



Commonwealth of Virginia
Office of Governor Ralph S. Northam

FOR IMMEDIATE RELEASE

Date: November 13, 2018

Office of the Governor

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**Governor Northam Announces Amazon Selects
Virginia for Major New Corporate Headquarters**

*~ Unprecedented state, local, and regional partnership lands project to
result in at least 25,000 high-paying jobs ~*

ARLINGTON—Governor Ralph Northam today announced that Amazon, Inc. will invest approximately \$2.5 billion to establish a major new headquarters in Virginia that will create more than 25,000 high-paying jobs over 12 years. The headquarters will be housed in a collection of new and renovated buildings located in National Landing, which includes portions of Pentagon City and Crystal City in Arlington County, Virginia and Potomac Yard in the City of Alexandria, Virginia. Amazon's initial growth is expected to be focused in the Crystal City and Pentagon City portions of National Landing.

Virginia successfully secured the project through an unprecedented state, local, and regional partnership after a 14-month competitive site selection process during which Amazon received 238 proposals from communities across North America. The economic benefits of the Amazon project will be shared throughout the Commonwealth and are expected to result in more than \$3.2 billion in new state general fund revenues over the 20-year incentive term with Amazon,

after accounting for direct company incentives. In addition to the 25,000 direct jobs Amazon will create, the Commonwealth estimates the creation of more than 22,000 permanent, direct, and indirect jobs in Virginia.

“This is a big win for Virginia—I’m proud Amazon recognizes the tremendous assets the Commonwealth has to offer and plans to deepen its roots here,” **said Governor Northam**. “Virginia put together a proposal for Amazon that we believe represents a new model of economic development for the 21st century, and I’m excited to say that our innovative approach was successful. The majority of Virginia’s partnership proposal consists of investments in our education and transportation infrastructure that will bolster the features that make Virginia so attractive: a strong and talented workforce, a stable and competitive business climate, and a world-class higher education system.”

“We are looking forward to joining the community and are excited to be creating high-paying jobs in Arlington,” **said Holly Sullivan, Amazon Director of WW Economic Development**. “We believe that northern Virginia is a great place for our teams to keep inventing on behalf of our customers.”

“Amazon’s selection of the Commonwealth for a major new headquarters is the result of tremendous state and local partnership, many years of fiscally responsible investments by our General Assembly, and collaboration with Virginia’s neighbors in Washington, D.C. and Maryland,” **said Secretary of Commerce and Trade Brian Ball**. “This project will spur economic growth, diversify our economy, and help us grow and retain our much sought-after tech talent.”

The Virginia Economic Development Partnership (VEDP) collaborated with Arlington County, the City of Alexandria, the General Assembly’s Major Employment and Investment (MEI) Project Approval Commission, and hundreds of other local, regional, and state partners to secure the project for Virginia. Northern Virginia’s proposal included four sites in the City of Alexandria, Arlington County, Fairfax County, and Loudoun County. National Landing, the winning location, was proposed as a joint partnership between the City of Alexandria and Arlington County.

“I’m grateful to Governor Northam and his cabinet, the General Assembly’s MEI Commission and their staff, Virginia’s university leaders, our amazing local partners, our talented colleagues at VEDP, and many other Virginians for all they have done to make this possible,” **said VEDP President and CEO Stephen Moret**. “Virginia’s biggest employment growth opportunity in the years ahead will be in tech—from artificial intelligence to cloud computing to cybersecurity, and everything in between. The tech-talent pipeline investments that Governor Northam and the General Assembly are launching will position communities across the Commonwealth for healthier, more diversified economic growth.”

The foundation of the cooperative pitch for Amazon’s headquarters is a statewide investment program to double the annual number of graduates with bachelor’s and master’s degrees in computer science and closely-related fields, ultimately yielding 25,000 to 35,000 additional graduates over the next two decades in excess of current levels. The Commonwealth of Virginia,

Arlington County, and the City of Alexandria have also committed funding for transportation investments to support mobility in the region. In addition to investments that will broadly benefit Virginians, the Commonwealth offered post-performance incentives that will be paid only after the company has produced new, qualifying jobs, resulting in net positive state revenue on day one.

As part of the Commonwealth's long-term incentive agreement with Amazon for the creation of at least 25,000 jobs, Virginia will:

- Provide post-performance incentives to Amazon that will be paid annually based on job creation and wage levels, with minimum average wages of at least \$150,000. Subject to General Assembly approval, the company will be eligible to receive up to \$22,000 per job or up to \$550 million in incentives. Additional incentives would be available if Amazon creates more than 25,000 jobs; and
- Invest up to \$195 million of non-general fund money in transportation projects that will improve mobility in the region, including additional entrances to the Metro stations at Crystal City and Potomac Yard, improvements to Route 1, a connector bridge from Crystal City to Washington National Airport, and a transitway expansion supporting Pentagon City, Crystal City, and Potomac Yard. Additional funding would be available if Amazon creates more than 25,000 jobs.

To support the growth of the technology sector across the Commonwealth, Virginia will:

- Make performance-based investments in bachelor's degree programs in computer science and related fields that will be distributed statewide based upon a negotiated agreement with each public university or community college that wishes to participate;
- Make performance-based investments of up to \$375 million over 20 years for new master's degree programs in computer science and related fields at George Mason's Arlington campus and for Virginia Tech to establish a new Innovation Campus in Alexandria, both of which are subject to a one-to-one match from the universities with philanthropic funds; and
- Invest \$50 million over 20 years in K-12 tech education and internship programming to connect higher ed students to tech jobs.

