

## *The Economic and Fiscal Impact of Amazon's HQ2 on Arlington County and the Commonwealth of Virginia*

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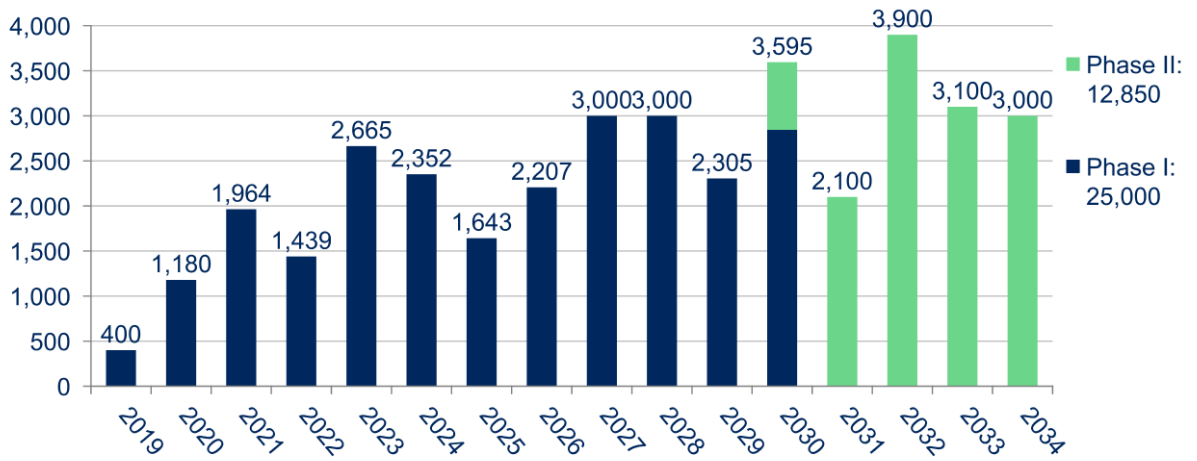
## The Dimensions of Amazon's HQ2

	<u>@ 25,000 Jobs</u>	<u>@ 37,850 Jobs</u>
Office Space	4 million sf	6 million sf
Construction \$*	\$2.74 billion	\$4.1 billion
Payroll	\$3.75 billion	\$5.7 billion

Sources: VEDP, The Stephen S. Fuller Institute at the Schar School, GMU \*includes soft, hard, site and tenant improvements in average current year \$s



