



September 15, 2024

Mr. Brad Odom
GreenPointe Development LLC
Baymeadows Road
Jacksonville, FL 32256

Dear Brad:

This is in response to the following most recent comments from Nassau County on our Fiscal Impact Analysis for the Tributary DRI.

1. The Urbanomics report examines ad valorem property tax revenues and impact fees but excludes other revenue sources, expenditures, or timing of impacts previously reviewed.
2. If the current analysis utilizes the previously estimated employment (EE) per square foot (sqft) then the jobs are recuded by 19.3%.
3. Alternatively, the Urbanomics report uses an updated assumption that the square footage required per employee is reduced. This updated analysis results in a loss of 7.3% of the jobs.
4. As part of a cursory review of the ad valorem property taxes, if the unit mix of residential and nonresidential uses are consistent for both analyses, the potential valutions increase by 4.4%.
5. With the new unit mix as presented in the Urbanomics report, this potential valuation increase rises to 29.9%. Although it should be noted there is almost a 20-year difference between the two analyses and during the period of time from December 2005 to December 2023 the CPI for All Urban Consumers (CPI-U) for all items rose 56%.
6. As there is insufficient information provided in the Urbanomics report, we cannot determine the net fiscal impact at this time.

Information presented herein will be helpful in showing key fiscal benefits of the Tributary project to the County, including what we contend are the most meaningful and supportable “net” fiscal impacts. **Specifically**, these are property tax revenues per housing unit and the square footage of commercial/industrial uses generated by Tributary compared to those generated by existing residential and commercial/industrial development in the County’s unincorporated area.

We use the term “supportable” because there is ample evidence in available public records (county and state) to support the estimates and conclusions presented in our initial report and the addenda presented since. We have avoided consideration and analysis of the numerous County revenue sources and expenditure types inasmuch as available public records and data simply lack the detail that might allow linking all types of local government revenues and expenditure to individual developments. In view of our reservations about speculating on potential fiscal

impacts without reliable and adequate data, we offer responses below to the following comments by the County:

Significant Fiscal Impacts (Comment #6)

Rather than responding to the individual comments in numerical order, may we begin with item 6, net fiscal impacts. As we have stated above and in previously submitted reports, addenda, and correspondence, net fiscal impacts are not determinable with currently available official public records of detailed financial data from state and local sources. Given limitations on what can be demonstrated and proven by official records and financial data, we instead offer an alternative approach to estimating net fiscal impacts.

This approach compares potential taxable property valuations and tax revenues generated by Tributary to those generated by existing residential and nonresidential development in the unincorporated area of the County. Note: Property taxes are the most prominent of the very few types of revenues that are traceable to and reported for specific developments in available public records and data. Detailed comparisons of taxable property values and tax revenues for the Tributary DRI and the County's unincorporated area are presented in **Table 1**. Key takeaways include:

- Average taxable values of 3,200 proposed Tributary homes (\$333,800) in 2024 dollars is **45 percent higher** than the average taxable value (\$229,929) of all housing units in the unincorporated area.
- Average taxable values of 666,200 square feet of proposed Tributary nonresidential space (retail, office, and industrial) (\$245 per square foot) in 2024 dollars is **74 percent higher** than the average taxable value per square foot (\$140) of equivalent existing nonresidential space in the unincorporated area.
- Total taxable value of all Tributary residential units and nonresidential (retail, office, and industrial) space in 2024 dollars is \$1.23 billion, which is 48% higher than the taxable value of equivalent numbers of existing housing units and square footage of existing nonresidential space in the unincorporated area.
- Buildout of the Tributary DRI in 2024 dollars would **increase** total 23-24 residential taxable values in the unincorporated area by **12.8 percent** and total 23-24 nonresidential (retail, office, and industrial) taxable values by **15.5 percent**.

Taxable values of retail, office, and industrial spaces in the unincorporated areas are based on information presented in **Table 2** and **Table 3**. These 132 properties account for approximately three million square feet of existing space in the greater Yulee mainland area. This includes 1.5 million square feet of retail space, 1.16 million square feet of industrial space, and 280,000 square feet of office space, and represents a large majority of existing development in the unincorporated area.

