

KINGMAN AIRPORT & INDUSTRIAL PARK

A Regional Hub for Manufacturing, Transportation, Distribution, and Logistics

> www.ChooseKingman.com www.KingmanAirport.com

40K Interstate 40 Daily Travelers **68,119** Population Within 20-Mile Radius **33,672** Kingman

Population

The Kingman Industrial Park is strategically located for businesses in manufacturing, transportation, distribution, and logistics, with direct access to major points throughout the Southwest.

Companies involved in the production of high value-added hard goods, such as composites, metals, plastics, and refractory materials can all benefit from locating in the Kingman Industrial Park. These goods may be simple one-piece components, mechanical devices, electronics, complex multiple part apparatus, or anything in between.

Businesses currently located in the Kingman Industrial Park receive substantial benefits, including convenient access to transportation, low business costs, business-friendly environmental regulations, easy access to savvy manufacturing talent. and an highquality, active year-round lifestyle.

If you're company is considering a manufacturing or distribution location in Arizona, the City of Kingman Economic Development Team is here to help you explore all that the Kingman Industrial Park has to offer.

Just a few of many locational advantages include:

- Available and site-ready industrial properties located in national Opportunity Zone Investment Area
- Rail-served properties of BNSF as the main line provider
- Railroad short-line provider is Patriot Rail
- High-speed fiber availability
- A workforce trained and experienced in manufacturing
- Easy access to suppliers and customers throughout west coast markets
- Low business costs and business-friendly environmental regulations
- Programs that make it easy to connect with suppliers and business
- Advanced manufacturing training facility
- Easy access to California and the Western United States
- Existing I-40 frontage and future Interstate 11 access

Companies such as, FedEx, American Woodmark, West Coast Netting, Interstate Trailers, Laron Engineering, Dillon Transportation, Insteel, Zep, JetYard, Colt, and Honeywell Aerospace are all examples of manufacturers and distribution companies that call the Kingman Industrial Park home.



"We would like to express our sincere appreciation and gratitude to the City of Kingman, Arizona, Economic Development Department for their invaluable support and assistance in the establishment of our hazardous waste management business, HazAwayToday. Since opening our doors in the Kingman Industrial Park, we have experienced exceptional collaboration and support from the Economic Development Team. Their commitment to our success has been evident through their proactive efforts in helping us with various aspects of our business. We highly recommend the City of Kingman to any business looking to establish or expand its operations. Their unwavering commitment to the success of local businesses and their exceptional level of assistance make them an invaluable partner. Once again, we extend our heartfelt thanks to the City of Kingman for their invaluable support and their role in helping us bring HazAwayToday to life." — Ryan Boyles, Director of Operations, HazAwayToday

Cost of Business

Industrial Land and Building Costs

	Kingman
Industrial Land and Building Costs	
Cost per Acre	\$55,000 - \$78,000
Building Lease Rate (\$/sf/month)	\$0.35 - \$1.20
Construction Cost (\$/sf)	\$101.92 - \$109.00

Source: Gordian 2023 Square Foot Costs (pre-engineered metal warehouse building); Local industrial listings June 2023; City of Kingman recent land appraisals, June 2023.

Comparative Annual Non-Exempt Labor Costs

Incentives

- Opportunity Zone Properties
- Quality Jobs Tax Credit Program
- Sales Tax Exemption for Machinery and Equipment
- Research and Development Income Tax
 Credit Program
- Accelerated Depreciation Schedules
- Qualified Facilities Tax Credits
- Government Property Lease Excise Tax
- Jobs Training Grant Program

