



**ST. JOHNS COUNTY
OFFICE OF THE COUNTY ADMINISTRATOR
ECONOMIC DEVELOPMENT**

500 San Sebastian View
St. Augustine, Florida 32084

I N T E R O F F I C E M E M O R A N D U M

To: St. Johns County Board of County Commissioners
Through: County Administration
From: Joy Andrews, Deputy County Administrator
Date: September 10, 2021
Subject: St. Johns County Economic Development Agency Report -
Deerpark Industrial Venture, LLC
Economic Development Incentive Application

The St. Johns County Economic Development Agency (Agency) has received an application from Deerpark Industrial Venture, LLC (Applicant) for economic development incentives to develop two industrial buildings to be used as speculative space for multi-tenant distribution centers. Building A is proposed to be 291,200 square feet, and building B is proposed to be 131,040 square feet. The Applicant plans to develop a class-A industrial warehousing/logistics park to be located at I-95 and S.R. 207.

Both buildings of the project scored 6 points under the speculative space category of the County's Business Incentive Program, which makes each building eligible for expedited permitting and an economic development grant of up to 100% of fees paid to the County by the applicant (impact fees and water/sewer connection fees) and four years Ad Valorem taxes paid by the applicant (general county portion) on capital improvements.

Completion of the project is anticipated by the third quarter of 2023. With this schedule, the first annual grant payment would be anticipated during FY25. The **estimated** value of the incentive for building A is \$759,896, and the **estimated** value of the incentive for building B is \$365,920, totaling \$1,125,816 for the entire project.

In accordance with Program requirements, the Agency is required to review the application and make a written report to the Board of County Commissioners. Staff recommends support of this incentive application.

The following items are attached and represent the Agency Report:

- Deerpark Industrial Venture - Grant Calculation
- Deerpark Industrial Venture - Cost Benefit Analysis
- Deerpark Industrial Venture - Incentive Application
- Deerpark Industrial Venture - Location Map

**ESTIMATE OF ECONOMIC DEVELOPMENT
GRANT CALCULATION
DEERPARK INDUSTRIAL VENTURE, LLC**

Calculations based on County Ordinance 2014-30 and millage rates effective on October 1, 2020

Category: **Speculative Space**

POINTS AWARDED

BUILDING A

Facility Size:	291,200 sq. ft.	4
Facility Type:	Industrial	2
Total Points		6

BUILDING B

Facility Size:	131,040 sq. ft.	4
Facility Type:	Industrial	2
Total Points		6

The applicant scored 6 points for each building under the speculative space category. Therefore, this project is eligible for an Economic Development Grant equal to 100% of impact and water/sewer connection fees paid to the county and four (4) years Ad Valorem tax (general county portion) on capital improvements for each building.

AD VALOREM TAX (GENERAL COUNTY PORTION)

BUILDING A

Total Value of Capital Improvements	23,250,000
Multiplied by County Millage Rate	0.46537%
Annual Ad Valorem Tax (general county portion)	108,199
Multiplied by # Eligible Years	4
Ad Valorem Tax (General County Portion) Estimate for Building A =	432,794

BUILDING B

Total Value of Capital Improvements	11,750,000
Multiplied by County Millage Rate	0.46537%
Annual Ad Valorem Tax (general county portion)	54,681
Multiplied by # Eligible Years	4
Ad Valorem Tax (General County Portion) Estimate for Building B =	218,724

IMPACT FEES

BUILDING A

Total Square Footage	291,200	
Impact Fee Category: Warehousing (includes buy down % to promote Economic Development)	291,200 (\$722 per 1,000 sq. ft.)	210,246
Impact Fee Estimate (100%) for Building A =		210,246

BUILDING B

Total Square Footage	131,040	
Impact Fee Category: Warehousing (includes buy down % to promote Economic Development)	131,040 (\$722 per 1,000 sq. ft.)	94,611
Impact Fee Estimate (100%) for Building B =		94,611

WATER/SEWER UNIT CONNECTION FEES

BUILDING A

Water/Sewer Total Unit Connection Fees Estimate (100%) for Building A =	116,856
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BUILDING B

Water/Sewer Total Unit Connection Fees Estimate (100%) for Building B =	52,585
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TOTAL ESTIMATED INCENTIVE

BUILDING A	759,896
BUILDING B	365,920
TOTAL	1,125,816

Payout will begin when capital improvements are recognized on the tax roll. Annual installments will not exceed the annual general county portion of the ad valorem tax paid each year.

