

PROJECT DETAILS

CAPITAL INVESTMENT IN
the City of Richmond Hill:
\$274.0 Million
(INCLUDES AIRCRAFT)



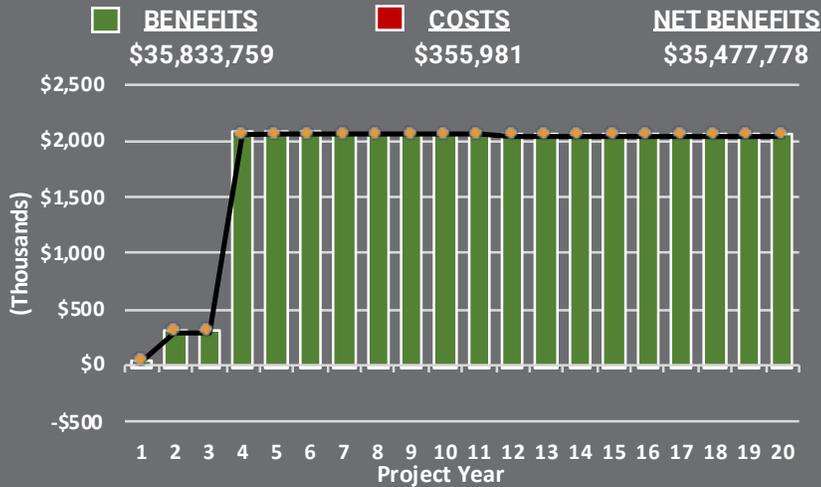
NEW JOBS:
12



AVERAGE WAGE:
\$52,000



20 YEAR FISCAL IMPACT ANALYSIS - SCHOOL



FISCAL IMPACT DETAILS

BENEFITS

Sales Taxes	\$96,460
Property Taxes	\$35,663,086
Franchise/Occupation Taxes	\$3,477
Liquor Lic. & Alcoholic Bev. Taxes	\$1,938
Service Fees	\$13,869
Fine & Fee Revenue	\$7,771
Permit Revenue	\$5,738
Misc. Revenue	\$41,420
Utility Revenue *	\$0
Salvage Value	\$0
Benefits Subtotal:	\$35,833,759

COSTS

Support (Incentives)	\$0
Government Services	(\$355,981)
Visitor Costs **	\$0
Utility Service Cost *	\$0
Costs Subtotal:	(\$355,981)

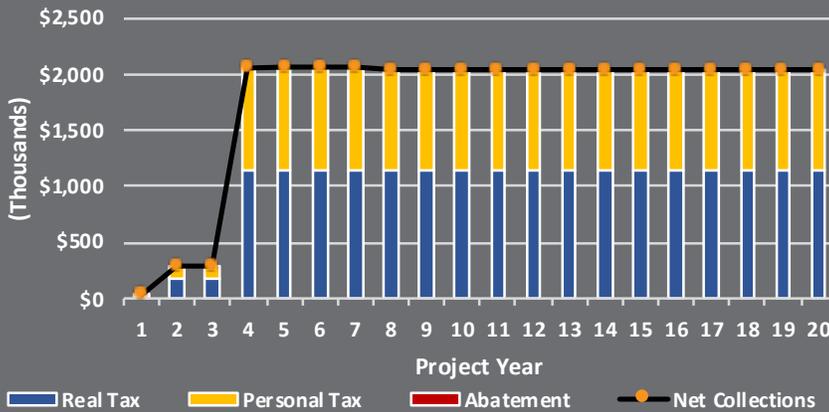
NET BENEFITS

\$35,477,778

PROJECT NET PRESENT VALUE (NPV) OVER
20 YEARS AT A 5.0% DISCOUNT RATE:

\$20.5M

PROJECT PROPERTY TAX/PILOT ANALYSIS



RESIDENTIAL IMPACT



2

NEW HOUSEHOLDS



1

NEW STUDENTS

INCOME AND RETAIL IMPACT

\$2.0M+

TOTAL NET REVENUE PER YEAR
AT FULL BUILDOUT



\$0.13M
NEW ANNUAL
RETAIL SALES

* If utility revenue/service cost is \$0 then utilities were not included in the analysis. Utility usage and rates were not provided.

