

# THE BOND BUYER

## Artificial intelligence, immigration key factors as cities woo companies

By Paul Burton - Published June 04 2019

Amid the national debate over state and city incentives for corporations, artificial intelligence and immigration have emerged as new phenomena, according to a site selection expert.

“The rise of artificial intelligence is disrupting the traditional banking and financial services business model, unearthing great opportunities for efficiencies and at the same time, creating new challenges,” said John Boyd Jr., a principal at Princeton, New Jersey-based corporate site location advisor Boyd Co.

“The rise of artificial intelligence is disrupting the traditional banking and financial services business model, ” said John Boyd Jr. of Boyd Co.



Reports have circulated that Fortune 500 behemoth Amazon Inc., which in February canceled plans to build a secondary headquarters in New York's Queens borough, is shopping for space in Midtown Manhattan.

Gov. Andrew Cuomo and Mayor Bill de Blasio had pledged nearly \$3 billion in incentives to attract Amazon, but the company pulled out of Long Island City, Queens. Critics of the incentives cited the effects on housing and transit.

“We worked hard to create a fair deal with Amazon,” de Blasio said last week. “We were going to get a huge amount of tax revenue to pay for affordable housing, transit, education, and then Amazon walked away.”

“So, I’m not talking to them. If they come to us, we’ll have a conversation.”

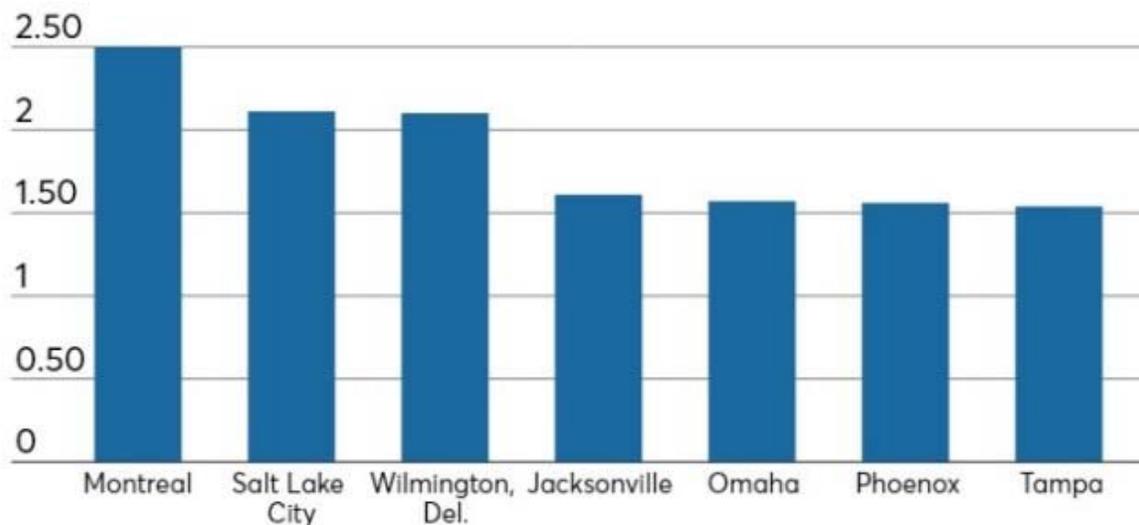
Amazon is proceeding with plans to add a headquarters in Northern Virginia.

Moody's Investors Service called Seattle-based Amazon's pullout a credit negative for the city, saying it highlights how politics and anti-business sentiment can derail economic development.

According to Boyd, site searches focus on the latest in artificial skillsets and the academic resources for continuing education and retraining of displaced workers.

"Our site searches today are focusing heavily on those North American markets housing outstanding academic programs in artificial intelligence," Boyd said. "Our searches also prioritize those cities housing a sizeable precedent base of financial services operations along with a favorable operating cost profile."

## Top cities for financial services



Source: Boyd Location Quotient, Boyd Co.

Immigration is another disrupter, Boyd added.

Canadian cities including Montreal – top-ranked under Boyd's survey – are becoming destinations for high-tech foreign workers in banking or financial services who can't get new or extended status in the U.S., where the H-1B program's criteria is getting more stringent.

“In the past, U.S. companies just ‘parked’ these workers in Canada, hoping to get them eventually into the U.S.,” Boyd said. “Now, however, many U.S. companies are opening and expanding offices in Canada, like State Street and Morgan Stanley in Montreal – and recruiting foreign workers on a long-term basis.

Boyd ranks Salt Lake City tops among U.S. cities. It houses Goldman Sachs, Zions Bank, Discover Products Wells Fargo, JPMorgan Chase and Fidelity.

“Salt Lake City has been the destination of many of Goldman’s private wealth management tech jobs and digital-experience jobs leaving New York,” Boyd said.

He also cited the University of Utah’s School of Computing, which he said has “one of the top AI programs in the West.”

*Paul Burton is the Northeast Regional Editor for The Bond Buyer and the author of the book "Tales from the Newsrooms." He is a sought-after public speaker and has appeared on radio and TV shows, including former CBS News White House correspondent Sharyl Attkisson’s public-affairs program, "Full Measure."*