PAYOUT SCHEDULE

BUILDING A

Total Maximum Possible Incentive:	759,896
Payout will consist of estimated annual installments of:	108,199

BUILDING B

Total Maximum Possible Incentive:	365,920
Payout will consist of estimated annual installments of:	54,681

*The annual payment is based on the general county portion of the ad valorem taxes paid each year, which could fluctuate with increasing property values. The total payout will not exceed the total incentive granted.

**FINANCIAL CONTRIBUTIONS
COST-BENEFIT ANALYSIS
DEERPARK INDUSTRIAL VENTURE, LLC**

Calculations are based on County Ordinance 2014-30 and millage rates effective on October 1, 2020.

Category: Speculative Space

Estimated Added Values:	Real Property	3,085,020
	Capital Improvements (Building A + Building B)	35,000,000
	Total Added Value	<u>38,085,020</u>

Total Estimated Countywide Property Taxes:	Annually	Over 20 Years
Real Property Taxes	507,068	10,141,355
Total Estimated Property Taxes Paid:	507,068	10,141,355

Total Estimated General County Portion Taxes:	Annually	Over 20 Years
Real Property Taxes	177,236	3,544,725
Estimated General County Portion Taxes Paid:	177,236	3,544,725

Impact Fees Estimated (Building A + Building B)	304,857
Water/Sewer Unit Connection Fees Estimated (Building A + Building B)	169,441
Total Fees: (These figures are not included in Total Taxes Paid)	474,298

Total Estimated Value of Economic Development Grant (Building A + Building B) **1,125,816**

Net Benefit to St. Johns County (General County portion) Over 20 years **2,893,207**



**St. Johns County
Economic Development
Business Incentive Program
Grant Application**

Applicant's Name:

Federal Employer Identification Number:

State Sales Tax Registration Number:

Current Company Headquarters:

Address

City State Zip Code

Primary Contact Person:

Primary Contact Person Title:

Address

City State Zip Code

Business Phone Number Fax Number

Cell Number E-mail

The company requires confidentiality in its requests for consideration on economic incentives. Yes No

If the applicant answers "Yes" with respect to requesting confidentiality in its request for consideration on economic incentives, then the following authorization is required:

The applicant authorizes the disclosure, and covenants to hold the County, and its officials and employees and the Public Agency and its members, attorney, and staff harmless and release them from any liability that they incur, should they or any of them disclose information or records that the applicant has requested be kept confidential in the manner, and to the extent that is set forth in Section 288.075, Florida Statutes, when such disclosure is later requested or authorized by the applicant, when such information and records are no longer exempt from disclosure under the provisions of Section 288.075, Florida Statutes, when such disclosure results from an order, requirement or request, by, or from, a court of competent jurisdiction, or a Florida agency or department, or when such disclosure is required or authorized to be disclosed by this Ordinance, as amended from time to time.

Description of the primary and secondary business activities the company is engaged in:

Industrial real estate development and investment. 50-200 full time warehouse jobs, averaging \$15/hr. 10-20 management-level employees at much higher wages.

