STATESBORO, GEORGIA

TAX ALLOCATION DISTRICT #2: OLD REGISTER

REDEVELOPMENT PLAN

2018

I. Executive Summary

Presented below is a summary of the key points detailed in this redevelopment plan (the "Redevelopment Plan") for a redevelopment area that is with the proposed co-extensive Statesboro Tax Allocation District #2: Old Register (the "Old Register TAD") located within the City of Statesboro, Georgia (the "City") and Bulloch County, Georgia (the "County").

Overview

The proposed area for the Old Register TAD is at the intersection of Old Register Road and Veterans Memorial Parkway in the City, adjacent to the MC Anderson Sports Complex and Georgia Southern University's ("GSU") campus recreation and intramural fields, and includes a popular family entertainment center known as "The Clubhouse." The surrounding area has a healthy mix of adult and student residents, a relatively large employment base with large employers such as GSU, East Georgia Regional Medical Center and Briggs & Stratton and excellent highway access via Highway 301.

Unfortunately, the intersection of Old Register Road and Veterans Memorial Parkway has yet to reach its full commercial potential as its growth is retarded by a variety of factors, including agricultural land occupying a majority of the southern quadrant of the intersection as well as inadequate infrastructure to support further retail and commercial development.

Old Register TAD would create a major financial incentive that would encourage new and substantial private investment at the intersection, enhance the entrance of GSU and the Old Register Road corridor, enhance pedestrian connectivity in the area, and provide an important economic incentive for new private development opportunities that might otherwise locate outside of the City. The Old Register TAD would spur private redevelopment activity in much the same way as tax allocation districts in other communities have attracted projects and promoted significant growth and redevelopment throughout the state.

Proposed Redevelopment Projects

The redevelopment projects contemplated by this Redevelopment Plan (the "Redevelopment Projects") are comprised of both public sector projects and private sector projects.

Public Sector Projects

In order to attract the private sector projects to the Old Register TAD, the City will make public infrastructure improvements within the Old Register TAD — including road, water, wastewater, and stormwater infrastructure improvements — sufficient to support the proposed private sector projects.

The redevelopment costs for the City's public sector projects are estimated at $4,750,000. The City will finance these costs though the tax allocation bonds (the "TAD Bonds") that are described in this Redevelopment Plan.

Private Sector Projects

The following projects are contemplated within the Old Register TAD and will be paid for by private investors:

- Construction of a privately owned 5,000 seat state-of-the-art stadium, with a 10,000 seat capacity expansion;
- Development that includes a privately owned retail and professional complex surrounding the stadium;
- Development of privately owned grocery store, hotel, retail, and commercial properties;
- Development of a village of privately owned retail, office space, and residential units; and
- Privately funded electrical utility improvements related to the privately owned developments.

The private sector projects, when completed, are estimated to represent an investment of approximately $160.5 million and will be paid for by private sector entities. In contrast, the City estimates that the State Revenue Commissioner will certify $2,089,729 (estimated based on 2017 millage rates) as the taxable value of all taxable property subject to ad valorem property taxes, located within the proposed Old Register TAD on the effective date such district is created, which is proposed to be December 31, 2018; i.e., this amount is the Old Register TAD's "tax allocation increment base."

II. INTRODUCTION

Overview of a Tax Allocation District

The creation of a tax allocation district is authorized in Georgia under the Redevelopment Powers Law, Official Code of Georgia Annotated Chapter 44, Title 36. A tax allocation district is a tool used to publicly finance redevelopment activities in a redevelopment area. A tax allocation district derives its funding from the incremental increase in the redevelopment area's ad valorem revenues as a result of new development and natural increases in the tax base. These revenues are placed in a special fund for the tax allocation district and are used to pay directly for the redevelopment costs or to repay tax allocation bonds issued to finance the redevelopment costs.

Georgia's Redevelopment Powers Law was amended in 2001 to expand the definition of a redevelopment area which has enabled communities to use the tax allocation district financial tool in more areas than prior to the amendment. As a result, tax allocation districts have become a popular economic development tool in Georgia. More than 48 states nationally use tax allocation districts / tax increment financing as a redevelopment financing mechanism for underdeveloped or blighted areas. Since the 1970s, these states have completed hundreds of projects using tax increment financing. Georgia only began to use tax allocation districts in a substantial way in 1999 with the approval of two major tax allocation districts in Atlanta. Since then, the number of tax allocation districts in Georgia has increased significantly. Tax allocation districts, and the financing they enable, offer important tools for cities and counties to use in attracting investment into underdeveloped areas.

There are also other advantages to the use of tax allocation districts:

- **General.** Tax allocation district financing has been used to successfully address site-specific development problems while achieving broader economic development objectives, resulting in greater, long-term economic benefits to those cities and counties where they are located.

- **A stronger economic base**. Private development that would not have otherwise occurred without the tax allocation district designation can be attracted by this incentive.
- **Redevelopment is supported without additional taxes**. Redevelopment is effectively promoted without tapping into general funds or levying special assessments on property owners throughout the local government.
- **Tax allocation districts / tax increment financing is a well-known incentive**. With 48+ states using tax allocation districts / tax increment financing, the incentive is known and understood by the development community. Other communities have found tax increment financing an effective way to lure private development, attract new industry, create more jobs, and, ultimately, expand an area's tax base.
- **Tax allocation districts have a strong track record of promoting redevelopment**. This technique has a strong track record of attracting private investment on a nationwide basis and in the State of Georgia.