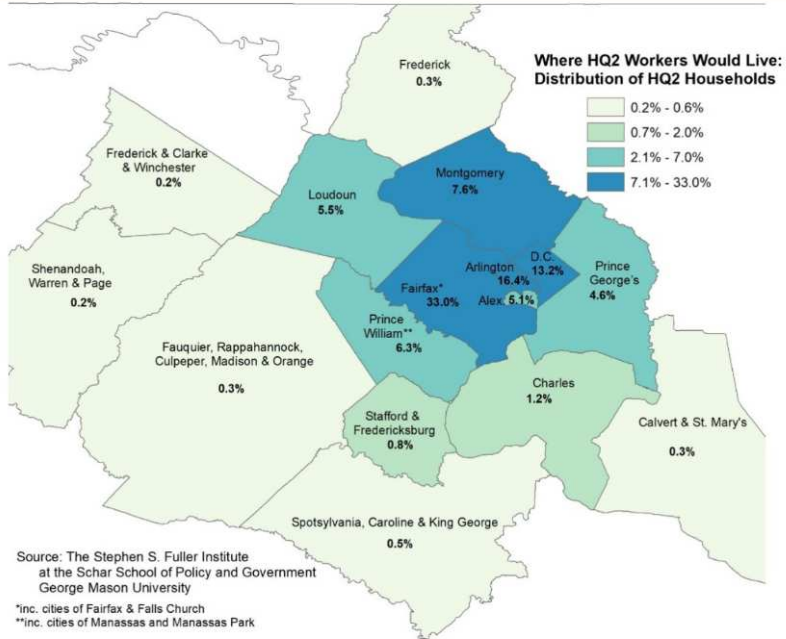
## HQ2 Employment Schedule

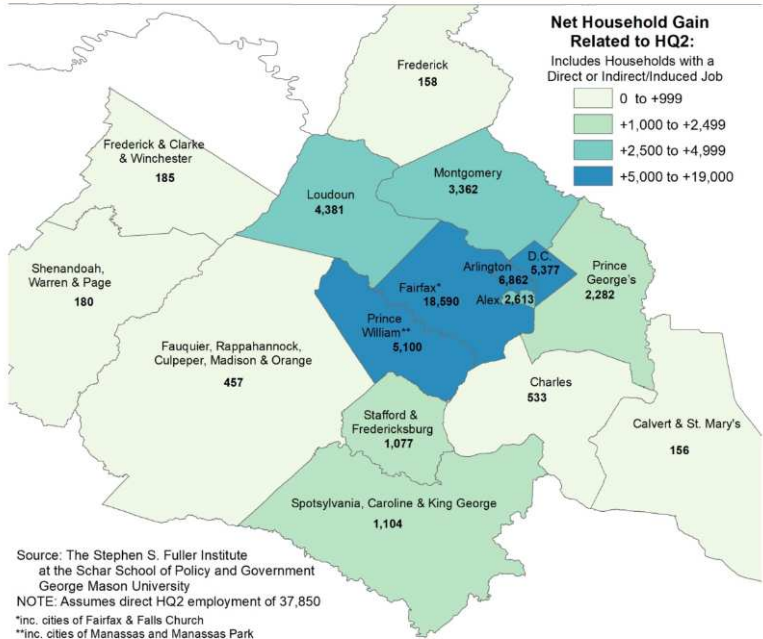


Sources: Commonwealth of Virginia MOU; The Stephen S. Fuller Institute at the Schar School, GMU



# Where Will Amazon's HQ2 Workforce Live?





## Amazon-Related Household at Full Build-Out Assumes 37,850 HQ2 jobs

	Household w/ an HQ2 Job	Households w/ a Job Supported by HQ2 Spending (1)	Total
Arlington County, VA	6,097	766	6,862
Rest of Northern Virginia	19,219	14,104	33,323
Rest of Virginia	642	14,967	15,609
D.C.	4,909	469	5,377
Maryland	6,047	1,515	7,562
Elsewhere	363	508	871
<b>Total (2)</b>	<b>37,276</b>	<b>32,328</b>	<b>69,604</b>

Source: The Stephen S. Fuller Institute at the Schar School, GMU

(1) Includes payroll and operations expenditures

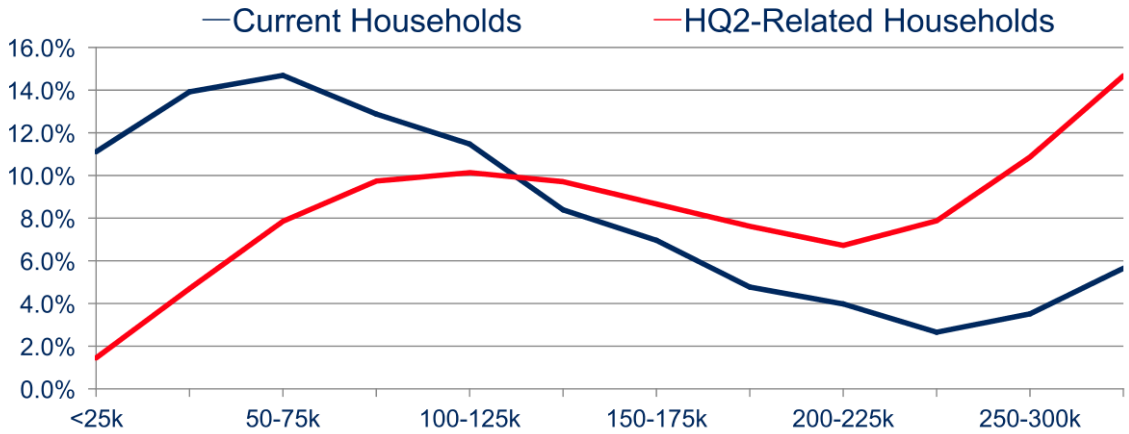
(2) A small share of the workers holding HQ2-related jobs are anticipated to cohabitate either with another HQ2-related worker or become part of an existing household. Therefore, the number of households is projected to be fewer than the number of jobs. Only the indirect and induced jobs located in the Commonwealth were analyzed.