** Visitor costs are for tourism projects only.

Project Overview

At the request of the Development Authority of Bryan County (“client”), the Economic Impact Group, LLC (EIG) conducted a 20-year fiscal impact analysis for Bryan County, the Bryan County School Board, and the City of Richmond Hill of a proposed airport to be located in Richmond Hill, Georgia. Per the information provided by the client, the project will employ 12 people with an average wage of \$52,000. Total investment is just over \$183 million, about \$67.5 million of which includes land acquisition, wetland mitigation, environmental assessments, etc., and non-revenue generating infrastructure (e.g., runways, access roads, parking, utilities, etc.). However, the balance of the project, roughly \$115.5 million, represents taxable investments in both real and personal property. This assumes full build-out, which would be based on the market demand. These numbers also include hangers, and hanger construction is scalable based on market demand.

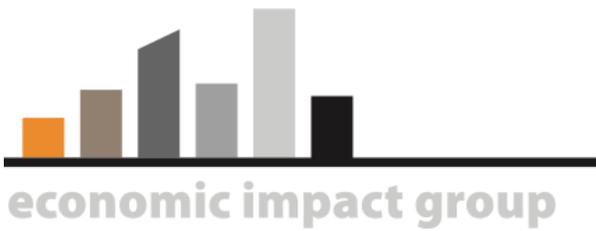
It is further anticipated that there will eventually be nearly 180 private aircraft housed at the airport, all titled in Bryan County, which will add about \$90 million in personal property to the tax digest. (This value is based on average aircraft values located at comparable airports in Georgia. It is anticipated that the aircraft located at the proposed facility will be higher-value aircraft than those used in this analysis.) Therefore, the total new taxable property at the airport is expected to be \$205 million. Finally, it is assumed that there will be 10,000 gallons of jet fuel sold monthly at the facility, subject to Bryan County’s jet fuel tax.

Model

The fiscal impact estimates presented here are generated using the LOCI™ fiscal impact model, which utilizes the Per Capita Multiplier Method – the classic average costing approach to estimate local costs. This method assumes that, over the long run, the best estimates of future operating costs are the current average operating costs. While there may currently be some level of excess capacity in the county, city, and school system, there is no way to know how much capacity, or whether the location decision of the new households will utilize that capacity or require significant new marginal costs. Therefore, given the size of this project relative to the Bryan County economy, the average cost approach is the most appropriate.

Revenue and expenditure data specific to Bryan County, the Bryan County School Board, and the City of Richmond Hill were used in the model and were taken from the most recent financial documents publicly available from the Georgia Department of Community Affairs, the Georgia Department of Revenue, and the Georgia Department of Education. For the school system, it is important to note that only LOCAL costs per student were considered, i.e., the costs covered by state or federal monies were not considered. Revenue and expenses for enterprise funds were not included, as it is assumed that in the long run, revenues should equal the associated expenses. Similarly, **revenue from the bond millage was not included**, nor was the associated debt service cost.

Finally, for all three jurisdictions, the stream of new revenues and expenditures is forecast for a 20-year period. The future stream of net benefits (positive or negative) is then put in current dollars using a Net Present Value (NPV) calculation using a discount rate bracketed by the interest that must be paid on current debt and the interest that could be earned in the appropriate investment funds market. For this analysis, the discount rate was five percent.



Fiscal Impact Results

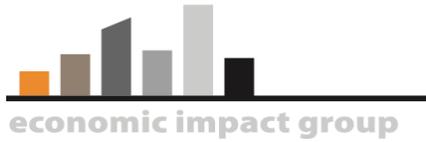
Given the commuting patterns prevalent in Bryan County and the existing level of unemployment, it is estimated that the project will result in just two new households in the county and generate new annual county expenses of only \$11,000 per year. However, once fully developed, the project is expected to generate just over \$490,000 per year in county revenues, including personal property tax on the aircraft as well as revenue from the fuel tax. Over 20 years, county revenues are expected to exceed expenditures by \$8.3 million. The 20-year NPV for this project is \$4.8 million to Bryan County (Table 1).

