For months, state officials and business leaders warned that a TSPLOST defeat would cost metro Atlanta precious jobs and prolong its economic funk. Now they start recalibrating the message to potential recruits: Ambitious regional transportation overhauls take time, and Atlanta's effort is no exception.

"Look, we didn't have the TSPLOST before, but we still attracted businesses," Chris Cummiskey, the head of Georgia's economic development department, said Wednesday. "We had a setback but I'm confident that we can fix this problem."

He offered the glass-half-full pitch at the groundbreaking of one his agency's biggest recent wins: A major biosciences facility near Covington for pharmaceutical giant Baxter International.

But John Boyd of The Boyd Co., a New Jersey-based site selection consulting firm, said such wins will be harder to come by now. Many firms already fear Atlanta's gridlock, he said, and Tuesday's vote won't do recruiters any favors.

"Fundamentally, it makes the job harder ... ," said Boyd. "That's the one negative that's always been the issue in Atlanta. It's the city's Achilles' Heel."

The latest Urban Mobility Report from the Texas Transportation Institute ranked the region 13th worst in the nation, with the average driver wasting 43 hours in traffic a year. That's less than in Washington and Los Angeles, on par with rivals Dallas and Boston and more than in Phoenix and Miami.

TSPLOST opponents say the doomsday predictions were overblown all along.

"The sky isn't falling. We are really doing a good job in terms of attracting jobs," said Steve Brown, a Fayette County commissioner. "But if you spend the $8 billion and get little to show for it in terms of congestion relief, it would be sucking billions of dollars out of our economy with little production. It would have been a huge drain."

Baxter International's chief executive, Robert Parkinson, said Wednesday the potential transportation overhaul didn't play into his company's decision to build a $1 billion plant on the metro area's eastern edge. The vote also failed in the northeast Georgia district that includes the massive new project.

"Frankly, it was not critical to the decision to come here," he said.

The tax plan's crushing defeat won't make or break a company's final decision to come here, said Cummiskey, the economic development chief, though he added that traffic issues already affect whether the region lands on a firm's short-list to begin with.
"Georgia's always been a great place to do business. TSPLOST was just going to make it better," he said.

Still, business leaders who backed the tax say its defeat could hurt recruitment, adding to fears that the region has lost its long-term economic momentum. Sam Williams of the Metro Atlanta Chamber, the tax's powerful champion, said Atlanta lost almost as many jobs as it gained this decade, and worried after the vote that the trend could continue if a transformational move isn't made.

"We can't grow as a city. We can survive," he said. "But surviving isn't enough."

The outcome was closely watched across the nation, but there was no gloating from rivals after the vote. An official in one of Atlanta's top competitors kept his assessment diplomatic.

Jeff Edge, vice president for economic development for the Charlotte Chamber, said Atlanta's traffic is a minor annoyance for some corporate clients but a definitive deal-breaker for others.

"A 'no' vote would generally send a negative message to corporate decision makers regarding future infrastructure investment in Atlanta," Edge said. "As for whether it boosts Charlotte's competitiveness versus Atlanta, that really is a project-by-project metric."

Metro political leaders vow to come up with specific projects and new plans to help offset any image blow.

"I want you all to go home, to rest up - I know I am. And I want you to think about it," Atlanta Mayor Kasim Reed told a crowd of deflated tax boosters late Tuesday. "Because like other regions that have taken on challenges like this, most of them didn't get it right the first time."

That plan started emerging Wednesday, as Gov. Nathan Deal said he would make projects like a new interchange at I-285 and Ga. 400 a priority, but put others on the backburner. He also made clear he would exert more control over the projects that receive state funding, noting that more accountability is crucial with the state likely to face $700 million in federal transpiration cuts.

Economist Roger Tutterow, of Mercer University, urged a more nuanced view of the vote's impact. He said transportation is important but just one piece of the puzzle for Atlanta's long-term economic health.

"In the long run we know we have a variety of issues we need to address - transportation, education, water," Tutterow said. "But it's not an issue about 2012. It's an issue about how we do over the next decade."