How Residents in the City and County will Benefit From the Creation of the Old Register Tax Allocation District

The specific benefits to the City and County from the Redevelopment Projects include:

- New private capital investment on property located in an area that historically has been underserved by private investment and development;
- Creation of jobs in the professional, business, and service industries with the substantial new commercial and retail development;
- Creation of new shopping, recreation, and entertainment opportunities;
- Creation of a more vibrant neighborhood environment by expanding residential opportunities with new residential units;
- Improved pedestrian access to shopping, employment, and regional transportation;
- Establishment of neighborhood gathering places;
- Attraction of new customers for existing local businesses;
- New annual sales tax revenues; and
- No impact on existing property tax revenues and with increased revenues for the general fund when all redevelopment costs have been paid and the Old Register TAD is terminated.

III. TAD CREATION

Grounds for Exercise of Redevelopment Powers

In order to create a tax allocation district, a "redevelopment plan" must first be approved, in accordance with the Redevelopment Powers law, which includes a "redevelopment area." A redevelopment area is defined in O.C.G.A. Sec. 36-44-3(7), part of the Redevelopment Powers Law, as follows:

> "Redevelopment area" means an urbanized area as determined by current data from the U.S. Bureau of the Census or an area presently served by sewer that qualifies as a "blighted or distressed area," a "deteriorating area," or an "area with inadequate infrastructure," as follows:
>
> (A) A "blighted or distressed area" is an area that is experiencing one or more conditions of blight as evidenced by:
>
> (i) The presence of structures, buildings, or improvements that by reason of dilapidation; deterioration; age; obsolescence; inadequate provision for ventilation, light, air, sanitation, or open space; overcrowding; conditions which endanger life or property by fire or other causes; or any combination of such factors, are conducive to ill heath, transmission of disease, infant mortality, high unemployment, juvenile delinquency, or crime and are detrimental to the public health, safety, morals, or welfare;
>
> (ii) The presence of a predominant number of substandard, vacant, deteriorated, or deteriorating structures; the predominance of a defective or inadequate street layout or transportation facilities; or faulty lot layout in relation to size, accessibility, or usefulness;
>
> (iii) Evidence of pervasive poverty, defined as being greater than 10 percent of the population in the area as determined by current data from the U.S. Bureau of the Census, and an unemployment rate that is 10 percent higher than the state average;
>
> (iv) Adverse effects of airport or transportation-related noise or environmental contamination or degradation or other adverse environmental factors that the political subdivision has determined to be impairing the redevelopment of the area; or
>
> (v) The existence of conditions through any combination of the foregoing that substantially impair the sound growth of the community and retard the provision of housing accommodations or employment opportunities;

(B) A "deteriorating area" is an area that is experiencing physical or economic decline or stagnation as evidenced by two or more of the following:

(i) The presence of a substantial number of structures or buildings that are 40 years old or older and have no historic significance;

(ii) High commercial or residential vacancies compared to the political subdivision as a whole;

(iii) The predominance of structures or buildings of relatively low value compared to the value of structures or buildings in the surrounding vicinity or significantly slower growth in the property tax digest than is occurring in the political subdivision as a whole;

(iv) Declining or stagnant rents or sales prices compared to the political subdivision as a whole;

(v) In areas where housing exists at present or is determined by the political subdivision to be appropriate after redevelopment, there exists a shortage of safe, decent housing that is not substandard and that is affordable for persons of low and moderate income; or

(vi) Deteriorating or inadequate utility, transportation, or transit infrastructure; and

(C) An "area with inadequate infrastructure" means an area characterized by:

(i) Deteriorating or inadequate parking, roadways, bridges, pedestrian access, or public transportation or transit facilities incapable of handling the volume of traffic into or through the area, either at present or following redevelopment; or

(ii) Deteriorating or inadequate utility infrastructure either at present or following redevelopment.

Boundaries of the Redevelopment Area

The proposed Old Register TAD is co-extensive with the entirety of the proposed redevelopment area (the "Redevelopment Area"). Approval by the City of this Redevelopment Plan's Redevelopment Area will also constitute approval of the Old Register TAD, both of which will consist of approximately 289.80 acres with four individual parcels located near the intersection of Old Register Road and Veterans Memorial Parkway (the "Parcels"). These Parcels, together, constitute the Redevelopment Area and the proposed Old Register TAD. Maps depicting the Redevelopment Area are included in Appendix A. The following tables summarize the estimated 2018 tax values of the Parcels as well as the address, acreage, and uses of each of the Parcels.

Sum of Parcels	Acreage	Sum of Market Value	Sum of Taxable Value	2017 Tax Rate	Sum of Taxes
4	289.80	$5,806,504	$2,089,729	29.33 mills	$61,292

MAP PARCEL	Address	Acreage	Existing Land Use
076 - 000001-006	2704 Old Register Road	7.82	PUD/CR
076 - 000001-002	2802 Old Register Road	19.52	PUD/CR
076 - 000001-004	Old Register Road	37.01	PUD/CR
076 - 000001-000	2457 Old Register Road	225.45	R40

Source: Bulloch County Tax Assessors Office.

Why This Qualifies as a "Redevelopment Area" Under the Redevelopment Powers Law

As is more specifically shown below, in the judgment of the City, and by the approval of this Redevelopment Plan the City is finding that, the proposed Redevelopment Area is inadequately served by existing infrastructure and that the Redevelopment Area on the whole has not been subject to growth and development through private enterprise and would not reasonably be expected to be developed without the approval of this Redevelopment Plan. As such, the Redevelopment Area is in need of a strong financing tool, like a tax allocation district, to facilitate further development and to attract private sector projects to the Redevelopment Area.

