



## Public shock unlikely to derail GE deal

### Critics blast tax breaks

Jordan Graham, Owen Boss Wednesday, January 27, 2016



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**HIGH COST:** Critics say opposition is unlikely to kill the \$145 million dollar grant and tax break deal GE got with the state and the city of Boston to relocate to the Seaport district, that also includes a promised fix of the Northern Avenue bridge, above.

Massive tax breaks that helped bring General Electric's world headquarters to the Hub are being blasted by critics for creating too sweet a deal for the global conglomerate — but don't expect a public movement like the one that derailed the Boston 2024 Olympic bid to sidetrack the relocation.

In exchange for agreeing to move its global headquarters to the booming Seaport District, GE will get \$145 million in grants and tax breaks from the city and state. But under the agreement, Boston will also pay up to \$100 million to fix the dilapidated Northern Avenue Bridge, the state will pay \$25 million to improve roads and sidewalks in the neighborhood, and city and state officials are exploring building a helipad.

Boston has also committed up to \$25 million in property tax breaks for GE — a number that will ultimately depend on where the company relocates and whether they build or buy a building.

State Sen. James Eldridge is among the lawmakers sounding off about the deal.

"I don't think it's money that we really had to spend to attract GE to Massachusetts," Eldridge said. "I also think that there are so many other more important uses for the money — from education to the MBTA to workforce training — that I think are much better for the long-term good of the economy than another 800 jobs from GE."

United Independent Party founder Evan Falchuk said he felt General Electric should have agreed to pony up the dough for land acquisition and site preparation.

"The stuff that's the poster child for the problem is the heliport, things like land acquisition and site prep where you say: 'I have a feeling that GE can handle that,'" Falchuk told the Herald. "It's not like they're moving to a depressed area and it's not like GE doesn't have the money to do these kinds of things."

But Falchuk was quick to point out that unlike the city's failed Olympic bid, there's not much that outraged taxpayers can do to undo the deal.

John Boyd, a corporate relocation expert at the Boyd Company, agreed.

"They won't change their mind. They're committed to Boston," Boyd said, adding that public opposition to the agreement "is not a deal-killer."

He said nearly every state is now offering tax incentives to lure new companies, and in every one of those states there is resistance to using public money to attract corporations.

"Incentives are now the rule, not the exception," Boyd said.

Meanwhile, Mayor Martin J. Walsh's office dismissed the idea that taxpayer money is being spent as part of the deal that will bring GE to Boston.

"The notion we are taking away taxpayer money to give to GE is simply not accurate," said Daniel Koh, chief of staff to Mayor Martin J. Walsh. "There is no scenario where money we are currently getting from property taxes to the coffers is taken away."