



ECG
Economic & Community Development

electric cities of georgia

Fourth Quarter
2015

A quarter of all GA
GRAD sites are in
ECG communities.

27%

Chris Carr joined the Georgia Department of Economic Development in November 2013. Previously, he was chief of staff for Senator Johnny Isakson. He graduated from the University of Georgia Law School.



Chris Carr
Commissioner
GDEcD



GA's Energy Cities At Work

Share the electronic version of fyi from our website locationgeorgia.com.

A personal commitment to create jobs

When Apple President, Tim Cook, named 2015 the year of Apple Pay, its mobile payment platform, you can be sure Georgia's financial industry was right in the midst of the innovation. After all, seventy percent of all U.S. financial transactions are processed here.

"A hot industry sector for Georgia includes information technology companies, particularly cyber security, health information technology, and financial technology," explains Chris Carr, Commissioner of Georgia Department of Economic Development.

Carr, named in 2015 to the top 100 most influential Georgians by *Georgia Trend Magazine*, plays a leadership role in the attraction of all new business for Georgia; yet, he is quick to explain his aspirations for Georgia are grounded in Governor Deal's vision.

Explains Carr, "We are told by capital investors, with the governor's leadership, we are getting the policies right. We've built this pro business environment that's very inviting - low tax rates, low regulatory burden, great logistics and higher education. Our tax reform to remove the sales tax from energy use in the manufacturing arena, for example, was a huge boost to our manufacturing sector."

Georgia is indeed in a sweet spot. For the third year in a row, the Peach

State takes first place in *Site Selection's* annual ranking of state business climates, a closely watched barometer of which states have the right mix of actual project successes and high favorability as indicated by site selectors.

"Workforce is a major focus for us," Carr continues. "It is coming up number 1 on companies' location criteria list. We are addressing that requirement on several fronts, including the Governor's High Demand Career Initiative as well as the College and Career Academies." Carr encourages every ECG community to be cultivating its talent.

Georgia economic development is bustling. Carr indicates the state project pipeline is full. "Our communities are doing the due diligence to have a product that attracts companies and making sure, when possible, sites are GRAD certified."

Chris Carr has been working for Georgia since 2013 and when asked about what specifically inspires him to do the work at hand, his voice warmed with personal conviction.

"Having jobs for Georgians - that is what changes lives. I know a job, earning a livelihood, makes a real impact on a person's life choices. I want that for all Georgians."

ECG Bus Tour South Georgia Circuit

Bus tours are a great way to see first hand economic development in a community. The ECG cities presented in October 2015 to state project managers and other state professionals were:

Adel	Fitzgerald
Albany	Moultrie
Blakely	Quitman
Cairo	Sylvester
Camilla	Thomasville
Crisp County	Whigham
Douglas	



Moultrie's Ashburn Hill Plantation offered a great setting for networking with GDEcD project managers. Local economic developer Darrell Moore hosted the attendees.

Left to right, Mike Grundmann, Director, Automotive, Aerospace & Advanced Manufacturing Team and Wylly Harrison, Senior Project Manager, Automotive, Aerospace & Advanced Manufacturing Team

Prospect Incentives three strategic components

Providing state and local incentives to stimulate private investments is standard practice in the economic development world. Deciding the scope of such incentives is often the more difficult part. It is important to assess cost, benefit and need.

The cost is relatively easy to calculate when one is abating future taxes on investment. The benefit is more subtle. If you use an economic model, make sure its scope is broad enough to factor in indirect, as well as direct benefits of the project. These benefits are most often measured in terms of employment, income, and output (business revenues or sales).

The hardest nut to crack is the need. In an ideal world, a prospect wouldn't ask for incentives just to make more money. The incentives would solve a problem that prevents the project from locating or expanding to the community. The best incentive packages address all three components and the prospect can help you, to help him, when the company makes a good case for a project need.

"100 percent tax abatement for 10-25 years is a rich incentive package," reports McRae. "It's important to evaluate your incentives, case by case, and to be accountable to your stakeholders on how you use them," he concludes.

Dan McRae, Partner
Seyfarth Shaw LLP

Known for his expertise in finance and incentives, McRae is retained by companies and communities to help them obtain successful project locations.

► Over the next 18 months, GA DOT will deliver contracts that resurface nearly 2,500 miles of roads, replace more than 100 bridges, and provide critical rehabilitation to more than 300 bridges. *Announced January 12, 2016.*

Transportation and utility infrastructure are in the top five location criteria for site selection according to corporate real estate executives.*

ECG Infrastructure Initiatives at a Glance

Capacity to serve electricity to 1,272 homes a month with solar power - Dalton Utilities is ensuring it will be ready when green energy is mandated for Georgia suppliers. The way it works: Dalton Utilities purchases 100 percent of the output from a solar plant from the owner under a 25-year wholesale power purchase agreement. Dalton Utilities will maintain all of the renewable energy credits associated with this transaction.

