



## Incentives

Cordele affords corporate projects an environment that minimizes fixed operating costs and also takes advantages of a location facilitating the flow of both raw materials and finished products on Interstate 75. The geographical location for Cordele lies squarely between the two fastest growing markets in the Southeastern United States and takes full advantages of the six interchanges along I-75.

Other factors contributing to firms within Cordele/Crisp County retaining an edge over the competition are as follows:

### Local Incentives

**A. Electrical Power Savings.** Electrical power costs have ranged less than other major Georgia utility companies during the past ten years due to our generation of low-cost, debt-free hydroelectric power and because of being a founding member of the Municipal Electric Authority of Georgia (MEAG). Providing a sample bill showing usage (KWH) and demand (KW) will enable us to provide you an example of specific cost-savings.

**B. Union Climate.** Organized labor is non-existent. Historically, the community has strongly supported a union free work environment.

**C. Labor Costs Savings.** According to Ms. Maureen Wilson, (229-276-2355), manager of the Georgia Department of Labor's local office in Cordele, 8 of the 10 largest manufacturing employers in the Crisp County labor area presently have an average hourly entry wage rate of approximately \$8.50 to \$13.00/hour.

**D. Industrial Parks and Sites.** A fully improved rail served industrial park sits adjacent to Interstate 75. Over 1,000 acres of contiguous privately-owned property is also available to the development authority-owned industrial park which is located on the east side of town. On the City's west side, several large rail-served sites are also available. The Cedar Creek Corporate Park 2.5 miles west on GA hwy 300 is the Authority's newest park with 423 acres available.

**E. Municipal Utilities.** The City of Cordele provides industrial water and sewer services and maintains a large reserve of excess unused capacity. Presently, 3.5 MGD of excess unused water and 2.5 MGD of excess unused sewer capacity are available. Natural gas is available for industrial use through the City of Cordele.

**F. Employee Recruitment and Training Assistance.** The Cordele/Crisp Industrial Development Council will also, upon request, coordinate assistance provided by the local Georgia Department of Labor office, South Georgia Technical College and the Middle Flint Private Industry Council in order to provide the company maximum utilization of all available labor recruitment and training programs. The Georgia Quick-Start Training and Job Training and Partnership Act Program (JTPA) resources will be fully explored. The local Georgia Department of Labor office will also effectively recruit, interview and screen prospective employees for your company.

**G. Fire Rating.** The City of Cordele presently maintains a very competitive Class IV fire insurance rating.

**H. Road Improvements.** Grading and/or paving roads plus deceleration/acceleration lanes will be aggressively pursued by the City and County with the intent of providing whatever is necessary and reasonable for project location.

### Financial Incentives

**A. Industrial Bond Financing.** Both taxable and tax-exempt industrial revenue bond financing is provided through two local development authorities within Cordele/Crisp County. We have the ability and experience to structure either an owner-occupied or lease-back project. This mechanism which affords fixed asset financing for manufacturing projects. (Based on availability at time of request)

**B. 504 Program.** Administered through the Middle Flint Certified Development Corporation in Ellaville, Georgia, this program represents another opportunity for long-term fixed asset financing that can be coupled with local bank participation to provide your company with both competitive rates and terms on land, building and equipment.

**C. FmHA and CDBG Programs.** The Farmers Home Administration Business and Industry program provides a 90% guarantee up to \$2 million with its fixed asset program. The Georgia Department of Community Affairs administers the Community Development Block Grant program to cities and counties. The grant is then loaned to eligible companies, increasing and/or retaining employment, at less than prime. Both the city and county have been successful in this program as both of their collective funds combined exceed \$1 million.

**D. Local Revolving Loan Funds (RLF).** Both the City of Cordele and Board of County Commissioners administer revolving loan funds that have been capitalized by CDBG projects previously approved by the State of Georgia. Rates for fixed asset financing range from two to one-half points below prime while terms are generally determined by the economic life of the asset financed. Fund balances will vary as loan payments are made.

**Tax Incentives**

**A. Business Inventory Tax Exemption.** Both Cordele and Crisp County offer a Freeport 100%, tax exemption on the following classes of personal property:

- Manufacturer's raw materials and goods-in-process inventory;
- Manufacturer's finished goods held by the original manufacturer; and
- Warehouse, distribution, or manufacturing firms with finished goods destined to be shipped outside Georgia.

**B. Local Ad Valorem Taxes/Freeport Exemption Computation.** A complete breakdown of the 2007 local ad valorem tax effort is as follows:

<b>TAX RATE X 40% RATIO = EFFECTIVE TAX RATE</b>	
CITY	10.995
COUNTY	10.749
SCHOOL M & O	16.450
STATE	.250
	38.444

The following represents the tax savings you could expect to receive under the 2007 mill levies:

2,000,000	Hypothetical Eligible Personal
40%	Property
800,000	Fair Market Value
<u>.38444</u>	Assessed Valuation
30,755.20	City/County Levy

**C. Georgia Sales Tax Exemption on new Manufacturing Equipment.** State sales tax exemption on certain classes of manufacturing equipment and for equipment used for controlling air and water pollution. Exemption for 4% state sales tax and up to 3% local sales tax authorized for eligible machinery - 7% total possible sales tax exemption on eligible manufacturing and/or pollution control equipment.

**D. Georgia Jobs Tax Credit.** This incentive will provide the company with a state corporate income tax credit of \$4000 for each new job created. The company is entitled to the tax credit provided they hire 5 or more full time employees. 2008 Job Tax Credit/One Georgia Tiers Map.

**E. Empowerment Zone Job Tax Credit.** In addition to the Georgia Tax Credit an additional EZ Credit of \$3,000 per job is available for each job created. The credit is applied toward the net Federal Tax Liability.

**F. Education Tax Credit.** The company is also eligible for a \$150 corporate income tax credit for each employee successfully completing an approved employer provided basic skills education program. Firms providing retraining for employees may receive a tax credit of 50 percent of their costs, up to \$500 per participant, to a maximum of 50 percent of state income tax liability.