Table 1. Taxable Property Valuations and Tax Revenue Comparisons

Comparative Item	Nassau County Unincorp. Area	Tributary DRI	Tributary DRI Impacts
Taxable Valuations (23-24)			
Residential			
Number of Housing Units		3,200	
Avg Housing Unit Value (\$)	229,929	333,800	103,871
Total Value (\$)	735,773,000	1,068,160,000	332,387,000 (45%)
Nonresidential			
Commercial Retail Space (SqFt)		422,300	
Avg Values Per Square Foot (\$)	153	282	129
Total Value (\$)	64,611,900	119,088,600	54,476,700 (84%)
Office Space (SqFt)		50,400	
Avg Values Per Square Foot (\$)	292	288	(4)
Total Value (\$)	14,716,800	14,515,200	(201,600) (1.4%)
Industrial Space (SqFt)		193,500	
Avg Values Per Square Foot (\$)	73	147	74
Total Value (\$)	14,125,500	28,444,500	14,319,000 (101%)
Total Nonresidential (SqFt)		666,200	
Ave Value Per Square Foot (\$)	140	245	105
Total Value (\$)	93,454,200	162,948,300	68,594,100 (73%)
Annual Tax Revenues (\$) (1)			
Residential	6,837,317	9,926,090	3,088,773
Nonresidential	868,442	1,514,230	645,788
Total Tax Revenues (\$)	7,705,759	11,449,320	3,734,561(48%)
Other Valuation Comparisons (23-24)			
Total Residential (\$)	8,374,252,000	1,068,160,000	12.8%
Total Commercial/Industrial (2)	1,053,370,000	162,948,300	15.5%

(1). Based on a tax millage rate of 9.2927

(2). Includes a 25% add on for tangle taxes.

Sources: Nassau County Property Appraiser, FL Department of Revenue, URBANOMICS, Inc.

Table 2. Existing Taxable Values, Commercial/Retail (1)

Square Feet	Tax Value (\$)	TV/SF (\$)	Square Feet	Tax Value (\$)	TV/SF (\$)
19,952	3,041,363	152	101,511	11,017,043	109
9,100	1,815,025	199	11,876	2,206,601	186
5,282	357,800	68	35,742	7,164,765	200
4,040	285,296	71	12,080	1,656,229	137
1,508	233,651	155	1,821	926,213	509
3,871	1,971,979	509	2,857	1,190,522	417
1,152	302,779	263	5,928	2,623,791	443
4,400	581,805	132	4,429	1,167,219	264
17,569	966,187	55	10,030	902,300	90
1,931	845,500	438	160,111	9,309,212	58
17,748	2,050,931	116	33,818	4,001,382	118
7,852	1,774,722	226	137,981	8,574,848	62
3,071	1,547,370	504	11,275	1,015,857	90
2,952	1,089,599	369	6,328	1,321,293	209
3,123	1,468,485	470	28,000	3,518,103	126
3,069	1,316,228	429	9,016	1,387,818	154
11,941	2,385,838	200	2,600	439,520	169
33,985	3,396,782	100			
18,750	4,859,701	259			
3,872	721,469	186			
2,463	921,843	374			
6,050	756,356	125			
5,760	1,404,688	244			
23,825	4,510,280	189			
4,378	1,241,120	283			
69,664	9,347,785	134			
7,470	2,046,063	274			
17,280	2,766,091	160			
8,283	2,167,308	262			
105,094	7,622,524	73			
5,592	2,245,271	402			
3,065	1,464,272	478			
3,642	930,849	256			
6,256	1,769,063	283			
1,812	617,817	341			
123,201	7,509,784	61			
4,595	2,412,743	525			
10,027	1,736,286	173			
			1,159,028	140,905,369	122
			Add 25%	Tangible Tax	153

(1). Properties in the unincorporated greater Yulee area and excluding Amelia Island.

Sources: Nassau County Property Appraiser; URBANOMICS, Inc.

