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# Executive Brief

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Southern  
Region

Leadership

Existing  
Industry

Downtown

Quality  
of Life

Education

Infrastructure

Labor

Land

Buildings

## Growth That Pays For Itself Tax Allocation Districts

**H**ave a 40-year old bridge that needs replacing or an old retail center that needs redeveloping? For many communities money is tight and this type of project won't get done without a tool to bridge the gap between funds available and funds needed. A tax allocation district, TAD, can be that tool.

"With the liberalization of the legal language for TADs, first in 2001 and then in 2006, the use of a TAD is not limited to a blighted area," explains Dan McRae attorney with Seyfarth Shaw LLP.

"A TAD is an economic development incentive. The law allows local governments to issue TAD bonds to fund redevelopment costs which generate private sector investment," explains McRae.

The city of Albany created a TAD in 2007.

"Our citizens approved a TAD with an acceptance rate of 58 percent in a referendum November 6, 2007," explains Albany Assistant City Manager James Taylor.

"Our greatest challenge in the process was educating voters about the TAD. We used television, radio, six public hearings and my personal phone number," quips Taylor.

"Just having the word tax in its name can scare people so you don't want the first time it's seen to be on the ballot sheet. It was our job to educate but not advocate that taxpayers aren't paying more taxes with a TAD."

Growth that Pays for Itself, Continued from page 1.

The City of East Point used a TAD for the Camp Creek Marketplace, leveraging approximately \$1.9 million in positive tax increments to generate \$250 million in private sector investment without tapping into the city's current tax revenues. It also increases jobs and electricity revenues.

#### How does a TAD work?

The city designates an area in need of redevelopment, adopts a redevelopment plan outlining how the area will be developed, and creates the TAD. The county commission consents to including its share of the new tax revenues, or tax increment, in the TAD. The current value of the tax digest in the area is set as a base, and the city and county continue to receive tax revenues on that value for the life of the TAD. As vacant and dilapidated properties are developed, the property values within the TAD increase. New tax revenues from this increased value are placed into a special fund to pay for redevelopment costs or to finance bonds issued to fund capital improvements.

#### Will creating a TAD cause a tax increase?

No. The property tax millage rate stays the same as before the TAD was created. In addition, the new development in the TAD may stimulate other development in the surrounding area, adding more new property taxes to the coffers. New retail development also generates increased sales tax revenues, which further benefit existing taxpayers.

#### What is the impact of the February 2008 Georgia Supreme Court Decision that Atlanta may not use school tax funds for a TAD?

Redevelopment costs can still be paid, and TAD bonds can still be repaid, out of non-school tax

increments and other permitted sources otherwise available.

#### What is the beauty of a TAD?

Growth pays for itself.

#### What is the bane of a TAD?

The timing/process requirements. You can't wait until May to decide to do a TAD because the General Assembly is out of session by that time. TADs require authority from the General Assembly and subsequent passage of a referendum with the taxpayers, all of which take time and planning.

Thanks to Dan McRae, partner with Seyfarth Shaw LLP, for assistance with TAD information.

## Bridging the Imagination Gap

Every professional economic developer wishes for a community group passionate about creating an environment for new development, particularly finding new uses for old or existing properties. A grass roots team in Thomasville is interested in just that.

"We think it is a responsible approach to growth. In some ways it is the ultimate "green" thing to do, to re-use or reclaim a building or space," says Marta Turner.

"We think much of what we are doing is bridging the imagination gap," explains Ian Quinton. "It is hard sometimes for a prospect to re-imagine a property that will fit his or her needs. We are going to try to help that."

Quinton has first hand experience with reinventing an older facility. He revitalized several buildings in downtown Thomasville for his business, International Design and Display.

The group will assist with before and after renderings of eyesore infill properties and in the development of an official inventory of available properties that would then be promoted on the web and through other means. Packaging and presentation is important for any product, including bricks and mortar.