The Redevelopment Area qualifies as a "redevelopment area" under numerous sections of the Redevelopment Powers Law, found at O.C.G.A. Sec. 36-44-3(7), particularly 7(B)(vi), 7(C)(i) and (ii), due to the following conditions:

- It is presently served by sewer (see the Existing Utility Map in Appendix D);
- Within the Redevelopment Area conditions exist that substantially impair the sound growth of the community and retard the provision of employment opportunities;
- Within the Redevelopment Area there exists inadequate infrastructure, particularly including
    - inadequate roadways incapable of handling the volume of traffic through the area following redevelopment; and
    - utility infrastructure that is inadequate to support development growth involving private enterprise.

Summary of Project Conditions

The Redevelopment Area has been under-utilized and, with the exception of The Clubhouse, is primarily vacant and undeveloped agricultural land. The proposed Redevelopment Area can currently be described as follows:

- Presence of vacant and undeveloped properties;
- No residential options;
- Limited retail and commercial options;
- Inadequate roadways to support additional development; and
- Inadequate water, stormwater, and wastewater infrastructure to support additional development.

Plan Vision

The vision for the Old Register TAD is to create a major financial incentive that will redevelop the Redevelopment Area and serve as a catalyst for the further development of the surrounding area by extending the tax allocation district "halo effect" to other parts of the City and the County. By its design, it will generate significant direct economic impacts in terms of new development, increased retail spending, more appealing residential development opportunities, and retain jobs that could be lost to other areas of the region.

The proposed Redevelopment Projects will be strategically located vis-a-vis two existing developments which would permit the Redevelopment Projects to become part of a rebranding for the City and become part of the new perceived entrance to GSU.

The first of the existing developments is that of GSU and its 28,000 students. The Redevelopment Projects will be part of a quadrant that includes GSU's $90 million Recreation Activity Center ("RAC"). Less than one mile from GSU's football stadium, the RAC is the center of campus life for many GSU students. Originally opened in 1998 with 80,000 square feet, the RAC was expanded in 2006 to its present size of 215,000 square feet. Each day the RAC welcomes over 5,500 visitors.

The second is The Clubhouse, a family entertainment center that already encourages wellness and physical activity. The award-winning 60 acre site has 24 lanes of bowling and its own private luxury bowling suite and conference room. Designed by Doug Wilkerson, utilizing his 16 years of experience at Disney, The Clubhouse has a state-of-the-art arcade, golf driving range, laser tag arena, indoor playground, and Coca-Cola 125 Raceway and has ample space for meetings, parties, and other special events. Spikes Sports Grill and Bar, located within The Clubhouse, offers a full menu restaurant and catering service. The Clubhouse has 325,000 guests annually.

The proximity to GSU, and the potential to build upon the already successful The Clubhouse, would enable the Old Register TAD to transform the southern portion of the City and spur even further development throughout the City and County.

Plan Goal

If this Redevelopment Plan is adopted by the City, thereby proposing the Old Register TAD, and if the County and the Board of Education of Bulloch County consent to include in the tax allocation increment their ad valorem property taxes for the Old Register TAD, the Old Register TAD will promote the redevelopment of the Redevelopment Area by:

- Attracting substantial private investment to help finance key commercial, residential, and retail development that will act as catalysts for additional private investments in this part of the City;
- Spurring new construction on underutilized and deteriorated sites that will create a significant number of jobs, expanding the economy of the City; and
- Helping to increase the future tax digest of the City and the County, allowing the City and County to fund improvements that will enhance the quality of life for all area residents.

Current Market Conditions

Property Values

The Parcels have a 2018 market value of approximately $5,806,504, a 2018 taxable value of approximately $2,089,729, and generate approximately $61,292 in property taxes annually to the City, County, and the Board of Education of Bulloch County (estimated based on 2017 millage rates).

Study Area Economic History

An analysis of the economic and demographic trends in the Redevelopment Area, and the surrounding area, reveals important information regarding the relative economic stagnation that the Redevelopment Area, and the surrounding area, has experienced.

Population

Population growth within the Redevelopment Area, and the surrounding area, has been relatively stagnant due to the lack of development. The City has experienced moderate growth from 2012 to 2016 (the most recent information available) of 6.8%, and the County has experienced a 3.8% growth in population for the same time period. Source: American Community Survey, 5-Year Estimates.

Existing Retail and Commercial Development

Besides The Clubhouse, there are no existing retail or commercial developments within the Redevelopment Area.

