

PROJECT PROFILE

REFUNDABLE CREDITS: \$54,820,113

RAPID DEPLOYMENT CENTERS

Engagement Overview:

RSH was engaged by a publicly held home improvement company to conduct incentives negotiations at 6 locations throughout the United States. The purpose of the Rapid Deployment Centers is to improve the supply chain and ensure that the company’s retail stores do not experience out-of-stock conditions. In a Rapid Deployment Center goods are delivered in bulk by the company’s vendors, sorted quickly, and then re-loaded on trucks serving individual store locations.

Property Overview:

The typical Rapid Deployment Center is a highly specialized and automated distribution facility with far more docks than the typical speculative distribution building. The typical RDC project occupies between 450,000 and 650,000 square feet and employs between 250 and 500 personnel at peak season.



Incentives Negotiation Process:

The RSH Group deployed groups of consultants to work with the company’s real estate department in analyzing available sites and incentives. Working extensively with the company’s real estate personnel, The RSH Group consultants prepared an analysis of the benefits available at multiple sites in six separate markets. These incentives estimates were incorporated into the company’s financial analysis of available sites and forwarded to the company’s CFO for approval. Upon preliminary approval of the sites, The RSH Group worked with state and local officials as well as company real estate personnel to negotiate and finalize incentives offers and to obtain binding commitments from state and local authorities prior to finalizing real estate negotiations. RSH Group personnel continued to work with company real estate and tax personnel to ensure that all necessary processes were in place to gather necessary compliance information and to claim negotiated benefits.

Results:

The RSH Group work resulted in the award of over \$54 million in state and local tax benefits including:

Job Creation and Investment Tax Credits:	\$ 45,903,347
Sales and Use Tax Refunds:	\$ 1,592,733
Grant Funds	\$ 4,989,117
Property Tax Abatements	\$ 2,334,916
Total	\$ 54,820,113