Thursday, October 19 marked the deadline for cities to apply to become the home of Amazon’s second corporate headquarters, a $5 billion project that is expected to eventually employ 50,000 people with average salaries of more than $100,000. The competition, which the company announced last month, sparked a bidding war that demonstrated the growing importance of ecommerce and logistics to the nation’s economy and that allowed many parts of the country to tout their infrastructure assets and, in some cases, to recognize the infrastructure challenges they may need to face in the future.

Amazon is expected to announce a winner early next year for the project. The company has said it wants a metropolitan area of more than a million people with a local and regional workforce that is educated in software development and related fields. Amazon has said it prefers an area with easy access to mass transit and a “stable and business-friendly environment.”

More than 50 cities or regions submitted a total of 238 proposals, offering a variety of incentives, subsidies and enticements. From those proposals and a variety of analyses of their chances for success, a variety of transportation infrastructure-related items emerge. Among them:

- Atlanta’s bid reportedly touts the area as a supply-chain hub that is home to Hartsfield-Jackson International Airport, a port of entry with global connections. Moody’s Analytics ranks the Atlanta-Sandy Springs-Roswell area in second place in their rankings of HQ2 contenders but they observe that “traffic congestion remains a headache despite recent improvements, and mass transit is inadequate.”
- Moody’s Analytics ranks Austin, Texas as the most likely landing spot for Amazon, based on several of the company’s requirements, including transportation. But while Moody’s describes Austin’s transportation facilities as “very good,” the ranking notes they don’t match those of Dallas or Houston.
- A George Strait-themed editorial in the Dallas Morning News that won praise for creativity on Amazon Policy’s Twitter account noted that “the North Texas airports are big and easy to access, and our interstates are generally less clogged than those in other major cities.”
- Boston’s proposal touts Logan Airport, subway, commuter rail and interstate access. The proposal notes that 33 percent of Boston residents take public transportation to work while 16 percent commute by walking or bicycling. It highlights Logan’s more than 5 daily nonstop flights to Seattle (the home of Amazon’s first HQ).
- Another analysis of contending cities cites Phoenix, Arizona and Salt Lake City, Utah for the close proximity to their airports (both within an eight-minute drive).
- Chicago Mayor Rahm Emanuel has reportedly pitched transit improvements in his city as a potential draw for Amazon and has suggested a way to pay for them: raising fees currently charged to Uber and Lyft riders over the next couple of years. If approved by the Chicago City Council, the Chicago Transit Authority would receive $16 million in 2018 and $21 million in 2019 as the fees gradually increase from 52 cents to 72 cents. Chicago’s bid highlights the city’s transportation network, talent pool, diverse economy, airport access, quality of life and proximity to research.
centers, the Chicago Tribune reported.

- Columbus, Ohio’s submission to Amazon includes promises of significant capital investments to improve state and municipal road access to the proposed HQ2 sites, The Columbus Dispatch reported. Columbus economic development officials say 25 percent of new income tax withheld on payroll for new Amazon employees would be used for 15 years to establish a transit and mobility fund that would enable the investments. The proposal also suggests mass transit in existing traffic rights of way, self-driving shuttles and smart mobility hubs where different forms of transportation would converge.

- Denver is the city The New York Times identified early on as the most likely HQ 2 contender through a process of elimination (for example, it eliminated cities like Atlanta, Miami, Dallas and Austin due to “weak transit and bad congestion rankings”). Denver has upgraded its public transit in recent years with more connections to the suburbs and a light rail line that connects the city’s airport with Denver Union Station downtown.

- Detroit’s bid was submitted the same day a flashy video and website appeared online. The video, which invites Amazon and other companies to “move here, move the world,” touts the city’s role in “designing the mobility of tomorrow” in areas like autonomous vehicle and alternative energy research. It includes cameos by the QLine—the city’s downtown streetcar—and the Ambassador Bridge, noting “a whole other country is just a bridge away.” But an Anderson Economic Group analysis ranked Detroit low on its “ease of transportation,” primarily due to a lack of public transit.

