Highway 12 Logistics Center

Good Neighbor Meeting

Wednesday | June 22 | 6:00pm - 7:00pm

Suisun City Veterans Memorial Building
427 Main Street, Suisun City, CA 94585

- Company Overview
- Project Vitals
- Project Benefits
- Overview of Product Type
- Good Neighbor Meeting Co-Hosts
- Question & Answer
Legacy of Excellence with Humility

Company Overview

Buzz Oates is a vertically integrated commercial real estate founded in 1951 with the philosophy of constructing, owning and managing properties with a long range view, therefore focusing on improving the quality of properties and value for tenants, investors and our communities for many years to come.

Vertically Integrated Services
- Buzz Oates Development
- Buzz Oates Construction
- Buzz Oates Real Estate
- Buzz Oates Asset Management
- Buzz Oates Accounting & Financial Services

Company Details
- $3 Billion Assets Under Management
- $+/-200 Million Annual Development/Investment
- 101 Employees | Average Age: 42.75 Years
- Geographic Concentration: Northern California, Central Valley, Northern Nevada and El Paso (Texas)
Highway 12 Logistics Center
Project Vitals

**Overview:** The Highway 12 Logistics Center is a project proposal by Buzz Oates, which includes 1.28 million SF of light industrial, logistics and manufacturing space.

- Seven warehouse facilities totaling approximately 1.28 million square feet.
- Project site is approximately 482 acres of which 129 acres will be annexed into the city, 36 acres will permanently preserved as open space, and the remaining 353 acres will remain unannexed and are not contemplated for development.
- Bounded by Ledgewood Creek and Orehr Road to the west, Highway 12 to the north, Suisun Marsh to the south, and Union Pacific Railroad to the east.
Highway 12 Logistics Center
Conceptual Renderings Prepared by RMW Architecture
Attracting Companies that Create Good Jobs & Change the World.

List of Past Buzz Oates Clients & The Potential Types of Clients for Logistics & Distribution Centers
Traffic Improvements

- Signal Improvements at intersection of HWY 12 and Pennsylvania by adding a turn lane with signal infrastructure.

- Lane widening along Pennsylvania to Cordelia Road. Currently 2 lanes but will be expanded to 4 lanes and a center turn-lane.

- Potential railroad crossing realignment. There may be a potential to straighten roadway configuration.

- Will generate a net General Fund surplus for Suisun City of $360,000 annually at buildout, to help support ongoing road maintenance and transportation improvement projects.
Will participate in citywide CFD, to support Suisun City Services up to $1.5 million annually.

Generate a net General Fund surplus for Suisun City of $360,000 annually at buildout.

Contribute $7.5 million in one-time development impact and building permit fees that will benefit the City and other service providers.

32% of property taxes funding Fairfield-Suisun City Schools, 20% assumed to go towards the Solano County General Fund, and 3.6% towards the Solano Community College Maintenance & Operations budget.

Highway 12 Logistics Center
Financial Benefits for the City & County

Will Provide Annual Funding for Police & Fire Departments

Many entities/programs including County Library, Board of Education & Suisun Resource Conservation will receive revenue from property taxes.
Highway 12 Logistics Center
Bold Environmental Leadership

Project has committed to using no natural gas and constructing a net zero energy facility.

Infrastructure for advanced EV charging/plug in for electric trucks will be installed as demand grows.

On-site jobs will create opportunities for Suisun City residents to work close to home instead of commuting by improving the jobs-housing imbalance.

Logistics centers are one of the most water efficient land uses possible.
Highway 12 Logistics Center
Financial Benefits for Local Economy

Estimated to result in **1,760 full & part-time jobs.** (1,275 on-site) (221 indirect jobs) (264 induced jobs)

Jobs generated by the Project estimated to provide **$118.5 million annual employee compensation.**
($94.1 million to employees on-site) ($24.4 million to indirect and induced employees)

The project will generate **$361 million annually** in total economic activity in Solano County.

