$12.48	\$13.91	\$14.95	\$14.08	\$11.00
Maintenance Mech.	4	\$20.62	\$24.64	\$27.59	\$26.72	\$17.84
Maintenance Elec.	3	\$20.13	\$25.29	\$30.07	\$29.95	\$23.23
Stock Clerk	5	\$11.06	\$12.82	\$13.75	\$13.27	\$10.81
Shipping & Receiv.	12	\$13.96	\$17.16	\$18.31	\$18.16	\$11.53
Forklift Operator	12	\$13.74	\$15.88	\$17.35	\$16.77	\$11.13
Truck Driver - Light	5	\$11.97	\$16.52	\$18.06	\$17.56	\$10.69
Trck Driver - Heavy	10	\$19.48	\$21.90	\$23.86	\$23.59	\$16.16
Security Guard	12	\$9.15	\$16.59	\$17.96	\$16.66	\$11.09
Inventory Control	5	\$14.94	\$17.64	\$18.82	\$18.72	\$13.87
Traffic/Rate Analyst	6	\$23.74	\$26.94	\$28.30	\$28.73	\$22.35
Secretary	5	\$13.54	\$16.73	\$18.03	\$17.67	\$13.11
Weighted Average H	lourly Earnings (1)	\$13.31	\$16.10	\$17.46	\$16.94	\$12.19
Total Annual Base P		\$4,443,426	\$5,363,253	\$5,816,929	\$5,643,989	\$4,062,984
Fringe Benefits (3)		\$1,596,033	\$1,931,131	\$2,094,095	\$2,031,836	\$1,462,674
Total Annual None	kempt Labor Costs	\$6,029,459	\$7,295,385	\$7,911,024	\$7,675,825	\$5,525,658



KI	NGMAN, AZ	PHOENIZ, AZ	LAS VEGAS, NV	RIVERSIDE/BERNARDINO,CA	ST. GEORGE, UT
Number of Acres	65	65	65	65	65
Building Square Ft	750,000	750,000	750,000	750,000	750,000
Cost per Acre	\$47,916	\$106,286	\$138,521	\$178,596	\$87,120
Total Land Cost	\$3,114,540	\$6,908,616	\$9,003,852	\$11,608,740	\$5,662,800
Construction Cost (1)	\$41,148,000	\$41,957,625	\$49,672,875	\$49,577,625	\$41,052,750
Machinery & Equip.	\$9,250,000	\$9,250,000	\$9,250,000	\$9,250,000	\$9,250,000
Total Project Investment	\$53,512,540	\$58,116,240	\$67,926,727	\$70,436,365	\$55,965,550
Project Amortization					8
Cost of funds (Interest)	5%	5%	5%	5%	5%
Payment Factor (2)	0.0710	0.0710	0.0710	0.0710	0.0710
<b>Total Annual Amort. Cost</b>	\$3,796,846	\$4,123,490	\$4,819,568	\$4,997,633	\$3,970,893

Shipping Expenses Compared Vs. Phoenix, Las Vegas, Riverside/San Bernardino, St. George

### **INBOUND SHIPPING COSTS**

Origin City	Annual Shipments	Kingman, AZ	Phoenix,AZ	Las Vegas, NV	Riverside/Sanbernardino, CA	St. Geoge, UT
Los Angeles, CA	191,800	\$4,835,406	\$6,110,173	\$4,252,526	\$2,557,333	\$7,778,065
Long Beach, CA Dakland, CA	175,8200 63,930	\$4,515,644 \$2,152,821	\$5,585,919 \$2,834,656	\$3,967,906 \$1,963,290	\$2,344,267 \$1,390,584	\$7,208,386 \$3,136,406
Seattle, WA	52,280	\$2,855,382	\$3,539,497	\$2,560,459	\$2,636,081	\$3,147,250
Tacoma, WA	47,950	\$2,563,407	\$2,285,617	\$2,285,617	\$2,287,615	\$2,841,453
MEXICAN POINTS	OF ORIGIN					
Fijuana, Baja	26,640	\$736,596	\$680,652	\$645,221	\$272,918	\$704,575
Nexicali, Baja	26,640	\$583,682	\$449,417	\$680,652	\$934,716	\$736,463
logales, Sonora	26,640	\$503,247	\$360,528	\$623,616	\$615,384	\$1,107,691
d. Juarez, Chihuahua	26,640	\$1,181,999	\$820,938	\$1,375,832	\$1,589,307	\$1,476,460
Nonterrey, Nuevo Leon	26,640	\$2,532,292	\$2,719,507	\$2,718,843	\$3,025,656	\$2,512,205
U.S. POINTS OF O	RIGIN					
Boston, MA	33,300	\$3,860,802	\$3,931,010	\$3,939,923	\$4,249,080	\$4,182,769
Charlotte, NC	33,300	\$3,644,369	\$3,712,451	\$3,813,776	\$4,032,852	\$4,215,869
etroit, MI	33,300	\$3,386,321	\$3,431,232	\$3,405,125	\$3,681,315	\$3,636,826
t. Louis, MO	33,300	\$2,688,309	\$2,744,653	\$2,848,637	\$3,047,616	\$6,084,490
louston, TX	33,300	\$2,064,367	\$1,909,910	\$2,231,899	\$2,224,174	\$2,624,384
OTALS	832.480	\$38,104,672	\$41,478,258	\$37,319,321	\$34,348,897	\$48,393,291

