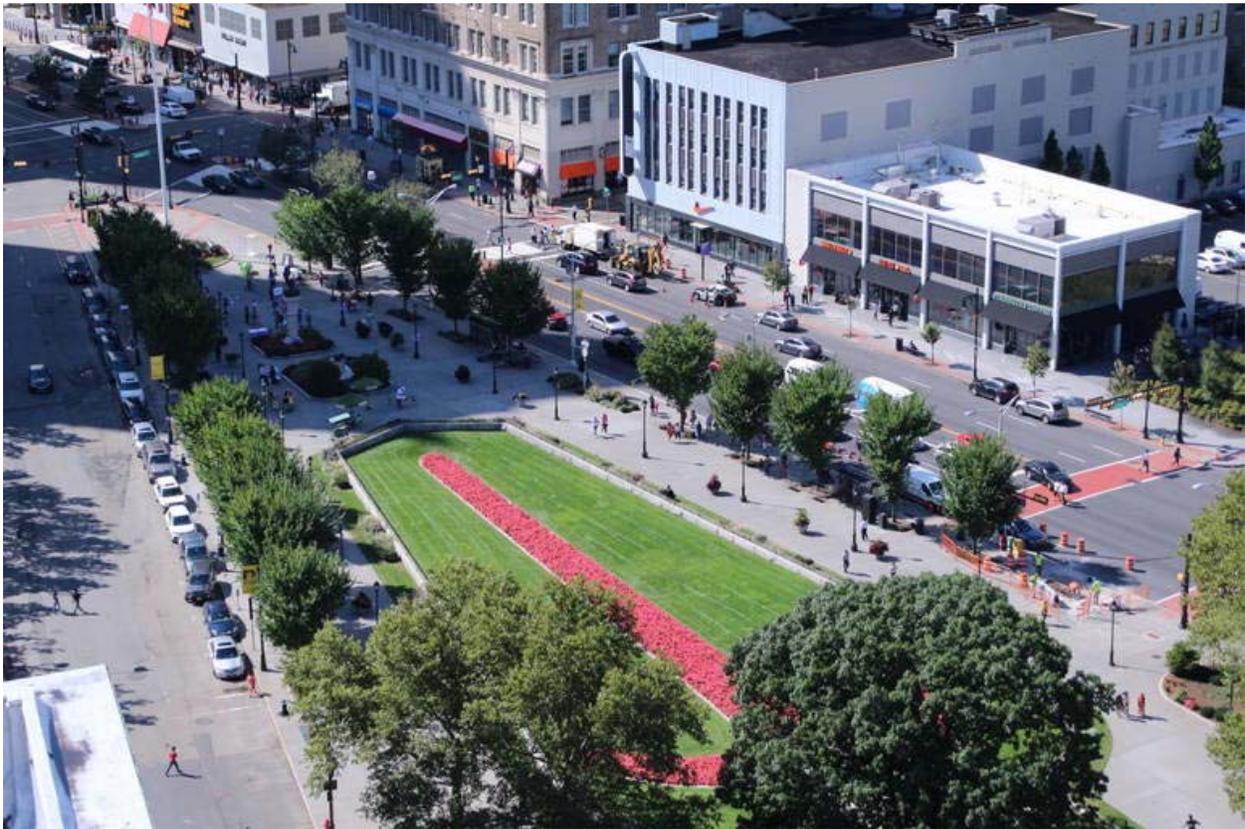




So What if Newark Didn't Get Amazon? New Report Shows City's Potential to Other Corporations

By REBECCA PANICO - July 22, 2019



Newark's Downtown is already home to Prudential, Panasonic and Audible. Credits: Rebecca Panico

NEWARK, NJ - Amazon didn't select Newark for its second headquarters, but a new report says that doesn't mean the city wouldn't be appealing to another big corporation.

The Brick City would still be the best bang for the buck should another large corporation want to plop its headquarters here, according to a report from Princeton-based corporate consulting firm the Boyd Company.

Newark had the lowest operating costs among 11 comparable cities across the nation, according to the report. And among 25 other cities globally? The report says Newark would be the fourth cheapest.

John Boyd, Jr., a principal at the company which prepared the report, said Newark would be appealing to corporations because of the potential social impact investing could have on the area by providing jobs.

"With the highest unemployment and poverty rates, the second lowest median income and largest concentrations of people of color of all the 20 finalist HQ2 cities, Newark would be in a position to award a relocating company a very significant social standing boost," Boyd said.

All that "social good" could also "rationalize incentives," Boyd added.

"Social impact is meaningful as corporations increasingly focus on building their brand and currying the favor of a socially-conscious millennial workforce, not to mention, generating goodwill among lawmakers looking for a social good to rationalize incentives."

In Newark, total annual operating costs would be about \$22 million when considering the price tag for leasing 75,000 square-feet of Class-A downtown office space for 250 workers. The report also compared sales taxes for each area, annual electric costs, and travel prices expected for management, technical support and other vendor visits.

Hong Kong ticked in as the most expensive city globally, at about \$38 million. San Francisco, meanwhile, was the most costly U.S. city for about \$28.5 million annually.

Last year, city council approved \$2 billion in tax incentives to any business that intends to create at least 30,00 new full-time jobs and make a capital investment of at least \$3 billion in Newark. Although the package was approved around the same time Amazon was still considering Newark for its second headquarters, those incentives could still apply to any business.

Newark is already home to Prudential, Panasonic and Audible. The city will also soon welcome Mars Wrigley.

In its bid for Amazon last year, the city lauded transportation accessibility by air, rail and water. It also boasted the potential talent base that already exists in the city because of universities like Rutgers and New Jersey Institute of Technology.

Newark Alliance CEO Aisha Glover, whose nonprofit works towards city's economic development, said now is an opportune time for potential corporate partners to come here.

"This is a historic moment for Newark," Glover adds. "We invite anyone in the corporate site selection world to pay us a visit and see everything we have to offer."