- Louisville, Kentucky and Southern Indiana are said to have thrown their hats in the ring as well. The region benefits from the recent completion of two new bridges that have helped with traffic congestion. On the Indiana side of one of the new bridges is a 6,000-acre business park called the River Ridge Commerce Center that is already home to a 1 million-square-foot Amazon fulfillment center and other logistics and distribution facilities. The Louisville airport is home to a major UPS hub as well. Amazon earlier this year announced a nearly $1.5 billion Prime Air Shipping hub for the Cincinnati/Northern Kentucky Airport 100 miles away. Jack Mazurak, a spokesman for the Kentucky Cabinet for Economic Development told Insider Louisville “The state’s geographical advantages and the presence of premier shipping hubs and facilities provide companies with the ability to quickly and reliably ship their products both in state and globally.”

- Memphis, the headquarters of FedEx and a transportation and logistics hub, is also in the running, according to USA Today. The city is offering $60 million in cash incentives. But mass transit and the Memphis International Airport are not thought to be strengths for the city.

- Miami, which comes in seventh place on Moody’s rankings, is a leading distribution hub with the nation’s second busiest airport and the only East Coast port south of Virginia capable of welcoming the largest ships that make their way through the expanded Panama Canal. But Moody’s also notes that while Miami has Florida’s most extensive public transportation system, commuter and metro rail service lag behind Northeast cities. Miami officials for their part counter that more transit connectivity is on the way, highlighting the Brightline train that will soon link the city’s urban core with Metrorail and Metromover, Fort Lauderdale and Palm Beach). But Miami, as Moody’s also notes, is about as far from Amazon’s first headquarters in Seattle as it’s possible to get in the continental United States, which may be a drawback.

- New York City, which landed in sixth place in Moody’s rankings, has convenient public transportation and access to three major airports among its attributes but could suffer due to its high land costs compared to other regions. Neighboring New Jersey is said to be offering up to $7 billion in state tax breaks to try to get Amazon to locate in Newark, perhaps the most of any city. Newark officials tout it as a mass transit hub and home to Newark Liberty International Airport.

- Philadelphia has been touting its proximity to other East Coast cities and multiple transportation options including international air travel.

- Another Pennsylvania city, Pittsburgh, could be in the running too, according to Moody’s. The city has been a growing as a destination for tech companies and Carnegie Mellon University has
partnered with Uber on autonomous vehicle research there.

- Portland, Oregon has also submitted a bid. In a guest column for The Oregonian [25], leaders of the public-private organization Greater Portland Inc. write that “We’re connected locally and with the world. Our first-rate transit system is the envy of other metro areas, and direct flights to Asia and Europe enable our companies to access global markets.”

- Moody’s notes [6] that Rochester, New York could have appeal to Amazon because “nearby areas, including Syracuse, are at the forefront of drone development, which could create natural partnerships as Amazon looks to further automate delivery.” Rochester came in fourth in the Moody’s ranking of HQ2 contenders.

- Washington, D.C. is proposing four possible sites [26] to Amazon, including one near Union Station, a rail hub that is preparing for a major makeover and expansion in the next few years.

It’s no wonder the competition for Amazon’s HQ2 sparked such interest around the country. It is believed to be [7] the largest corporate offer to municipalities in modern American history. While the contest says a lot about the rapidly expanding footprint of an ecommerce, tech and logistics giant, it says even more about how states and localities view the importance of Amazon and other companies to their economic future and how much transportation will play a role not only in the distribution of goods as part of this new economy but in creating the kinds of places where these companies will want to locate and where their employees will want to live and work.

Further Reading:

- “How winning the race to be Amazon’s second headquarters could turn out to be a curse,” [27] Market Watch, October 20, 2017.
- “See the cities hoping to land 50,000 Amazon jobs, headquarter,” [28] USA Today, October 19, 2017.

By:
Friday, October 20, 2017 at 04:40 PM
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