



ROCKINGHAM FARMS INDUSTRIAL PARK

*WORKSHOP
MAY 14, 2020*

SAVANNAH 

BACKGROUND: ROCKINGHAM FARMS TRACT

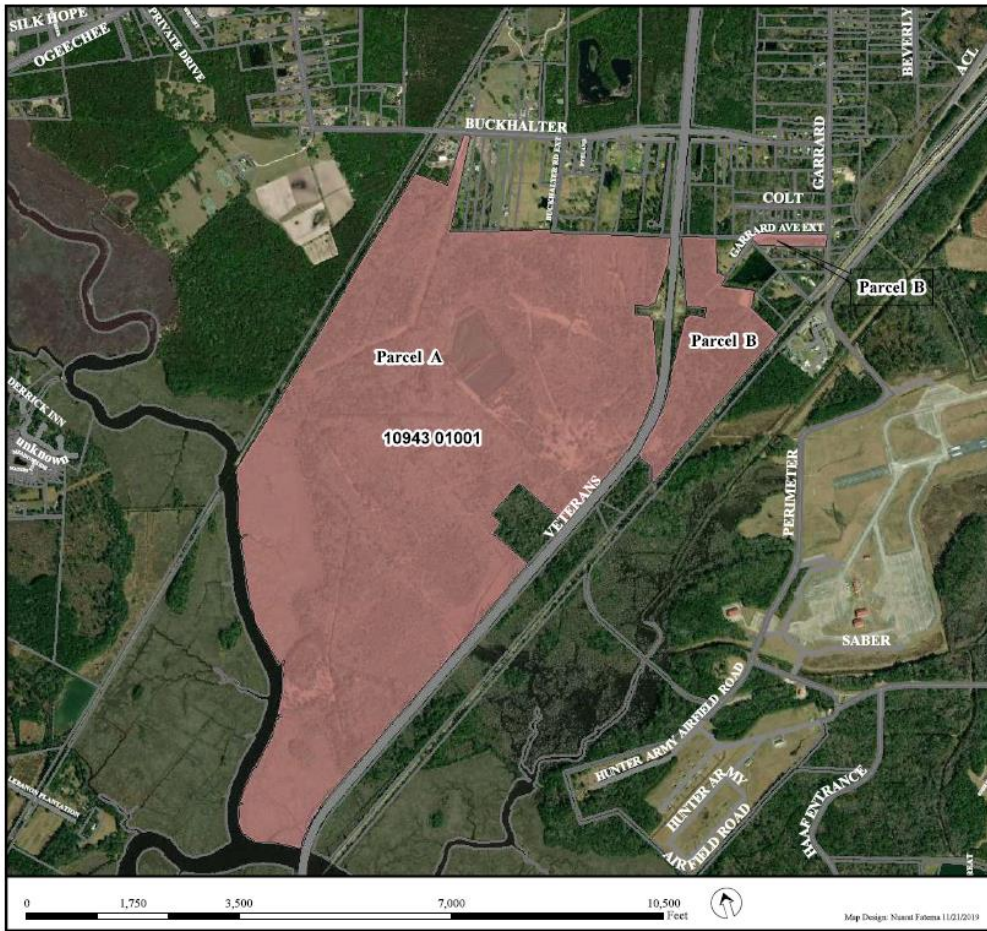
1,125 acres of land adjacent to Veteran's Parkway

Capacity to construct over 10 M SF of manufacturing or light industrial space

Currently located in unincorporated Chatham County and zoned for "Manufacturing"

