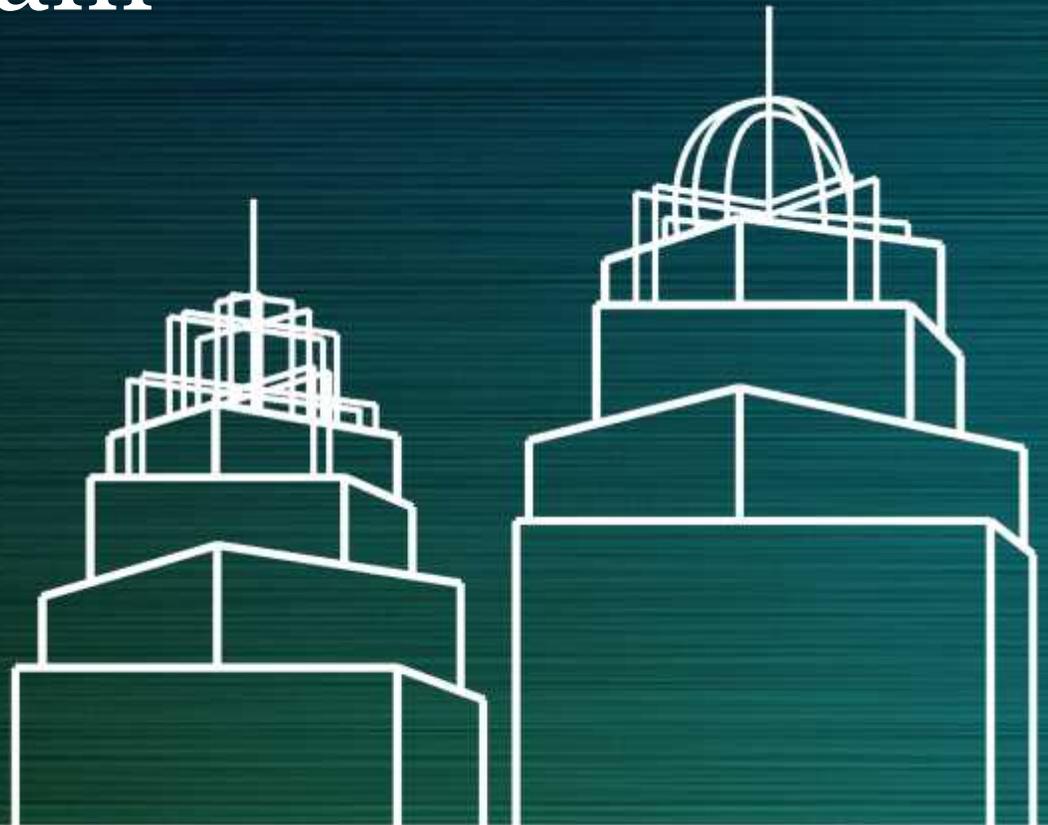


Economic Development Incentive Program Overview

August 16, 2016



Existing Policy

- Adopted by Oct 2012 / Revised September 2013
- Requirements
 - Result in the location, expansion or retention of a business within the City
 - Create 15 or more full-time positions which meet or exceed the average wage level within the City of Sandy Springs (2015: \$70,616)
 - Provide new capital investment equal to or in excess of \$1.0M (not furniture / fixtures and equipment)

Available City Incentives

- Expedited Permitting Process
- Waiver of Permit/Impact Fees
- Waiver of Business and Occupation Taxes (up to 3 years, depending on thresholds met)

	Tier I	Tier II	Tier III
Number of New Jobs Created	15 – 26	26 – 99	100+
Amount of Capital Investment	\$1 million	\$1.01 million to \$5 million	\$5.01 million+
Number of Years Commitment	4	7	10
Business Occupant Tax Waiver	1 year	2 years	3 years

Process

1. Application for incentives must be submitted prior to submittal for building permits
2. Staff review and recommendation
 - Waiver amounts based on business license / permit estimates
3. Public hearing and Council approval
4. Written agreement between City of Sandy Springs and the business
 - Investment and job levels as approved by Council
 - Timetables for completion of project and agreed duration
 - Recapture provisions if business does not comply with its duties and obligations under the terms of the agreement
5. Fees waived
 - Actual waiver amounts based on information provided by contractors (building permits) and on business license application; could be higher or lower than previous estimates

SANDY SPRINGS

Results

- Council approved 14 incentive requests since 2011; All companies ultimately located in Sandy Springs