## Quitman's Job Fair Produces 600 Applicants

Quitman and Brooks County demonstrated their commitment to industry prospect Crown Health Care Laundry Services with a job fair. Over 600 people completed applications in hopes of landing new jobs.

Crown Health Care Laundry Services responded to the community's enthusiasm with the signing of a 20-year lease with Quitman in August for the former Quitman Manufacturing Building. Crown will provide 140 new jobs within two years.

Crown is a full-service health-care laundry processor and linen rental company with three other processing facilities in Florida, Alabama and South Carolina serving the Southeast.

Don Haferkamp, President/CEO said, "Quitman distinguished itself during our initial site selection process. Their hospitality, genuine interest in our project and responsiveness to our requests set them apart."

## Moultrie Readies Marketing Campaign

THINK WE'RE IN THE MIDDLE OF NOWHERE?  
TRY THE MIDDLE OF EVERYWHERE.

Moultrie sits in the center of Albany, Valdosta and Tallahassee which means you can enjoy a wonderful quality of life, and still be close to pretty much anything you need. And even better, what Moultrie is not in the middle of is traffic or economic decline.

If you're looking for a great American small town, let's us meet you in the middle of everything. Right here, in Moultrie. Visit [www.MoultrieLivingHistory.com](http://www.MoultrieLivingHistory.com) for details.

MOULTRIE-COLQUITT COUNTY  
LIVING HISTORY. CHERISHING FUTURE.

Moultrie-Colquitt County received a \$120,000 performance award, only one of seven nationwide from the U.S. Dept. of Commerce, for generating private investment. The funds are to be used for economic development activities.

The National Association for Business Economics found that 75 percent of businesses are paying more for raw materials, such as fuel and steel. That's the highest percentage in the group's record-keeping that dates back to 1994.

## Local Entrepreneurs

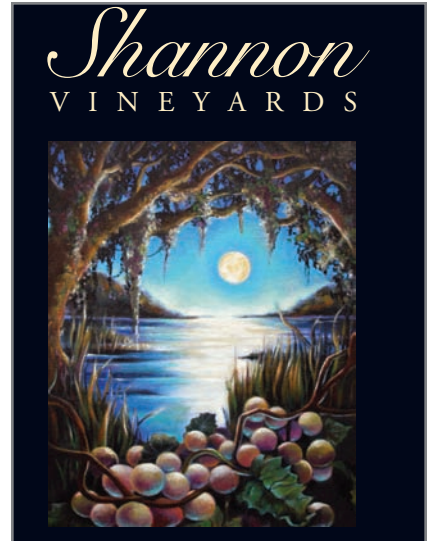
Nether Old Fashion Pork Skins Inc. -  
Sylvester

It started with a wash pot, pork skins and zip lock bags in 1990 and in 2007, Nether's Pork Skins realized \$400,000 in revenues. Recently, with the help of the Worth County Economic Development Authority, a Small Business Development Center consultant, Georgia Tech and a \$500,000 loan from the Regional Development Center, Johnny and Diane Nethers expanded their facility and automated the process. Snack product volume that formerly took a day to produce is completed in two hours. Plus, he expanded from 4,200 square feet to 6,600. The company offers five varieties, from plain to salt and vinegar and sells throughout the Southeast.

[www.nethersporkskins.com](http://www.nethersporkskins.com)

Shannon Vineyards - Sylvania

Like fellow entrepreneur John Nethers, Jim Shannon began his business in 1990. Today, he has 200 acres yielding 1,000 tons of muscadine grapes serving chain super markets and other wholesale



markets in 20 states. On October 25th, with over 11,000 square feet of tasting room, winery and terrace space for special events, Jim is launching a line of wines under the Shannon Vineyards brand.

Savannah artist Elena George created the label for the wine offerings like Moon River White.

In early 2009, the vineyards will open a second tasting room in historic Savannah.

[www.shannonvineyards.co](http://www.shannonvineyards.co)

## Moving Raw Materials



Rail Spur for Innoware, Inc

“We are working with Innoware to provide them better access to the raw materials they need to manufacture plastic take-out containers, including a \$500,000 One Georgia grant for freight service into the plant,” explains Mayor Hays Arnold of Thomaston.