Largest undeveloped tract in Chatham County zoned for manufacturing

Railroad access along the Eastern and Western borders of the project



AERIAL MAP

File # 19-006681-ZA

Commision District : **5**

Parcel A : 954.86 Acres

Parcel B : 81.83 Acres

Existing Zoning District: **Chatham County Manufacturing (M)**

Proposed Zoning District: **Manufacturing-County (M-CO)**

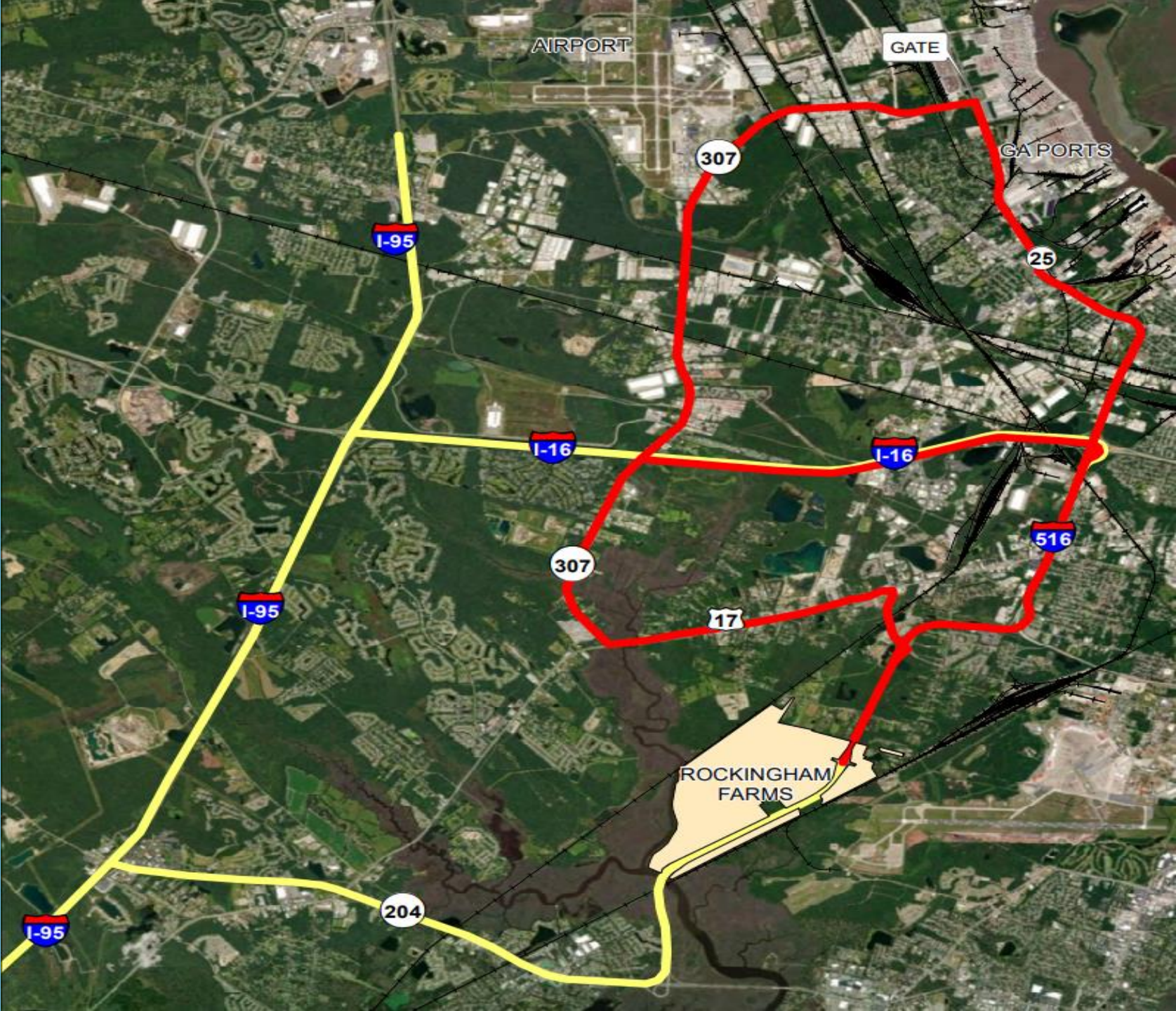
Parcel PINs : 10943 01001 (Portion Of)