Type of Facility Development: new expansion speculative

If speculative space, what is the intended use: Two multi-tenant distribution centers

Will the company purchase or lease existing space? Yes No

Estimated Square Footage of Facility Under Roof H/C: 422,240

Date construction is projected to begin: 12/30/2022

Date facility will be complete and operational: 12/30/2023

Is the property zoned to accommodate proposed use? Yes No

If not, what zoning change is required? OR to PUD

Number of new full time employees: TBD

Total number of existing full time employees: n/a

6-digit NAICS Code for primary activities of the project: 493110

Will the applicant be applying for other local, State, or Federal grants and/or incentives? If so, please define:

No.

An explanation of the type of employment proposed and the average annual pay rate (please provide a list of positions and the wage rate for each position):

Capital Investment Values:

Real Property (Land) \$3,085,020

Real Property (Building) \$35,000,000

Other taxable improvements

Tangible assets (Equipment)

Description of the proposed project explaining the desire to expand, locate or build within St. Johns County and economic benefits the project would provide to the community. Please provide a brief statement explaining the role that the County's Economic Development Grant will play in the decision of the applicant to locate or expand its business in the County:

The Project consists of two front load warehouse buildings, one 291,200 SF ("Building A") and the other 131,040 SF ("Building B"). "Deerpark" is a 35-acre industrial/logistic park projected to accommodate 425,888 total SF. The project has direct access to a full-service interstate exchange, exit #311 on I-95. Location will allow the tenant to service the rising population in St. Johns County, as well as the already established St. Augustine market. InLight is targeting a January 1, 2022 funding date. All site work and due diligence plans to be completed at closing date. Scheduled to break ground January 30, 2022 and projected completion date is March 30, 2023.

An Economic Development Grant provided by St. Johns County will allow us the opportunity to develop a Class A industrial warehousing/logistics park. The development will create space for two to five high credit tenants to expand their operations to the regional area. In turn this will create additional jobs and a boon to the local economy.

Submit a Site Plan:

Location map identifying the proposed location and property boundaries with an explanation of the possible transportation impacts.

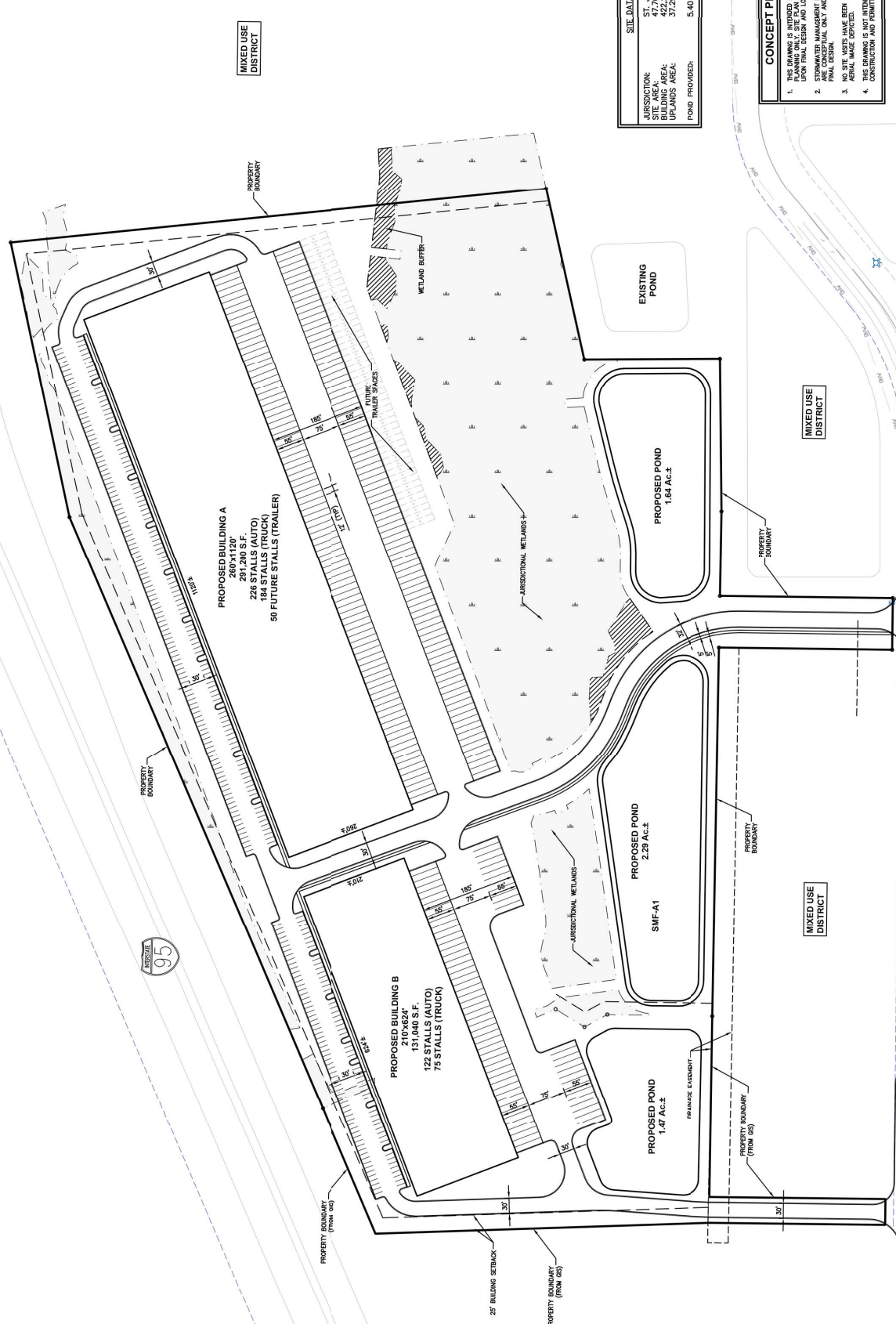
By signing this document, I certify that I am authorized to submit an application on behalf of the company.



