

November 7, 2022

Adam J. Kennedy, Director
Economic Development Authority of Claxton & Evans County
302 West Railroad Street
Claxton, Georgia 30417
Re: Growth Management Plan

Dear Mr. Kennedy,

In October of 2022, Hyundai Motor Group broke ground on a new electric vehicle (EV) production facility in the Bryan County Megasite, which is located 30 miles from the City of Claxton. This rural location along I-16 will catalyze local development that will influence the Claxton/Evans County area. The new Hyundai plant will employ over 8,100 people, and many new employees are likely to relocate to communities geographically closer to the plant. Whether the new population chooses to reside in Evans County or neighboring north Bryan County, these new residents will seek goods and services, which creates opportunities for additional business development within the larger region. It is also highly likely that secondary and tertiary suppliers of parts to Hyundai will seek new locations close to the Megasite.

To prepare for population and business growth, the Economic Development Authority of Claxton and Evans County is working to develop a growth management plan. This plan will examine several areas that are likely to be impacted, including but not limited to housing, the addition of new retail and customer facing service businesses, industrial development, and physical infrastructure needs. The Center for Business Analytics and Economic Research (CBAER) at Georgia Southern University is proposing a development management plan analysis to aid with this effort. To complete this analysis, the team will use a combination of primary and secondary data as well as discussions with local community members to assess the potential for growth, existing assets already in place, and future community needs. The analysis will conclude with a list of best practices and action items that the Development Authority and its stakeholders can utilize to better manage and attract future development.

STATEMENT OF SERVICES TO BE PERFORMED:

The team will begin by conducting a literature review that highlights the strategies that have been used to manage growth in similar communities across the United States. The literature review will use both academic and nonacademic articles that cover strategies used to assess the needs of a growing community, the practices used to manage growth and strengthen the area, and the themes included in best practices. Further information gathered from the literature review will also be used to inform the development of a list of interview questions for the comparison group analysis.

Next, CBAER will develop a list of comparison communities that are geographically close to but not hosting new large automobile plants in the southeast. This comparison group will include a minimum of three communities, and the goal will be to find areas where the new vehicle manufacturing facilities have been operating for a minimum of five years. The team will contact local leaders, including the Chamber of Commerce, county/city managers, and the Director of Economic Development for those areas. The interview questions for this part of the analysis will follow an open format and will be structured so interviewees can provide additional information. CBAER will develop the list of questions and work with the client to ensure that these questions are relevant to the community.

Building on information from the first two sections, the team will gather secondary data to estimate the potential for growth in Evans County. The variables used in this analysis will include but may not be limited to population, employment, labor force, and establishments. The goal of this section will be to provide the client and other community stakeholders with a baseline estimate for what is possible with the addition of new manufacturing facilities in the region. This baseline forecast should be used as a guide for planning purposes, and it may not fully capture actual future growth. Additionally, the team will monitor where the first rounds of Hyundai suppliers are choosing to locate in the greater Savannah area. This will allow the team to develop an estimate of the current spillover effects of these developments into neighboring communities.

The team will work with the Economic Development Authority of Claxton and Evans County to select local community leaders to interview, discussing the potential for growth and how this may impact their operations. This feedback will be used to inform the development of the action items and the next steps list for the community to follow. Examples of organizations that could be included in this discussion are the Evans County School District, the City of Claxton, the Evans County Board of Commissioners, and the Claxton Evans Chamber of Commerce. CBAER will work with the client to select the organizations to be included, and the City will help to coordinate any group meeting(s) needed to complete this project.

Finally, CBAER will combine this information into a final report. This report will include a list of the next steps and action items that the client and their stakeholders should follow to prepare for and manage growth.

DELIVERABLES AND TIMEFRAME:

All the information gathered for this analysis will be included in a summary report and presentation. The report and presentation will be suitable for distribution to the public. The work outlined in this plan will commence after the client reviews and approves this scope of



work document and returns a signed contract of this agreement with the appropriate fund transfer as outlined below.

As a public university, BIG bills projects in a manner to cover the associated overhead costs rather than to generate a profit. The summary is budgeted at a cost not to exceed \$22,900. This cost reflects \$16,944 in professional and student labor and \$6,451 in data and other costs.

PAYMENT SCHEDULE:

The total cost for this project, as described, is \$22,900.

Payment 1: \$11,450 due on contract execution

Payment 2: \$11,450 due on delivery of the final document

The findings and conclusions based on this methodology will be objective from the viewpoint of our research. Once an agreement is reached and work is begun, we anticipate that the analysis will be completed in approximately 21 weeks. This timeline is contingent upon your agreement with the terms and conditions presented herein, thus are subject to change. BIG will deliver a final written document to the client that must be reviewed and accepted within 20 days of receipt. Any changes to the written document must be submitted before the end of this review period. BIG will then have 10 days to respond to these changes.

Please feel free to contact me at (912) 478-5033 or at bpmckay@georgiasouthern.edu should you have any questions or need to discuss the matter further. We look forward to working with you on this exciting project.

Sincerely,

Benjamin McKay
Assistant Director
Center for Business Analytics and Economic Research