

The Northeast Georgia Regional Commission (NEGRC) has completed its review of the following Development of Regional Impact (DRI). This report contains the NEGRC’s assessment of how the proposed project relates to the policies, programs, and projects articulated in the Regional Plan and Regional Resource Plan. Also included is an assessment of likely interjurisdictional impacts resulting from the proposed development, as well as all comments received from identified affected parties and others during the fifteen-day comment period.

The materials presented in this report are purely advisory and under no circumstances should be considered as binding or infringing upon the host jurisdiction’s right to determine for itself the appropriateness of development within its boundaries.

Transmittal of this DRI report officially completes the DRI process. The submitting local government may proceed with whatever final official actions it deems appropriate regarding the proposed project, but it is encouraged to take the materials presented in the DRI report into consideration when rendering its decision.

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<b>Project I.D.:</b>	DRI #3312
<b>Name of Project:</b>	Covington Logistics Park
<b>Name of Host Jurisdiction:</b>	City of Covington

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### Background

DRI review was initiated following the developer’s request for permits from the City of Covington. Potentially affected parties were asked to submit comments on the proposal during the 15-day period of 5/13/21 – 5/29/21.

### Proposed Development

Ashley Capital LLC is proposing construction of 1.7 million square feet of warehouse, distribution, light industry, and rail service tenants in 3-5 buildings on a 169-acre site along Hazelbrand Road NE, adjacent to a portion of existing CSX rail line, in the City of Covington (parcel numbers C097 035 and C097 035B). The project is approximately 1.4 miles northeast of the GA-142/I-20 interchange. The project would include construction on both sides of Hazelbrand Road. Additionally, a stormwater management area, 406 building dock spaces, 454 trailer parking spaces, and 877 automobile parking spaces would be constructed. The project would be completed in multiple phases with an estimated completion date of Phase One by May 30<sup>th</sup>, 2022, and overall project completion by May 30<sup>th</sup>, 2026. The initial phase would be 20% of the total project. The project is speculative in nature and the final buildout may vary from the current proposal based on tenant composition and market dynamics. Future changes to the project are not expected to significantly alter the proposed uses or intensities included in this submittal. Should significant changes to the proposed mix of uses or a significant increase in intensities be proposed following this DRI Review, a re-review will be required. Currently, the site is undeveloped and entirely wooded on both sides of the road.

### Compatibility with Existing Plans

The site is identified as Industrial on the City of Covington Comprehensive Plan's Future Land Use Map (dated 11/28/2017). The Plan describes Industrial Land Use areas as "property used for warehousing, distribution, trucking, and manufacturing" and lists M-2 as a compatible zoning category. However, the Comprehensive Plan also includes the goals of "preserving natural and cultural resources by concentrating development in and around established areas," and "utilizing existing infrastructure where possible." The proposal is generally consistent with the land use envisioned for the parcel, but the necessity of extending water and wastewater infrastructure to serve a site that is adjacent to two Regionally Important Resources (see below) indicates that the proposal is not fully aligned with the Plan's vision for future industrial development.

The site is identified as "Rural" on the Northeast Georgia Regional Plan's Regional Land Use Map (dated 6/7/2018). According to the Plan, "Rural areas are not expected to become urbanized or require urban services in the next 20 years." The Regional Plan recommends development that matches the region's workforce, prices in the lifecycle cost of infrastructure, creates a sense of place, builds a compact development pattern on existing infrastructure, creates diverse and affordable housing, and complements existing and planned transportation options—especially non-automobile transportation modes. The proposal is inconsistent with the Regional Plan due to its location in a rural area, potential to damage Regionally Important Resources (see below), requirement to extend new infrastructure, and apparent lack of multi-modal access.

### Potential Interjurisdictional Impacts

The applicant states that the project would likely impact wetlands, but is unlikely to affect the other environmental quality factors identified on the DRI Additional Form, including water supply watersheds, groundwater recharge areas, protected mountain and river corridors, floodplains, historic resources, and other environmentally sensitive resources. The southern portion of the project appears to be nestled between Cornish Creek (along the eastern boundary) and another stream (along the western property line); these are not shown on the submitted site plan.

The National Wetland Inventory (NWI) identifies nine acres of wetlands onsite and 718 acres of wetlands within one mile of the site. The Northeast Georgia Regional Plan's Conservation and Development Map (dated 7/19/2018) identifies 169 acres of "Conservation" land onsite and 2,827 acres of "Conservation" land within one mile of the site. The 2,827 acres of "Conservation" land include 836 acres that are part of the Northeast Georgia Green Infrastructure Network as identified in the Northeast Georgia Resource Management Plan for Regionally Important Resources (dated 8/7/2018). The Georgia Wildlife Federation/Alcovy Conservation Center, identified by the Resource Management Plan as a Regionally Important Resource, is directly adjacent to the site. The Alcovy River, another Regionally Important Resource, is approximately 0.5 miles from the site, but is fed directly by the two streams that run adjacent to the southern portion of the project. According to the Resource Management Plan, the confluence of the Alcovy River and Cornish Creek (one of the streams adjacent to the proposed project) is home to the northernmost pure stand of tupelo gum tree in Georgia. Since the proposed project is located along Cornish Creek, within less than 0.5 miles of that confluence, and proposes to impact onsite wetlands, it is likely the project would destroy at least a portion of that special tupelo gum tree habitat.