Thousands of good paying jobs

$750,000 in Annual Taxable Sales for Suisun City from Employees
High Paying Jobs in Supply Chain Optimization
- Inbound & Outbound Logistics (Receiving/Delivery)
- Production Management (Manufacturing & Production)
- Automation Management (Shipping, Packaging, etc)
- Purchasing Management (Procurement, Sourcing)
- Data & Analytics (Business & Data Management)
- Artificial Intelligence Systems (Optimization of Systems)
- Business Management (Sales, Production, Planning)
- Logistics Engineers (Software, Hardware, Tracking)
- Information Technology (EDI, BarCoding, RF Technology)
- Transportation Planning (Infrastructure & Systems Dev)
- Delivery Drivers & Transportation Specialists
- E-Commerce (Sales Management & Customer Service)

Next Generation Logistics Centers
Providing Wide Range of Good Jobs

Source: Association for Supply Chain Management 2020

88% Of supply chain professionals have a positive outlook of their career
Logistics Centers Supporting Supply Chain Optimization

Since COVID-19, supply chains disruptions have become consistent and even more damaging to our economies. Logistics Center can support supply chain optimization, noting recent geopolitics putting further stress on global supply chain.

Indication of Worsening Supply Chain Pressures.
April 2022 showing increase in Global Supply Chain Pressure Index (GSCPI)
Supply Chain Optimization strengthening Economic Development Network Effect

- Attracting multi-million dollar logistics companies &/or manufacturing companies looking to consolidate or expand.
- Strengthening existing industry B2B infrastructure by attracting new &/or supporting existing B2B service companies.
- Supporting Good Jobs in Suisun City & Solano County.
- Attracting real estate residential builders to build higher value properties &/or renovate, increasing long-range asset values.
- Generating Surplus Revenue for the City of Suisun City via sales taxes &/or property taxes.
- Attracting new high end retail and/or other high value commercial services.
- $100 million private capital investment to build logistics center.
- Additional city revenue, not only improving public safety, services and programs including schools, parks, libraries, etc, but supporting public infrastructure improvements, which could further attracts more private capital investment, thus creating a positive feedback loop and further cultivating a stronger economic development network effect.
This Project will directly invest at least $100-150 million into Suisun City. This is a long-lasting infusion of capital into this community with an expected lifespan of well over 50 years.

The project is expected to pay millions to construct and install off-site infrastructure that will add to Suisun City’s infrastructure network.

The Highway 12 Logistics Center will support significant off-site infrastructure projects, which will be publicly bid, prevailing wage, and labor union jobs.

Will support economic development by helping Suisun City attract more dynamic companies to Solano - creating more good paying jobs, increasing sales tax revenue, and improving quality of life.
Suisun City faces a structural deficit of $3,458,900. The Suisun City General Fund facing a $3.9 million shortfall.

“Why does Suisun City struggle so much with revenues? First, Suisun City has not experienced the commercial development that adjacent cities have, primarily by not being near enough to Interstate 80, and substantially lagging behind the state average in per capita sales tax and property tax generated due to the lack of retail and industry in the city... Suisun City also lacks large manufacturing facilities, large offices that generate large property tax revenues and our Median Property Value is significantly less than the Solano County average, leading to lower than average property tax revenues on a per capita basis.”

– Suisun City Manager in Annual Budget and Financial Plan 2021/2022
$3.7 Million Annual Shortfall to maintain Suisun City’s Pavement Condition Index.

Suisun City receives approximately $559,835 in SB-1 & $717,000 in Highway User Tax Account funding for the maintenance of roads. However, Suisun City’s Pavement Management Plan requires approximately $5 million per year in order to maintain Suisun City’s Pavement Condition Index. Spending less than $5 million projected to result in the overall deterioration of roads in the city.

Suisun City has approximately 29,119 residents, but there are only about 4,000 people employed in Suisun City which results in a large jobs-housing imbalance, the largest jobs-housing imbalance not only in Solano County but in the larger Bay Area Region.
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Thank You to Good Neighbor Meeting Co-Hosts

Solano County Black Chamber of Commerce
Fairfield-Suisun Chamber of Commerce
Napa-Solano Small Business Development Center
Solano Hispanic Chamber of Commerce
Solano County Workforce Development Board
Suisun City Veterans Memorial Hall