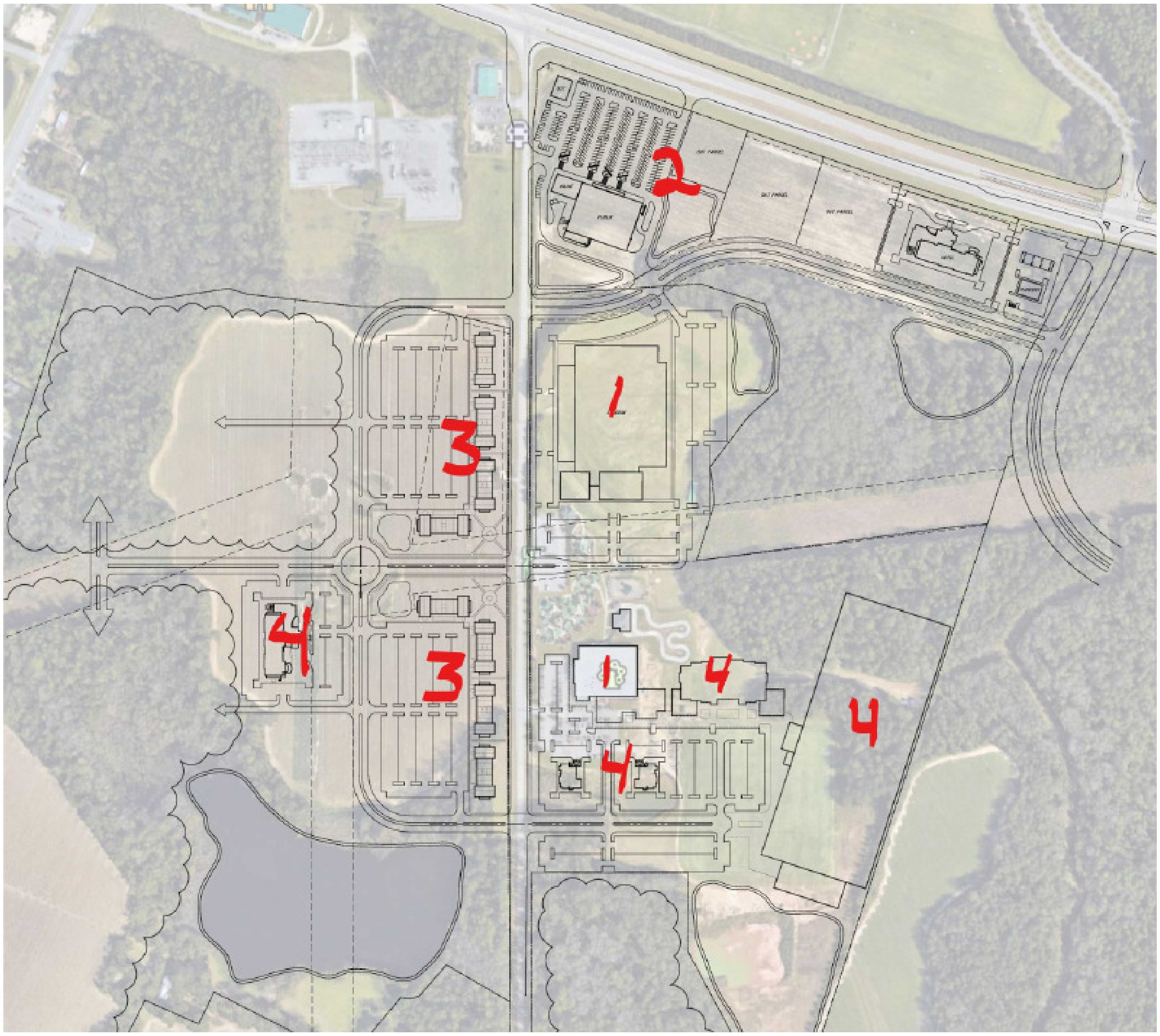
Proposed Land Uses After Redevelopment

The redevelopment of the Redevelopment Area will be carried out in phases, which are described below. The Development Plan for each phase included in its description sets for the private and/or public Redevelopment Project for such phase.

The Old Register TAD will provide the necessary infrastructure for these phases. It will stimulate the creation of a vibrant gateway of retail and commercial activity into the City. Infrastructure improvements, to be completed as part of Phase 1, are designed to serve the Redevelopment Area and attract the private development contemplated by Phases 1, 2, 3, and 4, (these phases are described below) and include roadway widening, water, wastewater, and stormwater infrastructure improvements.

The private sector Redevelopment Projects will be developed by a highly qualified development team. In order to carry out this Redevelopment Plan, the City's Redevelopment Agency (i.e., the City Council) proposes to enter into a multi-year Master Development Agreement with JGR Development, LLC, as Master Developer. JGR Development, LLC, The Clubhouse and South Georgia Tormenta FC are all affiliated by common ownership.

A summary of the private sector and public sector Redevelopment Projects per phase and a map with the corresponding phases labeled are set forth below.



Phase 1

<u>Private Projects</u>

Central Focus for Redevelopment: Phase 1 focuses on the construction of a retail and professional complex and a 5,000 seat state-of-the-art stadium (with a 10,000 seat expansion capacity), as well as private utilities, entry design, and landscaping. The stadium will accommodate GSU's Men's and Women's Division I soccer programs, and it will be a permanent home to South Georgia Tormenta FC – a soccer franchise in the USL's Premier Development League as well as the USL's newest professional soccer league, USLD3. The complex will also have a restaurant open to the public that will also serve GSU and South Georgia Tormenta FC athletes two meals a day and be open to the public for dining for a charge. The restaurant will focus on educating the athletes and the public on proper nutrition.

(Note: A new road project connecting the GSU main campus, new South Campus, and new stadium complex is estimated to cost approximately $10 million. GSU is funding the portion that will run through the GSU campus, at a cost of approximately $5 million, and the remaining portion of the road and the costs will be financed through TAD Bond proceeds as part of the Phase 1 Public Sector Infrastructure Improvements described below.)

Existing Land Uses: vacant land; recreational use

Description of Existing Development: The Clubhouse; the City has an existing sanitary sewer main extended to the rear of The Clubhouse; golf driving range

Development Plan:
The development plan for Phase 1 contains the following land use elements:

- 5,000 seat state-of-the-art-stadium (with a 10,000 seat expansion capacity) with offices, locker rooms, and retail space forming a retail/professional complex within the stadium;
- Restaurant;
- Parking;
- Electrical utilities; and
- Entry and landscaping.

It is anticipated that all these projects will be built in a 12-month timeframe, to be completed by February 2020.