SAVANNAH
Development Services Department

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STRATEGIC LOCATION:
ROUTES TO SAVANNAH
PORT AND INTERSTATE
ACCESS



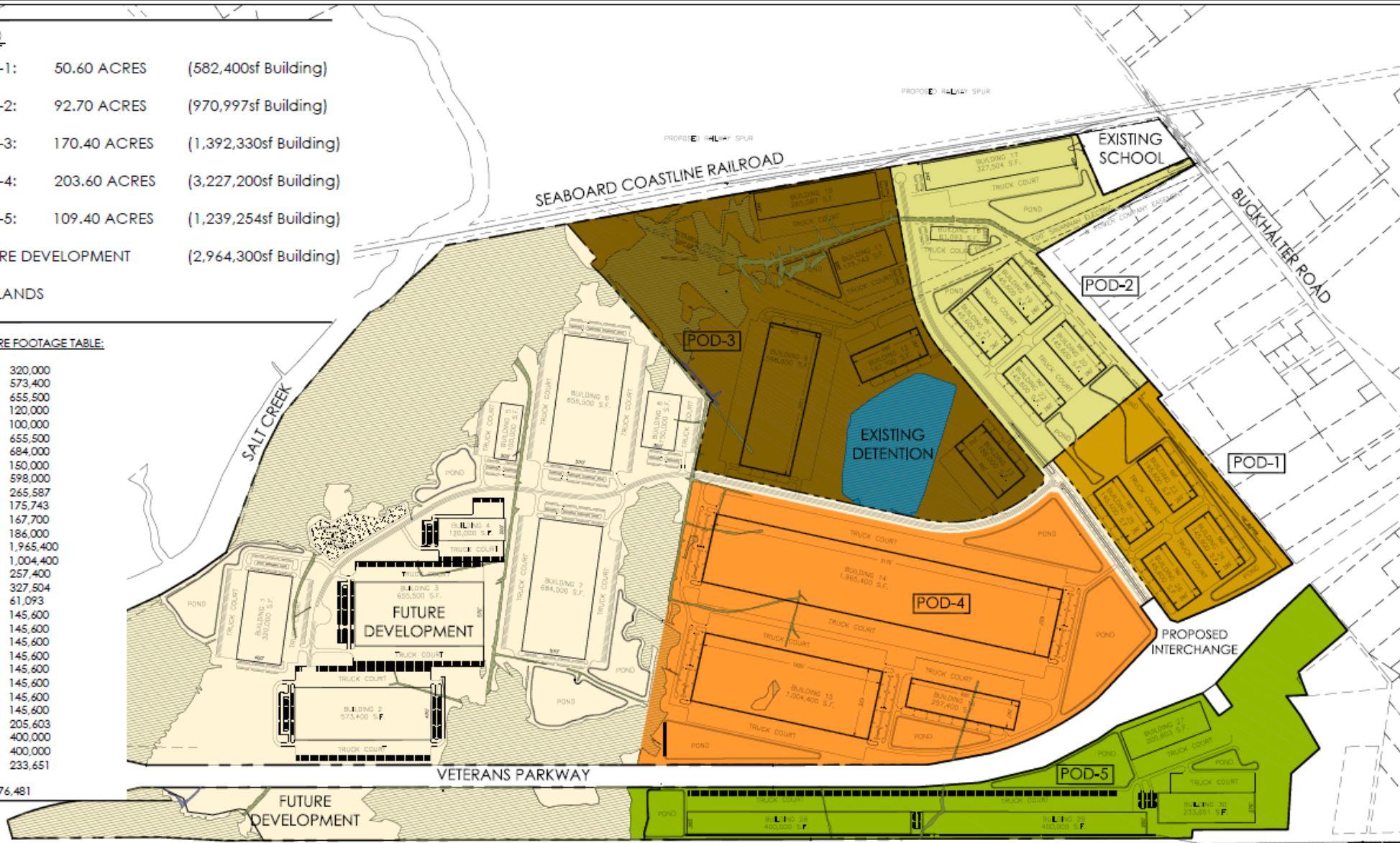
LEGEND

	POD-1:	50.60 ACRES	(582,400sf Building)
	POD-2:	92.70 ACRES	(970,997sf Building)
	POD-3:	170.40 ACRES	(1,392,330sf Building)
	POD-4:	203.60 ACRES	(3,227,200sf Building)
	POD-5:	109.40 ACRES	(1,239,254sf Building)
	FUTURE DEVELOPMENT	(2,964,300sf Building)	
	WETLANDS		

BUILDING SQUARE FOOTAGE TABLE:

BUILDING 1:	320,000
BUILDING 2:	573,400
BUILDING 3:	655,500
BUILDING 4:	120,000
BUILDING 5:	100,000
BUILDING 6:	655,500
BUILDING 7:	684,000
BUILDING 8:	150,000
BUILDING 9:	598,000
BUILDING 10:	265,587
BUILDING 11:	175,743
BUILDING 12:	167,700
BUILDING 13:	186,000
BUILDING 14:	1,965,400
BUILDING 15:	1,004,400
BUILDING 16:	257,400
BUILDING 17:	327,504
BUILDING 18:	61,093
BUILDING 19:	145,600
BUILDING 20:	145,600
BUILDING 21:	145,600
BUILDING 22:	145,600
BUILDING 23:	145,600
BUILDING 24:	145,600
BUILDING 25:	145,600
BUILDING 26:	145,600
BUILDING 27:	205,603
BUILDING 28:	400,000
BUILDING 29:	400,000
BUILDING 30:	233,651

TOTAL SF. 10,376,481



P3 PARTNERSHIP: OWNER, SEDA, CITY OF SAVANNAH

ROCKINGHAM

Dedicates land into public ownership, signs completion guarantee, pledges debt differential for 5 years, and sets up sinking trust for future repairs/maintenance



Gains infrastructure (interchange/water & sewer to site) to sell tracts for 10M SF of distribution warehouse

SEDA