Agreement Status	#	Real Property Investment	Existing Jobs	New Jobs	SF	Total Incentive Estimated	Total Incentive Waived
Completed	6	\$116.9M	1,170	1,449	819,000	\$1.7M	\$1,695,105
Waiver in Process	4	\$80.2M	0	1,488	435,000	\$1.5M	\$49,489*
Pending	1	\$9.0M	450	125	450,000	\$294,000	-
Located in City without agreement	3	\$11.8M	330	418	133,000	\$496,000	-
TOTAL	14	\$217.9M	1,950	3,480	1.5M	\$4.0M	\$1,744,594

* Totals waived to date do not include impact of MBUSA waivers (estimated \$1.0M)

Signed Agreements

Company	Incentive Status	Real Property Investment	Existing Jobs	New Jobs	SF	Total Incentive Estimated	Incentive Waived To Date
Graphic Packaging	Complete	\$7.4M		320	85,000	\$185,000	\$15,452
Americold	Complete	\$2.0M	825	50	3,000	\$8,000	\$948
GT Software	Complete	\$4.0M		26	27,000	\$6,284	\$3,344
MATRIX Resources	Complete	\$1.5M		203	40,000	\$151,201	\$148,012
CH2MHill	Complete	\$2.0M	345	100	85,000	\$120,042	\$261,791
Cox Enterprises	Complete	\$100.0M		750	578,000	\$1,405,954	\$1,265,568
Veritiv	In Process	\$4.2M		123	70,000	\$166,450	\$8,215
CSM Bakery	In Process	\$3.0M		125	65,000	\$165,000	\$11,068
Lincoln Financial	In Process	\$10.0M		600	150,000	\$87,373	\$30,206
MBUSA	In Process	\$63.0M		640	150,000	\$1.1M	-
TOTAL		\$197.1M	1,170	2,937	1,254,000	\$3,395,304	\$1,744,594

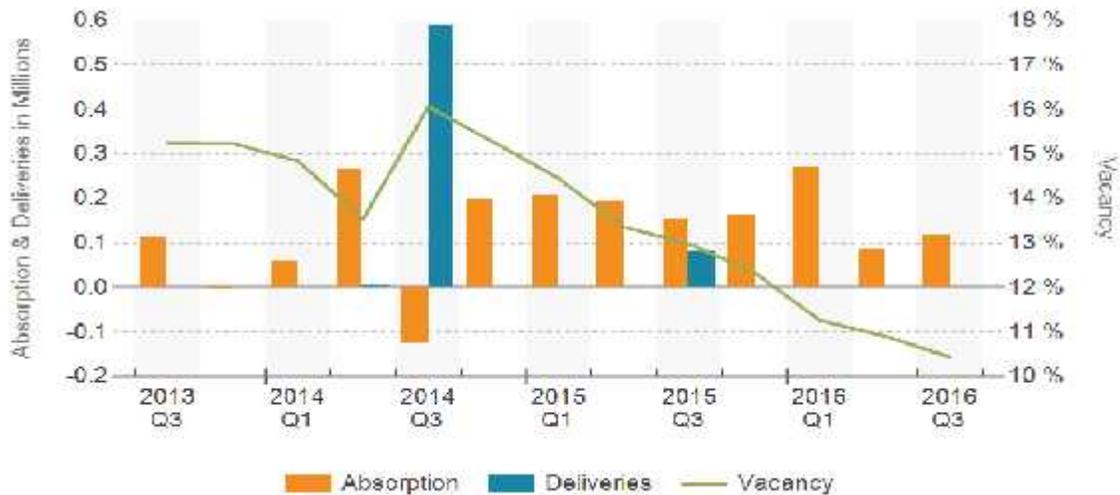
State of the Market

- Office market occupancy has increased in Atlanta MSA since 2012, including Central Perimeter and Cumberland submarkets
- Powers Ferry area vacancy improved to 11.1% (compared to 23.2% a year ago), primarily due to Lincoln Financial
- Central Perimeter still has +1.1M SF full floors available for direct lease and +450,000SF available for sublease



