

Community Investments Vol. 15, Issue 2 Public/Private Incubator Produces Redevelopment

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History

Henderson, Nevada was founded to produce magnesium for World War II. The town's infrastructure was created quickly; buildings were small and few were multi-story. Over the years, Henderson grew from those small beginnings of 1000 houses to become the second largest city in Nevada with 25 master-planned communities and a population of over 220,000. It is located in the fastest growing metropolitan statistical area (MSA) in the country (Las Vegas/Clark County). At the same time, the original core of the city, while still the primary source of city services, was in danger of being left behind as the population moved west into newer communities.

In 1999, the Henderson Chamber of Commerce Foundation, a 501c(3) corporation, set out to create a business incubator to encourage business formation and to help revitalize "old Henderson," which was part of a large redevelopment area. The foundation originally considered building a small annex onto the existing chamber of commerce building. However, it was quickly determined that space would be too small to house both a support program and incubator facility; and raising money to finance a new building was not feasible. Still, the mayor and the city council wanted to keep the facility within the redevelopment area. The search shifted focus to existing buildings and soon settled on a 15,000 square foot building with 18-foot high ceilings, owned and occupied by Wells Fargo Bank.

Wells Fargo was going through a transition of taking banking to their customers and creating smaller, more accessible branch offices. The mayor and city council, while enthusiastically supporting the business resource center and incubator concept, did not want to lose a major banking presence in downtown Henderson. So negotiations with the bank began with the statement, "we want you to stay in the building." The final result was a win for both the bank and the city. The interior of the building was completely renovated, with the bank crafting a smaller, more inviting space for their customers in one-third the original space. The chamber foundation leased the remaining 10,000 square feet, creating a vibrant new presence in the downtown redevelopment area. Once the building was secured, the foundation had to raise funds to complete the improvements to its portion of the site. Further solidifying the public/private nature of this project, tenant improvement funds were contributed by the city of Henderson, the county commissioners, the Community College of Southern Nevada and the Henderson Public Improvement Trust, whose revenue comes from the bonds issued for major construction projects within Henderson city limits.

Partnerships

The Henderson Business Resource Center opened in June 2001 with the help of several partners. To fulfill the center's mission of serving new and growing businesses, partnerships were formed with several strategic partners, which include the Community College of Southern Nevada, the Nevada Small Business Development Center, SCORE, the Nevada MicroEnterprise Initiative and the Henderson district public library.

The community college agreed to build out, equip and staff a computer training room at the site that would be managed by its continuing and extended learning division. The training room has 12 networked computers that are linked back to the college through its Internet connection. Courses available at this site range from those requested by individual companies to

open enrollment classes offered from morning through evening hours. Also domiciled in the resource center, the Nevada Small Business Development Center, SCORE and the Nevada MicroEnterprise Initiative will bring their training and counseling services to Henderson redevelopment area and the center's clients. The Henderson district public library provides seminars to increase the client's knowledge of on-line databases and will be installing video conference links this fall. All partners participate on the center's advisory board, which meets once a quarter to discuss issues and review progress. Through the array of services provided, the resource center is able to reach a range of clients, from applicants who have a dream of a business and little else to tenants and graduates, as well as affiliates with already established businesses who need support as they grow. In order to nurture prospective tenants while they are waiting for space to become available, a 'pipeline' program was created that enables prospective tenants to avail themselves of some of the center's services. And to help create a more seamless transition from the center to the real world, graduating tenants retain ongoing access to the center's services for as long as they need them.

Progress

The Henderson Business Resource Center just celebrated its second year of operation, after an especially challenging first year following the events of September 11, 2001, which took an enormous toll on the southern Nevada community and its major industry, tourism. As with any small business, the center had to ensure its survival first and foremost, which meant putting some initiatives on hold and working closely with partners to fill all the available spaces. The first incubator tenant graduated this spring, after outgrowing their 382 square foot space by hiring a fifth staffer.

As the center continues to support new businesses, which then graduate into the surrounding community, the vision of revitalizing "old Henderson" is being realized. The benefits are already numerous, including increased traffic to the downtown area and existing businesses, locally available support

services for neighboring businesses and a renewed interest by businesses in locating to the downtown area. Neighboring storefronts, in partnership with the city's facade improvement program, have become more inviting. Center management attends the downtown association's meetings and serves as a liaison between the partner service providers and the association. Center tenants are also part of the association, creating another tie both into and out to the local business community.

For further information about the center's development and operation or about opportunities to support the center, please contact Judi Dohn at 702/992-7200.
