

REZONING APPLICATION

AN APPLICATION TO AMEND THE OFFICIAL ZONING MAP OF GWINNETT COUNTY, GA.

APPLICANT INFORMATION	OWNER INFORMATION
NAME: <u>Industrial Developments International, Inc.</u>	NAME: <u>Land Investment Partners, LLC</u>
ADDRESS: <u>1100 Peachtree St, Suite 1100</u>	ADDRESS: <u>2303 Cumberland Pkwy SE</u>
CITY: <u>Atlanta</u>	CITY: <u>Atlanta</u>
STATE: <u>Georgia</u> ZIP: <u>30309</u>	STATE: <u>Georgia</u> ZIP: <u>30339</u>
PHONE: _____	PHONE: _____
CONTACT PERSON: <u>Harold Buckley, Jr.</u> PHONE: <u>404-881-7860</u> <u>Gayle Lee</u> PHONE: <u>404-881-7745</u> <u>harold.buckley@alston.com</u>	
CONTACT'S E-MAIL: <u>gayle.lee@alston.com</u>	

APPLICANT IS THE:

OWNER'S AGENT
 PROPERTY OWNER
 CONTRACT PURCHASER

PRESENT ZONING DISTRICTS(S): 0-1 REQUESTED ZONING DISTRICT: M-1

LAND DISTRICT(S): 7th LAND LOT(S): 124 & 155 ACREAGE: 32.62

ADDRESS OF PROPERTY: 1340 Satellite Blvd - (Tax ID #R7124006)

PROPOSED DEVELOPMENT: WAREHOUSE and DISTRIBUTION

RESIDENTIAL DEVELOPMENT	NON-RESIDENTIAL DEVELOPMENT
No. of Lots/Dwelling Units <u>N/A</u>	No. of Buildings/Lots: <u>One</u>
Dwelling Unit Size (Sq. Ft.): _____	Total Building Sq. Ft. <u>559,407</u>
Gross Density: _____	Density: <u>0.39</u>
Net Density: _____	

PLEASE ATTACH A LETTER OF INTENT EXPLAINING WHAT IS PROPOSED



ALSTON & BIRD LLP

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August 3, 2011

VIA HAND DELIVERY

Mr. Jeff West
Gwinnett County Dept. of Planning and Dev.
446 West Crogan Street
Lawrenceville, GA 30045

Re: Letter of Intent for Application by IDI, Inc. to Rezone a 32.62-Acre Property Located at 1340 Satellite Boulevard (Tax Parcel No. R7124006) (the "Subject Property") From O-I to M-1 to Facilitate the Development of a Class-A Office/Warehouse Facility.

Dear Jeff:

We represent IDI, a development firm with considerable expertise in developing Class-A Office/Warehouse facilities for its clients throughout North America, and specifically Gwinnett County. IDI has developed in excess of seven (7) million square feet of Class-A facilities in Gwinnett County – namely the 587-acre Shawnee Ridge Business Park on Satellite Boulevard and 250 acre Hamilton Mill Business Center on Hamilton Mill Road. IDI is marketing the Subject Property to a Fortune Global 500 company that currently operates a office/warehouse facility within Gwinnett County (the "Company"), but due to expanded business operations, is considering a relocation and expansion of their operations. The Company is currently considering Build-to-Suits in Gwinnett County, as currently there are no available buildings in Gwinnett County that meet the Company's specific requirements. There are available, existing buildings which meet the Company's requirements in neighboring counties which are also being considered. To accommodate the Company's facility requirements, IDI would develop the Subject Property with a facility encompassing approximately 500,000 square feet of warehouse space and 58,000 square feet of office and professional training space.

