

TENNESSEE DEPARTMENT OF ECONOMIC AND  
COMMUNITY DEVELOPMENT



**SELECT TENNESSEE**  
**Property Evaluation Program**

**FINDINGS &  
RECOMMENDATIONS**

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**Sumner County**





## Select Tennessee Property Evaluation Program Findings and Recommendations



Date April 8, 2016

Recipient Anthony Holt, County Executive  
Sumner County

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Subject: **Sumner County**  
**Select Tennessee Property Evaluation Program**

### Overview

The Select Tennessee Property Evaluation Program (PEP) was created for the purpose of expanding the state's inventory of industrial sites and existing industrial buildings. The evaluation process is intended to provide guidance and insight to each applicant community so that local resources and economic development efforts can be focused on properties that have the greatest potential for business investment. It is also intended to shed light on potential property issues or shortcomings that need to be addressed.

In April 2016, Austin Consulting (Austin) completed a detailed evaluation of properties submitted by Forward Sumner and Sumner County. On January 14th and 15th, Austin Consulting representative Jonathan Gemmen completed a visit to Sumner County to assess and gather information on five properties proposed for potential industrial development.

The January visit included a review of each property and surrounding environment. It also included meetings with local economic development representatives, utility providers, community planning and zoning representatives, and other local representatives important to the economic development process.

### *Methodology*

Austin's visit to Sumner County was essentially a simulated professional site selector field investigation, not unlike those conducted for an actual corporate site selection client. Austin's objective was to collect sufficient information about candidate properties, the community, and local and regional economies to extrapolate two conclusions:

- The suitability and readiness of local property (sites and buildings) for job producing development.
- The community's logical industry targets and associated investment characteristics including size and types of facilities, utility requirements, and transportation needs.

The Austin community/property investigation for the Select Tennessee Property Evaluation Program involved meetings with community representatives. The visit schedule was prepared by Forward Sumner and Sumner County and included meetings with:

- Property owners and/or representatives
- Local economic development officials
- Local employers
- Utility company representatives
- Community planners and permitting officials
- Elected officials
- Others involved in local development activities

For site selection projects, Austin's objective is to collect sufficient information about candidate properties, the community, and local and regional economies to determine if the location can adequately support the proposed project. In the Select Tennessee Property Evaluation exercise, Austin looked at Sumner County through the lens of numerous investment types including: manufacturing, warehouse/distribution, call centers, data centers and back-office/shared services operations.



## Select Tennessee Property Evaluation Program Findings and Recommendations



### **DISCLAIMER:**

**Any views or opinions presented in this report are those of Austin Consulting and do not necessarily represent those of the Tennessee Department of Economic and Community Development or other organizations or individuals. The opinions expressed in this report draw on Austin's extensive experience in property and community evaluation for corporate clients. This report is based solely on Austin's interpretation of information gathered during the time frame allotted to this project.**

Recommendations contained in this report reflect Austin's experience in assessing the suitability of communities and properties for industrial operations. Austin's assessment incorporates:

- Property readiness for development including utility services, road access, zoning and environmental attributes
- Neighborhood attributes including site access, neighboring land uses, site curb appeal and local development trends
- Community attributes including quality/reliability/capacity of utility systems, growth trends, land use planning, quality of place and overall community engagement in economic development
- Regional attributes including existing and planned transportation infrastructure, population growth trends, the nature and distribution of job creation, and availability of developable land

### *Executive Summary*

Sumner County has benefited from the growth of Nashville. For the past several decades, Sumner County has seen a spillover of new residential and commercial development, especially on the west end of the county. This has been both an opportunity and a challenge for Sumner County.

Sumner County's greatest challenge is the outmigration of its workforce, primarily to Davidson County. Growth of industry within Sumner County begins to address the problem, especially in the central, eastern and northern portions of the county.

The Cumberland River is a natural barrier, separating Sumner County from Wilson County to the south. A ridge of rocky and undulating terrain runs through much of the middle portion of Sumner County. This ridge separates the southern portion of Sumner County, which is in the Cumberland River Watershed, from the northern portion which is in the upper Green River Basin. This swath of rocky terrain limits industrial development to either side. Unfortunately, much of the flatland that has municipal utility service in the southern portion of the county has already been developed. Based on Austin's familiarity with Middle Tennessee, this is a challenge that is not unique to Sumner County.

Old Hickory Lake was built in the 1950's with the construction of the Old Hickory Dam on the Cumberland River, creating an attractive body of water out of a meandering stretch of river, upstream from Nashville. Due to the many streams flowing south into the river, miles of shorefront were created along these inlets. These peninsulas in Hendersonville became a cluster for high-end residential home development. Residential develop continues inland. Along with this growth has come a significant amount of retail development.

CSX Transportation's mainline rail connecting Nashville to Louisville is the primary rail line running through Sumner County. Most of the land around the rail line has been developed in the southern portion of the county. The only other rail infrastructure in the county is the short line, served by CSX, which provides coal trains to TVA's Gallatin Steam Plant on the Tennessee River.

Properties reviewed during the PEP evaluation process included existing industrial buildings, undeveloped vacant land and agricultural land. Austin's detailed assessment included properties in four different communities: Hendersonville, Westmoreland, Portland and in the county's jurisdiction. Because of the unique characteristics of each community and property, no one property stands out as the greatest near-term opportunity to attract new industry to locate in the county. Each serves a different market niche.

Though not part of this assessment, Austin believes that the Gallatin Industrial Center and the Langley Hall Industrial Sites, both *Select TN Certified Sites*, remain the best opportunities to attract a new greenfield industrial development in Sumner County in the immediate future.

The Kirby Road Greenfield Site in Portland is an attractive greenfield property, with nearly all of the necessary features in place. Compared to most of the other industrial sites across the state, relatively little investment would be required to certify this property as a *Select TN Certified Site* within a 6-12-month timeframe. Ultimately, this decision will need to be made by the land owner.

Austin visited and assessed two, large metal buildings in Westmoreland, both former manufacturing and assembly operations for Fleetwood manufactured homes. Though both facilities have their challenges, the Westmoreland Business Center, owned by the Westmoreland IDB, presents the best near-term opportunity to attract an employer to Westmoreland.

