

A new Amazon headquarters in Omaha? City submits a long-shot bid; 'we've decided to go for it'

By Brad Davis / World-Herald staff writer - October 20, 2017



Amazon, which operates out of its base in Seattle, has opened a search for a second headquarters site to house as many as 50,000 employees.

Add Omaha to the list of cities competing to win Amazon's "second headquarters" that is expected to cost the tech company \$5 billion and eventually employ 50,000 people. Though Omaha comes up short on most of the company's requirements, Randy Thelen, the Greater Omaha Chamber of Commerce's senior vice president for economic development, said it still made sense to get the city's name in front of Amazon executives.

That way, if Amazon officials decide to split the headquarters among several different cities, Omaha could be in the running, Thelen told The World-Herald. And even if not, Amazon execs will now be familiar with Omaha and could look to the city for other projects as the company grows.

“We’ve decided to go for it,” Thelen said. When Amazon officials see a list of cities that’s likely to include New York, Atlanta, Austin and Toronto, Thelen said they’ll now also see Omaha.

“We want to be on that list to signal to the tech community that we think we’re prime for that type of investment, whether it’s Amazon or other tech companies,” Thelen said.

The company had said that it wanted a city:

- » With at least a million people in the metropolitan area. (Omaha’s is around 930,000.)
- » With an international airport. (Omaha’s Eppley is technically an international airport, in that it has customs capabilities, but it doesn’t have any international flights.)
- » With strong public transit. (Omaha’s Metro bus system is growing with the addition of a rapid bus service, and there has been discussion of adding a light rail, but the city’s public transport options are limited when compared with the larger cities it would be competing with.)
- » With an economy that can provide 50,000 workers. (Amazon would be by far the city’s largest employer; Offutt Air Force Base and CHI Health employed more than 7,500 people each in recent years. The city’s sub-3 percent unemployment level means a tight labor market.)
- » With the ability to attract and retain a tech-focused workforce. (Thelen said PayPal, LinkedIn, Oath — formerly called Yahoo — and other companies already have substantial presences in Omaha, which should prove to Amazon that tech can thrive here.)

Even if Omaha doesn’t check all the boxes, it would have been “malfeasance” for Nebraska not to bid for the project, said John Boyd, principal at Boston site-selection firm the Boyd Company Inc.

“Obviously, it’s a long shot to get Amazon’s second headquarters, but so what?” Boyd said. A bid would give Omaha and Nebraska officials the chance to promote the city, its low cost of doing business, available incentives and potential workforce collaborations, Boyd said.

“Forging relations with Amazon executives with site visits could lead to a back-office project down the line. It could even lead to Amazon encouraging one of its suppliers or vendors to put a facility in Omaha,” Boyd said.

Take General Electric's headquarters hunt in 2015, Boyd said. The company ultimately selected Boston, but Atlanta was a runner-up in the process. GE executives had positive experiences in Atlanta, and decided to open an information-technology office there, Boyd said.

"Being the runner-up for a project or even a candidate often leads to real corporate investment and jobs down the line," Boyd said.

Thelen, at the Omaha chamber, said Omaha's application for the Amazon project didn't have the over-the-top bells and whistles of some cities: One city has offered to rename itself for Amazon; Birmingham, Alabama, has put big Amazon-branded boxes around the city; Tucson tried to send a giant cactus to Amazon headquarters; and the mayor of Kansas City is said to have bought 1,000 items from Amazon online.

In Omaha, it was just the facts, Thelen said. And the facts should speak for themselves, he said. (He declined to provide the proposal to The World-Herald; he said it wouldn't be made public.)

"We'll leave the gimmicks and games to others," Thelen said. "We're not pulling off stunts. Ours is a serious proposal highlighting our talent and attributes."

Thelen said the Omaha proposal mentioned state and local incentives that Amazon could take advantage of — tax breaks and the like — but that the Omaha team didn't think there was a reason to create a new incentive program specifically for Amazon.

He said local architecture firms and real estate developers were involved in the application process.

Amazon isn't expected to choose a city for what it's calling its "second headquarters" until sometime next year. The deadline to submit an application to the company was Thursday. The company, which is based in Seattle, has said it's looking for a new city to employ around 50,000 people over the next two decades.

About 100 North American cities are expected to compete for the project, Bloomberg News figured. The technology-focused team there said it figured finalists for the project could be: Atlanta, Austin, Boston, Chicago, Denver, Detroit, New York, Pittsburgh, Toronto and Washington, D.C.

Omaha's not on that list? So what, the city's boosters said Thursday. It could be now.