



Is This For Everyone?

Qs About Amazon's HQ2

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Qs About HQ2

“If it’s not for everyone, it’s not for us,” the City of Pittsburgh Mayor Bill Peduto often proclaims. Over the last couple of years, he, other elected officials, several large foundations, and others have declared their commitment to building a Pittsburgh for all of its residents. UrbanKind Institute wants this, too.

Over the last ten or so years, most of the economic development push has centered on the “creative economy” and the “creative class.” Championed by Richard Florida (former Carnegie University Mellon professor and friend of Mayor Peduto), the “creative class” – technology workers, scientists, researchers, computer engineers, media workers, artists, and other knowledge-based workers – were the key to cities’ post-industrial economic growth. He argued that by promoting policies and investment supportive of the “creative class,” their industries, and the lifestyle they prefer (for example, exciting, open, tolerant, diverse, bike and pedestrian-friendly neighborhoods), cities could lure new “creatives” to the city and stimulate growth. That growth would come from new inventions, new products, and spin-off companies, which would lead to even further growth.¹ Indeed, in Pittsburgh recently, universities have spun off start-ups offering new products. Start-ups, like NoWait, were bought up by larger tech companies with offices elsewhere. Other existing tech companies opened offices in the city bringing highly-skilled knowledge-based workers with them. To many, the “creative economy” and the “creative class” have successfully stimulated growth and transformed the city.

It is no wonder, then, that the City of Pittsburgh, Allegheny County, and others have leaped at the possibility to have Amazon locate its second headquarters (HQ2) in the area. Amazon announced in early September that it was looking to build a new headquarters – to be on even standing with its current Seattle headquarters – somewhere in North America. This second headquarters will potentially house 50,000 mostly high-skilled jobs with an average income of \$100,000 and occupy 8 million square feet of office space by 2027. Since that announcement, cities and regions all over North America have been bending over backwards to get Amazon’s attention.

So great is the opportunity to land 50,000 high-paying jobs, a building construction boom, and all of the other potential benefits, the city and county have formed a twenty-person team to work full-time on the region’s proposal, which will cost approximately \$500,000. The City’s Urban Redevelopment Authority has already approved contributing \$50,000 to that sum. Additional money is anticipated from the private sector.² Even the Post-Gazette’s editorial board is on board, urging “Pittsburgh” to “give the challenge [of luring Amazon] all that it can.”³

But before we get too excited about the prospect of jobs, jobs, and more jobs, it is important to consider what the “creative class” has created – or at least been party to. As Richard Florida has observed in his recent book *The New Urban Crisis*, cities have become more economically segregated over the last few decades.⁴ They have become so despite the “rising tides lifts all boats” promise of “creative class”-centered urban policy. In Pittsburgh, the

“creative” education-medicine-technology sector has expanded substantially over the last decade or so, but economic and racial segregation have persisted, if not worsened. Entire neighborhoods and the communities within them have been transformed. This transformation has happened most notably in Lawrenceville and in East Liberty, where low-wealth, long-term, predominantly African American residents have been forcibly displaced and had their culture erased (or appropriated). Indeed, the recent calls for more just and inclusive development and transformation – Heinz Endowment’s “Just Pittsburgh,” Pittsburgh Foundation’s “100% Pittsburgh,” the Mayor’s “If it’s not for everybody” – are largely a reaction to the uneven outcomes of the recent high-skilled technology growth in the city.

Given the experience of many displaced former residents of the city, we need to think critically about what HQ2 would mean for the city and region. We need to think critically about what it would mean for the long-term and low-wealth residents who have weathered decades of decline and marginalization. The mayor, county executive, and their 20-person team are undoubtedly concerned about these issues as well: They have privately invited others from around the city to contribute to their conversation. In this piece, we ask the question, “Is Amazon HQ2 *really* for everybody?” Drawing from stories from Seattle, investigations, and other commentary, we think through what an influx of 50,000 tech workers making \$100,000 on average could mean for current residents of our city and region.

Stories from Seattle

Once known for its aerospace industry, Seattle has become increasingly associated with the tech industry over the last twenty years. Home to Microsoft and other tech companies, Seattle, King County, and the region have transformed during the last two decades. What changes there were in the first main decade of this tech growth may seem minimal compared to the rapid changes brought on by the growth of Amazon over the last decade. The company has grown from around 35,000 total employees worldwide in 2010 to around 380,000 today.⁵ In Seattle alone, the number of Amazon employees has grown from 5,000 in 2010 to around 40,000 employees today.⁶ Amazon currently takes up 19% of Seattle’s prime office space with plans for more.⁷ This large workforce and large footprint lead some now to see Seattle as Amazon’s “company town.”⁸

The large increase in high-income employees in a relatively short period of time has had a tremendous impact on the city and region. According to data from the Washington State Office of Finance and Management, since 2010, Seattle has added approximately 100,000 new residents. The metro area has added around 360,000.⁹ On the one hand, the growth of Amazon has led to a massive construction boom. Multiple office buildings are going up across Amazon’s multiple campuses. Market-rate apartment buildings are going up in and around the downtown core. Restaurants, bars, and other amenities follow. Property values are increasing. New tech companies have appeared, and established ones, like Facebook, have opened offices in the city to take part in Seattle’s “creative” tech economy.¹⁰ In these ways, Amazon’s rapid growth is a

dream come true to political officials, banks, developers, construction companies, and many long-time homeowners. This is what some see as the bright side of “creative class”-centered urban development.