The Company employs approximately 200 people at its current Gwinnett County office/warehouse facilities with a total payroll of approximately \$23 million, which translates to an average payroll of approximately \$115,000 per employee. The Company expects its employment numbers to grow to 260 employees and a total payroll of \$30 million by the year 2012 – the planned year of occupancy for the Subject Property. In addition, the company anticipates increasing its employment to over 400 employees over the next 10 years with



newly created jobs paying an average annual salary of approximately \$125,000. In addition, the Company brings approximately 1,200 people to Gwinnett County every year for 3-day on-site training seminars, resulting in a substantial economic benefit for Gwinnett County's hospitality industry. The Company expects to increase the number of seminar attendees by approximately 5% annually once it occupies its new facility.

IDI in conjunction with the Gwinnett Chamber of Commerce and Alfie Meek, previous Director of Economic Analysis Division of the Gwinnett County Board of Commissioners has conducted a LOCI (Local Fiscal Impact Analysis) study based on employment data and other pertinent data supplied by Project Vulcan. The outcome of the LOCI study demonstrates the proposed project has fiscal benefits with a net present value well in excess of \$5 Million. Further, the LOCI study indicated that by the time the proposed project is completed in 2012, it will result in excess of \$10 Million/year in new retail sales, and generate new annual household income of \$18 Million/year, of which 60% will be Gwinnett households.

Office/warehouse facilities require M-1 (Light Industrial) zoning. Therefore, IDI respectfully requests a rezoning of the Subject Property from O-I to M-1, which includes office/warehouse facilities as a permitted land use. Our request satisfies all the rezoning approval criteria set forth in Section 1702 of the Gwinnett County Zoning Ordinance as follows:

1. **The proposed office/warehouse facility is a use that is suitable in view of the use and development of adjacent and nearby properties;**

The Subject Property fronts approximately 1,220 feet on the east side of Satellite Boulevard and abuts the I-85 right-of way along the full length of its rear boundary. The site has been cleared but remains undeveloped.

The area surrounding the Subject Property is heavily developed with commercial (Home Depot retail store and multiple restaurant and retail venues) and office/warehouse facilities. The Subject Property is located within the northwestern portion of Huntcrest, a +/- 283-acre multi-use development. The Huntcrest Design Control Committee has approved the proposed Class A office/warehouse use and the required master plan change to reflect this approval.

The property across Satellite Boulevard from the Subject Property is developed with the Gates, a small office-condo development. The properties developed to the north of the Subject Property are a small medical office and Noble Village at Sugarloaf, an active adult lifestyle center. IDI's Shawnee Ridge, a 587-acre Class-A office/warehouse development, is located a short walking distance north of Noble Village. I-85 runs along the rear of the Subject Property. A significant retail activity node is located a short distance to the south of the Subject Property at the intersection of Old Peachtree Road and Satellite Boulevard, including the Home Depot store. This intersection is located within a significant node of commercial activity.



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For these reasons, IDI's proposed office/warehouse facility is consistent with the prevailing development patterns in the surrounding area.

2. The proposed office/warehouse facility would positively affect the existing use or usability of nearby properties;

The Company has executed a letter of intent authorizing IDI to move forward with a Class A office/warehouse facility on the Subject Property, subject to Gwinnett County's approval of IDI's rezoning application. The proposed office/warehouse facility will provide 260 high-wage jobs by the year 2012. In addition, its professional training component will draw more than 1,200 people to the Subject Property every year, providing a consistent income stream to the hotels and restaurants in the nearby area. Gwinnett County will potentially lose these jobs, and the benefit of the professional training component, if the Company is prevented from selecting the Subject Property as the site of its new office/warehouse facility.

The intersection of Satellite Boulevard and Old Peachtree Road, which is located a short distance south of the Subject Property, is the focal point for a significant retail activity node. Additional retailers and other commercial business are located to the north on Lawrenceville-Suwanee Road. These retailers and commercial businesses, as well as hoteliers in the surrounding area, should experience a substantial economic benefit from their proximity to the office/warehouse facility's employees and invitees. Conversely, the denial of IDI's rezoning request would potentially amplify the already severe impact of the current economic downturn on Gwinnett County's retail, commercial, and hospitality industries.