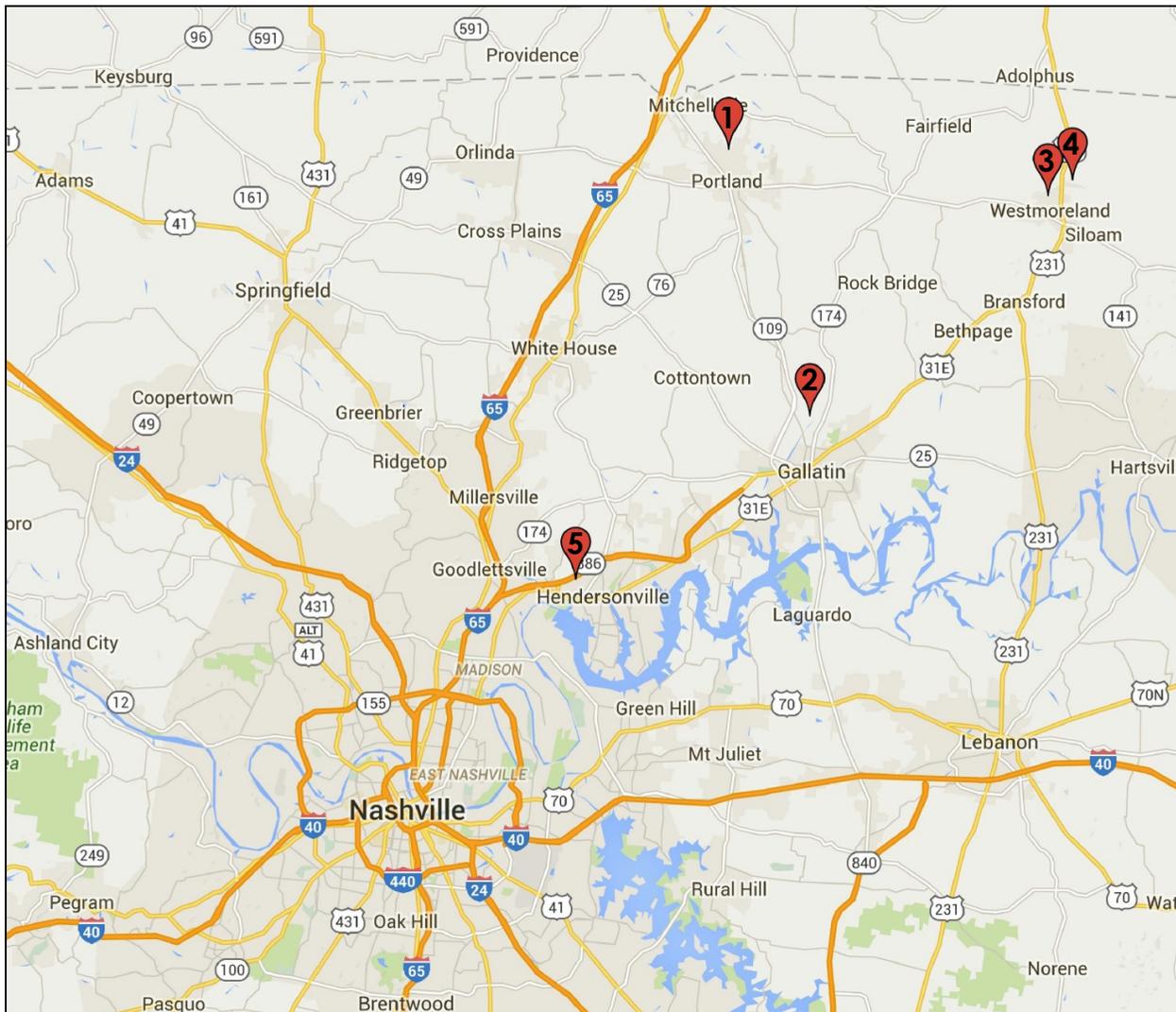
Austin visited two properties in Hendersonville: Forest Retreat North and South, located on opposite sides of TN-386. Neither property is suitable for near-term industrial development. A portion of the South site could theoretically be developed as industrial property because it is adjacent to an established industrial park. But not being for sale, having a challenging topography, and with the new Forest Retreat Road interchange planned for TN-386, this property will likely be priced out of the competitive range for industrial land and developed for alternate uses. Wisely, the City of Hendersonville, owns the North Site and is reportedly reserving it for a future multi-story office or a headquarters operation.

Just north of Gallatin, the Sumner Enterprise Park represents Sumner County's best long-term opportunity for locating one or more large industrial operations and the hundreds of associated jobs. This appears to be the only known rail-served industrial site in Sumner County. However, the property would require significant time and resources to develop and possesses a few potential challenges. Despite these potential risks, preparing the Sumner Enterprise Park appears to be Sumner County's best opportunity to create a large employment center to help combat the daily out-migration of workforce to Davidson County.

## PROPERTIES EVALUATED

The following information presents an overview for each property investigated as part of the Property Evaluation Program in Sumner County.

1. Kirby Road Greenfield Site
2. Sumner Enterprise Park
3. Westmoreland Business Center
4. Swords/Roark Fleetwood Building
5. Forest Retreat South



Properties	General Overview
<p>1) Kirby Road Greenfield Site  Portland</p>	<p>The site is a cleared, 70-acre, undeveloped agricultural site, located in an existing industrial park. This site is essentially "shovel ready", with all utilities and an industrial grade road adjacent to the site. The site's greatest challenge is more competitive property within the City of Portland with better access to Interstate 65, where distribution facilities are being built at a brisk pace. The Kirby Road Greenfield Site appears best suited for a manufacturing facility.</p>
<p>2) Sumner Enterprise Park  Sumner County</p>	<p>The Sumner Enterprise Park is the name used to describe a group of land parcels north of Gallatin totaling 750± acres. This site is located just west of the TN-109 and the CSX mainline track which both run north-south through Sumner County. The site represents one of Tennessee's best opportunities for landing a large manufacturer capable of making a substantial positive economic impact on the region.</p>
<p>3) Westmoreland Business Center  Westmoreland</p>	<p>Owned by the Westmoreland Industrial Development Board, this former manufactured home assembly operation totals 95,000 square feet on 20 acres. Efforts have been made to create an Expo Center, with very modest success. Reportedly, the operating cost supersedes the revenues.</p> <p>Despite its shortcomings, this property appears to have the greatest potential for attracting or growing an industrial employer in Westmoreland because it is owned by the Westmoreland IDB.</p>
<p>4) Swords/Roark Fleetwood Building  Westmoreland</p>	<p>Built in 1986, this 101,000-sf metal building was home to a manufactured home assembly operation for approximately 20 years. Privately owned, this facility is for sale, but not available for lease. The facility is currently occupied, being repurposed as a large indoor storage area. Based on a walk through the building and around the 38-acre site, the property appears depreciated, with little to no evidence of reinvestment by the current ownership.</p>
<p>5) Forest Retreat South  Hendersonville</p>	<p>This property is the next available parcel in an established industrial park. With Greater Nashville's shortage of industrial sites, this property could theoretically be developed if the necessary site improvements were made.</p> <p>The site holds great interest for future development as the long-proposed widening of TN-386 and the construction of Forest Retreat Road interchange shows signs of moving forward. When constructed, it will greatly improve this industrial park's freeway access.</p>

## Sites Visited but Not Assessed

Austin did visit two additional sites during the January tour, but these sites were eliminated as viable industrial properties at this time:

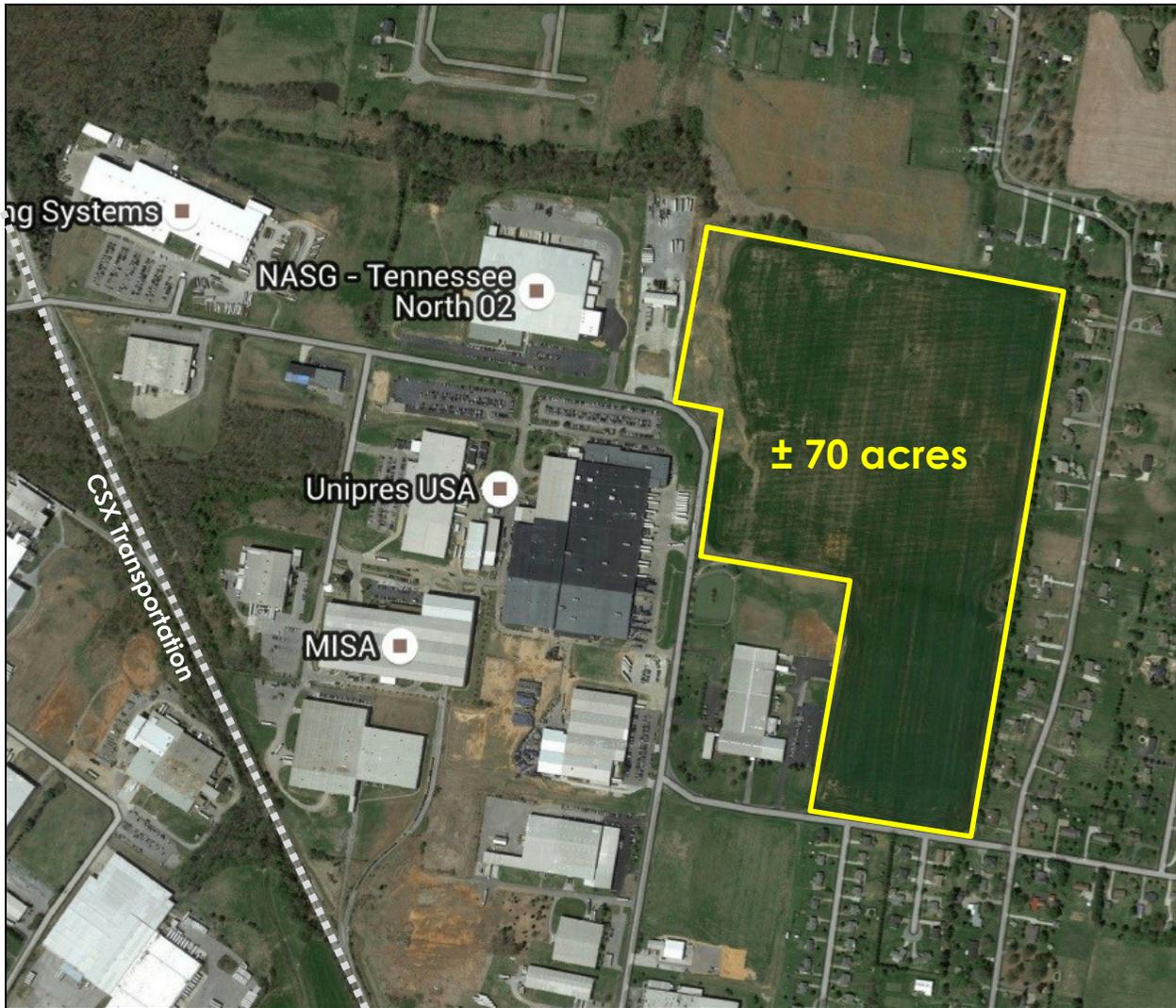
**Victor Reiter Parkway Site** is a triangular 40-acre parcel adjacent to the CSX mainline in Portland. A stream divides this site, with the central portion of the property located in the 100-year floodplain. Furthermore, the area outside the floodplain sits several feet below the grade of the rail line, creating a challenge for design and engineering of a rail spur to serve the site. Finally, the site is separated from TN-109 by a residential neighborhood.

**Forest Retreat North Site** is owned by the City of Hendersonville. This 64-acre site offers approximately 40 developable acres. The property offers visibility from Vietnam Veterans Boulevard (TN-386) as well as views of downtown Nashville. For this reason, the city plans to reserve this site for a corporate headquarters or large office operation (trophy office building) which could benefit from the visibility.

For the reasons listed above, among many others, Austin focused its assessment on the five other industrial properties with a more realistic opportunity for growing the industrial base in Sumner County.



# 1) KIRBY ROAD GREENFIELD SITE



<b>1) KIRBY ROAD GREENFIELD SITE</b>	
General description	Agricultural property / Grassy field
Total acreage	70 acres
Available developable acreage	65 acres
Ownership	Private (single owner)
Topography	Gently rolling pastureland
Transportation access	Kirby Drive on western and southern boundary – 2 lanes
Current zoning	"Agriculture" (City of Portland)
Utility Infrastructure:	
Electricity	Cumberland Electric: 13 kV distribution adjacent to site. Substation is 1.5 miles from site. 69 kV transmission line crosses site.
Natural Gas	City of Portland: 4" (50 psi) on site
Water	City of Portland: 8" on site. Excess treatment capacity: 1.1 MGD
Wastewater	City of Portland: 8" gravity line in vicinity of site. Line would need to be extended to site. Excess capacity: 0.5 MGD
Asking price	\$40,000/acre (entire parcel); \$50,000/acre (partial)
High level of assessment of potential environmental risks	Phase I ESA performed August 23, 2011

Note: Site acreage is approximate. Utility service information was provided by each respective provider.

*Summary:*

The Kirby Road Greenfield Site is located in the city limits of Portland, in the northwest corner of Sumner County. This 70-acre site is located at the far east side of an existing industrial park, abutting residential property to the east and operational industrial facilities to the west. The property is currently zoned agricultural. The property consists of approximately 65 developable acres of pastureland with rolling topography. The property is divided into three tracts all owned by a single individual who appears to be an interested seller.

Part of an established business park, this site has all the necessary utilities at or very near the property boundary. Neither the water, wastewater, or natural gas infrastructure is particularly robust in the park, yet each is more than adequate to meet the needs of most, new industrial operations.

Cumberland Electric's 69 kV line crosses the northeast portion of the site, which potentially limits the net contiguous developable acreage of the property. This also potentially opens up the possibility to accommodate a larger electric user on the site, if required.

Kirby Drive is a 2-lane industrial grade roadway. Though it changes names, it is the primary access road through the industrial park. Likewise, it is the primary access point for traffic from the residential neighborhood to the east.

Traveling eastbound on Kirby Drive, the roadway makes a sweeping right turn to the south along the site's western boundary. The site could potentially access Kirby Drive on this west side, but the roadway would need to be widened to accommodate a turning lane into the site. Ideally the site's access road would align with the truck entrance of Unipres directly across Kirby Drive. For facility planning and site circulation, having the option of separate site access points for cars and semi-trucks is a plus.



The site is equidistant from both access points onto TN-109. Reportedly, there are no plans for roadway improvements within the industrial park. Whether traveling north or south in the region, most truck traffic travels north on TN-109 to access Interstate 65.

A new interchange on I-65 (Exit 120) into Portland is under construction. This will be the gateway from Interstate 65 to Interstate 40 via TN-109, a four-lane divided highway. The improved TN-109 corridor will impact how freight and goods are transported through the region. Moreover, the new Interstate 65 exchange will improve access to the new TN-109 Portland Bypass, which will be under construction in the next few years. Ultimately, this will improve access to the Kirby Road Greenfield Site.



The City of Portland abuts the Tennessee-Kentucky state line. Tennessee does not have a state income tax, while Kentucky does. As labor markets continue to tighten over time, working in Tennessee provides employees a modest financial incentive not to drive north for employment.

An apparent wetland area is located in the far northwest corner of the site and should not be disturbed as part of the site's overall development. Likewise, the only trees on-site are located on its periphery. That, coupled with the fact that the site is primarily grass and pastureland, would imply that development would not impact any endangered species habitat.



*Concerns:*

The property is currently zoned for agricultural uses and would need to be rezoned. The City of Portland is the current zoning authority. Since the property is adjacent to an established residential neighborhood, there may be a potential for public opposition to the zoning of the site, which is a risk for prospects considering the site.

