



# Chicago can land Amazon's second HQ, but it won't be easy, experts say

Ryan Ori and Lauren Zumbach, September 8, 2017

North American mayors, governors and economic developers are sure to be working overtime in the coming months, following Amazon's announcement that it is seeking a second headquarters city where it can create 50,000 new jobs.

Chicago's Rahm Emanuel confirmed he's among those mayors already making his case to Amazon CEO Jeff Bezos to bring the transformational deal to the Midwest's unofficial capital.

It's likely to be one of the most hotly contested headquarters competitions in decades. The e-commerce giant's mere announcement on Thursday has sent hearts aflutter among politicians, urbanists, real estate brokers and developers — and, yes, journalists.

So, is Chicago a legitimate contender?

Yes, for sure, according to a sampling of experts. But they emphasize that Chicago will face plenty of able competitors, and the city and state will need to overcome hurdles, including some of their own making.

Here, the experts handicap the competition:

**John H. Boyd**, principal of The Boyd Co., a Princeton, N.J.-based corporate site selection consultancy

**Short list:** Chicago; Washington, D.C.; Austin, Texas; Dallas; Atlanta; Boston

- "Companies don't like to be pioneers, and there's a strong precedent for successful head office moves to Chicago."
- "Amazon is gaining a presence in other industries that are highly regulated by the government. ... The notion of access to K Street lobbying interests (in D.C.) would be something that would be considered."

- "Atlanta has a very positive business climate, with low operating costs for a market of its size. A head office in Atlanta would be anywhere from 20-25 percent less expensive than Seattle, and there's a robust incentive program."
- "Boston went through this attracting the GE headquarters about a year ago, so they have their game plan together, along with the intellectual capital at the universities."

**Richard Florida**, professor and director of cities at University of Toronto's Rotman School of Management's Martin Prosperity Institute; co-founder and editor-at-large of The Atlantic's CityLab; author of several books including "The Rise of the Creative Class"

**Short list:** Washington, D.C.; Toronto; Chicago; Denver; Philadelphia

- "The biggest predictor of headquarters location is where the CEO has a house. Bezos bought a \$23 million one in D.C., and he also owns The Washington Post."
- "They want urbanity, as well as a good airport."



*Where will Amazon put its second headquarters? These cities might have a shot.*

**Mark Sweeney**, senior principal with Greenville, S.C.-based site selection and economic development consultancy McCallum Sweeney Consulting

**Short list:** Atlanta, Chicago, Dallas, Boston, New York

- "(Atlanta, Chicago and Dallas) have some of the best air service east of the Rockies, and that's very important. International air service is also an indicator of an international business community, international population, and the ability to recruit from a global standpoint."

**Raymond Walker**, Atlanta-based executive vice president and national director of site selection services at commercial real estate brokerage Colliers International

**Short list:** Atlanta, Dallas, Houston, Phoenix

- "They will definitely be looking for a younger-type population, where people with technical backgrounds are entering the workforce from higher education."
- "A big issue is going to be the business climate and what the tax policies are, both at the municipal and state level. While Chicagoans may think they're a great location to land a project like this, their budget problems and tax issues would suggest they're not going to be as competitive as areas like Atlanta or Dallas. That doesn't mean they can't mitigate issues those with an incentives package, but they're inherently at a disadvantage."



*A three-domed building is under construction in April 2017 as part of Amazon's Seattle campus. The e-commerce giant said Sept. 7, 2017, that it will build another headquarters in North America to house as many as 50,000 employees, and cities are vying for the home – and jobs.*

**Steve Weitzner**, principal with Silverlode Consulting, a Cleveland-based site selection and economic development consulting firm

**Short list:** Chicago, Denver, Atlanta, New York, Toronto

- "(The millennial) generation is deciding where they want to live first, then where they want to work. Even Amazon isn't going to get people to move to a place that isn't on their radar."
- "They're going to get 50 proposals, so it will be important to do something memorable to make that impression where people around the table go, 'This is really something that's different.'"