Estimated Phase 1 private capital investment: $31 million.

<u>Public Projects</u>

Phase 1 Public Sector Infrastructure Improvements (see proposed infrastructure improvements map at Appendix A)**:**

- Old Register Road will be widened along the frontage of the soccer stadium as well as The Clubhouse. Additionally, a portion of a new road will be constructed perpendicular to and intersecting with Old Register Road.
- In addition, a longer portion of Old Register Road will be widened to a three lanes measuring 36 feet in total width. Its earthen shoulders and ditches will be replaced with concrete curb, gutter, and a piped stormwater conveyance system. Standard 5 feet wide concrete sidewalks will be provided along both sides of Old Register Road. Street lights will be installed along one side of Old Register Road. Streetlight spacing will be in accordance with City standards.

- A new road (the “New Road”) will be constructed as a four lane divided road similar to nearby Akins Boulevard on GSU's campus. Each of the four lanes will be 12 feet wide, creating two 24 feet wide paved sections divided by a 20 feet wide landscaped median. This road will feature curb, gutter, and a piped stormwater conveyance system. Standard 5 feet wide concrete sidewalks will be provided along both sides of the proposed road. Street lights will be installed on both sides of road and spaced in accordance with City standards.
- The New Road will be extended (the “Extension”) to the Veteran's Memorial Parkway and Akins Boulevard intersection. The existing traffic signal at the intersection will be modified to accommodate a fourth leg of the intersection. Additionally, a central detention pond will be constructed to manage stormwater runoff from the new road and private commercial development.
- The Extension will be constructed as a four lane divided road. Each of the four lanes will be 12 feet wide creating two 24 feet wide paved sections divided by a 20 feet wide landscaped median. This road will feature curb, gutter, and a piped stormwater conveyance system. Standard 5 feet wide concrete sidewalks wilt be provided along both sides of the proposed road. The total length of this will be 2,500 linear feet. Streetlight spacing will be in accordance with City standards.
- Water, wastewater, and stormwater infrastructure improvements necessary to support the above roads and the Phase 1, Phase 2, Phase 3, and Phase 4 private sector development projects will also be constructed.
- To the extent necessary for this Redevelopment Project, the City expects that by agreement with the County, any right-of-way along Old Register Road that is located in the unincorporated County will be deeded by the County to the City, which will annex the underlying territory into the City.

Estimated TAD Bonds proceeds used for Phase 1 public infrastructure improvements: $4,750,000.

Phase 2

Private Projects

Central Focus for Redevelopment: Phase 2 focuses on the construction of a major grocery store, a hotel, a movie theater, a bank, a pharmacy, retail properties, private utilities, and landscaping.

Existing Land Uses: vacant land

Description of Existing Development: The City currently has a sanitary sewer main extending to a location approximately 1,000 feet south of the Akins Boulevard and Veteran's Memorial Parkway intersection.

Development Plan:
The development plan for Phase 2 contains the following land use elements:

- 41,000 square foot grocery store;
- Movie theater;
- Pharmacy;
- Bank;
- Retail space;
- 110 bed hotel;
- Convenience store;
- Restaurant;
- Electrical utilities; and
- Landscaping.

It is anticipated that all these projects will be built simultaneously with Phase I or, in any event, by early 2020.

Estimated Phase 2 private capital investment: $43.5 million.

<u>Public Projects</u>

There are no public projects for Phase 2.

<u>Phase 3</u>

<u>Private Projects</u>

Central Focus for Redevelopment: Phase 3 focuses on the construction of a village of four-story buildings featuring retail, office space, residential units, and private utilities. The primary occupants will be general retail, professional/medical offices, and residences.

Existing Land Uses: vacant land

Description of Existing Development: None

Potential Development Plan:
The development plan for Phase 3 consists of eight 56,000 square foot buildings, with each building containing:

- 18 residential units (ranging from 725-1525 square feet);
- 13,000 square feet of professional/medical office space;
- 13,000 square feet of retail; and
- Electrical utilities.

It is anticipated that all these projects will be built over a 10-month timeframe, commencing on or before the third quarter of 2020.

Estimated Phase 3 private capital investment: $64 million

Public Projects

There are no public projects for Phase 3.

Phase 4

Private Projects

Central Focus for Redevelopment: Phase 4 focuses on the construction of a second hotel, additional restaurants, and a golf driving range.

Existing Land Uses: vacant land

Description of Existing Development: None

Potential Development Plan:
The development plan for Phase 4 consists of the following land use elements:

- Hotel with 110 beds;
- Two restaurants;
- Golf entertainment facility; and
- Electrical utilities.

It is anticipated that all these projects will be built over a 10-month timeframe, commencing on or before the third quarter of 2020.

Estimated Phase 4 private capital investment: $22 million

Public Projects

There are no public projects for Phase 4.

IV. SUMMARY OF PROPOSED REDEVELOPMENT OF THE OLD REGISTER TAD

The below chart summarizes the phased private development investment as well as the public infrastructure costs.