Accepts title to land, issues \$38M bond, sets up GA authorized Payment In Lieu of Taxes (PILOT), designs/builds interchange (follows public bid law and City DBE) and distributes revenue annually to City



Fulfills GA Constitutional mission to create investment and new jobs (up to 2,500); GPA half-way to 20M SF goal of needed distribution space

CITY

Annexes land; co-signs bond w/ SEDA; uses PILOT for bond payments on public infrastructure (interchange/W&S); applies balance of PILOT to fund other City needs



Helps to create employment, funds job training, creates new revenue stream for other City projects/programs (Yr3 = \$2.1M, Yr.7 = \$4.5M, Yr.10 = \$7.9M, Yr.15 = \$10.1M, Yr.20 = \$11.4M)

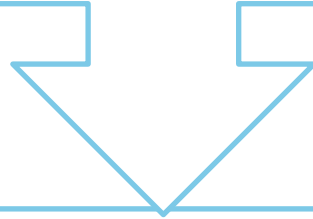
JOB CREATION AND WAGES

Estimated Job Creation: In a non-fulfillment warehouse and or e-commerce operation, ratio of 1 worker for every 3,000 to 4,000 SF. SEDA conservatively projects 250 jobs for every 1M SF=2,500 new jobs. Part of PILOT funds 100 Savannah Tech scholarships for Savannah residents per 1M SF (CAT Service=10 minutes ride, Chatham Parkway)

10M SF of industrial distribution space should create an average wage rate of \$18.00/hour. Based on an average annual salary of \$37,440 per employee, the total project is estimated to generate total wages of \$93,600,000.

The impact to annual earnings will increase for rail and manufacturing related jobs such as Plastic Express type projects. For these types of jobs the average salary approximates \$55,000 per year.

