



FOR IMMEDIATE RELEASE

## Rivian Agreement Historic Win for Georgians, Local Communities

**ATLANTA** – May 2, 2022 – The Georgia Department of Economic Development (GDEcD), in partnership with the Joint Development Authority (JDA) of Jasper County, Morgan County, Newton County, and Walton County, announced that the Economic Development Agreement has been signed by the JDA, the State of Georgia, and Rivian to move forward on the company’s \$5 billion Georgia project, which will create 7,500 jobs with an average wage of \$56,000 at Stanton Springs North. Rivian also released an updated [site rendering](#) and [site plan](#) for their carbon-conscious campus off I-20, east of Atlanta. The JDA approved the agreement at a meeting on April 26.

“Rivian is a historic win for Georgia, not only putting our great state at the forefront of the electric vehicle revolution, but also a significant win for the four-county JDA. We are thrilled to be able to now share more of the incredible benefits this project is bringing to the region and couldn’t be prouder of the positive effects this project will have on families, schools, and communities. Rivian will not only employ thousands of Georgians with well-paying jobs of the future, but they will be a welcome new addition to Georgia’s business community,” **said Georgia Department of Economic Development Commissioner Pat Wilson.**

“The State and JDA have placed a priority on being as transparent as possible throughout this process, while honoring necessary confidentiality agreements,” **Wilson continued.** “We have also taken care to protect our interests through the use of clawbacks in the extremely unlikely event of company goals not being met in the timeline offered.”

The state’s financial agreement is consistent with previous major corporate investments, such as those made by Kia Motors and SK Innovation.

“It’s incredible that because our state’s economy is doing so well in the current economic environment, we are able to reinvest in future projects funded out of the General Assembly. We understand the impact this project has on our state budget, and we’re proud to have the support of our partners in the Georgia General Assembly and our sister agencies,” **Wilson continued.** “We are excited to welcome Rivian home to Georgia.”

“Rivian’s cutting-edge electric vehicles are game-changing for the auto industry, our environment, and now the people of our community and state,” **said Jerry Silvio, Chairman, JDA.** “Adding Rivian to our existing high-tech and bioscience companies in the region means we have more diverse career options than ever before. With the unprecedented number of jobs and investment from this project, our local communities and the state are on a path to enjoy sustainable growth and a bright future for years to come.”

This agreement ensures that the project follows locally required standards pertaining to water quality, groundwater recharge and runoff, and local ordinances.

Approximately one-quarter of the total package comes in the form of state incentives, which are expected to be claimed and are available to any eligible taxpayer who meets the statutory requirements. To meet the company's tight timeline, the final 20% of the estimated value is in speed-to-market solutions that helped close the deal for the state. These include general site improvements such as wetlands mitigation, providing a 500-acre pad that is ready for development, and road improvements.

Property payments by Rivian will begin in Year One. To realize an immediate benefit to the community, Rivian will make "payments in lieu of taxes" (PILOTs) to the JDA beginning in 2023. These payments typically begin three or more years later for a development of this scale. With the addition of Rivian, local PILOTs and tax revenues generated from Stanton Springs and Stanton Springs North are estimated to total more than \$900 million over the next 25 years. The primary benefactor of these funds are the local school districts, which will collectively receive approximately 60% of this amount. The net balance will be distributed to the four counties and the City of Social Circle for continuation of their government functions, including police, fire, roads, parks, and other services for the public benefit.

The property where Rivian will be located currently generates tax revenues of approximately \$80,000 annually. In 2023, this property will begin generating \$1.5 million annually for six years and then the PILOTs increase significantly, starting with a jump to \$12 million in year seven, such that over the 25-year PILOT period, Rivian will pay a minimum of \$300 million. Under the agreements, if Rivian exceeds their initial investment commitment of \$5 billion, the PILOT payments increase based on a defined schedule in the agreement.

At full employment, the average payroll for one year is \$420 million, and over 25 years will result in a total of \$10.5 billion.

Additionally, an economic impact analysis through IMPLAN was conducted in 2021 that shows the projected total impact of Rivian's 7,500 jobs on employment, labor income, value added and output. The results show that in addition to the direct jobs created, there will be an additional 7,978 jobs created as an indirect and induced result of the Rivian project. Collectively, these 15,478 jobs are projected to generate over \$1 billion in labor income. The analysis also shows that the total value added of the project exceeds \$2 billion and the total output (value of industry production) is over \$7 billion.

The agreement requires Rivian to comply with a 25-year claw back period and is among the strongest the state has ever secured. Rivian has until the end of 2028 to meet 7,500 jobs and make \$5 billion in capital investment. It must then maintain these figures through 2047. For each year from 2029 through 2047 that Rivian's combined job and investment performance is below 80% of their commitments, then Rivian will be required to make a pro-rata repayment of the total JDA property, state property and state land improvements, and estimated real and personal property tax savings.

As with any economic development project, a majority of the state's incentives are part of Georgia's tax code and based on job creation. These existing incentives are available to any qualifying new or expanding Georgia business, which include tax credits on creating new jobs, machinery, construction

development, and research and development, sales tax and use, and raw materials, and will also be available to Rivian.

Previous major projects such as Kia Motors, Takeda (formerly Baxter), and SK Innovation, were similarly structured, with discretionary incentives focused on speed-to-market solutions. These discretionary funds account for less than a quarter of the projected total package value and include the construction of a new Technical College training center and customized workforce training program through the No. 1 ranked [Georgia Quick Start](#) to provide workforce training for Georgians.

The Georgia General Assembly set aside \$112.6 million for land acquisition, land improvements, and other site improvement costs in Georgia's AFY 2022 and FY 2023 Budget.

The General Assembly's budget also supports the creation of a new I-20 interchange for infrastructure improvements. As is standard in most large economic development projects, the state will also partner with Rivian on site development, permitting, roadways and access routes. A new rail spur will also be developed, in addition to other solutions-focused project needs.

Project negotiations were conducted by the Rivian staff, the JDA, and the State of Georgia. The Rivian [planning committees](#) created by the State to further maximize positive impact and ensure local considerations and constructive feedback will also continue their work as Rivian builds its new Georgia home. The agreement details and site plans will provide additional clarity and allow for meaningful input as meetings continue.

For additional information, an Executive Summary overview with graphics is available [here](#).

Complete Economic Development Agreement details are available at [www.georgia.org/rivian](http://www.georgia.org/rivian).