

## **Possible GE Move Looms Large for Metro Atlanta Development**

Nov 11, 2015 | Top Story |



By Baker Owens

Recent changes in Connecticut tax rules have mayors and governors around the nation hitting the books with their economic development teams. General Electric, having long enjoyed Connecticut's policy of allowing companies to defray up to 100% of their corporate tax liability by applying long accrued operating losses, has announced they may be looking to move after Connecticut cut that benefit in half.

According to the Atlanta Business Chronicle, Atlanta is the top contender to land the new headquarters. John Boyd, principal at independent corporate selection consultation services firm The Boyd Company, says Atlanta is the "clear leading contender."

Atlanta Mayor Kasim Reed told Bloomberg News that "We will be offering whatever is reasonable to get it done if we have the opportunity. Having one of the top 10 most important

companies in the world put their logo over the city of Atlanta skyline is not just about the tax-break number. It is about what it says to the world.”

Boyd cites the importance of three things for a corporate move such as General Electric’s: industry presence, the airport and politics.

Atlanta’s position as home to Mercedes-Benz, Porsche and NCR, plus GE’s Energy Management unit, means there is plenty of industrial assets for GE: including a skilled workforce, access to top universities such as Georgia Tech and Emory.

Hartsfield-Jackson is once again a big piece of the puzzle in Atlanta’s bid. The airport offers nonstop service to more than 60 countries. The world’s busiest airport accommodates more than 260,000 passengers and almost 1,000 flights daily.

Politics could be a concern though. Boyd pointed to Angie’s List decision to not follow through on a \$40 million expansion in Indianapolis after their heated debate and passage of a religious freedom bill this year. Critics of the bill said it would allow legal discrimination against the gay community but supporters claimed was necessary to ensure religious beliefs would not be trampled upon.

Senator Josh McKoon (R -29) is expected to introduce some type of religious freedom bill in the upcoming session. Previous RFRA bills introduced in the legislature have seen much opposition from business leaders, including Delta, Coca-Cola and the Georgia Chamber of Commerce. Boyd says, “You don’t want your state to be a headline.”

New York, North Carolina and Texas are also reportedly in the running. A New York move could please GE employees who would likely not even have to move. Employees’ commutes would be different but the 10 years of tax breaks from New York could make sense from a corporate standpoint. The research triangle in North Carolina is always an appealing option for companies considering a move. Dallas was in the running but may have been dropped as a possibility due to backlash at GE over Texas’ opposition to the Ex-Im Bank.

Connecticut Governor Dannel Malloy is understandably concerned about the possible move, telling the Hartford Courant “We would like them to remain in the state. We understand it’s a competitive situation, as it is with many of our large employers.”

Malloy has reportedly offered GE an economic development package of their own to stay in the Nutmeg State. When asked about the possible offering, Malloy responded “If you want to call it a package, you can call it a package. We’ve indicated, in general, and in some cases specific, terms what we thought we could do.

It is unclear what Gov. Malloy has offered in the package but whether this ends up with GE playing the role of Lucy pulling the football away from Charlie Brown’s foot remains to be seen.