# The Impacts of Amazon's HQ2 on the Housing Market



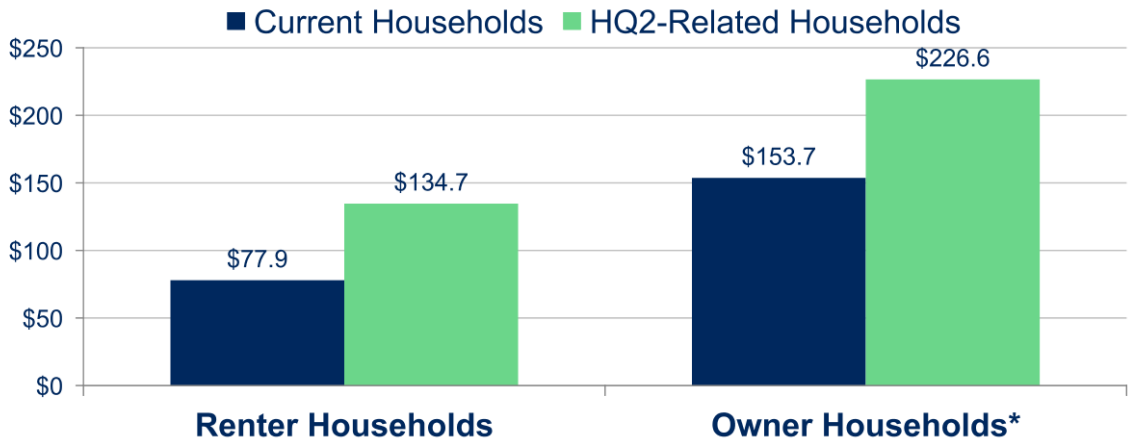
# Distribution of Households by Household Income Washington Region



Sources: U.S. Census Bureau (2014-2016 ACS Microdata); The Stephen S. Fuller Institute at the Schar School, GMU  
NOTE: in 2016 \$s



## Average Household Income by Tenure (in thousands of 2016 \$s)



Sources: U.S. Census Bureau (2016 ACS Microdata); The Stephen S. Fuller Institute at the Schar School, GMU  
\*Current owners who moved within the past year.



## Amazon-Related Owners in Select Jurisdictions

Assumes 37,850 HQ2 jobs, includes indirect & induced effects

	Owners at Full Build-Out	Closed Sales in 2017
Virginia		
Arlington County	2,071	3,030
Alexandria City	1,085	2,580
Fairfax County*	13,698	16,300
Prince William County**	4,013	8,330
Loudoun County	3,665	6,630
D.C.	2,410	8,900
Maryland		
Montgomery County	2,737	12,430
Prince George's County	1,886	10,230

Sources: RealEstate Business Intelligence, LLC; The Stephen S. Fuller Institute at the Schar School, GMU  
 \*Includes the cities of Fairfax and Falls Church \*\* Includes the cities of Manassas and Manassas Park



## Amazon-Related Renters in Select Jurisdictions

Assumes 37,850 HQ2 jobs, includes indirect & induced effects

	Renters at Full Build-Out	Renters in 2016	Total % Increase from 2016
Virginia			
Arlington County	4,792	57,133	8.4%
Alexandria City	1,528	41,808	3.7%
Fairfax County*	4,893	134,425	3.6%
Prince William County**	1,087	49,891	2.2%
Loudoun County	716	25,552	2.8%
D.C.	2,968	169,875	1.7%
Maryland			
Montgomery County	625	132,098	0.5%
Prince George's County	396	121,333	0.3%

\*Includes the cities of Fairfax and Falls Church

\*\* Includes the cities of Manassas and Manassas Park

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# The Economic Impacts of Amazon's HQ2

## The Economic Impacts of Amazon's HQ2: Construction Outlays

	<u>Arlington County</u>	<u>Commonwealth of VA</u>
<u>Construction \$s</u>		
Direct Outlays	\$2.7 - \$4.1 billion	\$2.7 - \$4.1 billion
Total Output*	\$3.2 - \$4.8 billion	\$5.3 - \$8.0 billion
Personal Income	\$260 - \$390 m	\$1.7 - \$2.5 billion
Jobs Supported	2,500-3,800	25,000-37,600

Sources: VEDP, The Stephen S. Fuller Institute at the Schar School, GMU \*reflect County and VA multipliers of 1.183 and 1.952 respectively