Innoware introduced a line of 100 percent compostable container in 2007 produced from bio-based resins, such as corn, and is now making a multi-million investment to use less styrene in other product lines. The product will use more polypropylene and PETE resin, the plastic used in soft drink bottles.

“The community of Thomaston and the state are working with us as we continue to improve our containers, add product lines and create more efficiencies,” says Innoware Plastics Plant Manager Mark Butters.

Innoware serves the food service and retail markets with an extensive line of containers, glassware and cutlery. With an eye for design and consumer preferences, its plastic wine and champagne glasses are molded as one solid piece, unique in the marketplace.



# Wilo "Made in the USA"

Wilo, a German engineered pump manufacturer operating in over 50 countries, for the first time is making product in North America - in Thomasville to be exact. Wilo EMU USA LLC is the North American headquarters for its municipal and industrial pump applications.

"Manufacturing in the U.S. reduces cycle time and provides reliable lead times to our customers. We have brought our manufacturing operations closer to our customer base," explains Terry Rouse, President and CEO.

While Wilo looked at nearby North Carolina as a possible site, the qualified workforce in Thomasville was important to the deal. Key employees from a former pump company transitioned to the Wilo payroll. Plus, Quick



*A cutaway of a Wilo pump*

Start provided training and the local payroll development authority donated the 10 acres of land. The facility is a 60,000 square foot building and an \$8 million investment.

Wilo SE, in Dortmund, Germany, was founded in 1872 and has more than 6,000 employees.

## Fuel Costs Reshaping Business

The cost of fuel is changing how businesses operate. Higher prices are translating into higher costs of merchandise and are challenging businesses' operating methods and creativity.

One result of higher fuel is an increase in the use of rail for moving finished consumer goods. Overall freight growth is expected to double by 2035. Trains produce one third fewer emissions than trucks and are three times more fuel efficient. These realities are forging new train/truck relationships. More and more trains are doing the cross country hauls and trucks the shorter distribution routes.

"We are seeing a significant increase in rail use by companies, many of which have not used us in years," explains Jason Reiner, Director of Industrial Development for Norfolk Southern.

Case in point. Whirlpool Appliance in Henry County has under construction a 1.5 million square foot distribution facility reliant on rail access.

"Whirlpool has not moved product by rail in a long time," says Reiner. "So are other Georgia companies such as Nestle in McDonough and Norcom in Griffin," he adds.

"We are changing the way ice is sold," explains Daniel Dunn, franchise owner with Ice House America in Moultrie. "Ice is

produced, bagged and delivered to the customer all in one location. With the conventional method, ice is handled numerous times and loaded on trucks for delivery to retailers. We have erased the trucking costs from that production process and that has become more and more significant. In 2003, diesel was \$1.50 a gallon, today it is roughly \$4.00 a gallon."

Ice House America is launching a second smaller house, roughly 6 feet x 12 feet, to go into new markets.



## Special Focus

Existing Industry

### Existing Industry Highlights

**P&G's ThermoCare Acquired in Albany**  
Wyeth Consumer Health-care signed the paperwork in July to purchase ThermoCare from Proctor & Gamble. The purchase is part of Wyeth's strategy to strengthen its core business - pain management. Wyeth's products include respiratory, nutritional, gastrointestinal, topical and other pain management products including Advil. The purchase enhances Wyeth's global position in European markets.

The Albany building and employees will transition to the new ownership.

**Spectrum Distribution Expands in Douglas**  
Spectrum Distribution, a division of Bromley Coats Inc. completed an 80,000 square foot expansion to its facility in 2008 following an earlier 50,000 square foot expansion in 2007. Bromley, headquartered in New York, is an 80-year old coat manufacturer, most noted for the J. G. Hook label. Spectrum was named Douglas-Coffee County Industry of the Year in 2007.