3. The Subject Property does not have a reasonable economic use as presently zoned;

The Subject Property is part of a 60-acre parcel that Gwinnett County rezoned more than 12 years ago, on March 24, 1998 from M-1 to O-I. While limited low density office development took place in the surrounding area during economic boom periods after that rezoning, much of the property within the rezoned area remains vacant. Furthermore, given current market conditions with office vacancy rates exceeding 20% (and long-term office market projections) it is not reasonable to expect the economic benefits of developing new offices within the area to justify the costs of such development in the near-term. Therefore, the Subject Property does not have a reasonable economic use for the foreseeable future as presently zoned.

4. The proposed office/warehouse facility will maximize the efficient use of existing local infrastructure;

I-85, Lawrenceville-Suwanee Road, Old Peachtree Road, Satellite Boulevard, and Northbrook Parkway form a well designed collector-distribution system. The county created this system specifically to accommodate the type of vehicular circulation associated with the proposed office/warehouse facility.



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One of the Subject Property's strongest assets is its close proximity to the I-85 access ramps on Old Peachtree Road. To reach the Subject Property, virtually all vehicles will follow a local route from I-85 to Old Peachtree Road (Exit #109) and, from there, a short distance north on Satellite Boulevard to the Subject Property. This route is well-designed and already accommodates commercial and light industrial vehicular circulation, which is consistent with the type of vehicular activity associated with the proposed office/warehouse facility. In addition, the interchange at Exit 109, with its upgraded overpass and design, has significant capacity available to accommodate the proposed Company's use, and would also help alleviate some of the over capacity at the Company's current exit (Exit #110 Lawrenceville-Suwanee Road). As the county intended, this route avoids sending commercial and light industrial vehicles through residential areas.

A secondary route to the Subject Property is available from Lawrenceville-Suwanee Road, which also has I-85 access. From I-85, vehicles would travel west on Lawrenceville-Suwanee Road and south on Satellite Boulevard to reach the Subject Property. As the county intended, this secondary route also avoids sending commercial and light industrial vehicles through residential areas.

Furthermore, because the Satellite Boulevard corridor is already developed with high density retail, commercial and light industrial uses, the water and sewer infrastructure required for the proposed office/warehouse facility is already in place. Therefore, developing the office/warehouse facility on the Subject Property represents an opportunity to take advantage of existing commercial and industrial scale infrastructure.

For these reasons, locating the proposed office/warehouse facility on the Subject Property will maximize the efficient use of existing local infrastructure as the county intended.

5. The proposed rezoning conforms with the policy and intent of the land use plan; and

Gwinnett County's comprehensive plan (the 2030 Unified Plan) designates the Subject Property for "preferred office" use. The county's land use policies place a high priority on office development because it provides high-wage jobs, substantial tax benefits, and sustainable economic development. Therefore, to accomplish this, the Office Policy (set forth in the county's land use plan for preferred office) notes the following action as a key implementation step:

Protect parcels designated for office use rather than rezoning these parcels to uses that do not support sustained economic health and higher wage jobs in the County

As stated, an increased number of high-wage jobs is an enumerated measure of effectiveness and monitoring benchmark for the Office Policy.



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IDI's proposed office/warehouse facility is consistent with the Office Policy because:

I. The proposed office/warehouse facility would generate the kind of economic impact the Office Policy was adopted to encourage.

First, the Company currently provides 200 jobs at an average payroll of \$115,000 per job, which will increase to 260 jobs at the same payroll average. Therefore, the quality of wages provided by the proposed office/warehouse facility would be commensurate with, or superior to, those of jobs in office-only environments. The approval of IDI's rezoning request would save 200 existing high-wage jobs and generate 60 new high-wage jobs for Gwinnett County over the course of the next two years. Over the next ten years, the company expects to have over 400 employees, with an average wage rate of approximately \$120,000/job.