“Winning Amazon’s major new headquarters is a significant accomplishment for Virginia and its technology sector,” **said Senator Frank Ruff, current Chairman of the MEI Commission.**

“The investments this project will bring to Virginia’s education system to strengthen our tech-talent pipeline will position the tech sector across the Commonwealth for growth. I look forward to working with Amazon, Governor Northam, my colleagues in the General Assembly, and our local partners on this transformational project.”

“I am pleased Amazon has chosen Virginia for a major headquarters,” **said Delegate Chris Jones, Chairman of the Virginia House of Delegates Appropriations Committee.** “Strategic

investments made in recent years to position Virginia as a business-friendly state have produced excellent results, and we look forward to investing further in our higher education system to catalyze growth in the tech sector. I am proud of the responsible agreement we negotiated for the Commonwealth, with incentives paid to the company only after new jobs are created that pay at least \$150,000 per year, plus benefits, and new revenues are received. I congratulate the many partners at the state, regional, and local level that worked together on this historic project, and I look forward to Amazon expanding its presence in the Commonwealth.”

In addition to the Commonwealth’s investments, Arlington County and the City of Alexandria plan to fund over \$570 million to date for transportation projects, including rail connections, transit facilities, multi-modal streets, and corridor connectivity serving the site. Arlington County and the City of Alexandria are also actively pursuing additional funding opportunities to advance investments in this corridor.

A review of available transportation services, facilities, and associated capacity indicate that the regional and local transit systems have significant unused capacity, even during peak travel periods. Amazon is expected to help fill that existing capacity, as they are a transit-focused employer, with most employees utilizing public transit, walking, biking, or carpooling each day.

Arlington County and the City of Alexandria have also committed to fund affordable housing, workforce housing, and public infrastructure, relying on revenues generated from Amazon’s new presence in their communities. Combined, the communities project annual investments of more than \$15 million over the next decade, resulting in the creation and preservation of 2,500 to 3,000 units in and around the Crystal City, Pentagon City, and Columbia Pike areas and through the City of Alexandria. In addition, the Virginia Housing Development Authority will work with Arlington County and the City of Alexandria, and will provide an additional \$15 million per year for affordable and workforce housing.

“We are proud that Amazon has selected National Landing for a major new headquarters. This is, above all, a validation of our community’s commitment to sustainability, transit-oriented development, affordable housing, and diversity,” **said Arlington County Board Chair Katie Cristol**. “The strength of our workforce coupled with our proximity to the nation’s capital makes us an attractive business location. But Arlington’s real strength is the decades of planning that have produced one of the most vibrant, civically engaged communities in the world. Those plans have paved the way for this investment, and we look forward to engaging the Arlington community about Amazon’s plans and how we can grow together.”

“We in Alexandria could not be more excited and proud about the announcement that Amazon will call National Landing home,” **said City of Alexandria Mayor Allison Silberberg**. “Throughout this process, we have worked with our colleagues in Arlington County to highlight the collective strengths of our communities—our workforce, education system, infrastructure, and unparalleled quality of life—all of which will be strengthened by this new investment from Amazon, the Commonwealth, and our localities. Alexandria is an exceptional place to live and work, and we welcome partners who are committed to our continued growth and prosperity. We are thrilled to be able to partner with Virginia Tech as they deliver a world-class innovation campus in the City’s portion of National Landing over the coming years.”

Amazon's new home at National Landing builds on the strength and history of an established community that has exciting growth potential, with over 12 million square feet of existing office space and more than 13,000 residential units. JBG SMITH controls over 8 million square feet of development within National Landing. Amazon intends to lease existing space and purchase land for development from JBG SMITH in Crystal City and Pentagon City in Arlington County, while the new Virginia Tech Innovation Campus is expected to be developed in the Alexandria portion of National Landing. Amazon's new headquarters and related investments are consistent with the adopted community growth plans for the National Landing area in both Arlington County and the City of Alexandria, which envision high-density, mixed-use, transit-oriented development.

"We are incredibly pleased to partner with Amazon on their new headquarters. Their selection of our region is a tremendous endorsement of the strength of the DC region and the promise of National Landing," **said JBG SMITH CEO, Matt Kelly.** "The announcement reflects a sustained and exhaustive effort by the JBG SMITH team and our partners in Arlington, Alexandria, and Virginia, whose collaborative approach were invaluable to producing this successful outcome. It validates our placemaking and repositioning strategy in National Landing and will accelerate our plans to revitalize the area in a dramatic way."

Amazon's existing presence in the Commonwealth is already substantial, including 8,500 full-time employees, and 28,000 small and medium-sized businesses that use the site as a platform for sales. Their operations in Virginia include six fulfillment and sort centers, three Prime Now hubs, six solar facilities, several large data centers, and the East Coast campus of Amazon Web Services. Since 2011, the company has invested over \$29 billion in Virginia, including cloud and customer fulfillment infrastructure as well as compensation to its teams.

For more information and the full text of Virginia's proposal to Amazon, click [HERE](#).

An announcement event will take place **TODAY, November 13, 2018 at 1:30 PM**. Media interested in attending must [RSVP HERE](#) by 11:30 AM. Credentialed media will receive a confirmation email with logistical details.

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