The other side has not been as rosy. Large-scale changes to the built environment have transformed the city. Tech writer Kurt Schlosser observes, “Every new neighborhood in the city seems to be feeling the effects, bulldozing toward growth and prosperity, changing the look and feel of the place in an instant.”¹¹ These changes are not apolitical, socially neutral, or disconnected from *who* is filling these new tech jobs. As *Boston Globe* reporter Nestor Ramos notes, “An influx of young, well-paid, mostly male tech workers has turned gritty but beloved neighborhoods into constellations of new condos and cookie-cutter cool restaurants.”¹² Such transformations are already underway here in Pittsburgh – think Lawrenceville – though perhaps to a more limited extent. But with these changes to neighborhoods and the built environment come changes to the social fabric of the city as well. During this past decade of rapid Amazon-led growth in Seattle, housing costs have increased; homelessness has increased; income inequality as increased; and public transit projects lag behind population growth.¹³ Clearly, not everyone in Seattle has benefitted.

These outcomes paint a worrying picture of the challenges that Pittsburgh and its residents may face if tens of thousands of highly-paid workers move to town over a short period of time. Seattle’s experience suggests that some in Pittsburgh may be worse off or left behind in a variety of ways. To get a better sense of what might happen here and who might be

affected, we look a little more closely at three *areas: gender and diversity, housing, and transportation.*

Race, Gender, Ethnicity

When asking whether HQ2 is for everyone, we need to think about who is going to be filling the potential 50,000 second headquarters jobs. This requires taking a closer look at the tech industry and Amazon itself. The tech industry has a long reputation for its gender and racial inequities, and recent data has shown those inequities to be true.¹⁴ As one report puts it, even though the country is becoming more diverse, the U.S. tech community is “monochromatic, a bastion of white, male privilege.”¹⁵

Amazon is no exception. On its website, the company touts its commitment to pay equity across (binary) genders and across races. It states that in 2016, women earned 99.7 cents for every dollar men earned in the same positions, and that “minorities” earned 99.7 cents for every dollar that white employees earned in the same positions.¹⁶ At the same time, however, the website also indicates that 75% of the managers throughout its company across the world are men and 66% of the managers are white (though it is not clear which positions are included under “manager”).¹⁷ This suggests two things: First, even though income between men and women in the same job positions may be equitable, there is a large disparity between the job positions that men and women occupy. Second, even though income between different races/ethnicities in the same job positions may be equitable, there is a large disparity between the job positions that different races/ethnicities occupy.

Amazon's equal opportunity filing for July 2016 reveals more about the disparities and how they intersect. In the report, the company does not break the employees by location (or specific job title), so it's not clear which positions would be coming as part of the potential 50,000 HQ2 jobs. Since they are high-paying corporate headquarters jobs, however, it is fair to suppose that the potential positions are some combination of the top three position levels listed and the administrators. Table 1 shows the gender breakdown for these position levels, and Tables 2-5 show the racial/ethnic breakdown. As is clear, there is a large disparity in the gender and race/ethnicity breakdowns in each of the four categories listed (*Note: Race/ethnicity labels used in source*). The top position levels – likely the highest paid – are overwhelmingly male dominated and overwhelmingly white. Of the 105 “Executive/Sr. Managers & Officials”, six are Asian (three women, three men) and one is Hispanic (man). Of the remaining 98, 20 are white women. The rest are white men.¹⁸ This data echoes a 2014 leak suggesting a reluctance on the part of Amazon's all-male senior team to employ women.¹⁹ Of the ten position levels listed on the full report, women outnumbered men only in “Administrative Support” – and by a large margin. The only category in which there was approximate parity was in “Laborers & Helpers” (53% male to 47% female), a category likely referring to Amazon's warehouse workforce.²⁰

At the same time, racial/ethnic diversity decreases the farther up one goes through these top position levels (Tables 2-5). Asian women and men are the second largest race/ethnicity represented in the top three position levels for each gender, making up 32.5% of the women and 33.7% of the men in those levels, respectively. The

percentages for Hispanic or Latinx women and Hispanic or Latinx men for these top three positions levels are similar (3.8% and 3.9%). The same is true for black or African American women (4.9%) and black or African American men (3.0%). *Even though these percentages are similar, the men in each racial/ethnic category still far outnumber the women in these top three position levels.* For all races/ethnicities, there are between one-third and half as many women in these positions as men.²¹

If the ratios at Amazon HQ1 were an indication of what to expect at HQ2, we can project that of the potential 50,000 headquarters jobs that pay an average of \$100,000, the minority (31.4%) likely will be occupied by women. If Amazon includes new positions in the two top levels of the company as part of these 50,000 jobs, few women will occupy them and even fewer will be Asian, black or African American, Hispanic or Latina, mixed race, Alaskan or Hawaii native, or American Indian or Pacific Islander. This suggests that the influx of these 50,000 headquarters jobs would work to perpetuate structural occupational income and power disparities across gender and race/ethnicity.