Job Title	# of Workers	Kingman, AZ	Phoenix, AZ	Las Vegas, NV	Riverside / San Bernardino, CA	St. George, UT
Warehouse Worker	20	\$13.64	\$17.31	\$17.39	\$18.54	\$13.69
Material Handler	25	\$14.44	\$18.24	\$18.72	\$19.39	\$14.19
Order Filler	30	\$13.80	\$18.44	\$18.68	\$19.61	\$13.92
Light Assembly	10	\$16.55	\$20.49	\$21.26	\$21.36	\$14.58
Packer	10	\$14.56	\$19.25	\$19.68	\$20.06	\$13.57
Maintenance Mechanic	4	\$22.85	\$28.97	\$32.25	\$32.29	\$23.08
Maintenance Electrician	3	\$22.06	\$28.15	\$31.74	\$33.91	\$22.26
Stock Clerk	5	\$14.24	\$16.97	\$16.90	\$18.24	\$14.34
Shipping & Receiving Clerk	12	\$17.48	\$21.17	\$21.61	\$22.51	\$17.63
Forklift Operator	12	\$14.81	\$19.63	\$20.51	\$20.84	\$21.21
Truck Driver - Light	5	\$17.56	\$21.27	\$21.97	\$23.12	\$17.48
Truck Driver - Heavy	10	\$18.89	\$24.65	\$25.71	\$27.19	\$22.47
Security Guard	5	\$15.40	\$18.26	\$19.45	\$20.19	\$17.45
Inventory Control Clerk	12	\$13.95	\$17.92	\$18.15	\$19.12	\$14.43
Traffic/Rate Analyst	6	\$27.51	\$35.14	\$36.51	\$37.27	\$27.73
Secretary	6	\$14.66	\$20.80	\$21.63	\$22.40	\$16.98
Total Non-Exempt Workers	175					
Weighted Average Hourly Wage		\$15.71	\$20.13	\$20.75	\$21.58	\$16.37
Annual Base Payroll Cost (1)		\$5,234,629	\$6,706,669	\$6,912,662	\$7,189,980	\$5,455,531
Total Benefits (2)		\$2,411,536	\$3,089,689	\$3,184,588	\$3,312,345	\$2,513,303
Total Annual Nonexempt Labor Cost (3)		\$7,646,165	\$9,796,357	\$10,097,250	\$10,502,325	\$7,968,835

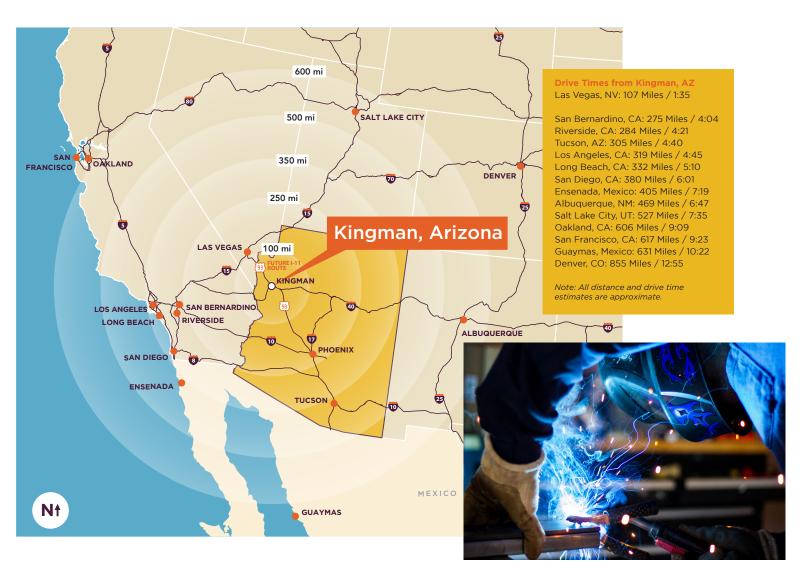
Source: AZ Commerce Authority, Employment and Population Statistics, 2021 OEWS wage data for Mohave County; Economic Research Institute, Salary Assessor, May 2023 data; UT Department of Workforce Solutions, 2021 OEWS wage data for St. George metro area; Bureau of Labor Statistics, Employer Costs for Employee Compensation for private industry workers by occupational and industry group, December 2022.

Notes:

(1) Based on current median base wage rates in each respective labor market. Job descriptions reflect a representative mix of key job functions for a hypothetical distribution warehouse facility employing 175 nonexempt workers.

(2) Based on an estimated 46 percent of total annual base payroll costs, including all legally required benefits, paid leave, supplemental pay, insurance, and retirement plans.