Those two new households are expected to add just 1 new student to the Bryan County school system with a total LOCAL cost of \$5,500 per year (again, this analysis includes local costs only and does not include school costs covered by out-of-county revenues). However, once the project is complete, the annual revenue to the school system from this project is estimated to be \$1.2 million per year. Over the next 20 years, school revenues are expected to exceed expenditures by \$21.3 million. The 20-year NPV for this project is \$12.3 million for Bryan County schools (Table 2).

Finally, based on current commuting patterns, the City of Richmond Hill is expected to get one of the new households, which will result in additional annual city expenses of only \$2,500. It is important to note that there are not expected to be any significant new marginal public safety costs to the city as a result of the airport due to intergovernmental agreements between Richmond Hill & Bryan County with the Savannah Fire Department, as well as support provided from the Savannah/Hilton Head International Airport (SAV).

With respect to revenue, once complete, the project is expected to generate, on average, \$340,000 in new revenue for the city each year. Over the next 20 years, city revenues are expected to exceed expenditures by \$5.8 million. The 20-year NPV for the project is \$3.4 million to the City of Richmond Hill (Table 3).

Alfie Meek, Ph.D.
Principal & Chief Economist
Economic Impact Group, LLC.



**Table 1 - Fiscal Impact Analysis
Bryan County & Richmond Hill Airport**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Total	
BENEFITS																							
Total Sales Taxes	\$0	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$3,239	\$64,780
Total Property Taxes	\$0	\$7,935	\$70,843	\$71,249	\$487,988	\$487,881	\$487,739	\$487,561	\$487,311	\$487,097	\$486,919	\$486,741	\$486,527	\$486,313	\$486,171	\$486,100	\$486,064	\$485,779	\$485,779	\$485,779	\$485,779	\$485,779	\$8,423,555
Total Franchise Fees	\$0	\$9	\$19	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$532
Total Occupation Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Liquor Licenses	\$0	\$2	\$4	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$5	\$96
Total Alcoholic Beverage Tax	\$0	\$9	\$17	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$26	\$494
Total Services	\$0	\$168	\$344	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$513	\$9,746
Total Revenues from Fines	\$0	\$82	\$167	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$249	\$4,731
Total Revenues from Permits	\$0	\$72	\$148	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$4,180
Total Miscellaneous Fees	\$0	\$418	\$854	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$1,272	\$24,168
Total Water Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Wastewater Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Salvage Value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL BENEFITS	\$0	\$11,934	\$75,635	\$76,801	\$493,540	\$493,433	\$493,291	\$493,113	\$492,863	\$492,649	\$492,471	\$492,293	\$492,079	\$491,865	\$491,723	\$491,652	\$491,616	\$491,331	\$491,331	\$491,331	\$491,331	\$491,331	\$8,532,282
COSTS																							
Total Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Public Works	\$0	\$2,071	\$4,236	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$6,306	\$119,815
Total Recreation/Libraries	\$0	\$143	\$293	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$437	\$8,302
Total Court System	\$0	\$103	\$211	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$314	\$5,966
Total General Government	\$0	\$239	\$489	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$728	\$13,832
Total Health Services	\$0	\$9	\$19	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$532
Total Social Welfare	\$0	\$31	\$64	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$96	\$1,823
Total Public Safety	\$0	\$802	\$1,641	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$2,443	\$46,417
Total Other Costs	\$0	\$107	\$219	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$325	\$6,176
Total Water Utility Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Wastewater Utility Cost	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL COSTS	\$0	\$3,505	\$7,172	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$10,677	\$202,863
NET BENEFITS	\$0	\$8,429	\$68,463	\$66,124	\$482,863	\$482,756	\$482,614	\$482,436	\$482,186	\$481,972	\$481,794	\$481,616	\$481,402	\$481,188	\$481,046	\$480,975	\$480,939	\$480,654	\$480,654	\$480,654	\$480,654	\$480,654	\$8,329,419

Present Value of Net Revenues: \$4,818,842

Source: Economic Impact Group, LLC. Totals may not add due to rounding.

