

# THE BOND BUYER

## Economic developers approve \$130M in financing for Starbucks plant expansion

By

**Damon Cline**

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Augusta, Ga.'s economic development agency on Thursday signed off on a \$130 million industrial revenue bond issue to fund Starbucks' plant expansion.

Starbucks announced plans for the 140,000-square-foot addition over the summer. The expansion would create 100 new jobs and enable the instant beverage plant to produce bulk whole-bean and ground coffee for Starbucks stores, as well as 16- and 20-ounce packages for grocery stores.

The Augusta Corporate Park facility opened in 2012 to produce VIA Ready Brew products.

Thursday's vote by the Development Authority of Richmond County finalizes an "inducement resolution" approved in September that allowed Starbucks to seek up to \$130 million in financing using the authority as a conduit.

The low-cost bonds — which obligate the borrower, not the county or its taxpayers — are primarily used as economic development incentives to attract new companies and entice existing ones to expand.

Development Authority Executive Director Walter Sprouse said Starbucks anticipated breaking ground on the project in mid-November.

The expansion will be on the north side of the 180,000-square-foot facility, which currently employs 180 people. Starbucks has previously said the work would be completed in Fall 2019.

The Seattle-based coffee giant is currently the sole tenant at the Augusta Corporate Park. Concrete additives maker EdenCrete last year announced it would build a \$67 million plant at the park's south end. The company's Australia-

based corporate parent said its carbon nanotube manufacturing plant could employ up to 250.

Sprouse told authority board members the road to the EdenCrete site wouldn't be paved until after the company completes site-preparation work.

"We don't want to have that thing paved and then they bring in truckloads of heavy equipment two days later and put two grooves in it," he said.