(3) Assumes 1,904 hours worked per year per employee based on 12 paid holidays and a two-week vacation.



Comparative Warehouse Construction and Amortization Costs

	Kingman, AZ	Phoenix, AZ	Las Vegas, NV	Riverside / San Bernardino, CA	St. George, UT
Number of Acres	14	14	14	14	14
Building Square Feet	150,000	150,000	150,000	150,000	150,000
Cost per Acre	\$65,000	\$495,000	\$418,000	\$1,182,000	\$382,000
Total Land Cost	\$910,000	\$6,930,000	\$5,852,000	\$16,548,000	\$5,348,000
Construction Cost Index	87	91	105	106	87
Total Construction Cost (1)	\$15,288,075	\$15,990,975	\$18,451,125	\$18,626,850	\$15,288,075
Machinery & Equipment	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Total Project Investment	\$26,198,075	\$32,920,975	\$34,303,125	\$45,174,850	\$30,636,075
Project Amortization					
Cost of Funds (interest)	5.0%	5.0%	5.0%	5.0%	5.0%
Payment Factor (2)	0.0710	0.0710	0.0710	0.0710	0.0710
Total Annual Amortization Cost	\$1,858,818	\$2,335,824	\$2,433,891	\$3,205,267	\$2,173,705

Source: 2023 Gordian Building Construction Costs and Square Foot Costs; Local industrial land listings, June 2023.

Notes:

(1) Assumes a median cost per square foot for warehouse construction (pre-engineered metal) of \$117.15, adjusted based on the local construction cost index in each location.

(2) Assumes 25-year level amortization payments at an annual interest rate of 5.0%.

Comparative Shipping Expenses

Inbound Shipping Costs

Origin City	Annual Truckloads @ 30,000 lbs per load	Kingman, AZ	Phoenix, AZ	Las Vegas, NV	Riverside / San Bernardino, CA	St. George, UT
West Coast Port Cities of Or	igin					
Los Angeles, CA	5,000	\$6,181,500	\$6,531,300	\$5,697,500	\$2,500,000	\$8,072,700
Long Beach, CA	5,000	\$6,300,350	\$6,513,600	\$5,773,950	\$2,500,000	\$8,167,400
Oakland, CA	2,000	\$3,177,040	\$3,621,100	\$2,985,900	\$1,801,880	\$3,947,100
Seattle, WA	1,000	\$2,374,560	\$2,643,440	\$2,151,460	\$1,943,700	\$2,352,060
Tacoma, WA	1,000	\$2,433,730	\$2,645,350	\$2,134,000	\$1,877,800	\$2,363,120
Mexican Points of Origin						
Tijuana, Baja	1,000	\$1,131,550	\$1,060,960	\$1,074,400	\$500,000	\$1,552,680
Mexicali, Baja	1,000	\$912,900	\$847,240	\$1,020,080	\$408,240	\$1,486,800
Nogales, Sonora	1,000	\$941,160	\$537,250	\$1,106,190	\$831,600	\$1,570,590
Ciudad Juarez, Chihuahua	1,000	\$1,365,120	\$912,070	\$1,476,090	\$1,210,140	\$1,884,050
Monterrey, Nuevo Leon	1,000	\$3,092,040	\$2,632,630	\$3,199,650	\$2,932,620	\$3,588,340
U.S. Points of Origin						
Boston, MA	1,000	\$5,138,250	\$4,963,200	\$5,189,770	\$5,249,000	\$5,239,430
Charlotte, NC	1,000	\$4,456,320	\$4,276,970	\$4,573,800	\$4,547,360	\$4,812,340
Detroit, MI	1,000	\$4,522,140	\$4,289,040	\$4,442,160	\$4,510,440	\$4,500,370
St. Louis, MO	1,000	\$3,471,930	\$3,325,800	\$3,634,320	\$3,608,000	\$3,700,140
Houston, TX	1,000	\$3,017,190	\$2,569,640	\$3,143,520	\$2,860,440	\$3,371,590
Totals		\$48,515,780	\$47,369,590	\$47,602,790	\$37,281,220	\$56,608,710

