

Dallas-Area Officials Hoping to Lure Tesla's Gigafactory to Dallas

By Eric Nicholson

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Tesla

The conventional wisdom at the moment is that when Tesla Motors gets around to announcing details of its highly coveted, \$5 billion battery gigafactory -- the type of economic development that gives red-state governors with ill-concealed presidential aspirations wet dreams -- it will land in one of two places: [Reno or San Antonio](#). Or [maybe both](#).

Dallas has never really been in the conversation, not publicly anyway, at least not until this week when the North Central Texas Council of Governments posted [its agenda](#) for Thursday's meeting of the Regional Transportation Council. There, buried in a PDF labeled "correspondence," was a letter from NCTCOG transportation director Michael Morris to Dallas County development chief Rick Loessberg.

"It has recently come to my attention that Tesla Motors is in the process of selecting a location for manufacturing batteries and a site in southern Dallas County may be placed under consideration," Morris writes before going on to pledge that nearly \$200 million will be available to finish planned transportation improvements in the vicinity of the site if Tesla picks the Dallas.

As far as incentives go, that's a far cry from the \$800 million reportedly ponied up by San Antonio, though certainly Dallas could make the pot sweeter if it chooses.

Tesla hasn't publicly said that it's considering Dallas. It also hasn't said that it isn't. Officially, the entire states of Arizona, Nevada, New Mexico and Texas are still in play.

John Boyd, the principal of the Providence, New Jersey, site-selection firm The Boyd Co., says a Tesla factory in Dallas isn't out of the question. His firm isn't working with Tesla (hence his willingness to talk), but has been following the process closely.

Dallas, like San Antonio, is in a low-tax, low-regulation state that would make it easy to do business, and, thanks largely to Toyota's recent move to Plano, is an "emerging auto industry cluster."

San Antonio, however, has several built-in advantages that Boyd says Dallas probably won't be able to overcome. Industrial acreage in Dallas, for example, costs about 10 percent more. Dallas also lacks San Antonio's military bases, which offer a built-in population of relatively skilled labor to fill the 6,500 jobs promised by the gigafactory. San Antonio also has strong intermodal facilities and is closer to the Port of Houston, which will be key as Tesla broadens its reach overseas.

"I think obviously the leading contender in Texas is San Antonio," Boyd says, [but] Tesla would be wise to consider the metroplex" to ensure its done its due diligence if nothing else.

Asked to put odds on Dallas acquiring the factory, Boyd demurred. A Tesla factory in San Antonio would benefit Dallas and everyone else along the Interstate 35 corridor. And who knows? Maybe it would convince [the Texas Legislature to let the automaker actually sell cars to people](#).

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