In addition, the Company currently draws 1,200 people to Gwinnett County for 3-day professional training seminars, which represents a substantial economic benefit for Gwinnett County's hospitality industry. The number of seminar attendees will increase annually by 5% once the Company occupies the proposed office/warehouse facility. Therefore, the economic impact of the office/warehouse facility's 260 permanent high-wage jobs is substantially multiplied by the facility's professional training component.

For these reasons, the proposed office/warehouse facility not only generates the economic activity intended by the Office Policy, denial of IDI's rezoning request would potentially impose a substantial economic detriment on Gwinnett County businesses and residents.

II. The office/warehouse center represents the type of targeted development the office land use policy was intended to facilitate.

As explained above, the Subject Property is located within Huntcrest, a +/- 283-acre mixed-use development. Shawnee Ridge, a large light industrial development that IDI developed, is located just north of Huntcrest on Satellite Boulevard. The intersection of Old Peachtree Road and Satellite Boulevard, which is a short distance south of the Subject Property, is the focus of a significant amount of retail activity. Consequently, the portion of Satellite Boulevard running through these three activity centers forms a definable high density commercial and industrial corridor. Therefore, locating the proposed office/warehouse facility within this high density commercial and industrial corridor would represent targeted growth and development.

The proposed office/warehouse facility would generate a substantial amount of property and ad valorem tax revenue for Gwinnett County, in addition to preserving and generating high-wage jobs. Therefore, approving IDI's rezoning request would be consistent with the County's stated policies of strengthening the tax base with targeted growth and focusing development in specific areas.



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6. **There are conditions affecting the use and development of the Subject Property that support the approval of the Application.**

The Subject Property is currently zoned and master planned to accommodate four multi-story office buildings and 2,250 parking spaces. By contrast, IDI's proposed office/warehouse development would generate a lower volume of overall vehicular traffic and impose a much lower demand on local water, sewer and public safety infrastructure. Furthermore, IDI's proposed development would provide: (1) a substantial number of high-wage jobs, and (2) a significant amount of demand for nearby hospitality services.

In addition, a high percentage of the Company's current employees are Gwinnett County residents, who enjoy the proximity of their homes to the Company's current office/warehouse facility. These residents would lose this geographic benefit if the Company were to move its facility to another county.

Finally, IDI's proposed office/warehouse facility would generate a substantial amount of property tax revenue and ad valorem tax revenue for Gwinnett County. The facility would provide Gwinnett County with a direct ad valorem tax benefit (through payroll taxes on newly created jobs) and an indirect ad valorem tax benefit (through increased economic activity the facility will foster for nearby businesses).

Therefore, approving IDI's rezoning request would:

1. Reduce the Subject Property's potential impact on local infrastructure while preserving high-quality jobs,
2. Preserve the convenience of nearby high-quality jobs for a significant number of Gwinnett County residents, and
3. Preserve and generate substantial tax revenues for Gwinnett County.

For the foregoing reasons, IDI respectfully requests the rezoning of the Subject Property from O-I to M-1 to facilitate the development of the proposed office/warehouse facility. Please let me know if I may provide you with any additional information or clarification.

Sincerely,
ALSTON & BIRD LLP

T. Michael Tennant w/express permission
by *Cindy Carter*

T. Michael Tennant

Harold Buckley, Jr.

Harold Buckley, Jr., AICP
Attorneys for IDI, Inc.

Attachments

cc: Ms. Lisa Ward, IDI, Inc.
Mr. Jay Mitchell, IDI, Inc.