	Estimated Total Investments ($ in millions)
Phase 1 - Stadium (private investment)	$31
Phase 2 - Retail (private investment)	$43.5
Phase 3 - Residential/Office (private investment)	$64
Phase 4 - Retail (private investment)	22
Infrastructure Improvements (public investment)	$4.75
Total	$165.25

Tax Allocation District Infrastructure Costs

Public infrastructure needed for the public sector Redevelopment Projects includes improvements to roadways, water, wastewater, and stormwater infrastructure. The public infrastructure costs to be funded in whole or in part with TAD Bonds have been estimated to be $4,750,000. The amount of proposed TAD Bonds issued will be in an amount not to exceed the amount necessary such that TAD Bond proceeds available for deposit to the project fund to pay public sector project costs amount to $4,750,000. It is the City's expectations that the TAD Bonds will have a term of up to 30 years and the City's assumption that a rate of interest (average coupon) of 6% will apply to such TAD Bonds. However, the actual term for the TAD Bonds may be different (but will not be longer than 30 years, the legal maximum), and will be determined by the City taking into account the recommendations of its financial advisor. The actual rate of interest applicable to the TAD Bonds will be determined by market conditions at the time of issue. The positive tax allocation increments derived from the Old Register TAD will be pledged for payment of the TAD Bonds. The City will also consider the creation of a special service tax district as additional security for the repayment of the TAD Bonds if the City deems such special service tax district advisable.

The allocation of Old Register TAD funds for infrastructure costs and other predevelopment costs specific to the public sector Redevelopment Projects will be determined at the time of funding by the City, based upon the specific characteristics of the public sector Redevelopment Projects and other needs of the Old Register TAD. Even though the Old Register TAD is currently served by sewer, utility improvements are needed and use expected to include additional sewer lines to connect to the already existing sewer line in the Old Register TAD that currently serves The

Clubhouse. The City will determine, to the extent TAD Bond proceeds are available, which public infrastructure projects the excess proceeds will be spent on.

Substantial investment in public infrastructure is warranted to provide an environment conducive to attracting the major private investment contemplated and to provide the connectivity between the development areas of the corridor.

V. CONTRACTUAL RELATIONSHIPS - SEC. O.C.G.A. 36-44-3(9)(E)

The Redevelopment Powers Law, O.C.G.A. Sec. 36-44-3, authorizes the City to designate a Redevelopment Agent for the purpose of carrying out the Redevelopment Plan. The City has designated the City Council to serve as the City's Redevelopment Agent responsible to the City for implementing the proposed Redevelopment Plan. The terms "City Council" and "Redevelopment Agency" are used interchangeably in this document. As the City's Redevelopment Agent, City Council will carry out tasks in the following areas:

1. Coordinate implementation activities with other major participants in the Redevelopment Plan and their respective development and planning entities including the Board of Education of Bulloch County, the County, the neighborhoods impacted and other stakeholders, as well as with various City departments involved in implementing the Redevelopment Plan.
2. This Redevelopment Plan conforms with the local Comprehensive Plan, master plan, zoning ordinance, and building codes of the City. The Redevelopment Agency may, however, conduct (either directly or by subcontracting for services) standard predevelopment activities, including but not limited to site analysis, environmental analysis, development planning, market analysis, financial feasibility studies, preliminary design, zoning compliance, facilities inspections, and overall analysis of compatibility of proposed development projects with the City's Comprehensive Plan and the Redevelopment Plan.
3. Seek appropriate development projects, financing, and other forms of private investment in the Redevelopment Area from qualified sources.
4. Develop public-private ventures and intergovernmental agreements as needed.
5. Market the Redevelopment Area among developers, capital sources, and the general public.
6. Coordinate public improvement planning and construction.
7. Enter into negotiations, either directly or through designated brokers, with property owners and real estate developers within the Redevelopment Area for the purpose of acquiring land and property for redevelopment in accordance with the Redevelopment Plan.
8. Prepare economic and financial analyses, project-specific feasibility studies and assessments of tax base increments in support of the issuance of Tax Allocation Bonds by the City.
9. As determined by the City, the City Council will negotiate and enter into development agreements to implement the Redevelopment Plan. This activity includes, without limitation, the Master Development Agreement with JGR Development, LLC.
10. The Redevelopment Agency will perform other duties as necessary to implement the Redevelopment Plan.

The Redevelopment Agency will seek reimbursement for Redevelopment Plan preparation and redevelopment consulting as needed to complete the plan implementation provisions. To manage the redevelopment process, the Redevelopment Agency will seek contractual arrangements with qualified vendors to provide the professional and other services required in qualifying and issuing the bonds, as well as in services including design, feasibility, project management, legal, engineering, and other services required for implementation of the proposed Redevelopment Plan.

VI. RELOCATION PAYMENTS - SEC. O.C.G.A. 36-44-3(9)(F)

Currently no relocation is anticipated with the Old Register TAD. In any case where there would be future relocation of existing residents or businesses, such relocation expenses will be provided for under all applicable federal, state, and local guidelines if public funds are used for property acquisition and such sources for funds require relocation benefits to be offered to tenants and users for relocation.

VII. Zoning and Land Use Compatibility - Sec. O.C.G.A. 36-44-3(9)(G)

The proposed land uses contained in this Redevelopment Plan conform with the local comprehensive plan, master plan, zoning ordinance, and building codes of the City.

VIII. METHOD OF FINANCING/PROPOSED PUBLIC INVESTMENT

Why is the creation of a tax allocation district by the City and consent by the County and County School District a good policy decision?

- Using tax allocation district financing to fund construction of infrastructure will enable the City to leverage annual property tax increments (the initial positive tax allocation increment for Phase 1 is estimated at approximately $10 million) to provide the infrastructure necessary to generate approximately $160.5 million in private sector investment in the tax allocation district without tapping into current tax revenues. These funds can either be used to support the issuance of the TAD Bonds or be paid out directly to cover costs of the Redevelopment Projects. This Redevelopment Plan contemplates that the redevelopment costs that are paid will involve debt service on TAD Bonds.

