Economic Development
Rural Georgia
What is Economic Development?

Economic development is the development of economic wealth of countries, regions or communities for the well-being of their inhabitants. From a policy perspective, economic development can be defined as efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base.
Economic Development – A Team Sport

Partnership

Local Development Authority
Georgia Research Alliance
Georgia Chamber
Ga. Department of Natural Resources
Rural development councils
Ga. Department of Labor
Atlanta Regional Commission
Board of Regents and university system
Public School System
Georgia Ports Authority
Technical College System of Georgia

Ga. Department of Economic Development
Georgia Allies
Community Affairs
Ga. Department of Revenue
Utilities
Banks
Railroads
Real Estate Developers/Brokers
Local Chamber of Commerce
Target Industries

- Aerospace
- Agribusiness
- Automotive
- Information Technology
- Energy Intensive Manufacturing
- Food Processing
- Headquarters and Corporate Functions
- Life Sciences
- Supply Chain and Logistics
Economic Development

Business Environment

Fiscally Strong

Single Factor Apportionment

Sales Tax: 4% State, 2 - 4.9% Local

Millage Rates: 0 State, 13.9 – 61.6 Local

Gratuities Clause

Low-cost renewable energy

Economic Development Process and Support

Statutory: Computer hardware and software sales tax exemption

Discretionary:
State grants for site development, infrastructure, capital items

Sales tax exemption on construction materials

Local property tax relief
Georgia has a AAA bond rating from all three agencies

- Fully-funded rainy day fund
- Most recent year-over-year revenue growth of 6.4%
- Low state corporate income tax
- Rate unchanged since 1969, at 6%
- Single factor apportionment based exclusively on gross receipts in Georgia
- Franchise tax rate – max $5,000 annually
- Right-to-work and employment-at-will state
## Major Project Announcements in 2016

### 2016 HIGHLIGHTS

### INDUSTRIAL PROJECTS

<table>
<thead>
<tr>
<th>Company</th>
<th>Jobs</th>
<th>City</th>
<th>Operational Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>adidas AG</td>
<td>160</td>
<td>Acworth</td>
<td>Manufacturing, &quot;Speed Factory&quot;</td>
</tr>
<tr>
<td>Dollar General</td>
<td>530</td>
<td>Jackson</td>
<td>Distribution Center</td>
</tr>
<tr>
<td>EdenCrete</td>
<td>250</td>
<td>Augusta</td>
<td>Global Manufacturing Headquarters</td>
</tr>
<tr>
<td>HomeChef</td>
<td>1,200</td>
<td>Lithonia</td>
<td>Wholesale Purchasing, Assembly, Packaging &amp; Distribution</td>
</tr>
<tr>
<td>Linde + Wiemann GmbH-KG</td>
<td>200</td>
<td>Lavonia</td>
<td>Assembly, Sales &amp; Distribution</td>
</tr>
<tr>
<td>Mohawk Industries</td>
<td>200</td>
<td>Dalton</td>
<td>Manufacturing Expansion</td>
</tr>
<tr>
<td>Qingdao Sentury Tire Co., Ltd.</td>
<td>1,000</td>
<td>LaGrange</td>
<td>Manufacturing &amp; Research Center</td>
</tr>
<tr>
<td>Sparta Industries, LLC</td>
<td>1,042</td>
<td>Milledgeville</td>
<td>Manufacturing Center</td>
</tr>
<tr>
<td>Textron</td>
<td>400</td>
<td>Augusta</td>
<td>Manufacturing Expansion</td>
</tr>
<tr>
<td>Tory Burch</td>
<td>150</td>
<td>McDonough</td>
<td>E-Commerce Distribution Center</td>
</tr>
<tr>
<td>Valmiera Glass</td>
<td>425</td>
<td>Dublin</td>
<td>Headquarters and Manufacturing Expansion</td>
</tr>
<tr>
<td>WayFair Furniture</td>
<td>169</td>
<td>McDonough</td>
<td>E-Commerce Distribution Center</td>
</tr>
<tr>
<td>Williams-Sonoma, Inc.</td>
<td>230</td>
<td>Braselton</td>
<td>Distribution Center</td>
</tr>
<tr>
<td>Anthem</td>
<td>1,800</td>
<td>Atlanta</td>
<td>IT Hub</td>
</tr>
</tbody>
</table>

