

Herald Sun

Amazon wants a new HQ for 50,000 workers. Research Triangle Park thinks it's a good fit

By Zachery Eanes - September 07, 2017



In this May 30 file photo, the Amazon logo is displayed at the Nasdaq MarketSite in New York's Times Square.

Thursday morning's news that e-commerce giant Amazon would be looking for potential locations for a second North American headquarters came as a surprise to the people who head the Research Triangle Foundation, the not-for-profit that manages Research Triangle Park.

But it didn't take long for them to realize they needed to get together a proposal to send to the Seattle-based company.

“Suddenly Amazon has a proposal out there (for 8 million square feet of office space and 50,000 employees) that we didn't know about,” Michael Pittman, vice president of marketing and communications at RTF, said of the Amazon news. “That becomes, suddenly, a top priority and one of the biggest prospects we can go out for.”

Pittman said that the foundation was meeting with regional partners Thursday to discuss the proposal.

Amazon already has a presence in the park. The company, which ships packages across the world, began using a 325,000-square-foot warehouse in RTP in 2016.

The company announced Thursday that it would begin searching for a location for its second North American headquarters. The company said it was searching for a location that could house 50,000 employees and that it would spend \$5 billion on the project.

The news is likely to send states and municipalities across the country into a frenzy of competition to land what the company is calling HQ2.

“We expect HQ2 to be a full equal to our Seattle headquarters,” Amazon Chief Executive Jeff Bezos said in a statement. “Amazon HQ2 will bring billions of dollars in upfront and ongoing investments, and tens of thousands of high-paying jobs. We’re excited to find a second home.”

The company has given a deadline of Oct. 19 for proposals. The proposal said the company will need up to 8 million square feet of office space to accommodate an eventual 50,000 employees.

In its proposal request, the company is asking for proposals from communities with a population greater than a million, with urban or suburban locations near strong technical talent and access to transit, especially within close proximity to major highways and international airports. RTP is located just off I-40 and is close to Raleigh-Durham International Airport.

Pittman believes that RTP can meet all of those requirements. He added that the proposed Park Center project, a mixed residential and office development that the park has been trying to get off the ground for the past few years, could be used to attract Amazon.

“The Park Center project we have been working on would be perfect (for this),” he said. “It’s dense with residential and retail. (and) the initial phase will have over a million square feet of office.”

“Then down the road you have the old Glaxo campus with a million square feet there. ... Then there is other land available, especially in the Wake County portion (of RTP). There is 300 acres of land available there.”

Potentially landing Amazon would be enormous for the park. If the company even brought half of the employees it promises, it would be the largest employer by far there, he said. IBM, the current largest employer in the park, is thought to have around 10,000 employees there.

Amazon's current headquarters in downtown Seattle has radically transformed that city's landscape, pushing up rents, boosting employment and the amount of construction in the city.

'War between the states'

But the competition is likely to be tough for RTP.

"I have been saying (economic development) is the second war between the states," said John Boyd, a relocation analyst for New Jersey-based The Boyd Co. "That is how competitive it is right now."

Boyd said that South Florida and Atlanta look really attractive for corporate relocations right now, but admitted that the Triangle region is also a major player.

The Triangle region has already seen a flurry of relocations in the past year, with companies like Infosys and Credit Suisse announcing major moves to the region. Boyd credited Gov. Roy Cooper's use of incentives and the repeal of the controversial House Bill 2, the so-called "bathroom bill," as a catalyst for the area's activity.

"You could make a compelling case for the (Triangle)," he said. "The market has demonstrated the ability to attract and retain talent, which is key. ... Even if it ends up a bridesmaid that brings value to (the region). It elevates the area's stature for a future location of a headquarters."

Boyd added that the area lags behind cities like Atlanta when it comes to airports and transit.

"It's the chicken and egg adage," he said about RDU's smaller footprint. "(But) if Amazon comes airlines will notice. ... just look at the nimbleness it showed with getting nonstop flights to Austin," after Austin, Texas-based Dell bought EMC, which had operations in RTP.

Transit will be an important factor for RTP's proposal, Pittman said.

"The good news is that a lot of the money has been raised and committed (toward transit projects)," he said. "The (Wake-Durham) Commuter Rail is supposed to touch down in RTP and that will be something that we will put into a proposal.

"If we were to get a commitment for this many employees, it would really galvanize transit faster. We would have to (if 50,000 employees are added)."