- This investment will generate new jobs and new sales tax revenues as well as increased incomes for City and County residents and increased revenues for area businesses. The development will provide new shopping, entertainment, public service, and recreational opportunities on an underdeveloped site. Property values in the surrounding area may increase as a result of this investment, further enhancing the property tax base.

- Once the TAD Bonds are retired, the City, County and Board of Education of Bulloch County will receive the full property tax increment generated from the Old Register TAD.

- The development of the Redevelopment Projects requires support from the Old Register TAD for infrastructure improvements. Thus, without the tax allocation district, there will be no new tax revenue. The Redevelopment Projects cannot occur without public assistance for transportation improvements, and other public infrastructure. The projected Redevelopment Projects will not be financially viable without tax allocation district financing.

IX. TAXABLE VALUATION FOR OLD REGISTER TAD

According to the tax records of the County, the Redevelopment Area had a fair market value of $5,806,504 for tax year 2018. Taxable value, defined as 40 percent of fair market value, less applicable homestead exemptions, for all parcels is $2,089,729. The largest parcel is under a 10 year land covenant whereby the assessed value for 2014 of $124,238 is frozen for 10 years.[1] The taxable value of a given property is then multiplied by the millage rate to determine its ad valorem property taxes.

The current ad valorem tax base for the Old Register TAD is approximately $61,292 (estimated based on 2017 millage rates).

Pursuant to the Redevelopment Powers Law, upon adoption of the Redevelopment Plan, and after the County and Board of Education of Bulloch County consent to their ad valorem property taxes being included, the Redevelopment Agency will request that the Commissioner of Revenue of the State of Georgia certify the tax base as of the effective date of the creation of the Old Register TAD; i.e., as of December 31, 2018.

This tax base in the Redevelopment Area will be increased by the private investment stimulated by the implementation of the Redevelopment Plan through the issuance of TAD Bonds. In addition, this redevelopment is intended to stimulate other development around the Redevelopment Area and lead to an overall increase in property values in all of this territory as the Redevelopment Plan is implemented.

Upon completion of the Redevelopment Projects as presented in this plan, the Old Register TAD is projected to have a fair market value of $171,056,504 and a taxable value of $68,189,729.

[1] The largest parcel is under such a 10 year land covenant because it is part of a conservation use easement. The grocery store is expected to be built on the conservation use easement and, as a result, the existing covenant will be breached and the value related to the land now in the conservation use easement will be at its fair market value instead of its conservation use easement value.

X. HISTORIC PROPERTY WITHIN BOUNDARIES OF OLD REGISTER TAD - O.C.G.A. SEC. 36-44-3(9)(J)

A review of the National Register of Historic Places and City Designated Properties Register was conducted. Within the Redevelopment Area boundary, there is one property found on the National Register of Historic Places, the Sol Akins House, national register information system number 90000487. The Sol Akins House will not be substantially altered in any way inconsistent with technical standards for rehabilitation or demolished unless feasibility for reuse has been evaluated based on technical standards for the review of historic preservation project.

XI. Creation and Termination Dates - O.C.G.A. Sec. 36-44-3(9)(K)

The Old Register TAD will be created effective December 31, 2018. The Redevelopment Powers Law provides that the district will be in existence until all redevelopment costs, including debt service, are paid in full. The City anticipates dissolving the Old Register TAD once the TAD Bonds are paid off.

XII. TAX ALLOCATION INCREMENT BASE - O.C.G.A. SEC. 36-44-3(9)(M)

The Redevelopment Area contains a total of four parcels with a total of 289.80 acres. The 2018 taxable value of the parcels in the Old Register TAD is $2,089,729, which is the increment base of the proposed Old Register TAD.

The value of the base increment of the properties included in the proposed Old Register TAD, together with the existing South Main TAD, would represent less than ten percent of the City's Tax Digest.

[TO BE CONFIRMED BY THE CITY]

XIII. PROPERTY TAXES FOR COMPUTING TAX ALLOCATION INCREMENTS - O.C.G.A. SEC. 36-44-3(9)(N)

As provided in the Redevelopment Powers Law, the property taxes included for computing tax allocation increments for the Old Register TAD are shown below. For information, also included are their related millage rates for 2017 (2018 millage rates are not now available).

City and County Millage Rates (per $1,000)	
Property Taxes Included:	**2017**
City	7.308
Bulloch County Public Schools*	9.685
Bulloch County*	12.340
Total Old Register TAD Millage	29.333

*Subject to its consent

XIV. SCHOOL SYSTEM IMPACT ANALYSIS - O.C.G.A. SEC. 36-44-3(9)(R)

This Redevelopment Plan proposes to include in the tax allocation increment ad valorem taxes levied by a board of education; i.e., the Board of Education of Bulloch County.

Appendix B attached hereto and incorporated by reference contains a school system impact analysis addressing the financial and operational impact on the school system of the proposed redevelopment, including but not limited to an estimate of the number of net new public school students that could be anticipated as redevelopment occurs; the location of school facilities within the proposed Redevelopment Area; an estimate of educational special purpose local option sales taxes projected to be generated by the proposed redevelopment, if any; and a projection of the average value of residential properties resulting from redevelopment compared to current property values in the Redevelopment Area.

