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Working Together to Protect the Ogeechee, Canoochee and Coastal Rivers

April 12, 2024

Via E-Mail

Commander, U.S. Army Corps of Engineers, Savannah District 100 West Oglethorpe Avenue Savannah, Georgia 31401 ATTN: Mrs. Sarah Wise Lead Biologist, Coastal Branch sarah.e.wise@usace.army.mil

Re: Scannell Properties #732, LLC's Permit Modification Request for Rockingham Farms Tract 8 - Permit No.: SAS-2024-00250

Dear Mrs. Wise,

Ogeechee Riverkeeper 501(c)(3) (ORK) works to protect, preserve, and improve the water quality of the Ogeechee River basin, which includes the Canoochee River, tributary streams, and all of the streams flowing out to Ossabaw Sound and St. Catherine's Sound. The Ogeechee River system drains more than 5,500 square miles across 21 counties in Georgia. ORK works with local communities to retain the ecological and cultural integrity of rivers, streams, wetlands, and related habitats throughout the Basin. One of ORK's primary roles is as watchdog on new land development projects throughout the watershed that could pose a significant threat to its water quality and aquatic environments.

ORK offers these general comments on public interest impacts on this proposed permit modification. Central among the comments is the lack of a clear benefit to the public that this permit expansion would create. By including this warehouse construction project into the larger category of "industrial space," the actual need for and benefit from building the project is obscured and overinflated. A proper analysis of the benefit of the project should isolate needed warehouse space from the larger category of industrial space, as there may be substantial differences in zoning, development, permitting, construction, and eventually occupation and operation between the two.

No strong need for over 1.5 square feet of new warehouse space is readily apparent. Looking specifically at the Savannah-area warehousing market, vacancy rates are continuing to rise. As of 2023 Q4, the last with full data, the

vacancy rate was 7.23%,¹ an increase from 2023 Q3's vacancy rate of 4.23%² and 2022 Q4's rate of less than 1%.³ The latest increase was attributed to "several bulk spec deliveries." With many more speculative warehouse developments under construction, as well as new developments continuing to be proposed,⁴ this vacancy rate could continue to rise, making additional warehouse space that much less necessary and beneficial. While the applicant states that a 6-8% vacancy rate is an "optimal range," it does not explain or justify this conclusion. Clearing land and filling water bodies in order to construct a warehouse that sits empty and may never be used is not beneficial and not in the public interest. ORK urges the U.S. Army Corps of Engineer to carefully consider the actual and specific benefits that this project would provide in its public interest review.

ORK also has concerns with applicant's estimations of the Savannah area market status and need. While conclusively stating that the Savannah market will need 180 million square feet of industrial space, it makes only one vague reference to this being "documented by numerous market reports." Further, the applicant states that the market will need "45,000,000-50,000,000 square feet of industrial space over what is currently available in the market and under construction," while the chart it provides immediately above only shows a need of 42 million square feet. Finally, these estimations are based on 2023 Q2 data. As noted above, data exists as late as 2023 Q4. ORK urges the U.S. Army Corps of Engineers to require the applicant to update its estimations using the most recent available data and to confirm the sources and calculations of the overall need and additional space needed. Finally, ORK again asks that needed warehouse space be considered separately from overall industrial space need.

Thank you in advance for your time and consideration; please let me know if you have any questions: ben@ogeecheeriverkeeper.org.

Ben Kirsch, Legal Director Ogeechee Riverkeeper

¹ Colliers International. Q4 2023 | Savannah Industrial Market Report. See https://www.colliers.com/en/research/savannah/2023g4industrial

 $^{^2 \}textit{See} \ \underline{\text{https://www.colliers.com/en/research/savannah/2023q3} \\ \text{industrial} \\$

³ See https://www.colliers.com/en/research/savannah/2022g4industrial

⁴ See Development of Regional Impact IDs 4169 (https://apps.dca.ga.gov/DRI/AppSummary.aspx?driid=4169) and 4170 (https://apps.dca.ga.gov/DRI/AppSummary.aspx?driid=4170), proposing 2.6 million and 4.6 million square feet of warehouse space respectively.