Kirby Road and Davis Road, the site's only two visible routes to access TN-109, cross CSX's main-line railroad at grade. This is a potential major safety concern. Thankfully, the railroad crossings are more than 6,000 feet apart, so the probability of both crossings being blocked simultaneously, cutting off access to the site, is extremely unlikely.

Karst activity and the risk of sinkholes is always a concern in this region of the country.

The site's greatest challenge is more competitive property within the City of Portland with quicker access to Interstate 65, where distribution facilities are being built at a brisk pace along Vaughn Road. (These distribution facilities and additional sites are located in Robertson County, as the City of Portland spans two counties.) Reportedly, the same individual who owns that industrial park also owns the Kirby Road Greenfield Site. Since very little new development has taken place within the surrounding industrial park in the last 20 years, the owner may be focused on developing Vaughn Road at this time.

*Conclusions:*

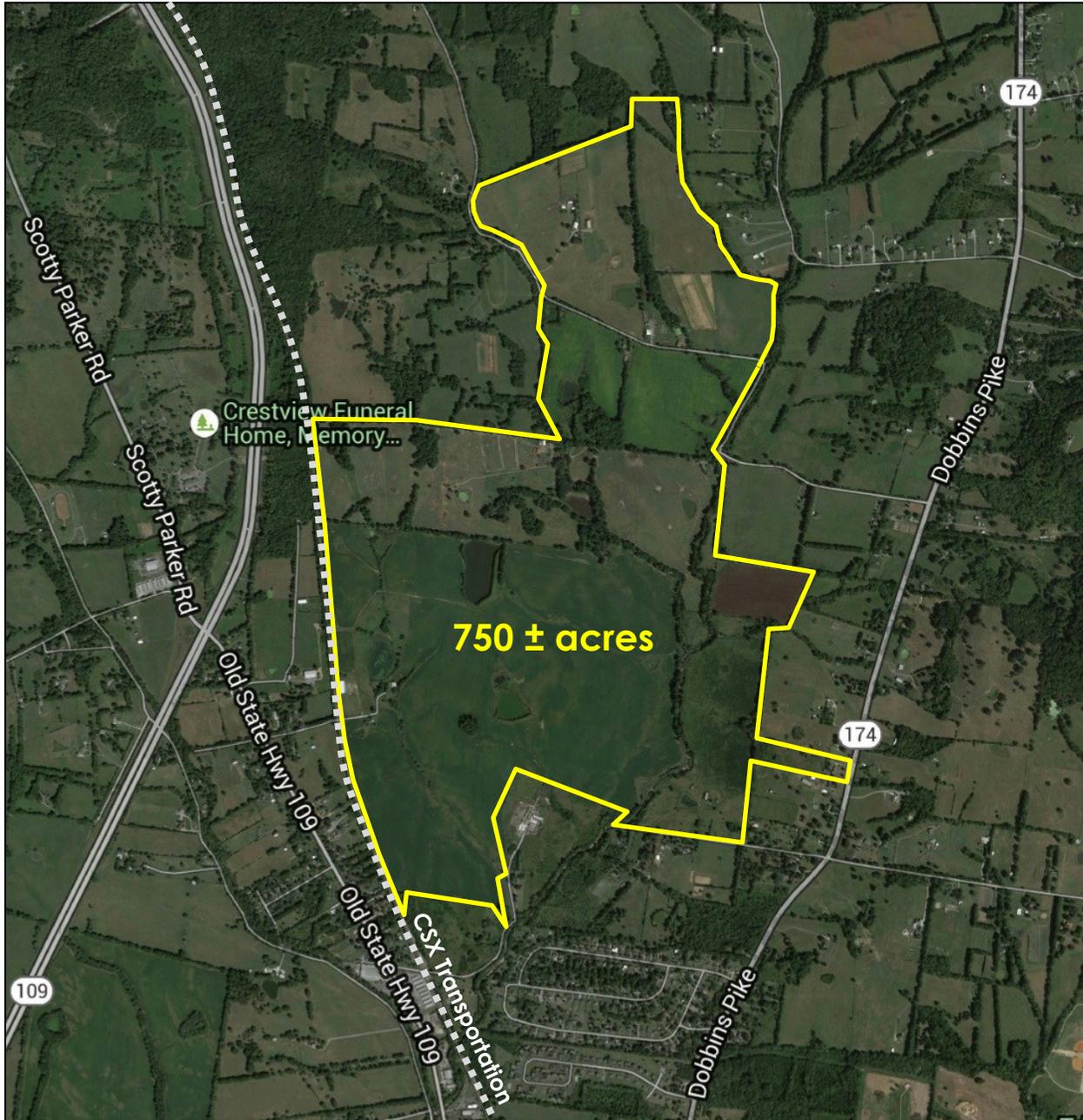
The property is the largest tract of land that was evaluated for having near-term industrial development potential in the City of Portland. Its proximity to Interstate 65 makes this an attractive location for new industrial development.

Given the apparent limited availability of 50 to 100-acre industrial sites in the region, Austin believes that along with the two *Select TN Certified Sites* in Gallatin, the Kirby Road Greenfield Site represents one of the best opportunities in Sumner County with which to land a new manufacturing facility in the near-term.

*Recommendations / Next Steps:*

- Consider rezoning the land to industrial use.
- Consult with the landowner about submitting this property for participation in the *Select TN Certified Site Program*.
- In partnership with the City of Portland, conduct an engineering study to understand the cost and timing for extending sewer to the site.

## 2) SUMNER ENTERPRISE PARK



<b>2) SUMNER ENTERPRISE PARK</b>	
General description	Agricultural land
Total acreage	750 acres
Available developable acreage	650± acres
Ownership	Private (nine owners)
Topography	Gently sloping pastureland with some steep contours
Transportation access	Computer Lane (narrow 2-lane road) off of Old State Highway 109
Current zoning	Agriculture (Sumner County)
Utility Infrastructure	
Electricity	Gallatin Department of Electricity - 12.47 kV line on-site approximately 3 miles from substation  TVA's 161 kV transmission lines crosses the northeast corner of site
Natural Gas	Gallatin Public Utilities: 3" line is located 250 feet from the site
Water	Gallatin Public Utilities: 10" line to the site
Wastewater	Gallatin Public Utilities: 15" gravity main is 1,600 linear feet to the site
Asking price	Varies by parcel
High level of assessment of potential environmental risks	Unknown

*Note: Site acreage is approximate. Utility service information was provided by each respective provider.*



*Summary:*

The Sumner Enterprise Park is the name for a group of nine land parcels north of Gallatin totaling 750± acres. This site is located just west of TN-109 and the CSX mainline track, which both run north-south through Sumner County.

The site is gently sloping but has a few steeper contours. The site generally slopes from west to east falling approximately 50 feet in elevation at an average 2% grade from the CSX mainline down to East Camp Creek, the site's eastern boundary. This far eastern portion of the site is located in the 100-year flood plain.

The site contains several cattle ponds. From investigating the site and reviewing aerial imagery, only one pond on the western portion of the site appears to be jurisdictional, though that will need to be confirmed through a professional wetland delineation study. Likewise, there appears to be a drainage channel running parallel to the CSX mainline for much of the length of the site. Combined with the west-east sloping of the site, future on-site rail infrastructure will likely need to remain within a few hundred feet of the mainline. Since the site has approximately one-mile of rail frontage, a double-ended siding would seem logical.



The site is currently in unincorporated Sumner County, but in order to be served by Gallatin Public Utilities, this property will need to be annexed into the City of Gallatin.

