

## **Industrial development pushed south into St. Johns County**

By Derek Gilliam  
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As the housing market continues to boom in northern St. Johns County, development of industrial facilities is being pushed south.

Highlighting that fact, an economic incentive package was approved Tuesday afternoon by the county's government that will see a MAS HVAC Inc. build a 32,400-square-foot office/industrial building near County Road 207 and Interstate 95 on a 5.6-acre parcel off Deepark Boulevard.

Bobby Gatling an industrial broker with CBRE Inc., said the recent spike in interest from industrial users in St. Johns County is because of the momentum picked up by residential development in southern Duval and northern St. Johns County.

Low vacancy of industrial space in southern Duval County, combined with rising land costs is pushing industrial development south, he said.

"Regardless whether it's an industrial user looking for existing industrial facility or industrial zoned land, it's tough to find," he said. "It's very limited supply and very high demand."

He said the demand is also being driven by the residential development as well. Gatling said that many of the users of industrial space in southern Duval County serve home builders. He expects that trend to continue as home building doesn't look to slow down in the area.

Clarke Story, owner of the MAS HVAC, said in a letter to county commissioners that MAS HVAC was founded in July 2008 to supply and has experienced rapid growth over the past six years. He anticipates the company will grow by 75 percent in the upcoming year.

The company plans to relocate from Reynolds Industrial Park in Clay County as most of its 17 employees live in St. Johns County.

The expanded facility will allow the staff to double in size in the next three to four years with the average earnings of those jobs being greater than \$61,000.

The economic incentive that was approved will grant MAS HVAC Inc. \$18,944 per year through 2027 for a total of \$160,537.

The company plans to invest nearly \$4.2 million in moving into St. Johns County. That would include a \$450,000 in land cost, \$3 million in construction cost and \$700,000 in equipment.

St. Johns County's Director of Economic Development Melissa Glasgow said industrial users have increasingly shown interest in planting a flag in St. Johns County.

"We are encouraged at this interest in St. Johns County and we look to attract other industrial interests in the future," she said Tuesday after county commissioners approved the incentive package.

In November, county commissioners approved another incentive package for Burkhardt Distributing Company Inc. to build a 113,000-square-foot distribution warehouse.

Burkhardt, a Budweiser distributor, currently occupies space off Inman Road near where they plan to build the larger warehouse.

The county grant will provide \$50,446 per year for nine years totaling \$426,141.

The company plans to invest more than 10 million with the land cost coming in at \$1.6 million, the construction coming in at \$8.4 million and equipment costs as high as \$1.4 million. The company also plans to hire six additional employees.

The new facility will be built on a 20.49 acre site on the west side of Interstate 95 on Agricultural Center Drive.