Applicant Signature and Title

8-23-2021

Date



MIXED USE DISTRICT

MIXED USE DISTRICT

MIXED USE DISTRICT

MIXED USE DISTRICT

SITE DATA TABLE	
JURISDICTION:	ST. JOHNS COUNTY
SITE AREA:	47.70 AC±
WETLANDS:	17.28 AC±
UPLANDS AREA:	37.28 AC±
POUD PROVIDED:	5.40 AC± (14.4% OF UPLANDS)

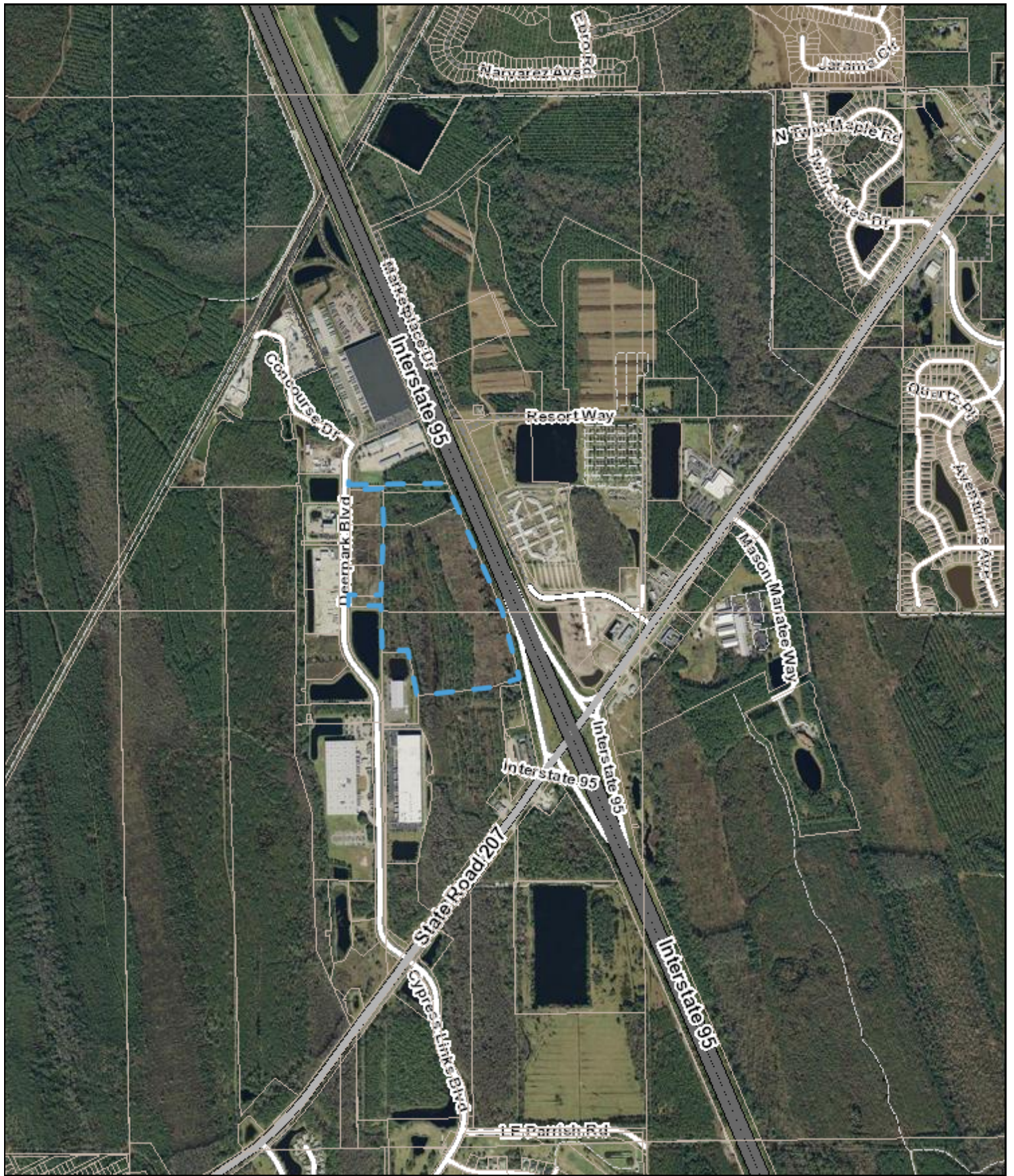
CONCEPT PLAN NOTES:

- THIS PLAN HAS BEEN PREPARED BY THE ARCHITECTURAL FIRM UPON FINAL DESIGN AND LOCAL LAND DEVELOPMENT CODE.
- STORMWATER MANAGEMENT FACILITY SHOWN ON THIS PLAN IS SUBJECT TO VERIFICATION BY THE LOCAL HEALTH DEPARTMENT FOR FINAL DESIGN.
- NO SITE VISITS HAVE BEEN MADE TO VERIFY ACCURACY OF AERIAL IMAGE PROVIDED.
- ARCHITECTURAL FIRM INTENDS TO BE USED FOR CONSTRUCTION AND PERMITTING PURPOSES.

CONCEPT PLAN
DEERPARK INDUSTRIAL
6/30/21



England-Thoms & Miller, Inc.
 14775 69th St., Augustine Road
 Jacksonville, FL 32218
 TEL: (904) 242-8800
 FAX: (904) 244-8800
 CA: 90022894 LC - 000018



Map created with St. Johns County's iMap

DISCLAIMER:
This map is for reference use only. Data provided are derived from multiple sources with varying levels of accuracy. The St. Johns County GIS Division disclaims all responsibility for the accuracy or completeness of the data shown hereon.