Reportedly, 5 MW is available in Gallatin Electric's 12.47 kV substation which is 3 miles from the site. More importantly, TVA has a 161 kV transmission line that crosses a neighboring parcel to the site. With such a large rail served site, it is probable that a substation would be built to serve large industrial operations that ultimately locate at the site.

Gallatin Public Utilities is the natural gas, water, and wastewater service provider for the site. The information provided indicates there is a 3-inch natural gas line within 250 feet of the site. The national pipeline mapping system shows a natural gas transmission line traversing the county, running within 1,000 feet of the southern boundary of the property. Aerial imagery shows an approximate 30-foot easement for this transmission line, which indicates an even larger supply is in proximity to the site.

Gallatin Public Utilities has a 10-inch water line that runs adjacent to portions of the southern boundary of the site. Gallatin's Water Treatment Plant runs at less than half of total capacity, leaving 8 MGD of excess treatment. Gallatin Public Utilities also has a 15-inch gravity sewer line located 1,600 feet south of the site. Reportedly, their wastewater treatment facility has 7 MGD of excess capacity.

TDOT's plans to improve TN-109 to a four-lane divided highway connecting Interstate 40 to Interstate 65 will greatly affect the potential of this property. As the construction of this interstate-quality divided highway continues, this property will likely be considered for projects of similar size to the Hankook Tire Facility which located in Clarksville in the last few years.

At the time of the visit, Sumner County was considering optioning the 750-acre site.



*Conclusions:*

There are numerous large tracts of land adjacent to rail lines across the country. In most instances, these properties are miles from municipal water and sewer service, and do not have large electric or natural gas infrastructure nearby. Likewise, most are not located in proximity to a four-lane highway. Taking these requirements into consideration, the Sumner Enterprise Park is part of a small group of such sites in a multi-state region that are capable of accommodating a large operation in a suitable timeframe. Moreover, most comparable sites don't offer the proximity to metropolitan area, like Nashville, and its major airport.

Compared to most large rail-served industrial sites in middle and eastern Tennessee, this site has relatively moderate elevation change. It is adjacent to a CSX mainline, and any large industry that locates on the site would benefit from the quick north-south access that the improved TN-109 will provide.

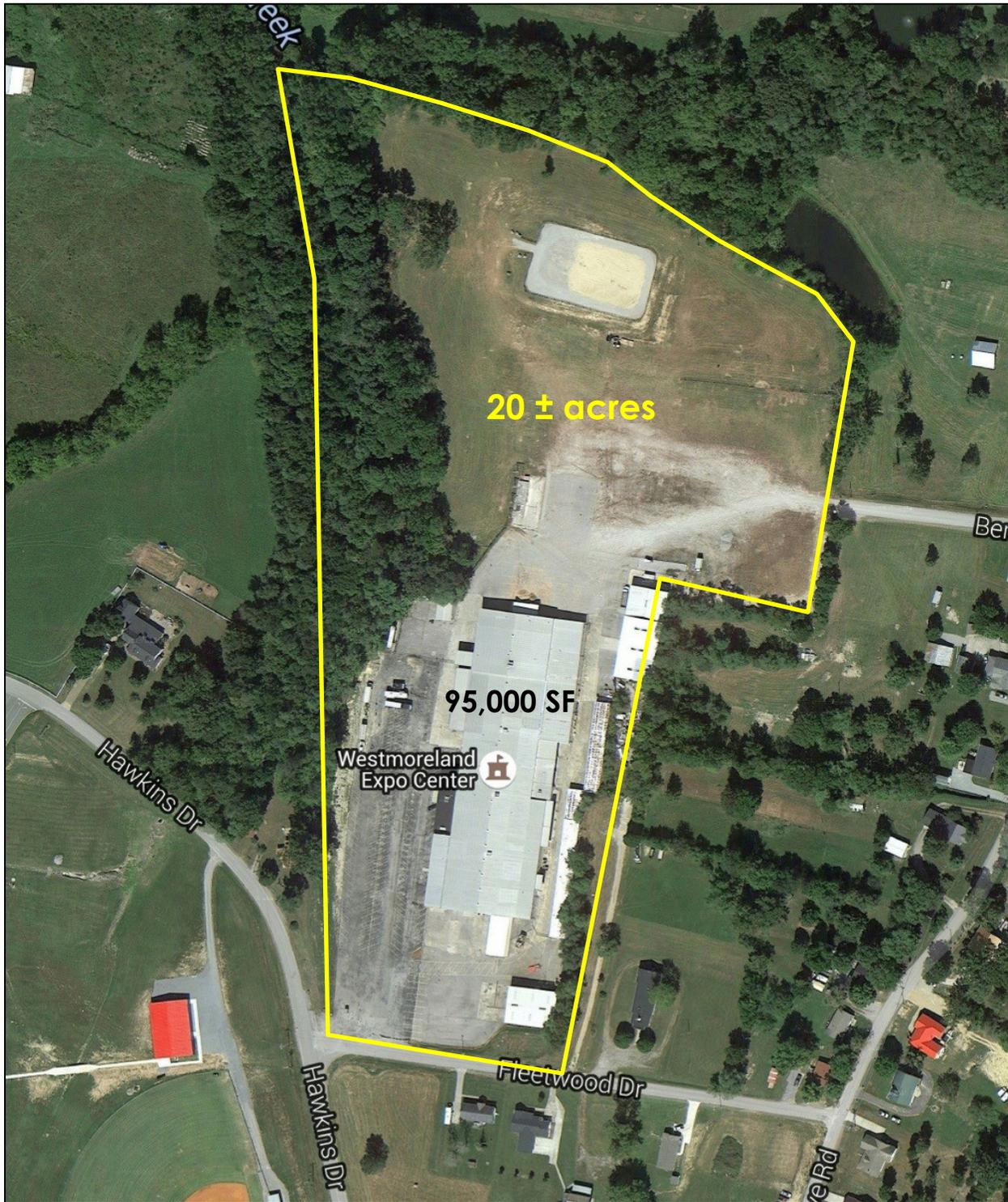
The site is not "ready-to-go". The site's greatest hurdle is that truck and automobile access needs to get from TN-109, over the CSX mainline and onto the site. This is not something that needs to be built immediately or on speculation, but significant planning needs to begin in the coming months. The fact that a representative from TDOT was in attendance during January's site visit indicates that possible solutions are being explored to overcome this challenge.

Finally, multiple environmental studies need to be conducted on this large site to identify any development challenges. Likewise, this should be done sooner rather than later, so all partners can begin to plan in more detail.

*Recommendations / Next Steps:*

- If not done already, Sumner County should put this property under option for purchase.
- Once the land is under option, Sumner County should conduct the necessary site due diligence including: a Phase I environmental site assessment, preliminary geotechnical investigation, endangered species assessment, wetland delineation / hydrological survey, and an archaeological assessment.
- Sumner County should continue to work with TDOT to understand the possible scenarios/thresholds for a grade-separated industrial access road over the CSX mainline.
- Contact CSX Transportation about designing preliminary/conceptual plans to bring a rail on-site.