### OFFICE PROJECTS

<table>
<thead>
<tr>
<th>Company</th>
<th>Jobs</th>
<th>City</th>
<th>Operational Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Convergys</td>
<td>450</td>
<td>Columbus</td>
<td>Customer Service Center</td>
</tr>
<tr>
<td>GE Digital</td>
<td>250</td>
<td>Atlanta</td>
<td>Global Digital IT</td>
</tr>
<tr>
<td>HD Supply</td>
<td>500</td>
<td>Atlanta</td>
<td>Headquarters Expansion</td>
</tr>
<tr>
<td>Honeywell</td>
<td>830</td>
<td>Atlanta</td>
<td>Software Center &amp; Home and Building Technologies Headquarters</td>
</tr>
<tr>
<td>IBM - The Weather Company</td>
<td>400</td>
<td>Atlanta</td>
<td>Headquarters Expansion</td>
</tr>
<tr>
<td>Kaiser Permanente</td>
<td>816</td>
<td>Duluth/Atlanta</td>
<td>Customer Service Center</td>
</tr>
<tr>
<td>Keysight</td>
<td>200</td>
<td>Atlanta</td>
<td>Software Design Center</td>
</tr>
<tr>
<td>NCR Corporation</td>
<td>1,800</td>
<td>Atlanta</td>
<td>Headquarters Expansion</td>
</tr>
<tr>
<td>SYKES Enterprises</td>
<td>400</td>
<td>Rome</td>
<td>Customer Service Center</td>
</tr>
<tr>
<td>Voxpro</td>
<td>500</td>
<td>Athens</td>
<td>Customer Experience &amp; Tech Support</td>
</tr>
</tbody>
</table>
2016 Year End Results

**BY THE NUMBERS**

- **25,341** New Jobs
- **$4.4B** Investment
- **57** Georgia Ready for Accelerated Development (GRAD) Sites
- **60%** Countries with New Jobs/Investment
- **83** International Projects
- **13%** Highest Investment from a Single Country - Korea
- **64%** Projects located outside Metro Atlanta
- **1,016** Companies who received one-on-one assistance from the Entrepreneur & Small Business Team
- **219** Prospect Visits

**EXISTING INDUSTRY**

- **365** Projects Located
- **73%**

**NEW INDUSTRY**

- **27%**

**STATEWIDE IMPACT MAP LEGEND**

- **CENTERS OF INNOVATION** - Project assistance provided
- **MIL** - Georgia Ready Community
- **GEORGIA COUNCIL FOR THE ARTS** - Grant received
- **GLOBAL COMMERCE** - Located projects - Georgia Small Business Rock Star
- **INTERNATIONAL RELATIONS** - Consider Georgia programs - International presentations
- **INTERNATIONAL TRADE** - Active Trade clients - Export success
- **TOURISM** - Project assistance provided
- **WORKFORCE** - Workforce Innovation and Opportunity Act - Program assistance to job seekers
Foreign Direct Investment in Georgia

Foreign Owned Investment

- FDI locations account for 38% of the total projects to date
- These locations will create $293 MM investment (23% of total) and 1227 jobs (16% of total)
- Korea, Japan, and Europe are the Strongest sources of these projects

New vs. Expansions

- Approximately 32% of projects and 40% of jobs created in FY17 to date are from companies creating new operations in Georgia
- Expansions of existing Georgia companies account for 71% of the investment to date
Top Site Selection Factors

1. Availability of skilled labor
2. Highway accessibility
3. Quality of life
4. Occupancy or construction costs
5. Available buildings
6. Labor costs
7. Corporate tax rates
8. Proximity to major markets
9. State and local incentives
10. Energy availability and costs
11. Tax exemptions
12. Expedited or “fast-track” permitting
13. Available land
14. Environmental regulations
15. Training programs/technical colleges
Who do you Compete With?
How Would You Sell Georgia?

ATLANTA
MOST CONNECTED AIRPORT
74
INTL NON-STOP MARKETS SERVED

Source: Innovata Schedules, via InterVISTAS, July 2016
Access to Market

Travel by air:
80% of U.S. market within a 2-hour flight time; Hartsfield-Jackson Atlanta International Airport, world’s most traveled airport

Travel by truck:
80% of U.S. market within a 2-day drive time

Travel by rail:
Norfolk Southern and CXS are major carriers connecting the state to more than 80% of U.S. markets within 3 to 4 days of transit
Do you have product to market your community?
Economic Development
Rural Georgia