Outbound Shipping Costs

Origin City	Annual Truckloads @ 30,000 lbs per load	Kingman, AZ	Phoenix, AZ	Las Vegas, NV	Riverside / San Bernardino, CA	St. George, UT
California Markets						
Los Angeles, CA	5,000	\$3,325,200	\$3,154,950	\$2,732,400	\$2,500,000	\$2,406,650
San Francisco, CA	2,000	\$2,754,400	\$2,985,000	\$2,519,900	\$2,508,420	\$2,390,080
Riverside / San	2,000	\$1,130,220	\$1,075,200	\$936,840	\$1,000,000	\$806,400
Bernardino, CA						
San Diego, CA	1,000	\$754,000	\$593,040	\$660,540	\$500,000	\$590,940
Sacramento, CA	1,000	\$1,378,620	\$1,527,600	\$1,275,750	\$1,287,720	\$1,155,810
Western U.S. Markets						
Phoenix, AZ	2,000	\$1,451,120	\$1,000,000	\$1,789,200	\$2,426,760	\$1,638,560
Seattle, WA	2,000	\$6,163,920	\$6,532,480	\$5,722,440	\$6,473,500	\$5,026,320
Denver, CO	2,000	\$4,975,840	\$4,314,320	\$4,359,180	\$5,685,960	\$3,397,300
Portland, OR	2,000	\$5,530,640	\$5,940,480	\$5,098,600	\$5,751,480	\$4,703,400
Las Vegas, NV	2,000	\$900,000	\$1,613,100	\$1,000,000	\$2,108,340	\$1,000,000
U.S. Distribution Centers						
New York, NY	1,000	\$5,385,210	\$5,153,550	\$5,493,600	\$6,097,500	\$5,016,960
Atlanta, GA	1,000	\$3,808,680	\$3,538,260	\$3,952,410	\$4,511,120	\$3,642,030
Chicago, IL	1,000	\$3,463,680	\$3,147,120	\$3,356,270	\$4,011,850	\$2,854,250
Memphis, TN	1,000	\$2,905,500	\$2,657,270	\$3,061,500	\$3,624,060	\$2,743,500
Dallas, TX	1,000	\$2,305,980	\$1,991,880	\$2,486,420	\$2,959,210	\$2,158,520
Totals		\$46,233,010	\$45,224,250	\$44,445,050	\$51,445,920	\$39,530,720

Source: e2open Freight Rate Index, June 2023, 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 \$500 per truckload.

4

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.

Corporate Income Tax	
Arizona	4.90%
California	8.84%

Source: CA Franchise Tax Board, Corporate Tax Rates, June 2023; AZ Department of Revenue, June 2023.

State Sales Tax	
Arizona	5.60%
California	7.25%

Source: CA Dept. of Tax and Fee Administration, June 2023; AZ Department of Revenue, June 2023.

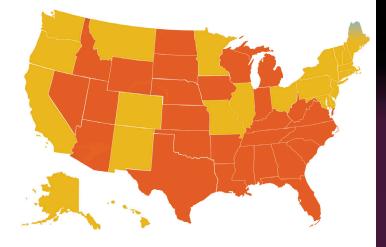
Gasoline Tax	
Arizona	\$0.18 per gallon
California	\$0.58 per gallon

Source: CA Department of Tax and Fee Administration, June 2023; AZ Department of Transportation, June 2023.

Worker's Compensation Premiums	
Premium Rate Ranking (1 is the most expensive and 51 is the least expensive)	
Arizona	44
California	3

Source: Oregon Department of Consumer and Business Services, "2022 Oregon Worker's Compensation Premium Rate Ranking".

Right To Work States



Forced Unionism State Right to Work State

Total State P	Per Capita Tax Collections	;
Arizona	\$3,310	(13th lowest in the nation)
California	\$7,195	(2nd highest in the nation)

Source: U.S. Census Bureau, 2022 Annual Survey of State Government Tax Collections by Category and July 1, 2022 Population Estimates.