**Goldens Foundry Adding Employees in Cordele**  
With a 2007 start-up, Columbus-based Goldens has more than doubled its foundry capacity. The company expects to grow from 75 employees to over 100 by mid-2009.

# Buildings and Parks

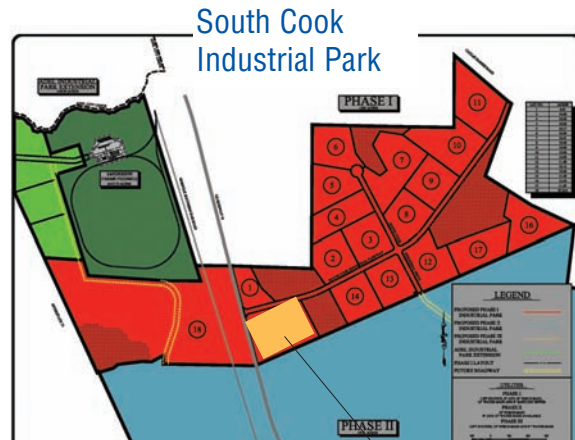


View available Georgia buildings at [www.locationgeorgia.com](http://www.locationgeorgia.com). For more information call Oleta Herron at 800-946-4642.

- **Sylvester** - Former 114, 845 square foot Birdsong Warehouse built in 1990 for temperature controlled peanut storage is located on Seabrook Drive. Warehouse is capable of temperatures between 34 degrees F and 50 degrees F. It is located 17 miles from I-75 via U.S Hwy. 92. Rail service is provided by Georgia/Florida Railroad.

- **Adel** - John Scarboro Enterprises, local manufacturer, plans to build a 20,000 square foot spec building on lot 15 in the 350 acre South Cook Industrial Park, part of the larger South Cook Industrial Corridor. The building will be expandable with an attached 1200 square foot office space and available for occupancy in early 2009.

The Winter 2008 edition of *Southern Business and Development Magazine* named the 3,000 acre South Cook Industrial Corridor among the "Top Ten Incredibly Large, Nicely Positioned Distribution Sites in the South."



Lot 15

## Bluebird Corporation Buys Former Dan River Mills

Bluebird Corporation in Fort Valley, purchased the former Dan River Mills textile facility to support a new Bluebird division. The 330,000 square foot plant had been vacant for three years. Through 2007,

Blue Bird executed a series of plant closing and product line divestitures intended to re-focus the company on the school bus market in an effort to improve profitability and market position.



Interstate 75, exit 99, Georgia Highway 300, is booming with new businesses east and west of the exit in Cordele. A five-story Country Inn and Suites is complete and two restaurants are planned. H& R Block has already claimed office space in the retail strip.

## Georgia Prime Location for Biomass Industry

A recent report from *Forbes Magazine* ranks the top five states for alternative energy in the categories of wind, solar, geothermal, and biomass. Georgia was in the top five for biomass. Georgia's 25 million tons of mill wood debris was the driving factor behind the ranking. Iowa and North Dakota ranked first and second for biomass.

A former mulch producer in Sylvania, Briar Creek Wood Fibers is taking advantage of Georgia resources. The new bioenergy company is producing wood waste products, pellets for fuel.

The company anticipates exporting to Europe, a large market for this type of fuel.

# Make A Note

- The Georgia Partnership for Excellence in Education reports that Georgia's high school dropout rate has an \$18 million negative economic impact annually.

- India plans to open a new consulate in Atlanta due to turnaround U.S. relations in recent years and the burgeoning Indian American population, now well over 2.5 million.

- Darton College in Albany is opening a 50,000 square foot satellite campus in downtown Cordele providing a great shot in the arm for its downtown.

*MEAG Power is a public generation and transmission corporation providing wholesale electricity to Georgia's public power utilities. MEAG Power is Georgia's third largest power supplier.*

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Location Georgia offers statewide economic development services to expanding businesses. We also provide communities economic development support in aerial photography, advertising support, strategic planning facilitation and various other services through strategic alliances.



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