The site plan shows no stream buffers or areas to be protected, which would likely violate local and state law regarding waterway protection of the adjacent streams. The developer stated that a "licensed civil engineer has produced a full set of construction drawings that exceed the local and state requirements for stormwater, erosion, and sediment control," but those drawings were not provided. Instead, a speculative illustration was submitted with minimal detail and only one stormwater management pond identified.

The proposed project is in conflict with the Resource Management Plan. Given that the entire site is classified as “Conservation” land located adjacent to two Regionally Important Resources, the effects of such a large-scale, intense development would likely cause significant damage, particularly to the Alcovy River, its unique floodplain and wetland areas, and the state’s northernmost tupelo gum tree stand. The proposal should be redesigned to avoid disruption to the existing streams and associated wetlands to avoid future erosion, flooding, and degraded water quality onsite and downstream from the site, including incorporation of low-impact development measures. Undisturbed buffer areas along the rivers and wetland areas (minimum 150 feet) are recommended. Low impact design measures, like rain gardens, bioswales, and other areas to optimize the capture and infiltration of stormwater runoff, should be incorporated into the project design. At minimum, the project should be in accordance with the latest edition of the Georgia Stormwater Management Manual (Blue Book) and meet all relevant EPD requirements.

The developer submitted traffic estimates based on the ITE Trip Generation Manual 9<sup>th</sup> Edition Vol. 2. The estimate suggests 2,679 trips would be generated by the site (including 613 trips generated by Phase One). No AM or PM Peak Hour estimates were provided. The estimate is based on the overall number of employee (automobile) parking spaces planned for the area, but only accounts for a three-building scenario (submittal estimates there could be five buildings). The developer claims the estimate includes truck trips, but there is no evidence in the data tables that truck trips are included. No additional turn lanes or other infrastructure improvements are proposed on Hazelbrand Road. Three entrances are proposed to serve the site off of Hazelbrand Road: one to serve the north side of the project and two to serve the southern portion of the project. While the speculative nature of the project makes traffic projections subject to change based on the final number of buildings and tenant composition, the number of access drives proposed along this approximately 1,000-foot stretch of the two-lane Hazelbrand Road raises concerns with regard to traffic congestion and the effects of heavy truck traffic.

An active CSX rail line makes up the northern boundary of the proposed project; however, the submitted site plan does not appear to take advantage of that proximity. It is unclear whether a rail spur to serve the site would be a viable option, but, should industrial development be approved for the site, rail access would be recommended in order to maximize the development’s potential. The significant amount of automobile and truck parking and the lack of multi-modal access is inconsistent with Regional Planning Recommendations, especially given the environmental sensitivity of the site. The developer should consider reducing the number of parking spaces by using stacked or shared parking as well as including multi-modal access to the site.

The project would be served by the City of Covington’s water and sewer systems with an estimated daily demand of 0.04 MGD for each system at full buildout. Phase One would consume 0.006 MGD. The applicant states that these demands can be covered by existing capacity. A 0.3-mile water line extension and a sewer line extension of less than a mile would be needed to serve the site. The applicant estimates the project would generate 4,406 tons of solid waste annually at full build-out and that sufficient landfill capacity exists to handle this waste. Phase One would generate 834 tons of waste per year. No hazardous waste would be generated.

The applicant estimates that the project would be worth \$52 million at buildout in 2026 and generate \$1 million in annual local taxes. On a per-acre basis, the project would be worth approximately \$308,000 and generate approximately \$6,000 in tax revenue. This modest land value may not generate enough revenue to pay for infrastructure maintenance, especially since the project would require new water and sewer line extensions and the added truck traffic would require increased upkeep of and improvements to Hazelbrand Road and other nearby public roadways. Prior to approval, the City should measure the life cycle costs of the

infrastructure needed to serve this project to ensure that they would not be committing to more maintenance expenses than the new tax revenue can cover.

The DRI review process is designed to accommodate speculative development; however, due to the very speculative nature of the project and lack of environmental site planning, detailed traffic count, and other specifics, it is difficult to fully evaluate the proposal's potential impacts. Should significant changes be made to the proposed project's intensity, uses, or scope, as submitted, an additional DRI Review may be required.

#### **Comments from Affected Parties**

No comments were received during the 15-day comment period.