SEDA Bonds will be backed by a Construction Completion Bond (Rockingham) and further backed by a Reserve Fund (Rockingham) until abatement revenue is at a breakeven point. In addition, national developers will build and guarantee the development of three million square feet of space within three years from interchange (committed via Development Agreement).



Rockingham Farms, LLC will guarantee repayment of the first five years of debt service for the bonds.

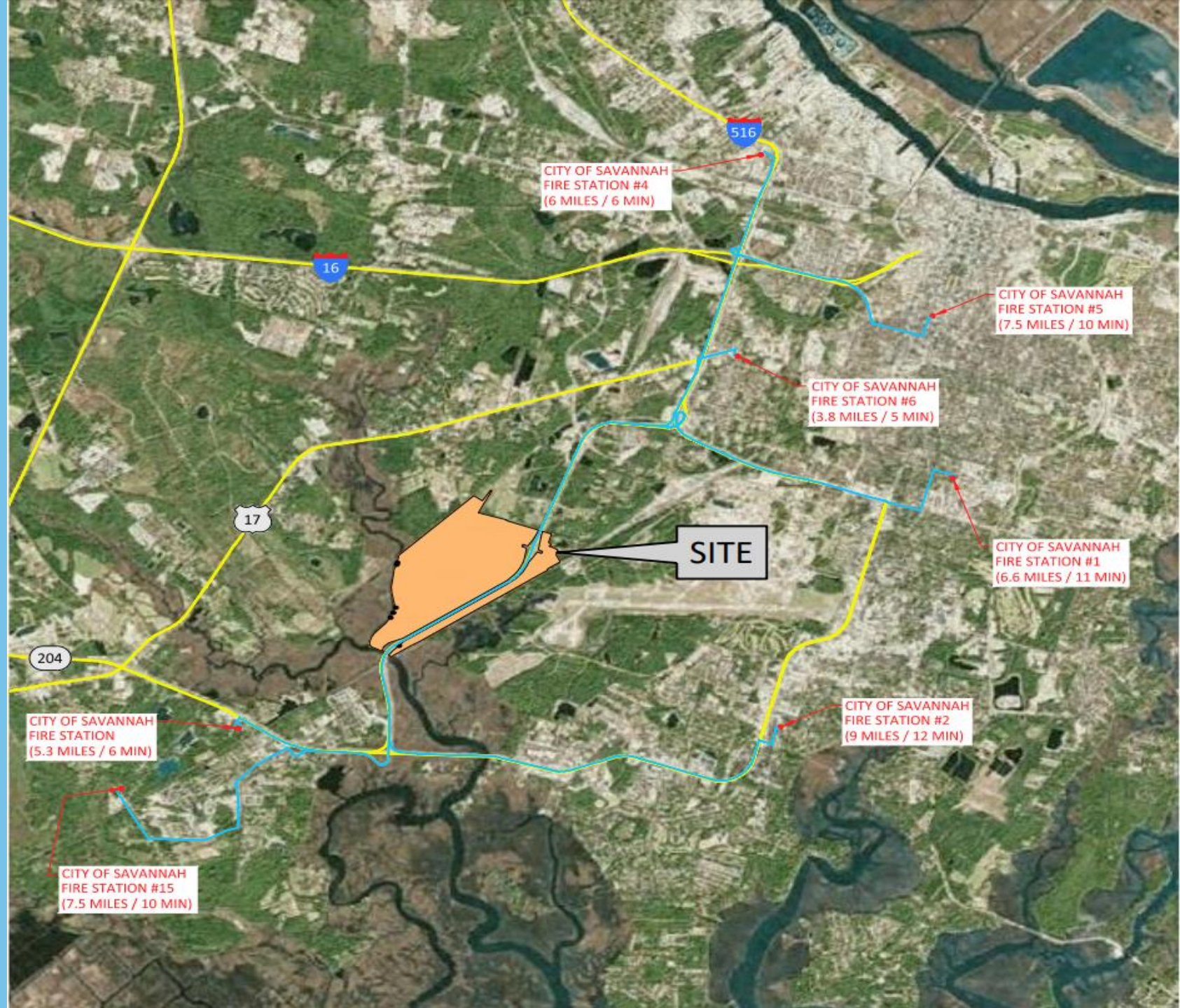
ASSURANCES
AND
GUARANTEES:
MINIMIZES CITY'S
RISK (COMMITTS
TO BACK SEDA
BOND)