**Table 2 - Fiscal Impact Analysis
Bryan County Schools & Richmond Hill Airport**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Total	
BENEFITS																							
Total Sales Taxes	\$0	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$1,311	\$26,220
Total Property Taxes	\$0	\$20,265	\$180,071	\$181,220	\$1,239,033	\$1,238,762	\$1,238,400	\$1,237,948	\$1,237,314	\$1,236,772	\$1,236,319	\$1,235,867	\$1,235,324	\$1,234,782	\$1,234,420	\$1,234,239	\$1,234,149	\$1,233,425	\$1,233,425	\$1,233,425	\$1,233,425	\$1,233,425	\$21,388,585
	\$0	\$21,576	\$181,382	\$182,531	\$1,240,344	\$1,240,073	\$1,239,711	\$1,239,259	\$1,238,625	\$1,238,083	\$1,237,630	\$1,237,178	\$1,236,635	\$1,236,093	\$1,235,731	\$1,235,550	\$1,235,460	\$1,234,736	\$1,234,736	\$1,234,736	\$1,234,736	\$1,234,736	\$21,414,805
COSTS																							
Total Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Education	\$0	\$1,815	\$3,713	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$105,032
	\$0	\$1,815	\$3,713	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$5,528	\$105,032
NET BENEFITS	\$0	\$19,761	\$177,669	\$177,003	\$1,234,816	\$1,234,545	\$1,234,183	\$1,233,731	\$1,233,097	\$1,232,555	\$1,232,102	\$1,231,650	\$1,231,107	\$1,230,565	\$1,230,203	\$1,230,022	\$1,229,932	\$1,229,208	\$1,229,208	\$1,229,208	\$1,229,208	\$1,229,208	\$21,309,773

Present Value of Net Revenues: \$12,330,803

Estimated number of new students: 0 1

Source: Economic Impact Group, LLC. Totals may not add due to rounding.



**Table 3 - Fiscal Impact Analysis
City of Richmond Hill & Richmond Hill Airport**

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10											Total
BENEFITS																						
Total Sales Taxes	\$0	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$273	\$5,460,000
Total Property Taxes	\$0	\$5,353	\$48,949	\$49,063	\$339,005	\$338,930	\$338,831	\$338,707	\$338,533	\$338,385	\$338,261	\$338,137	\$337,988	\$337,839	\$337,740	\$337,691	\$337,666	\$337,467	\$337,467	\$337,467	\$337,467	\$5,850,946,000
Total Franchise Fees	\$0	\$51	\$104	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$155	\$2,945,000
Total Occupation Tax	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0,000
Total Liquor Licenses	\$0	\$4	\$8	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$13	\$246,000
Total Alcoholic Beverage Tax	\$0	\$19	\$39	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$1,102,000
Total Services	\$0	\$71	\$146	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$217	\$4,123,000
Total Revenues from Fines	\$0	\$52	\$108	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$3,040,000
Total Revenues from Permits	\$0	\$27	\$55	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$82	\$1,558,000
Total Miscellaneous Fees	\$0	\$297	\$611	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$908	\$17,252,000
TOTAL BENEFITS	\$0	\$6,147	\$50,293	\$50,929	\$340,871	\$340,796	\$340,697	\$340,573	\$340,399	\$340,251	\$340,127	\$340,003	\$339,854	\$339,705	\$339,606	\$339,557	\$339,532	\$339,333	\$339,333	\$339,333	\$339,333	\$5,886,672
COSTS																						
Total Support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Public Works	\$0	\$196	\$404	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$601	\$11,418
Total Recreation/Libraries	\$0	\$45	\$93	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$139	\$2,640
Total Court System	\$0	\$9	\$18	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$513
Total General Government	\$0	\$112	\$231	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$344	\$6,535
Total Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Social Welfare	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Public Safety	\$0	\$393	\$809	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$1,202	\$22,838
Total Other Costs	\$0	\$71	\$147	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$218	\$4,142
TOTAL COSTS	\$0	\$826	\$1,702	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$2,531	\$48,086
NET BENEFITS	\$0	\$5,321	\$48,591	\$48,398	\$338,340	\$338,265	\$338,166	\$338,042	\$337,868	\$337,720	\$337,596	\$337,472	\$337,323	\$337,174	\$337,075	\$337,026	\$337,001	\$336,802	\$336,802	\$336,802	\$336,802	\$5,838,586
Present Value of Net Revenues:	\$3,378,378																					

Source: Economic Impact Group, LLC. Totals may not add due to rounding.

Economic Impact Group, LLC.
Flowery Branch, Georgia 30542

www.economicimpact.com