♦
BEFORE

PROPOSED DEVELOPMENT

Appendix A
Old Register TAD Maps
[Attached]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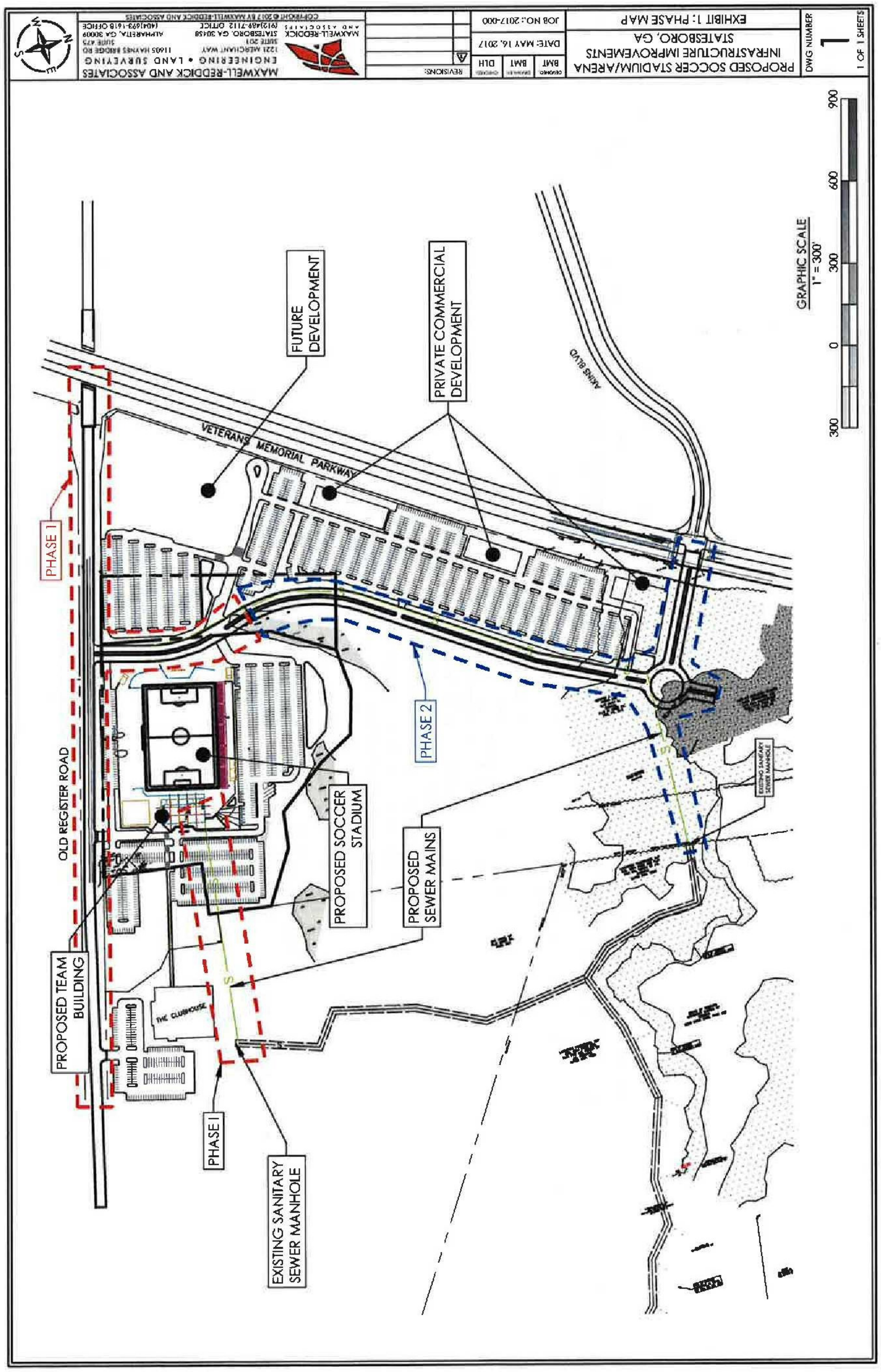

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Existing Ag Fields – Currently Cotton
Driving Range
The Clubhouse
VETERANS MEMORIAL
OLD REGISTER
HIGHWAY 301
AKINS
MALECKI
CAMPUS CLUB
HENDRIX

Appendix B


New Retail Development
1
2. TORMENTA FC STADIUM
3. NEW RETAIL DEVELOPMENT
4. OUTLOT
5. THE CLUBHOUSE
6. NEW UNDERPASS
7. M.C. ANDERSON MULTIPLEX
8. SOCCER/TRACK STADIUM
9. ALLEN E. PAULSON STADIUM
Overall Master Plan
Tormenta FC Stadium Center
Statesboro, GA 30458
LANIER DRIVE
AKINS BLVD.
VETERANS MEMORIAL PARKWAY
OLD REGISTER ROAD
TORMENTA FC

Appendix C
School Impact Analysis for the Redevelopment Projects

1. Georgia Tech analysis attached.

2. Currently, no school facilities are located with the proposed Redevelopment Area.

3. Currently, no residences are located within the proposed Redevelopment Area. The average value at cost of proposed residential properties resulting from redevelopment and included in the Redevelopment Projects is estimated at $[TO BE PROVIDED].

4. The above collectively constitutes the School System Impact Analysis for this Redevelopment Plan.

Appendix D
Existing Utility Map


Note: The features depicted on this map are approximate and should be used for reference only
1 Inch = 300 feet
Municipal Boundaries
TAD Parcels
Water Well
Water Valve
Water Tank
Water Meter
Water Main
Sanitation Valve
Sanitation Lift Station
Sanitation Manhole
Sanitation Force Main
Sanitation Gravity Main
Natural Gas Regulator Stations
Natural Gas Valves
Natural Gas Critical Valves
Natural Gas Meters
Natural Gas Main
City of Statesboro
Future TAD
Utility
Infrastructure