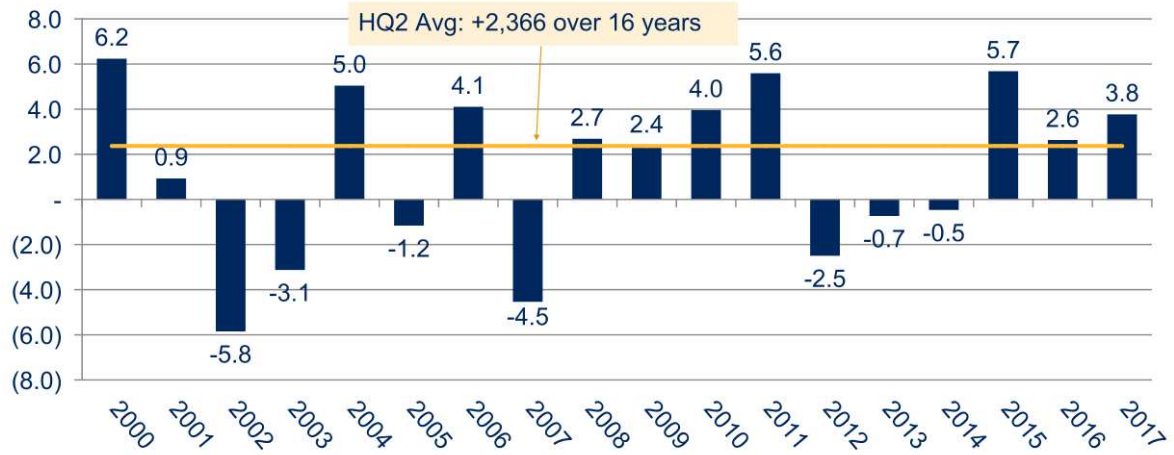
## The Economic Impacts of Amazon's HQ2: Post-Construction Outlays

	<u>Arlington County</u>	<u>Commonwealth of VA</u>
<u>Post-Construction \$s</u>		
Direct Outlays	\$1.3 – \$2.0 b	\$2.5 - \$3.8 billion
Total Output*	\$1.7 – \$2.5 b	\$4.9 – 7.3 billion
Personal Income	\$124 - \$186 m	\$1.5 - \$2.3 billion
Jobs Supported	1,150 – 1,735	22,160 – 33,240

Sources: VEDP, The Stephen S. Fuller Institute at the Schar School, GMU \*reflects Arlington and VA multipliers of 1.1.273 and 1.935 respectively



## Job Change in Arlington County\* 2000 – 2017 (in thousands)

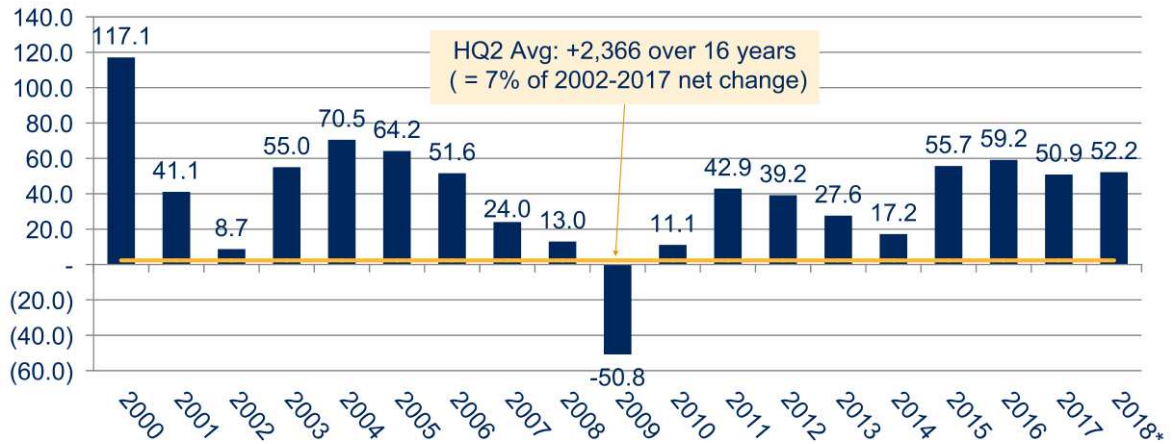


Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU  
\*Excludes military jobs