### 3) WESTMORELAND BUSINESS CENTER



<b>3) WESTMORELAND BUSINESS CENTER</b>	
General description	Former Manufactured Home Production Facility – adapted to be a publically-owned and operated exposition hall
Square footage	95,000±
Total acreage	20.3 acres
Ownership	Publically-owned
Transportation access	Travel 1,500' east on Bentle Drive to U.S. Highway 31E.
Current zoning	C-2 Commercial (City of Westmoreland)
Year built	1969
Floor thickness	5" – 6"
Ceiling height	20' – 26'
Dock doors	10 drive-in doors
Parking	150 employee spaces
Utility Infrastructure	
Electricity	Tri-County Electric MC – Three-phase service at building. Site approximately 1.5 miles to Westmoreland Substation and 2 miles to East Sumner Substation.
Natural Gas	Not available in Westmoreland
Water	City of Gallatin - 8" lines adjacent to property and serving building.
Wastewater	City of Westmoreland - 4" vacuum line to building and 4" line adjacent to property to pump station. 6" force main from on-site pump station to the neighboring WWTP.
Asking price	\$1.00/SF annual lease rate
High level of assessment of potential environmental risks	No environmental reports are available.

*Note: Building square footage and site acreage are approximate. Building specifications were reported by the county and property owner and were not verified by Austin during field investigation. Utility service information was provided by each respective provider.*



*Summary:*

Westmoreland Business Center was constructed in 1969 as the original manufacturing and assembly facility for Fleetwood manufactured homes. The main building, approximately 82,000 square feet, is a pre-engineered metal building with a peaked roof and auxiliary space flanking either side. The original main production area is approximately 57,000± square feet (480' by 120') of open, clear span space. There are 13,000 square feet of out-buildings, the largest being a wood-structured pull barn approximately 9,000 square feet. The remainder of the out-buildings are open-sided, likely built to keep large parts dry, prior to assembly.

The property is a single 20-acre tract. The buildings are located on approximately 8 acres on the south side of the property. The northern portion is approximately 12 acres of flat open spaces - a mix of concrete, gravel and lawn - surrounded by thick vegetation on the property's perimeter. Apparently, when operated by Fleetwood, the manufactured homes moved south to north in the assembly process through the building. The open lot was reportedly used to store finished inventory.





A 0.5-ton and a 4-ton crane remain affixed to the rafters of the main production area, as well as industrial box fans and electric infrared heaters. The main building has a fire suppression system (sprinklers) installed in the production area. The concrete slab appears to be in a condition adequate for most industrial operations. The bathrooms appear in working order, but reflect the building's age.

The property is located north of downtown Westmoreland. A tree-lined creek runs along the western boundary of the property, yet the site is located outside of the 100-year floodplain. The property is surrounded by single family residences and Westmoreland High School, though it is not particularly close to more than one or two homes. Likewise, most of the facility is shielded by vegetation from surrounding properties. The building is one of two large industrial facilities in Westmoreland that are formerly operated by Fleetwood. Evidently, Fleetwood was the employer of choice in the area as few other industrial facilities, occupied or vacant, are located in the general vicinity.

Ceiling height in this building is reportedly 26 feet at peak and 20 feet at the eaves. The building has been relatively well maintained. The floors are in good condition given the age of the building and a basic inspection of the ceiling did not reveal any serious issues with the roof. Reportedly, the building also contains 2,200 square feet of office space, which was not accessible during the visit.

Specific information on the available electrical capacity of the three-phase line serving the site was not provided, but both substations in Westmoreland have over 14 MW of excess capacity. Tri-County Electric officials assured Austin that electric service would not be the limiting factor for this site. They also noted that the site could potentially be serviced from two substations, but a three-phase electric circuit would need to be extended approximately one-half mile.

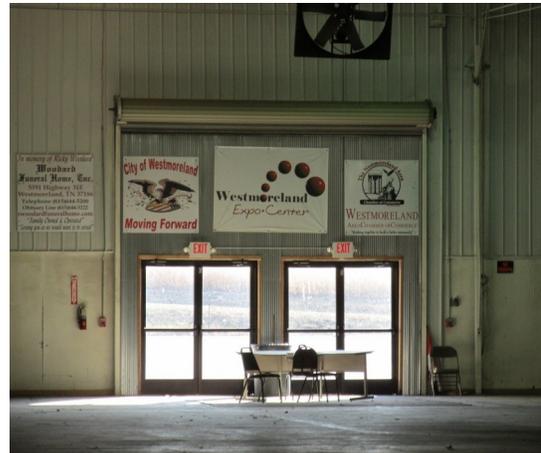


There is no natural gas service available in Westmoreland or the surrounding area. Local officials have discussed two potential options to extend natural gas lines to Westmoreland, though both would cost millions of dollars.

Gallatin Public Utilities has an 8-inch water line to the site. Reportedly, Gallatin's water treatment plant runs at less than half of total capacity, leaving 8 MGD of excess treatment capacity.

Reportedly, there is a 4-inch force main from the building directly to the wastewater treatment plant located 1,500 feet north of the site. The documentation supplied to Austin showed that the City of Westmoreland has 100,000 gallons per day of excess wastewater treatment capacity, but in conversation with officials they reported far less capacity due to significant inflow and infiltration issues throughout Westmoreland's collection system. It appears from the lack of floor drains in the building, Fleetwood primarily used water and wastewater for domestic purposes. Future tenants would need to do the same.

Several years ago, the property reportedly came under the control of City of Westmoreland, who repurposed the main production building as the Westmoreland Expo Center to attract visitors to Westmoreland. This endeavor yielded limited success. The facility is difficult to heat in cooler months as the production facility does not appear well insulated. When used as a manufactured home assembly facility, reportedly, the active machinery and equipment, including welding, maintained a reasonable indoor working temperature. Heating a large open space is a significant cost. This is compounded by the fact that natural gas is not available in Westmoreland or the surrounding areas.



In recent years the facility's ownership has transferred to Westmoreland IDB, in hopes of attracting an industrial employer. Reportedly the Westmoreland IDB has a multi-year lease for the rear half of the main building with a group that conducts a mule auction event five weekends per year. This will allow the county to continue to operate and market the property because some income is generated. Unfortunately, this could be a deterrent for many operations. Yet, the lease price is very competitive, so a potential tenant may be willing to overlook the non-traditional tenant in the other half of the building.

It does not appear that utilities in the building are metered for multiple tenants.

*Conclusions:*

It is Austin's opinion that Westmoreland Business Center represents Westmoreland's best opportunity to accommodate an industrial user in the near-term, given the lack of industrial buildings available in the area. Since the Westmoreland IDB owns the building and has a published lease rate of \$1.00 per square foot, a party interested in expanding could be operating within 60 days.

While the building is not well-suited for a broad range of industries, it is an existing pre-engineered building with clear span area (no columns) of approximately 120 feet wide by 480 feet deep, this area provides a significant amount of flexibility in production.

The existing tenant, a mule auction, could be a deterrent to many potential clients. At minimum, the IDB should design and pursue construction estimates on a fire-rated partition wall to separate the two halves of the building. If possible, constructing the wall in the near-term will improve the marketability of the building.

Considering Westmoreland's remote location, it is unlikely that a single tenant would occupy the entire building. Therefore, if the mule auction does not renew its lease in the coming years, the back of the building will be readily available for lease as industrial space.