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PROJECT VULCAN

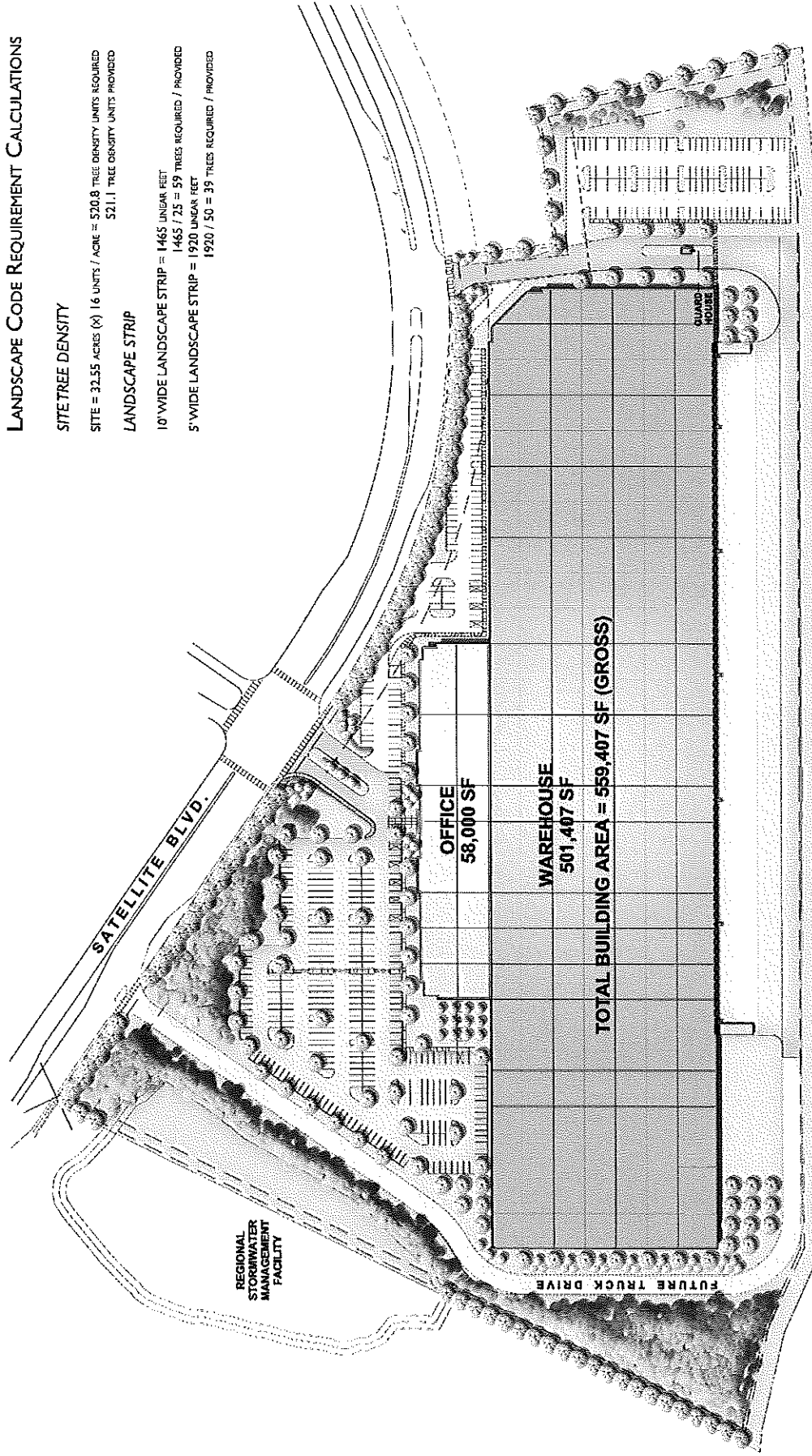
LANDSCAPE CODE REQUIREMENT CALCULATIONS

SITE TREE DENSITY

SITE = 32.55 ACRES (X) 16 UNITS / ACRE = 520.8 TREE DENSITY UNITS REQUIRED
521.1 TREE DENSITY UNITS PROVIDED

LANDSCAPE STRIP

10' WIDE LANDSCAPE STRIP = 1465 LINEAR FEET
1465 / 25 = 59 TREES REQUIRED / PROVIDED
5' WIDE LANDSCAPE STRIP = 1920 LINEAR FEET
1920 / 50 = 39 TREES REQUIRED / PROVIDED



CODE COMPLIANT LANDSCAPE SITE PLAN

BUFORD, GA
August 03, 2011



HCB
Harris County Building