Date Created: 9/7/2021

Location Map

Deerpark Industrial Venture, LLC



Deerpark Industrial Venture, LLC Economic Development Incentive Request

St. Johns County
Board of County Commissioners

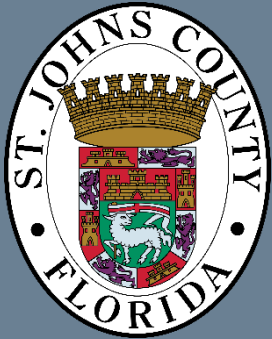
October 5, 2021



PROJECT OVERVIEW

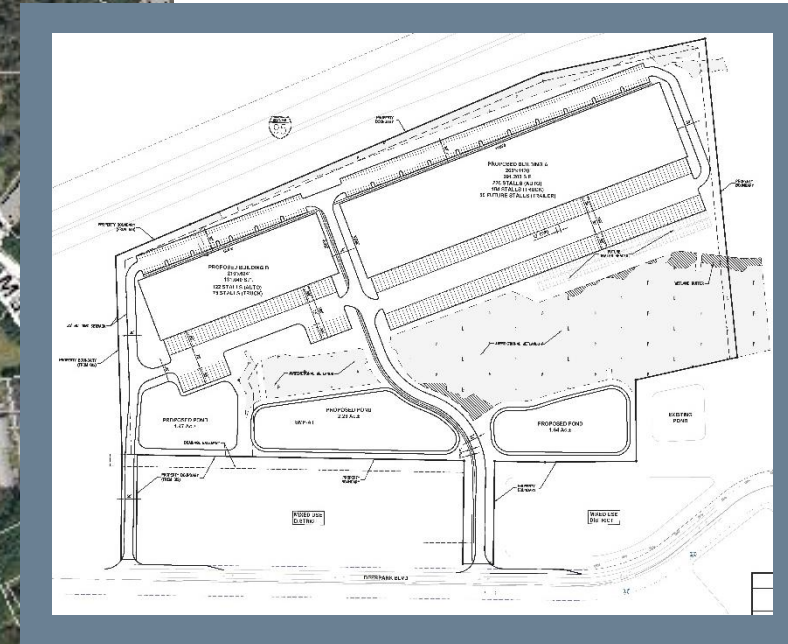
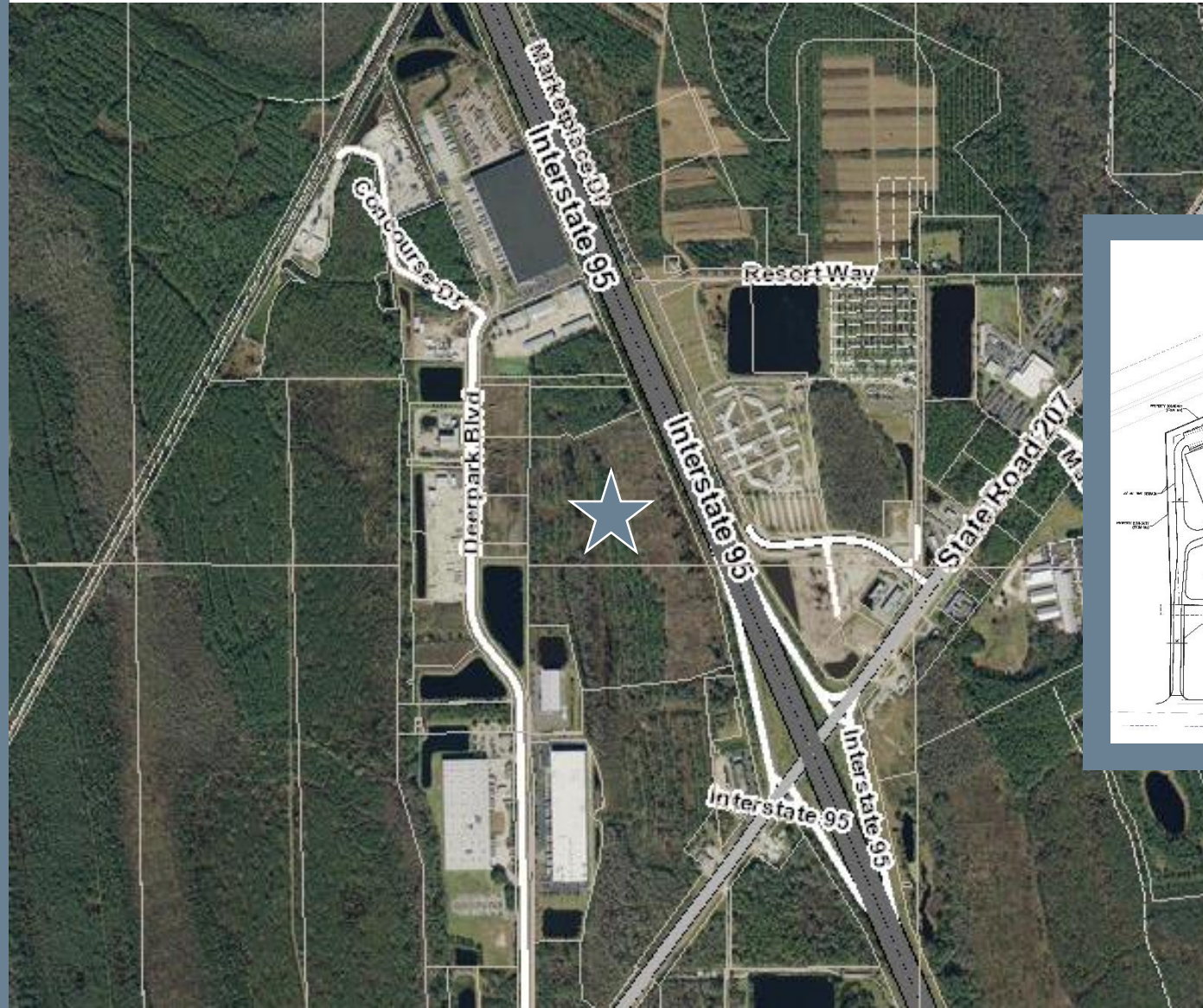
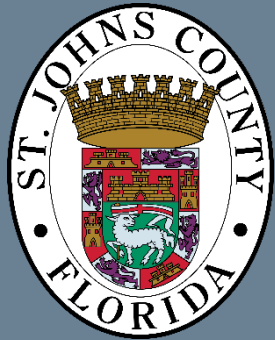
Deerpark Industrial Venture, LLC

