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Good Jobs First Statement on Amazon HQ2 Site Location Reports

Washington, DC—Good Jobs First, the watchdog group on economic development incentives, today released the following statement from executive director Greg LeRoy regarding news reports that Amazon.com, Inc. is close to choosing Long Island City in Queens, New York and Crystal City in Arlington, Virginia for its second and third headquarters locations:

“As we documented in [a study last April](#), the Crystal City and Long Island City subsidy offers are among the many HQ2 bids that remain completely hidden. Citizens have no idea what their elected officials have promised to a company headed by the richest person on earth.

“We don’t know what special new subsidies have been promised that will require state or local enactments. We don’t know if gentrification buffers—especially affordable housing—are included. We don’t know if clawbacks or other safeguards are included. We don’t know the cost per job. But we do know that both deals were negotiated in secret, without any public input. We also know that past U.S. “megadeals” have cost [an average of \\$658,000 per job](#). At that price, taxpayers can never come close to breaking even. Such deals convey a massive transfer of wealth from taxpayers to shareholders.

“Even at half the projected HQ2 size, each of these projects will induce enormous growth and about four-fifths of the job takers will predictably not be current residents. That means more classrooms, more teachers, more transportation infrastructure and service, and more public safety costs. If Amazon gets tax breaks and doesn’t pay the full costs of this induced growth, existing residents and small business owners will get stuck with higher taxes and more-stressed public services.

“Gov. Cuomo and Gov. Northam should immediately fully disclose their first- and second-round incentive packages and schedule multiple town halls in the project footprints for local citizens to debate them.

“In the coming days, if these reports prove out, diverse coalitions in New York City and Northern Virginia will mobilize. They telegraphed their demands for

community benefits shortly after Amazon launched the HQ2 auction at <https://ourhq2wishlist.org/>.”

All of Good Jobs First’s Amazon resources are visible at <https://www.goodjobsfirst.org/amazon> .

Editor’s note: Good Jobs First, founded 20 years ago, is a non-profit, non-partisan research group on economic development subsidies. Home to Subsidy Tracker and Subsidy Tracker 2, Good Jobs First has been honored as the leading voice for Governmental Accounting Standards Board (GASB) Statement 77 on Tax Abatement Disclosures, the first government accounting rule on revenue lost to corporate tax breaks.