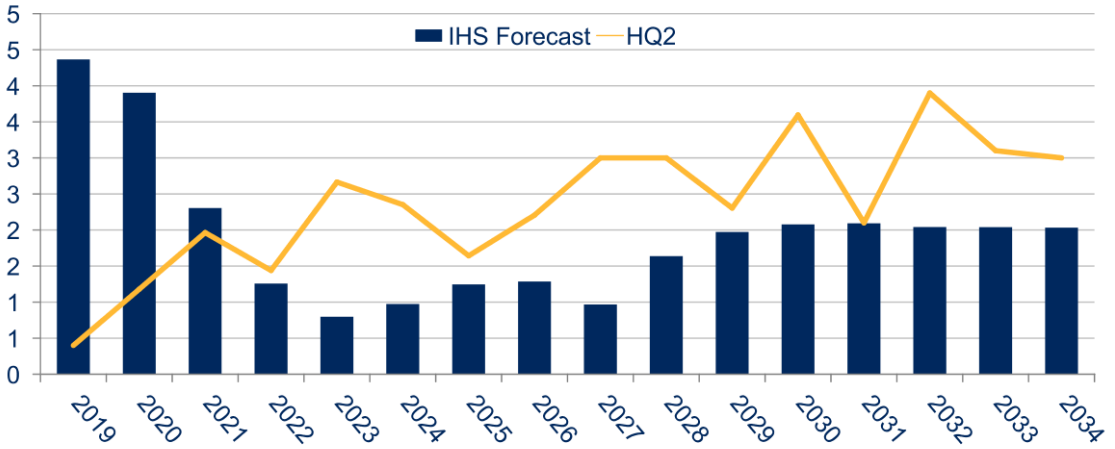
## Job Change in the Washington Region 2000 – 2018 (in thousands)



Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU  
\*First ten months



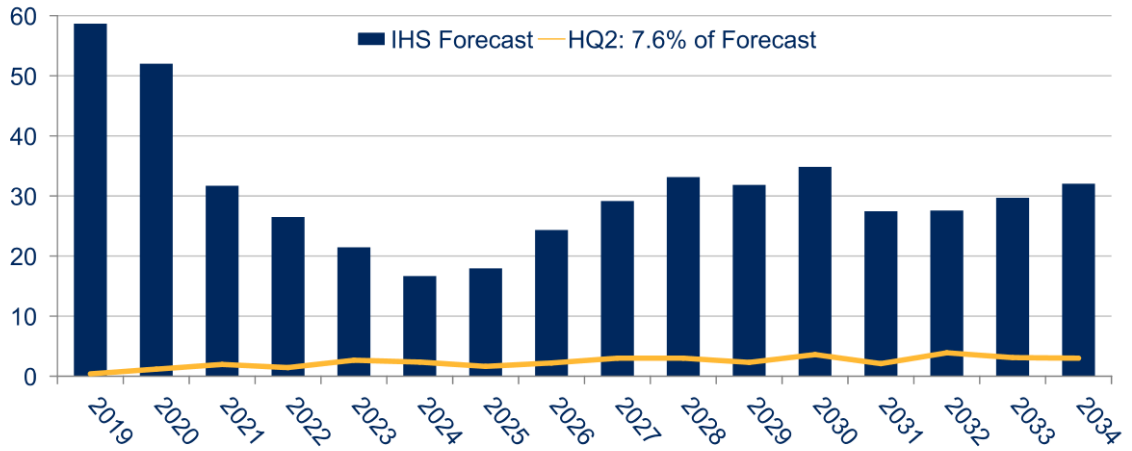
# Job Growth: National Forecast Comparison Arlington County



Sources: Commonwealth of Virginia MOU; IHS Markit; The Stephen S. Fuller Institute at the Schar School, GMU



# Job Growth: National Forecast Comparison Washington Region



Sources: Commonwealth of Virginia MOU; IHS Markit; The Stephen S. Fuller Institute at the Schar School, GMU



# The Fiscal Impacts of Amazon's HQ2

## The Net Annual Fiscal Benefits of Amazon's HQ2 (in 2017 dollars)

	<u>@ 25,000 Jobs</u>	<u>@ 37,850 Jobs</u>
Arlington County	\$26.4 million	\$39.6 million
Commonwealth of Virginia*	\$162 million	\$243 million

Sources: VEDP, The Stephen S. Fuller Institute at the Schar School, GMU  
\*individual income and sales and use taxes = 81.3% of total state revenues.



# Thank You & Questions

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