



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.



Creation of Prosperity

Economic Development – A Team Sport

Partnership

Local Development Authority

Georgia Research Alliance

Georgia Chamber

Ga. Department of Economic Development

Georgia Allies

Georgia Department of Community Affairs

Georgia Department of Revenue

Ga. Department of Natural Resources

Rural development councils

Ga. Department of Labor

Atlanta Regional Commission

Utilities

Board of Regents and university system

Public School System

Georgia Ports Authority

Technical College System of Georgia

Banks

Railroads

Real Estate Developers/Brokers

Local Chamber of Commerce

Economic Development Process



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

BUSINESS-FRIENDLY ENVIRONMENT

#1
STATE
FOR BUSINESS
2013-2016

- 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

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

OFFICE PROJECTS

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

2016 Year End Results

FY16 STATEWIDE IMPACT MAP



BY THE NUMBERS

25,341

NEW JOBS

\$4.4B

INVESTMENT

57

GEORGIA READY FOR ACCELERATED DEVELOPMENT (GRAD) SITES

60%

COUNTIES 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

NEW INDUSTRY

365

PROJECTS LOCATED

73%

27%

STATEWIDE IMPACT MAP LEGEND

- **CENTERS OF INNOVATION**
 - Project assistance provided
- **FILM**
 - Camera Ready community
- **GEORGIA COUNCIL FOR THE ARTS**
 - Grant received
 - Capacity building or professional development consultations
- **GLOBAL COMMERCE**
 - Located projects
 - Georgia Small Business Rock Star
- **INTERNATIONAL RELATIONS**
 - Consular Corps programs
 - International presentations
- **INTERNATIONAL TRADE**
 - Active trade clients
 - Export success
- **TOURISM**
 - Project assistance provided
 - Site visit
 - Grant received
- **WORKFORCE**
 - WIOA (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

30-YEAR COMPARISON OF SITE SELECTION FACTORS* Corporate Survey 2015

	2015	2010	2005	2000	1995	1990	1986
Labor							
Availability of skilled labor	92.9	85.9	87.2	87.7	87.9	87.1	84.8
Availability of unskilled labor	47.8	45.4	50.6	65.5	64.9	73.6	54.4
Training programs	68.7	56.7	59.6	57.2	58.6	49.6	50.9
Labor costs	80.8	91.0	87.9	91.6	94.2	92.1	96.6
Low union profile	66.3	75.4	77.0	79.7	82.8	78.7	79.0
Right-to-work state	67.7	67.9	69.7	72.9	77.8	71.3	N/A
Transportation/Telecommunications							
Highway accessibility	88.0	97.3	91.4	95.9	93.6	92.3	91.3
Railroad service	32.4	36.0	28.9	29.8	29.7	32.2	25.8
Accessibility to major airport	58.6	50.0	50.0	53.2	59.5	55.5	61.0
Waterway or ocean port accessibility	24.0	21.9	20.2	21.0	20.0	16.2	15.3
Inbound/outbound shipping costs	64.6	84.0	N/A	N/A	N/A	N/A	N/A
Availability of telecommunications services	N/A	N/A	79.8	77.1	80.2	76.7	N/A
Availability of advanced ICT services	53.6	72.9	85.7	N/A	N/A	N/A	N/A
Finance							
Availability of long-term financing	67.7	58.5	56.5	58.4	65.5	75.4	55.2
Corporate tax rate	78.8	86.3	85.0	84.7	N/A	N/A	N/A
Tax exemptions	74.7	90.9	83.6	81.6	86.4	85.8	77.9
State and local incentives	75.8	89.3	86.0	83.6	87.8	88.7	79.6

Who do you Compete With?



Marketing Reach – Georgia Allies



How Would You Sell Georgia?

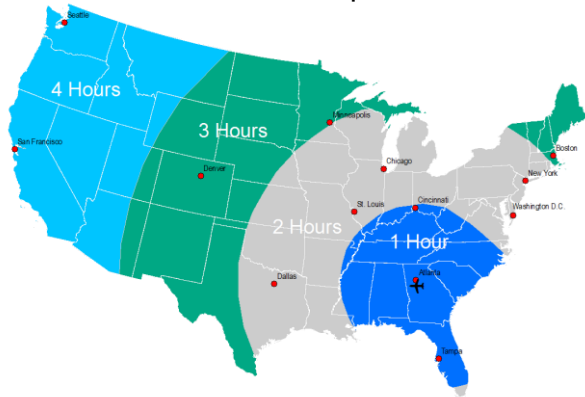


Access to Market



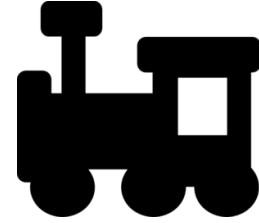
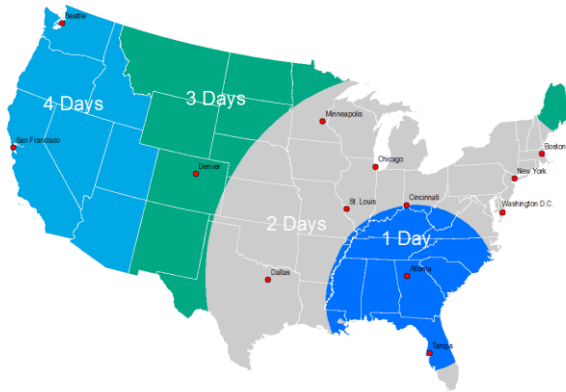
Travel by air:

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



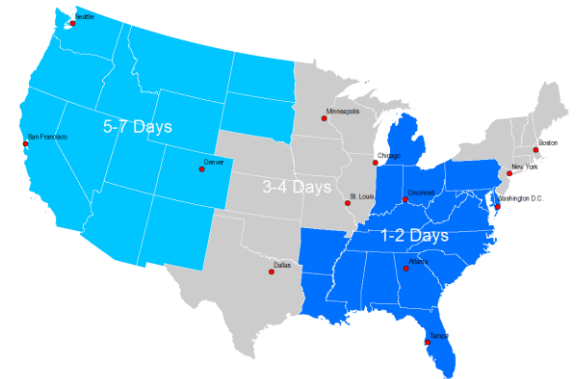
Travel by truck:

80% of U.S. market within a 2-day drive time



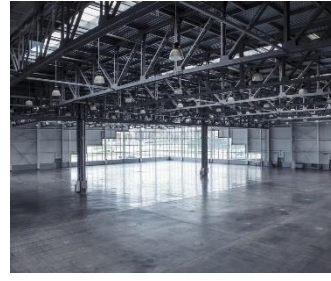
Travel by rail:

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



Product

Do you have product to market your community?



Land Improvements

Industrial Park

Pad Ready Site

Vacant Building (s)

Spec Building



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