Central Perimeter

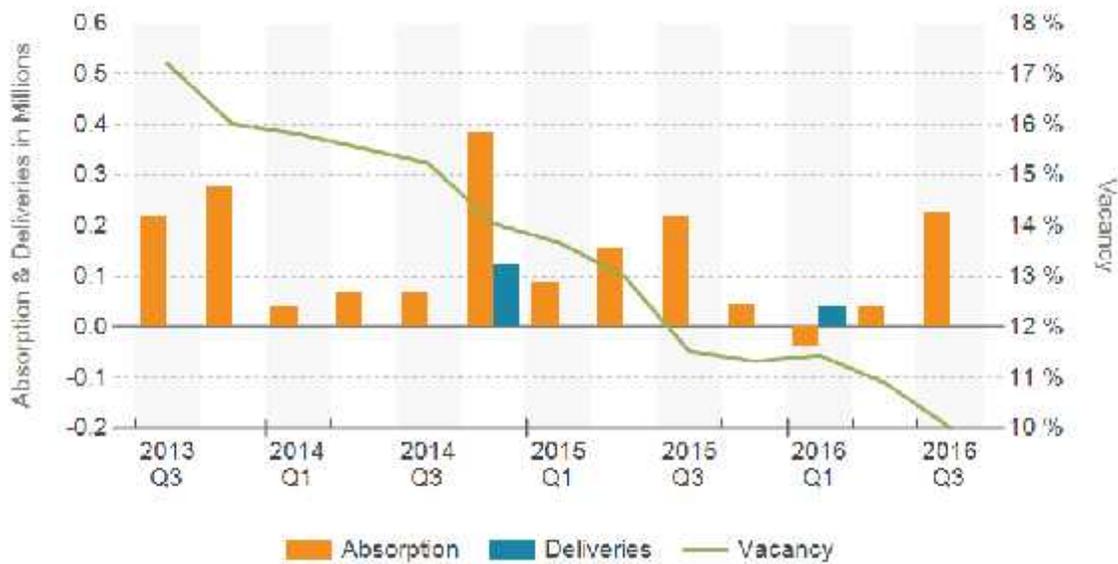
Vacancy Rate	10.7%
Vacant SF	5,023,420
12 Mo. Absorption SF	314,704
12 Mo. Leasing SF	2,613,115
Months on Market	20.4



Midtown

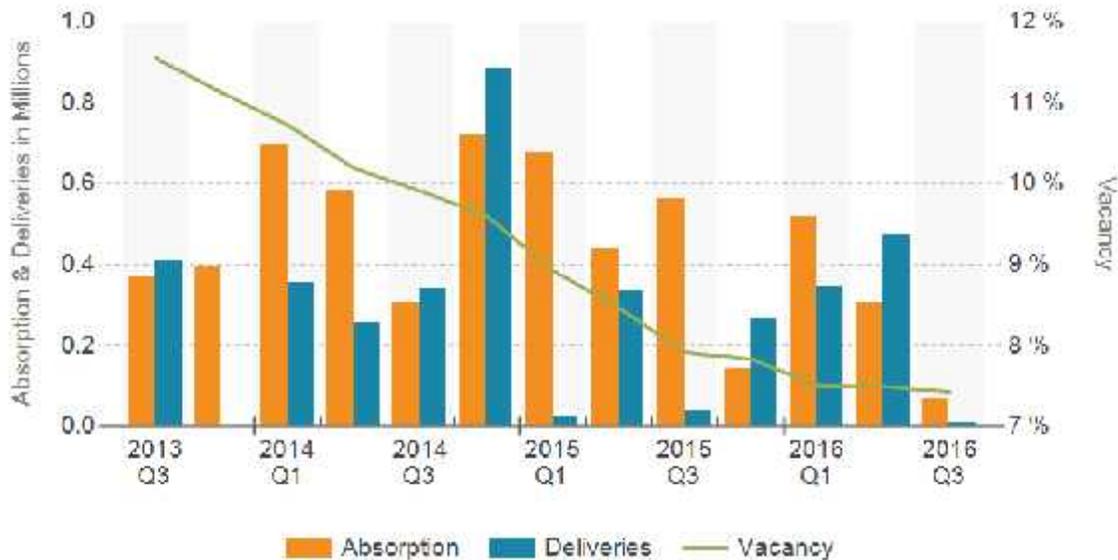
Vacancy Rate	10.4%
Vacant SF	2,630,328
12 Mo. Absorption SF	791,088
12 Mo. Leasing SF	1,524,166
Months on Market	17.8

Source: CoStar 7/2016



Buckhead

Vacancy Rate	9.9%
Vacant SF	2,279,295
12 Mo. Absorption SF	493,875
12 Mo. Leasing SF	1,399,158
Months on Market	19.7



North Fulton

Vacancy Rate	7.4%
Vacant SF	7,273,395
12 Mo. Absorption SF	1,743,129
12 Mo. Leasing SF	4,829,262
Months on Market	16.0

Source: CoStar 7/2016

SANDY SPRINGS

- Value of incentive program is getting City to the “short list” of consideration
- Tied to City’s adopted goals
- Fortune 500/HQ business that enhance the Sandy Springs brand and whose employees have most impact on other local business
- Clear qualification guidelines: only companies creating highest quality jobs and real property investment
- Valuable only for retention / recruitment, not redevelopment efforts