Telecommunication services - ECG cities East Point and College Park are partnering with Google Fiber to provide gigabit Internet and TV to residential customers. Google Fiber is investing in a new network largely in metropolitan areas.

Financing for road improvements - The State Road and Tollway Authority is Georgia's transportation financing arm administering grants and loans for qualifying road projects. As of November 2015, \$208 million has been leveraged for transportation improvement. Two ECG successes: Grady County - \$1.2 million for Tired Creek Lake Roadway in 2015 and a \$1.7 million grant to Newnan for a road extension in 2013. Bert Brantley can answer your questions about the next funding cycle at 404.893.6126, bbrantley@gatolls.com.

* See the complete list of important location criteria on the back.

Infrastructure noteworthy initiatives

Workforce Development

a variety of options for every community

Governor Deal believes it, Commissioner Carr lives it, ECG promotes it and businesses beg for it. Whomever you talk to, workforce development is critical. Regardless of the business sector, from service to manufacturing, investment in human capital builds private sector investment opportunities. *Site Selection* listed workforce the number one criteria for which companies look.

Check out the initiatives to build Georgia's workforce:



developing workforce for 16 of GA's electric cities

- To get the supply closer to the demand, The Governor's Office of Workforce Development merged with the GDEcD organization in 2014
- College and Career Academies across the state create opportunity for fast tracking career choices matched to career opportunities. Sixteen ECG cities have been among the first to embrace this concept.
- Governor Deal launched a High Demand Career Initiative to offer free college training for careers in demand in local communities.

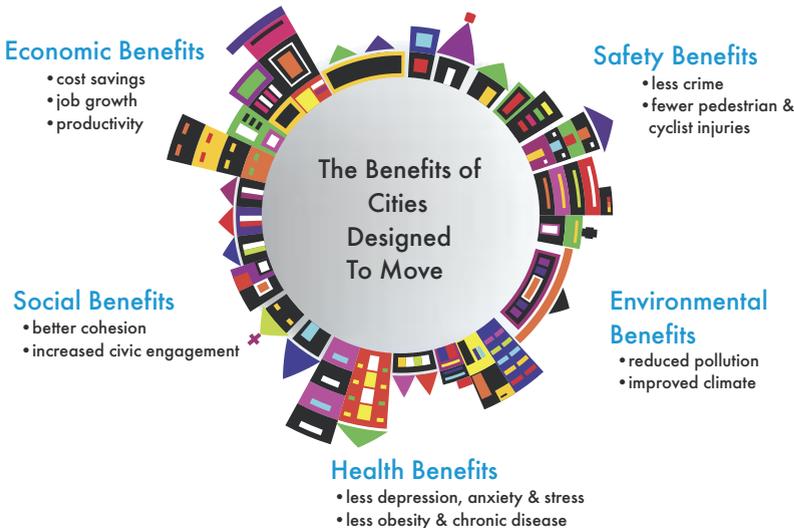
- Launched in fall 2015, the latest Georgia workforce development program, Worksmart, aims to meet employers' workforce needs by developing and implementing customized training programs through apprenticeships, internships and cooperative education opportunities. It is a work-based learning program.

▶ Hitachi Automotive Systems Inc. in Monroe partnered on an internship program through Athens Technical College to build workforce skills.

▶ West Point, Hogansville and LaGrange communities celebrate a new 53,000 square-foot facility inside West Georgia Technical College for Thinc, its College and Career Academy for high school students. Local industry, Sewon America, Inc, donated \$300,000 to Thinc in the spring of 2015.



AN ACTIVE CITY IS A COMPETITIVE CITY



Lifestyle encourages talent retention

A strategy for retaining and recruiting talent is creating active lifestyle options for workers. This is particularly attractive for millennials, those born between 1980 and 2000.

Research tells us for millennials wellness is a daily active pursuit. They're exercising more, eating smarter and smoking less than previous generations. Healthy doesn't just mean "not sick."

The Millennial generation is the biggest in US history - even bigger than the Baby Boom.

More than ever before, economic developers may leverage community recreational amenities to entice a workforce and sell their communities.



Register by February 29. Save money.

don't miss the discounted registration fee

April 13 - 15, 2016 • Jekyll Island

GDEcD Commissioner Carr is our keynote speaker. Register online at www.locationgeorgia.com.

Griffin Attracts Japanese Firms

green park has its appeal

Marukan, a manufacturer of rice vinegar, has been an honored and respected name in Japan since 1649. Premium quality has been the brand guarantee for 400 years. It is considered a gourmet product line for its centuries-old slow brewing process and use of organically grown, non GMO derived ingredients.