SERVICES IMPACT TO THE CITY

- Few City services are needed to support the Rockingham Farms Industrial Park as four fire stations exist with three within 6 minutes.
- City Police services at Industrial Parks are typically very low. Most parks employ their own security services.
- Development of the project will provide additional water and sewer revenue to City since infrastructure to adjacent unserved properties will be available for future service.
- Rockingham is already zoned for the intended use and will have little impact on surrounding properties. Owners have set up meetings with adjoining property owners.
- Property lies within a Military Zone (State of Georgia Income Tax Credit) creating incentives for employment.
- A Sinking Fund will provide funding for the future maintenance and repairs of the interchange, ramps, and road segment of the Veteran's Parkway that adjoin the property. This fund will be at \$8M (requires an additional year of PILOT after bonds are retired).

SITE MAP WITH CITY FIRE ROUTES

3 SITES W/IN 6 MINUTES



SIGNIFICANT NEW TAX REVENUE

The Project is estimated to have a total property value in excess of \$800M at build out. Once the bonds are paid and the maintenance sinking fund is established, the City will receive over \$3,000,000 annually in new tax revenue.



Currently, Property Taxes on the undeveloped land are only \$33,000 per year with the City collecting none of the tax revenue.

FINANCIAL ANALYSIS—FIRST 10 YEARS

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
SF Delivered	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Value per SF	\$55.00	\$56.10	\$57.22	\$58.37	\$59.53	\$60.72	\$61.94	\$63.18	\$64.44	\$65.73
Increased Tax Value	\$55,000,000	\$56,100,000	\$57,222,000	\$58,366,440	\$59,533,769	\$60,724,444	\$61,938,933	\$63,177,712	\$64,441,266	\$65,730,091
Cumulative Tax Value	\$55,000,000	\$111,100,000	\$168,322,000	\$226,688,440	\$286,222,209	\$346,946,653	\$408,885,586	\$472,063,298	\$536,504,564	\$602,234,655
Effective PILOT Payment	\$977,460	\$1,974,469	\$2,991,419	\$4,028,707	\$5,086,741	\$6,165,936	\$7,266,715	\$8,389,509	\$9,534,759	\$10,702,914
Existing School/County	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000	-\$33,000
SEDA Participation	-\$48,873	-\$98,723	-\$149,571	-\$201,435	-\$254,337	-\$616,594	-\$726,671	-\$838,951	-\$953,476	-\$1,070,291
Debt Service	-\$873,254	-\$873,254	-\$873,254	-\$2,753,254	-\$2,752,910	-\$2,751,908	-\$2,754,663	-\$2,750,460	-\$2,753,948	-\$2,755,064
Balance To City	\$22,333	\$969,492	\$1,935,594	\$1,041,018	\$2,046,494	\$2,764,434	\$3,752,380	\$4,767,098	\$5,794,335	\$6,844,559

CHECKING THE BOXES

- ✓ Creates local jobs with good wages (2,500 new jobs with \$37,440 average annual wage)
- ✓ Significant new revenue source for the City of (minimum \$8M up to \$11.8M annually)
- ✓ Limited drain on existing City services
- ✓ Construction will follow City Purchasing Policies, including DBE and Local Goals
- ✓ New Water and Sewer area created
- ✓ Support growth of Savannah Port
- ✓ City Administrative Safe-Guards (Development Agreement):
 - ✓ Construction Completion
 - ✓ Bond Debt Service
 - ✓ Over Pass Maintenance and Repairs
 - ✓ Guaranteed Construction of 3,000,000 square feet of space