



Why Indy, Philly Stand a Shot to Land Amazon

By John Boyd,
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We all love lists, and now we have the one that we have all been waiting for: Amazon's Top 20 finalists for its HQ2 campus.

If you think the search has been front-page news all over North America these past few months, just wait until we see images of Jeff Bezos and his lieutenants on the ground and touring these cities, surveying sites and visiting with mayors and town fathers.

The 20 cities resonated here very well. I do believe larger-market, East Coast cities have the edge. Here are my thoughts on a few of these finalist cities:

I am glad to see **Nashville** make the list. Smart choice. It is one of the hottest real estate markets in the U.S. right now and has successfully transitioned from a manufacturing and hospitality industry center into a head office one. It is a transformative event for the economic development community there, elevating the city into a new league of competition, right up with larger markets like Atlanta, Dallas, Houston and Charlotte.

Naming three locations in the nation's capital — **Montgomery County, Maryland, Northern Virginia and the District of Columbia** — would seem to indicate to me that Amazon ranks the area very high within the final 20, with the final choice probably being a real estate decision in one of those three jurisdictions. The NIH, based on Montgomery County's Bethesda, is another potential key here, as Amazon's next industries to "disrupt" are reportedly the pharma and medical devices sectors (along with the related healthcare sector it's now disrupting with Berkshire Hathaway and JPMorgan Chase & Co.).

Texas will come to the table with a compelling case, including a positive business climate, low operating costs, and a Texas-size incentive package. I favor **Dallas** much more than **Austin**, especially the booming North Dallas communities like Plano and Richardson.

Miami entered the competition along with regional South Florida communities of **Palm Beach and Fort Lauderdale**. Beyond the state's premier business climate and lack of a personal income tax, the new Bright Line transit system connecting Miami to Fort Lauderdale to Palm Beach and on to Orlando is a new labor-market dynamic.

Amazon getting into bitcoin introduces another intriguing dynamic for South Florida. Miami is the home of the Miami International Bitcoin, which is working to establish Miami as the epicenter of cryptocurrency. Miami has long been known as the gateway to the Latin American market — a market to the south that houses a half a billion people who do not have access to credit and a fully functional banking system. Enter cryptocurrency, enter Amazon?

Indianapolis is another smart and timely choice. The recent decision of software giant Infosys of India to invest heavily in Indianapolis is a significant high-tech endorsement for the city as well as Indy's very attractive submarkets like Carmel, Fishers and Noblesville.

The **Raleigh/Research Triangle** area houses a highly technical workforce strong in sectors like pharma, IT and financial services. Citrix and Red Hat also call **Raleigh** home, and they are investing heavily in a \$1.1-billion transformation of the city's downtown business district. Major office employers such as MetLife and Deutsche Bank have grown here with great success over the past couple of years.

Atlanta: While Amazon is expanding into a number of industries, *logistics* is its bread and butter, and Atlanta has established itself as a global center of logistics. Home of UPS and the world's busiest airport (for the 20th consecutive year in 2017), Atlanta also houses more than 12,300 logistics providers that employ over 150,000 people. Amazon already employs 300 tech workers in Atlanta and is expanding rapidly in the market. The airport is a real key here, as it is in Dallas.

Philadelphia enjoys great connectivity to both the New York and Washington, D.C., markets and has put together some compelling sites for the Amazon HQ2 like University City and the old Philadelphia Naval Yard. Drexel University President John Fry, who also serves as the Chairmen of the Board of the Philadelphia Chamber of Commerce, is a strong advocate for Philadelphia's tech sector. I have noticed over the years that a common denominator among successful cities is to have a proactive university president — like a Michael Crow at Arizona State University in Phoenix, a John Kelly at Florida Atlantic University in Palm Beach, Florida or a John Fry at Drexel.