- Two industrial buildings (291,200 sq. ft. and 131,040 sq. ft.) are proposed to be built as speculative space as part of a 35-acre industrial/logistics park to be used as multi-tenant distribution centers.
- The estimated completion date for both buildings is the third quarter of 2023.
- The total anticipated investment for the land and both buildings is more than \$38 million.



PROJECT OVERVIEW

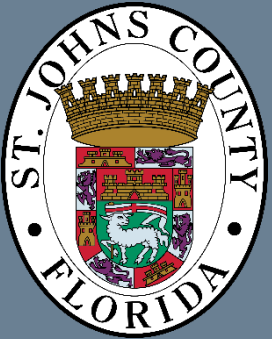
Deerpark Industrial Venture, LLC



PROJECT SCORING

Deerpark Industrial Venture, LLC

- 6 Total Points for Speculative Space for Each Building
 - Facility Size / 100,001+ sq. ft. / 4 points
 - Building A – 291,200 sq. ft.
 - Building B – 131,040 sq. ft.
 - Facility Type / Industrial / 2 points



RECOMMENDED ECONOMIC DEVELOPMENT GRANT INCENTIVES

Deerpark Industrial Venture, LLC

- 100% of fees paid to the County by the applicant for both buildings (impact fees and water/sewer connection fees)
- Four years Ad Valorem taxes paid by the applicant for both buildings (general county portion) on capital improvements
- Expedited permitting

The estimated value of the incentive for building A is \$759,896, and the estimated value of the incentive for building B is \$365,920, totaling \$1,125,816 for the entire project.

