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## **Is Washington, D.C. Prepared for the Amazon HQ2 'Prosperity Bomb'?**

The biggest news in economic development in the past year has been the bidding war among cities and counties in response to Amazon's announcement that it is seeking a location for a second headquarters (dubbed HQ2) which would employ up to 50,000 workers with an average annual compensation over \$100,000. The company received more than 200 bids, and in January announced a short list of 20 finalists, including Washington D.C. and two areas in suburban Maryland and Northern Virginia.

As the countdown to a final decision continues, it's worth thinking about the impact—both positive and negative—if Amazon were to select the District proper, which is enjoying a renaissance that nonetheless leaves some residents and neighborhoods behind. A newspaper columnist in Seattle, the home of HQ1, coined the term “prosperity bomb” when reflecting on the upsides and downsides of the company's presence.

Washington, D.C. is a city with significant assets, enough to make us a serious contender for Amazon: an educated workforce, good schools (if you can afford to buy a house in the right neighborhood or know how navigate the system), renowned colleges and universities, and extensive public transportation and walkable communities. The addition of up to 50,000 new jobs, most of them high-paying, would further strengthen and diversify the city's economy, which has long relied on federal employment and associated industries.

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### **The Brookings Institute**

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