Legal Climate Ranking	
Overall ranking of how fair and reasonable the state's liability systems are perceived to be by U.S. businesses (1 is the best and 50 is the worst).	
Arizona	17
California	48

Source: U.S. Chamber of Commerce, Institute for Legal Reform, "2019 Lawsuit Climate Survey, Ranking the States".

Unemployment Insurance				
	Taxable Wage Base	New Employer Rate	Average Employer Contribution (as a % of taxable wages)	
Arizona	\$8,000	2.70%	1.75%	
California	\$7,000	3.40%	3.70%	

Source: U.S. Department of Labor, Employment and Training Administration, Jan. 2023 "Significant Provisions of State Unemployment Insurance Laws" and 2022 "Average Employer Contribution Rates by State".

Union Activity

Arizona is a right to work state and has the 12th lowest union membership rate in the nation (tied with Oklahoma and Tennessee). Kingman, AZ offers a business environment that is essentially free of union membership. California is not a right to work state and has the 4th highest union membership rate in the nation.

Source: U.S. Department of Labor, Bureau of Labor Statistics, "Table 5. Union affiliation of employed wage and salary workers by state", 2022; website of the National Right to Work Legal Defense Foundation, June 2023.

Cost of Living Index

Source: Sperlings Best Places website, June 2023.



"The Kingman Industrial Park has been a terrific place to grow our trailer manufacturing business. In 2022, we finished a new building dedicated to constructing dump and equipment trailers, which added over 25,000 sq. ft. of additional manufacturing space to our footprint. The City of Kingman

purchase to site plan and from building permits to construction."

Economic Development Team was there to help us facilitate the expansion from land

KINGMAN, AZ	
Overall	89
Grocery	95
Health	131
Housing	76
Utilities	99
Transportation	75
Miscellaneous	80
Median Home Cost	\$263,600
ARIZONA	
Overall	106
Grocery	96
Health	97
Housing	120
Utilities	103
Transportation	107
Miscellaneous	94
Median Home Cost	\$407,400
UNITED STATES	
Overall	100
Grocery	100
Health	100
Housing	100
Utilities	100

	Overall	100
	Grocery	100
	Health	100
	Housing	100
	Utilities	100
	Transportation	100
	Miscellaneous	100
	Median Home Cost	\$338,100

- Michael Snow, CEO, Interstate Group, LLC

Personal Income Tax Comparative Personal Income Tax Schedules

State Individual Income Tax Collections per Capita (FY 2022)					
Arizona	\$1,181	(38th highest in the nation)			
California	\$4,924	(2nd highest in the nation)			

Arizona State Income Tax Schedule (2023 Single Filer):

Flat Rate	2.50%
Standard Deduction	\$13,850

California State Income Tax Schedule (2023 Single Filer):		
First \$10,099	1.00%	
Next \$13,843	2.00%	
Next \$13,846	4.00%	
Next \$14,667	6.00%	
Next \$13,840	8.00%	
Next \$272,344	9.30%	
Next \$67,725	10.30%	
Next \$270,911	11.30%	
Next \$406,364	12.30%	
Over \$1,000,000	13.30%	
Standard Deduction and Personal Exemption	\$5,342	



Please contact the City of Kingman Economic Development Team to learn more about the Kingman Industrial Park.

Bennett Bratley, Director 928-565-1416

Josh Noble, Tourism Services Manager 928-718-2581

Sylvia Shaffer, Project Manager 928-753-8131

Terri Curtis, Project Manager 928-565-1259

Lisa Lewis, Administrative Coordinator 928-565-1415 "We originally chose Kingman as a site due to the proximity of the U.S. and Canadian markets. Working with the Economic Development Department to



purchase of the additional land in 2019 set the stage for our current expansion. The team at the City of Kingman has been great to work with over the years and as we move forward with this expansion, we are looking forward to growing even more with the City in the coming years. Kingman is one of our four major U.S. hubs and the 2022 expansion in the Kingman Industrial Park will continue to enable ISCO Industries to be a leader within our industry." — Mark Kirchdorfer, President, ISCO Industries

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