Marukan has chosen Griffin for its first venture on the east coast. Its second U.S. brewery will begin production in The Lakes at Green Valley business park in 2017 with a \$13 million investment.

"The 100,000 square foot brewing facility will produce, package and distribute the premium product to the company's growing customer base in the Southeast," explains David Luckie, Executive Director of the Griffin Spalding Development Authority.

The company has been producing product in California since 1975.

About The Lakes at Green Valley

"Our park is the first eco-park in the state; it is focused on sustainability in construction and one-third of the park will remain uncut and natural. The park encourages a "green checklist" for tenants to achieve in construction and operations," explains Luckie.

"The park shows well. Plus, Marukan is joining two other Japanese firms in the park. I believe there is a comfort level in that for an international company," Luckie adds.

Otsuka Chemical Co. Ltd, is a maker of titanate friction materials for car brake pads and Toppan produces a transparent barrier film, a unique packaging solution for food, medical and electronic applications. Both Japanese firms came in 2014.

\$2.7 billion
Japanese investment
2010 - 2014

400
Japanese companies
operating in Georgia

Information Technology

College Park

"College Park welcomes VXI Global Solutions to our city," said City of College Park Mayor Jack P. Longino.

VXI Global Solutions (VXI), a business processing and information technology outsourcing services provider will open a call center in College Park this year. The new facility will create 570 jobs for the community.

Founded in 1997 and headquartered in the United States, VXI is a global leader in Business Process Outsourcing (BPO) and IT outsourcing. For the past three years, VXI has been one of the fastest growing BPO providers in the industry. This announcement adds one more information technology leader to Georgia's already strong roster of technology companies.

Relocation experts say call centers need an ample supply of trainable workers, oftentimes, millennials who are comfortable with live chatting and other forms of digital contact with a customer base.



Fostering Georgia Growth

The Economic & Community Development team is a liaison between growing companies and the ideal community that can meet their needs.

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Contacts

Daryl Ingram.....770.563.0321
sr. vice-president dingram@ecoga.org

Michelle Holbrook.....770.661.2768
editor mholbrook@ecoga.org

Not on the mail list? Request your copy at info@locationgeorgia.com or download an electronic version at the locationgeorgia.com website.

Product Watch

available land & buildings

Monroe/Walton County Cherry Hill Industrial Park

- 145 total acres
- Hwy. 78 & Hwy. 83
- 44 miles to Hartsfield-Jackson Airport
- Jobs tax credit: \$1750 per new job
- 189 miles to Savannah port
- City of Monroe electric provider



Forsyth/Monroe County Indian Springs Business Park

- 116 total acres
- I-75 & Collier Road
- .1 mile to Interstate 75
- 54 miles to Hartsfield-Jackson Airport
- City of Forsyth electric provider



ECG Newbies

ECG economic development welcomes a number of E.D. professionals to our cities.

- Jason Dunn - Fitzgerald
- Grant Buckley - Crisp County
- Meghan Duke - West Point
- BJ Walker - Fort Valley
- Andrea Taylor - Douglas

Hope to see you all at the Summit in April.

Albany Wins

October 2015 in Alaska

The Albany-Dougherty Economic Development Commission received a Silver Excellence in Economic Development Award from the International Economic Development Council (IEDC) for the category of Multi-year Economic Development Programming for communities with populations of 25,000 – 200,000.

Albany's program includes initiatives in three key areas: Recruitment (of industry), Retention (of industry) and Renewal (of community image and pride).

Shopping For Retailers

ICSC Atlanta conference

The International Council of Shopping Centers (ICSC) is always a good networking conference for ECG communities looking at retail prospects to locate within their communities. This past October at the Southeast Retail Conference in Atlanta, 16 ECG cities attended to make contacts and assess opportunities.

What Matters Most

Site Selectors' Most Important Location Criteria

- 1 workforce skills
- 2 state & local tax scheme
- 3 transportation infrastructure
- 4 utility infrastructure
- 5 land/building prices
- 6 permitting ease/regulatory
- 7 flexible incentive programs
- 8 right-to-work state
- 9 availability of incentives
- 10 higher education resources

source: Site Selection Survey of corporate real estate executives, October 2015

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75 Fifth Street NW
Suite 850
Atlanta, Georgia 30308

- Money News - According to the Tax Foundation the real value of \$100 is \$108.81 in Georgia. In contrast, \$100 is effectively worth the least in the District of Columbia, \$84.96.

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GA's Energy Cities At Work

Hitachi Automotive Systems Americas, Inc.

- 350 employees
- operating in Monroe since 1996
- producing automotive components
- doubled plant facility in 2014
- 2014 Ga. Manufacturer of the Year
medium size category