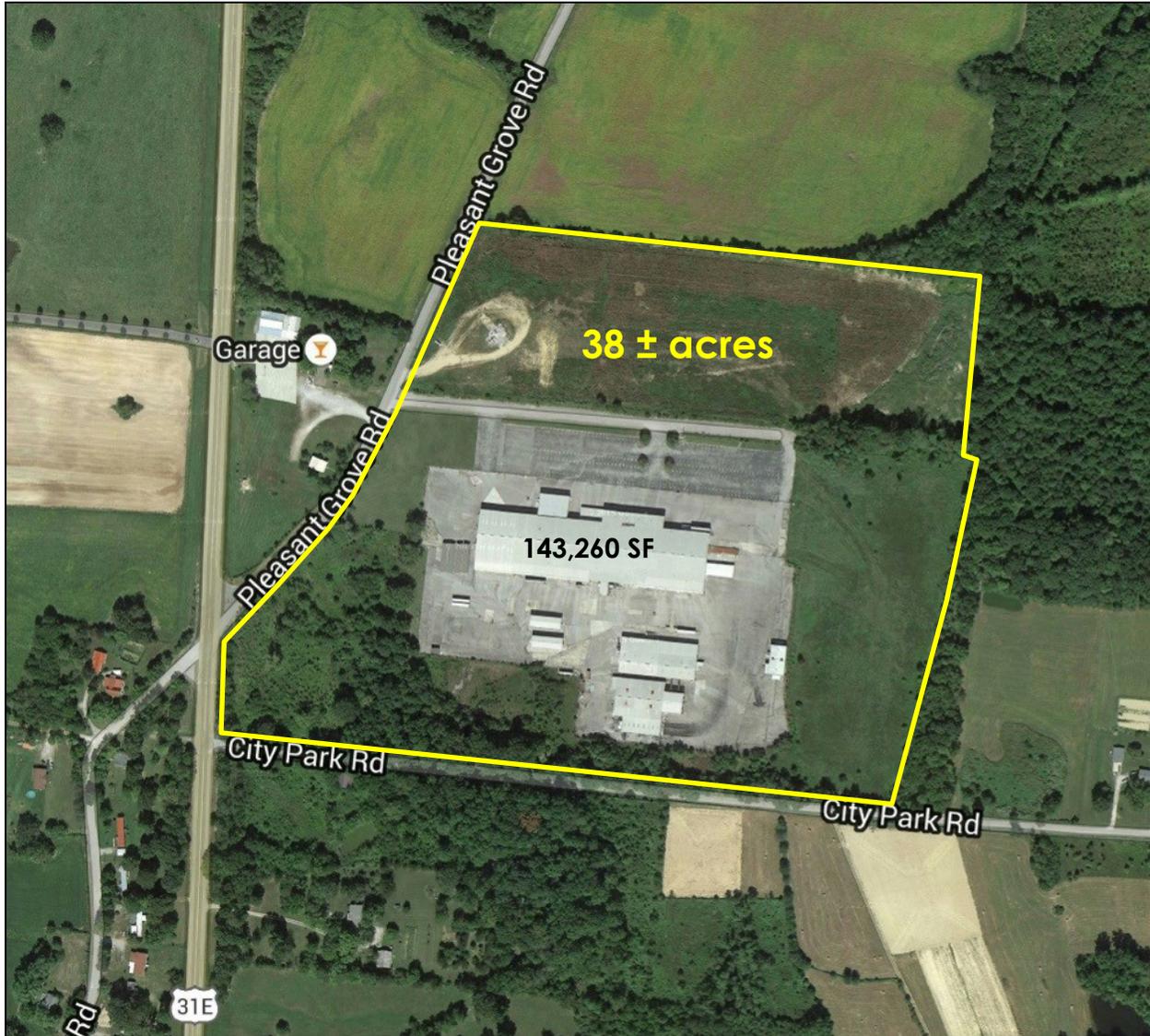
Even though the utilities are not metered for multiple tenants, this should not be a significant concern because electricity would be the only utility of significant cost; there is no natural gas to the building, and the facility is not set up well for an operation demanding a large amount of water or wastewater in their production process.

The lack of natural gas service is a disadvantage for this building, as well as Westmoreland. Yet, the existing utility infrastructure appears to be compatible with typical industrial requirements of the small manufacturing operation Westmoreland is seeking.

*Recommendations / Next Steps:*

- At minimum, design and price a fire-rated partition wall to be constructed to separate two halves of the building. If possible, doing this on speculation will improve the marketability of the building.
- Investigate the long-term options for bringing natural gas service to Westmoreland.

## 4) SWORDS/ROARK WESTMORELAND



<b>4) SWORDS/ROARK WESTMORELAND</b>	
General description	Former Manufactured Home Assembly Facility
Square footage	143,260 SF (includes additional outbuildings)
Total acreage	38.55 acres
Ownership	Private
Transportation access	Pleasant Grove Road – 500 feet to U.S. Highway 31W
Current zoning	C-2 Commercial (City of Westmoreland)
Year built	1986
Floor thickness	5"
Ceiling height	20' – 27'
Dock doors	3 dock-high doors, multiple drive-in doors
Parking	258 employee spaces
Utility Infrastructure:	
Electricity	Tri-County Electric MC – Three-phase service at building Site approximately 1.5 miles to Westmoreland Substation and 2 miles to East Sumner Substation.
Natural Gas	Not available in Westmoreland
Water	6" line adjacent to property and 8" line serving building.
Wastewater	4" lines to building and adjacent to property.
Asking price	\$2,600,000
High level of assessment of potential environmental risks	No environmental reports are available.

*Note: Building square footage and site acreage are approximate. Building specifications were provided by the county and property owner and were not verified by Austin during field investigation. Utility service information was provided by each respective provider.*



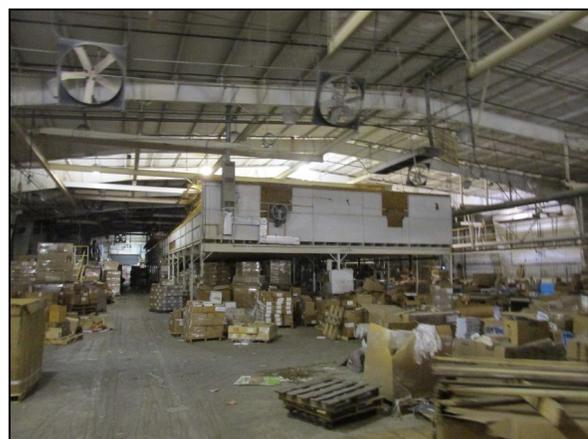
Summary:

Like the Westmoreland Business Center, the Swords/Roark Building was formerly a manufactured home assembly operation for Fleetwood manufactured homes. Built in 1986, this newer and slightly larger prefabricated metal building is 101,000 square feet with multiple other out-buildings, which appeared to be similar to a pull barn. The total area under roof on the property is 143,260 square feet.

At approximately 38 acres, the site is substantially larger than the Westmoreland Business Center. This property has larger out-buildings and an additional paved area. Being rectangular it offers many more opportunities for redevelopment.

Unlike the Westmoreland Business Center, a mezzanine office area was built (remains) in the center of the facility, apparently with room for storage underneath. Other than this office space, the building shares many of the same characteristics as the Westmoreland Business Center, including the box fans, cranes, and infrared heaters, all mounted from the rafters.

Specific information on the available electric capacity of the three-phase line serving the site was not provided, but both substations in Westmoreland have over 14 MW of excess



capacity. Tri-County Electric officials assured Austin that electric service would not be the limiting factor for this site. During field investigation, a 750 kVA underground transformer was located adjacent to the north parking lot of the building. Overhead service does wrap around the north and east perimeters, evidently feeding on the out-buildings.