#### **OUTBOUND SHIPPING COSTS**

CALIFORNIA MARKE	TS					
Origin City	Annual Shipments	Kingman, AZ	Phoenix,AZ	Las Vegas, NV	Riverside/Sanbernardino, CA	St. Geoge, UT
Los Angeles, CA San Fransico, CA Riverside/San Bernardino,CA San Diego, CA Sacremento, CA	159,840 79,920 79,920 39,950 39,950	\$1,910,621 \$1,701,017 \$784,068 \$578,396 \$1,804,249	\$2,457,540 \$2,297,700 \$1,031,501 \$568,795 \$1,538,341	\$1,420,658 \$1,460,005 \$538,181 \$465,937 \$1,102,380	\$22,131,200 \$1,802,649 \$1,065,600 \$532,667 \$1,291,983	\$1,474,098 \$1,483,262 \$563,916 \$475,685 \$1,502,190
WESTERN U.S. MAR	KETS					
Phoenix, AZ Seattle, WA Denver, CO Portland, OR Las Vegas, NV	53,280 53,280 53,280 53,280 53,280	\$630,835 \$4,088,388 \$2,866,428 \$3,101,535 \$710,400	\$710,400 \$4,596,460 \$2,926,351 \$3,612,810 \$703,651	\$877,628 \$3,801,297 \$2,740,261 \$2,784,875 \$710,400	\$1,567,764 \$4,577,871 \$3,915,654 \$3,487,922 \$1,063,664	\$877,202 \$3,414,289 \$2,151,606 \$2,605,925 \$710,400
U.S. DISTRIBUTION	CENTERS					
New York, NY Atlanta, GA Chicago, IL Memphis, TN Dallas, TX	33,300 33,300 33,300 33,300 33,300	\$4,749,413 \$3,176,043 \$2,860,115 \$2,398,599 \$2,050,192	\$4,709,386 \$3,114,205 \$2,817,180 \$2,350,192 \$1,920,655	\$4,895,100 \$3,349,814 \$2,856,829 \$2,561,769 \$2,224,018	\$5,564,985 \$3,977,796 \$3,605,968 \$3,195,068 \$2,783,913	\$4,521,671 \$3,122,896 \$2,498,366 \$2,339,880 \$2,001,019
TOTALS	832,480	\$33,410,299	\$35,355,137	\$31,789,153	\$40,564,704	\$29,295,404

Source: LeanDex Oct. 2015, mileage and estimated cost per mile (base plus fuel) Notes: Calculations assume a 30,000 lb. truckload; Shipments to destinations that are less than 150 miles from the point of origin are assumed to cost \$400 per truckload.



"Shelves West is part of American Plastics who operates Injection molding companies across the country. The growing city of Kingman was chosen to facilitate our growing company needs as we have expanded our market to include all 50 states as well as the US territories. We take great pride in calling Kingman our home and look forward to many great years in this wonderful community."

Clarence Higgins, Plant Manager Shelves West Kingman Arizona.



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## COST OF LIVING

City residents enjoy a diverse range of housing options and a comfortable year-round climate all at a cost of living well below the national average.

### ARIZONA VS. CALIFORNIA

#### CORPORATE INCOME TAX

ARIZONA: 5.5% CALIFORNIA: 8.84%

**SALES TAX** 

ARIZONA: 5.6% CALIFORNIA: 7.5%

**GASOLINE TAX** 

ARIZONA: \$.18 per gallon CALIFORNIA: \$.35 per gallon

WORKERS COMPENSATION PREMIUMS (1 being the highest, 51 being the lowest)

ARIZONA: 37 CALIFORNIA: 1

TOTAL STATE PER CAPITA TAX COLLECTIONS

ARIZONA: \$1944 (Lowest in nation) CALIFORNIA: \$3558 (10th highest in nation)

LEGAL CLIMATE RANKING (1 being the best, 50 being the worst)

ARIZONA: 25 CALIFORNIA: 47



#### **UNEMPLOYEMENT INSURANCE**

	TAXABLE WAGE	NEW EMPLOYER RATE	AVG. EMPLOYER CONTRIBUTION
AZ	\$7,000	2.00%	2.20%
CA	\$7,000	3.40%	5.10%

Sources: CA Franchise Tax Board, Corporate Tax Rates, Oct. 2015; AZ Department of Revenue, Oct. CA State Board of Equalization, Oct. 2015. Oregon Department of Consumer and Business Services, "2014 Oregon Worker's Compensation. U.S. Census Bureau, 2014 Annual Survey of State. U.S. Chamber of Commerce, Institute for Legal Reform, "2015 Legal Climate Overall Rankings by State". Government Tax Collections and July 1, 2014 Population Estimate Premium Rate Ranking



#### **KINGMAN**

Overall	88

#### **ARIZONA**

Overall	112

U.S.

Overall	100
Median Home Cost	\$216,200
Transportation	

Source Best places .net www.bestplaces.net/cost\_of\_living/city/arizona/kingman

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## PERSONAL INCOME TAX

State Individual Tax Collections per Capita (2013)

**Arizona: \$516 (41st Highest in the nation)** California: \$1750 (4th Highest in the nation)

### ARIZONA VS. CALIFORNIA

ARIZONA STATE INCOME TAX SCHEDULE (SINGLE FILER)			
First \$10,000	2.59%		
Next \$15,000	2.88%		
First \$10,000	3.36%		
Next \$15,000	4.24%		
Next \$15,000	4.54%		
Standard Deduction	\$5,009		
Personal Exemption	\$2,100		

\*Source: Tax Foundation, "2015 Facts & Figures, How Does Your State Compare?", Table 13; CA Franchise Tax Board, 2014 Tax Rates and Exemptions; AZ Department of Revenue, 2014 Resident Personal Income Tax Tables.

CALIFORNIA STATE INCOME TAX SCHEDULE (SINGLE FILER)		
1% 2%		
4% 6%		
8% 9.30%		
10.30% 11.30%		
12.30% \$3,992 \$108		

