

City of Henderson, Nevada offers businesses more than just great tax climate

HENDERSON, Nev. – Since its arrival on the national scene in the 1990s when it became America’s fastest-growing city, the City of Henderson has been touted for its amiable tax climate and outstanding quality of life.

In fact, Henderson has been recognized numerous times for its business amiability. The 2006 Kosmont-Rose Cost of Doing Business Survey rated Henderson as a “low cost city,” analyzing six types of taxes including business license levies, property tax, sales tax and utilities taxes in 398 cities in America.

In 2008, Henderson was also named by Fortune Small Business as one of the top 100 cities in America to live and launch a business. The City of Henderson was commended by the online publication for having a business friendly tax-structure and a family friendly identity separate from Las Vegas’ Strip.

But Henderson has made its mark on the business world with more than just a great tax climate.

“There are many reasons that Henderson has been recognized as one of the best places in America to live and work,” said City of Henderson Mayor James B. Gibson. “The economic benefits of relocating to Nevada are substantial. The quality of life in Henderson is one of the best to be had in the desert Southwest. Our prime location and commitment to developing premier business opportunities have certainly made Henderson a very attractive place for businesses of all sorts to thrive.”

Located adjacent to Las Vegas, the City of Henderson has benefited from Nevada’s business-friendly environment and has

attracted many businesses to relocate to Henderson because of it. Also known for its master-planned communities and high quality of living, Henderson has been at the front of Nevada’s growth spurt for more than a decade. In almost 20 years, the city quadrupled in size to nearly 300,000, a population that would make Henderson equal to the 14th-largest city in California, larger than Irvine, Glendale and San Bernardino.

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BEST DEVELOPMENT REVIEW PROCESS

One way Henderson is helping businesses is through the City’s Development Services Center (DSC). In many cities, builders, developers and property owners find the building permit and inspection process is a project not quickly completed. But for those working with the DSC, that’s no longer the case.

The idea for the DSC came from a series of meetings between city leaders and local developers. By listening to the development community, the city was able to revamp the application and

permit process and offer services such as online permit tracking. The concept itself is simple: the city created a team representing each of the seven City departments needed throughout the design, planning and approval process of a project and brought them together under one roof to provide coordinated plan review, inspection, and permit services.

Since the DSC opened its doors in December 2003, building permit and inspection processes – that could take months in other cities – are now completed in just a few weeks in Henderson – at little cost to tax payers. This is because DSC staff members are paid through a DSC Enterprise fund which captures the costs through a DSC Enterprise Fund. Through the fund, all costs of the DSC are recovered through permit and inspection fees.

Henderson’s DSC was recognized by the University of North Carolina School of Government as having one of the top three “outstanding development review processes” of local governments throughout the United States. To determine this, 95 experts in communities across the country were interviewed in order to identify the communities with the best development review processes.

QUALITY OF LIFE

Quality of life is certainly something Henderson has become known for. In fact, The City of Henderson was named one of the top 20 cities in America by

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Money Magazine's annual "America's Best Places to Live" profile in 2006. Money ranked Henderson number 20 in the profile, which ranked the Top 90 small cities in the United States.

The city's higher education opportunities also contribute to the residents' quality of life and have been a significant factor in businesses' moves to Henderson. The city is home to 13 higher education institutions graduating quality, trained professionals into the city's workforce in industries across the board.

WORKERS' COMPENSATION

In the country's current economic environment, Nevada's business-friendly workers compensation environment is becoming an increasingly significant factor as well for businesses considering a move or relocation to Henderson.

Nevada has some of the most favorable pro-business laws in the country when it comes to limiting liability and costs stemming from claims surrounding on-the-job injuries. Since the workers compensation industry was nationally deregulated in 1999, the area of indemnity severity has been increasing faster than wages on a national scale.

However, through diligent lawmaking and a pro-business environment, Nevada has seen a 10.5 percent decrease in workers compensation rates since 1999, neighboring states rates have continued to rise.

Nevada laws limit employers' liability and exposure to litigious claims in a greater way than other states, whose laws tend to be more lax in the areas of limiting the amount of compensation benefits that can be awarded and the circumstances under which they are distributed.

Nevada's enhanced system has resulted in a lower "average of time lost due to injury," shorter hospital stays, fewer

claims and a shorter wait time for recipients to collect benefits when necessary. It is a win-win for employers trying to limit costs and liability and for employees who need to access compensation benefits when their situation truly requires them.

ADDITIONAL CONSIDERATIONS

According to a recent survey done by the Boyd Co. Inc., a Princeton, N.J.-based corporate location consulting firm, the Las Vegas region ranked first as being a hot spot for corporate locations. The survey reviewed 30 metropolitan areas with populations in excess of 2 million that were also home to regional concentrations of Fortune 500 companies. The survey's results were based on administrative support, labor costs, construction costs, utilities, corporate travel and other operating expenses.

Another aspect of the Boyd survey was operations cost. The Las Vegas region ranked first for least expensive city for a corporate headquarters. The survey looked at a hypothetical business with a 55,000-square-foot headquarters housing 350 nonexempt workers. Las Vegas-based corporate headquarters facilities would incur an annual operating cost of \$22 million.

In a separate poll, also by Boyd Co. Inc., 100 top-level corporate executives were asked: "What. Other than operating costs, are important drivers for corporate headquarters site selection?" A business-friendly tort system ranked first among those surveyed at 29 percent, followed by low or no corporate and personal income tax at 21 percent and 18 percent respectively; business-friendly labor laws at 15 percent; low property taxes at 10 percent; and availability of headquarters location incentives at 7 percent. Again, the Las Vegas region ranked best among all cities surveyed, according to consultant John Boyd,

because it has no corporate or personal income tax and has business-friendly right-to-work labor laws. Nevada also ranked high because of its business-friendly court system.

Henderson's easy access to McCarran International Airport and location between two major freeways connecting Henderson to California, Arizona and Utah makes getting to and from Henderson easy. The location provides a viable alternative that saves companies – especially those manufacturing and distributing products at the national level – thousands of dollars each year. A survey done by J.D. Power and Associates of North American Airports this year found McCarran to be the "second most satisfying large airport" in the nation, second only to Philadelphia.

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