There is no natural gas service available in Westmoreland or the surrounding area. Local officials have discussed two potential options to extend natural gas lines to Westmoreland, though both would cost millions of dollars.

Gallatin Public Utilities has an 8-inch water line to the site. Reportedly, Gallatin's water treatment plant runs at less than one-half of total capacity, leaving 8 MGD of excess treatment.

Reportedly, there is a 4-inch force main from the building directly to the wastewater treatment plant located 3,500 feet southwest of the site. The documentation supplied to Austin showed that the City of Westmoreland has 100,000 gallons per day of excess wastewater treatment capacity, but in conversation with officials it was reported to be far less capacity, due to significant inflow and infiltration issues throughout Westmoreland's collection system. It appears from the lack of floor drains in the building, Fleetwood primarily used water and wastewater for domestic purposes. Future tenants would need to do the same.

After Fleetwood vacated the building the facility was sold to two individuals. Currently they utilize the building for storage of



surplus educational books, workbooks and other literature. A majority of the main floor is filled. Reportedly, because they derive value from the building for their business, this facility is for sale, but not available for lease.

Based on a walk through the building and around the 38-acre site, the buildings show little sign of maintenance or reinvestment.

*Conclusions:*

Taking into account only the main building, the published sales price of approximately \$25 per square foot is high considering its distance from the interstate and the continued depreciation of the facility. Reportedly, this is well above the county's assessed tax value.

Compared to the Westmoreland Business Center, this is a newer building located on a larger and more versatile lot. Unfortunately, the current ownership situation does not allow the City of Westmoreland, Sumner County, TVA, or the State of Tennessee much flexibility in marketing this property for potential users.

*Recommendations / Next Steps:*

- Encourage the current owners to entertain leasing a portion of the building.
- Work with owner to consider the demolition or deconstruction of the mezzanine office space located in the center of the production facility.
- Investigate the long-term options for bringing natural gas service to Westmoreland.

## 5) FOREST RETREAT SOUTH



<b>5) FOREST RETREAT SOUTH</b>	
General description	Irregularly-shaped collection of 17 parcels
Total acreage	82 acres
Available developable acreage	TBD
Ownership	Private (four owners)
Topography	Undulating rocky terrain
Transportation access	Molly Walton Drive would be extended to provide access to the site
Current zoning	Residential and Industrial (City of Hendersonville)
Utility Infrastructure	
Electricity	Nashville Electric Service – Three-phase service
Natural Gas	Piedmont Natural Gas – No further information provided
Water	Henderson Utility District – 10-inch line at site
Wastewater	Henderson Utility District – 8-inch gravity line at site
Asking price	Not available
High level of assessment of potential environmental risks	Unknown

*Note: Site acreage is approximate. Utility service information was provided by each respective provider. In this instance, no information was provided.*

*Summary:*

The Forest Retreat South Site is a collection of 17 separate parcels consisting of approximately 82 acres, creating an irregularly-shaped property. Reportedly, the various parcels are owned by four different individuals. The zoning is split between industrial and residential.

The Forest Retreat South Site is located in the City of Hendersonville in the southwestern corner of Sumner County. More specifically, the site is located just south of TN-386 and just east of Forest Retreat Road. Surrounding land uses consist of rural residential, neighborhood residential, and an existing industrial park. The property is currently accessed from the terminus of Molly Walton Drive, which is an industrial grade road. The site can also be accessed from Forest Retreat Road, but this is a marginal, narrow, rural road, not suitable for trucks or any significant volume of car traffic. Forest Retreat Road crosses over TN-386, but the road condition does not improve north of the freeway. This site is just over a 2-mile drive from TN-386 at the US-31E interchange.

A TVA transmission easement runs along the north side of the property adjacent to TN-386.

Limited utility information was provided regarding utility system capacity. Austin was provided a utility map showing a 10-inch potable water line and an 8-inch gravity sewer line located in Molly Walton Drive, as well as three-phase electric service. This was confirmed during field investigation. Water pressure is likely not a concern as the site is located adjacent to a water tower and the 6-inch line adjacent the site is fed from a 36-inch water main. R eportedly natural gas service is provided by Piedmont Natural Gas, but no documentation was provided nor were any markers identified in the field.



From driving through the neighboring industrial park, it did appear that most of the tenants would be considered light industrial and did not appear to use a large amount, if any, of water and wastewater in their production. In fact, the last few buildings built in the park appear to be more industrial service centers. Such facilities provide a home base for service vehicles that serve customers in the region.

Most of the buildings in the industrial park were built prior to 2004. It appears that the more easily developed sites in the industrial park have already been developed.

When visiting the site, it was apparent that some of the sites have been receiving fill to assist in balancing portions of the property. Unfortunately, some of this material included large chunks of concrete with exposed rebar. Though this is likely not an environmental contamination concern, it is very unattractive and proposes a safety issue. Either way, this item will likely end up as a concern in a future Phase I environmental report.

Even though this is a marginal industrial site, the City of Hendersonville asked that it be included in this property evaluation process, primarily because the long awaited Forest Retreat Road interchange on TN-386 reportedly is moving forward in the next few years. This will greatly increase the park's access to the freeway, and open up this property for development.



*Conclusions:*

The westernmost tract, approximately 9 acres appears to be the only potential near-term opportunity for industrial development. This parcel has been excavated down to a somewhat flat, rocky pad, exposing the remaining rock wall where the ground was cut.

Regardless, this property is unlikely to attract an industrial operation, other than those which must be in the immediate area. The closer the new interchange becomes a pending reality, the value of the site increases. Since none of these properties have an asking price, this indicates the owners' desire to continue to hold them. Furthermore, the site preparation costs appear to be substantial due to the rocky soil conditions. Also, since there is no published asking price and none of the 17 parcels are listed for sale, it is assumed that the sales price would be high. This would lead one to believe that the longer the site remains in its current condition, the more likely it will not develop as industrial.

*Recommendations / Next Steps:*

If any of the owners are possibly interested in selling, the City of Hendersonville may consider buying one or more of the parcels, in hopes of having some additional influence on how the land is developed. The reason is twofold: first, the city would gain influence on the type of development that takes place there once the interchange is in place. Second, and equally important, much of this property is visible from the Forest Retreat North Site across the freeway. If the city plans to hold that site for a multi-story office or headquarters facility, it may want to ensure that it is not looking down upon an undesirable development.





## Select Tennessee Property Evaluation Program Findings and Recommendations



### Concluding Remarks

The purpose of this Select Tennessee Property Evaluation Program report is to provide Sumner County and Forward Sumner stakeholders with an impartial, outsider's perspective into the available real estate and associated economic development opportunities available for current and future industrial development. The goal is that the stakeholders will use these insights to focus upon local resources to ready properties that may have the greatest potential for business attraction.

Land owners and other interested parties may favor one property over another. This process will undoubtedly cause certain properties to be elevated and shown to prospective clients and consultants during the site selection process and that is to be expected. However, based on decades of work in site selection for corporate clients, representatives of Austin Consulting believe the recommendations contained in this report provide important insights for Sumner County and Forward Sumner to move forward and pursue industrial prospects.

It has been a pleasure to work with Sumner County and Forward Sumner on this project. The study has provided Austin with a unique opportunity to learn more about the area's substantial assets aligned with business development. We hope to be in Sumner County in the future on a site location project for one of Austin's clients.