Table 3. Existing Taxable Values, Office and Industrial

Office			Industrial		
Square Feet	Tax Value (\$)	TV/SF (\$)	Square Feet	Tax Value (\$)	TV/SF (\$)
6,760	1,420,141	210	3,900	60,865	16
2,850	1,312,719	461	9,710	1,195,841	123
4,379	1,339,182	306	14,780	2,185,900	148
3,927	1,279,045	326	89,748	3,182,916	35
3,757	1,480,471	394	30,615	1,370,727	45
4,008	1,475,786	368	3,360	278,535	83
9,916	1,378,121	139	82,000	9,544,812	116
7,832	1,569,583	200	43,050	2,258,501	52
2,000	804,832	402	25,238	1,583,951	63
2,412	414,287	172	306,375	1,814,977	6
1,458	229,758	158	3,009	336,713	112
4,080	343,175	84	13,800	903,239	65
9,855	720,280	73	441,921	26,581,501	60
3,170	1,210,000	382	13,195	2,490,676	189
3,240	519,973	160	45,711	2,306,443	50
8,640	1,257,085	145	13,304	1,443,628	109
11,560	1,934,634	167	31,588	2,182,595	69
2,419	396,277	164	1,200	249,630	208
4,000	977,680	244	9,375	850,017	91
4,000	1,010,000	253	4,000	150,615	38
2,160	785,358	364	12,170	862,479	71
6,760	1,420,141	210	9,051	309,136	34
2,850	1,312,719	461	14,627	1,934,634	132
4,379	1,339,182	306	2,400	317,560	132
3,927	1,229,045	313	564	168,243	298
3,757	1,489,471	396	16,575	1,844,924	111
4,008	1,475,786	368	17,100	2,197,312	128
9,916	1,378,121	139	4,700	1,612,952	343
7,832	1,569,583	200	104,532	7,244,869	69
2,000	808,832	404	91,420	5,803,878	63
1,500	261,541	174	12,232	1,060,256	87
37,293	8,713,526	234	9,710	2,043,051	210
56,495	14,157,784	251	9,226	627,999	68
7,932	2,172,706	274			
4,000	968,000	242			
3,500	999,776	286			
3,453	1,081,941	313			
14,700	2,399,959	163			
3,391	1,005,739	297			
280,116	65,642,239	234	1,486,286	86,938,510	58
Add 25%	Tangible Tax	292	Add 25%	Tangible Tax	73

(1). Properties in the unincorporated greater Yulee area and excluding Amelia Island.
Sources: Nassau County Property Appraiser; URBANOMICS, Inc.

Employment Estimates (comments 2 and 3)

Confusion over differences of information and estimates presented in the URBANOMICS report prepared in 2023-2024 and the 2005-2006 Fishkind report. Perhaps the confusion stems from the fact that both are based on different amounts of nonresidential space: 666,200 square feet proposed by the developer in the URBANOMICS report and 850,000 square feet in the Fishkind report. Both also have slight differences in employee space utilization factors (i.e., square feet per employee). These differences are not very significant and are likely to reflect (1) the availability of more recent research data in the URBANOMICS report and (2) some differences of opinions on and expectations for the mix and worker density of specific types of retail, office, and industrial uses in the 2023-2024 market versus the 2005-2006 market.

Timing of Development and Employment (comment #1)

The URBANOMICS approach to this fiscal impact analysis is to quantify the impacts of the Tributary DRI at buildout (i.e., completion of all development) in current 2024 dollars. This would permit this development to be quickly compared fiscally with all existing development. This approach would provide an “at a glance” view as to how Tributary DRI compares fiscally with its surroundings and would enable the County to anticipate impacts and potential benefits of development in advance.

Tributary began developing in earnest a few years ago and around 500 of a proposed 3,200 homes have been built or started and many are sold. Development and sale of the remaining 2,700 or so will extend ten or more years in the future, helping to provide a market for development of nonresidential facilities (e.g. retail, office, and light industrial facilities) in Tributary and elsewhere in the County. Perhaps a few more years of residential development will be needed to spur internal nonresidential development in phases over several years in the future.

Information on the phased buildout of the Tributary DRI was presented in Addendum 1 to the URBANOMICS report submitted in June 2024. Table 4 below is based on development phasing and employment estimates presented in that supplemental report. Note: Please be advised that timing of development and employment is subject to potentially changing market conditions and trends.

Respectfully submitted,
URBANOMICS, Inc.



Kenneth H. Creveling, President

Table 4. Tributary DRI: Projected Timing of Development

Year	Residential Units (1)	Nonresidential Space and Employment							Total Employees
		Retail		Office		Industrial			
		Space (SqFt)	Employees	Space (SqFt)	Employees	Space (SqFt)	Employees		
2022	230								
2023	460								
2024	690								
2025	920								
2026	1,150	50,000	100						100
2027	1,380	50,000	100			50,000	63		163
2028	1,610	150,000	300	25,000	83	50,000	63		446
2029	1,840	150,000	300	25,000	83	100,000	125		446
2030	2,070	250,000	500	25,000	83	100,000	125		708
2031	2,300	250,000	500	25,000	83	150,000	188		708
2031	2,530	350,000	700	50,400	168	150,000	188		1,056
2033	2,760	350,000	700	50,400	168	193,500	242		1,110
2034	2,990	422,300	845	50,400	168	193,500	242		1,255
2035	3,200	422,300	845	50,400	168	193,500	242		1,255

Note: Annual buildout and sales are subject to market conditions and trends.

Note: Employment is based on these assumptions: Retail - 1/500sf; Office - 1/300sf, Industrial - 1/600 to 1,000sf, averaging 1/800sf

Source: URBANOMICS Addendum I report, June, 2024 and commonly accepted industry standards for space per employee.