

Amazon seeks first incentive funds from Virginia HQ2 project

April 20 2023, by Matthew Barakat



This artist rendering provided by Amazon shows the next phase of the company's

headquarters redevelopment to be built in Arlington, Va. Amazon is asking Virginia for nearly \$153 million in state incentive payments, which would be the first tranche of funds to be paid out since the tech giant agreed in 2018 to build a headquarters complex in the state. Credit: NBBJ/Amazon via AP

Amazon is asking Virginia for nearly \$153 million in state incentive payments, which would be the first tranche of funds to be paid out since the tech giant agreed in 2018 to build a headquarters complex in the state.

The application comes even as Amazon has paused work on what will be the centerpiece of its corporate campus—its Pen Place development project, which will feature a 350-foot, helix-shaped tower.

The [grant application](#)—submitted by Amazon on March 31 and released Wednesday by Virginia economic development officials—seeks \$152.7 million. That's in line with the incentive deal Virginia used to lure Amazon to build a second headquarters to complement its original Seattle location.

Under the deal, Amazon is expected to bring 25,000 [jobs](#) to Arlington County, Virginia—across the Potomac River from the nation's capital—by 2038. Amazon receives a \$22,000 grant for each job.

In its application, Amazon said it has created 6,939 jobs that are eligible for the incentive grant as of the end of 2022. The company also certified that the jobs have an average annual salary exceeding \$157,000, which is also a requirement of the incentive package.

Despite the pause in work that Amazon announced last month, Amazon is ahead of the pace it outlined when the deal was first announced, which

initially anticipated that roughly 5,000 workers would be employed at the new headquarters at this point.

In previous public statements, Amazon said it has more than 8,000 jobs associated with the HQ2 project. In the application, Amazon said the difference is attributable to employees assigned to HQ2 who either live outside the region or have not yet moved to Virginia.

The application states that Amazon's confidence is "high" that it will meet the requirement of bringing at least 25,000 jobs to the project by 2038.

"As we've always said, HQ2 is a multi-year, long-term investment and our long-term intention and commitment remains unchanged, including our plan to bring 25,000 jobs to HQ2," the [company](#) said in its application.

State economic development officials are reviewing the application. If approved, the money would not actually be paid until at least July 2026 under the terms of the agreement.

The application says the project has also so far included a \$600 million [capital investment](#) that has supported more than 9,000 construction jobs.

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