This is already happening in Seattle. Expansion at Amazon headquarters over the last five or so years has correlated with an increase in Seattle's gender pay gap. According to U.S. Census data, from 2012 to 2013, individuals working full-time in the tech sector had a median income of \$91,000 – and the tech sector is 79% male. Across all sectors, the median income of men employed full-time increased \$7,000 (7%) to \$67,000. During the same one-year time span, the median income of women working full-time increased 1% to \$52,000. This amounted to a substantial *increase* in Seattle's gender pay gap: In

2012, women made 86 cents for every dollar earned by a man, but by 2013, women only made 78 cents for every dollar earned by a man.²² That gap has only slightly closed since then in King County.²³ The gap in King County is even worse when we break down those statistics by race/ethnicity (*Note: race/ethnicity labels used in source*). In 2017, Hispanic women and Latinas earn 47 cents for every dollar earned by a man; black and African American women earn 56 cents; and Asian/Pacific Islander women earn 73 cents.²⁴ Women, then, have not benefited from this tech growth to the same extent men have, and have been relatively worse off because of it.

Pittsburgh already faces a substantial pay equity gap worse than in Seattle. According to 2012 U.S. Census data, women in the Pittsburgh area working full time earn 73 cents for every dollar that men earn.²⁵ In 2016, women working full time for the City of Pittsburgh fared better, earning 83 cents for every dollar that men earned.²⁶ As is the case with Amazon and Seattle, the disparity in pay does not come primarily from women being paid less than men for the same work position. Rather, both in the Pittsburgh area and for the City of Pittsburgh, the disparity comes from women occupying more positions in industry sectors and government departments that are low-paying and men occupying more positions in industry sectors and government departments that are high-paying.²⁷ These 50,000 high-paying HQ2 jobs likely to be predominantly occupied by men represent a continuation – and perhaps entrenchment – of structural gender segregation in the Southwestern Pennsylvania workforce. On the whole, women may not financially benefit from this influx of high-paying jobs at the same rate men do. As the cost of living increases,

women may find themselves relatively worse off. What's more is that Pittsburgh already suffers from proportionally too few women and too few black/African American, Hispanic/Latina, and Asian/Asian American women in positions of power. Are these 50,000 high-paying jobs really for everyone, or mostly for men?

Housing

Such a large influx of new jobs – and new residents to the Pittsburgh area – would put strains on the local housing market, with different impacts for different people. Seattle is currently in the midst of a housing boom – or crisis, depending on where one stands on the economic ladder. As the population in Seattle has surged on the wave of tech employment growth, housing prices have increased, rental prices have increased, and homelessness has increased. None of them have increased in small measure. Housing and rental price increases may be good for banks, developers, speculators, and wealthy long-time property owners, but these increases clearly are not good for everyone.

Housing prices have increased dramatically in Seattle area in recent years. In June 2017, the *median* price of a house in Seattle was \$729,000. That number was an increase of 13.7% over June 2016.²⁸ In some wealthy Seattle neighborhoods, the median price neared one million dollars. In the least expensive part of Seattle and the cheaper areas of King County, housing prices increased 31% over last year.²⁹ Even areas beyond Seattle's King County are seeing the effects of growth in Seattle. As a June 2017 *Seattle Times* headline reads: "No escape for priced-out Seattleites: Home prices set record for an hour's drive in each

direction.”³⁰ In addition to the record home prices across the entire region, the increase in home prices has made it more and more difficult for lower-wealth individuals to purchase homes. It is worth noting that Seattle’s *household* median income is \$80,000 and the majority of tax-filing households earn *less* than \$50,000 per year.³¹ Making matters worse, purchasing a starter house has become difficult for many. Even at the less expensive end of the housing market, the price of starter homes (generally considered to be the cheapest third of homes) has *almost doubled* in the last *five* years, and the number of starter homes on the market has *decreased by half*.³² The limited supply of starter homes on the market works to drive up prices for those houses as potential home buyers bid up the price. Importantly, at the same time the price of these starter homes has increased at this rate, individuals’ incomes have not kept pace – meaning that there are even fewer individuals who can afford a starter home.³³ According to at least one broker, the overall housing price increase is not a bubble; rather, it is the result of continual increases population and a decline in the number of houses for sale.³⁴ Indeed, the demand and supply mismatch has become so great that a boarded-up, 1.5 story, *no* bedroom house on a 6400 square-ft. flat lot was put on the market the first week of October 2017 for \$595,000.³⁵

If that is what a small, boarded up house on a desirable lot goes for, one can imagine how the housing market is affecting the rental market. The inability to purchase a house – even a starter house – has forced many to remain renters.³⁶ Unsurprisingly, rents are rapidly on the rise. In March 2017, rents in Seattle increased 8.3% over March 2016 and 57% over 2011 to \$1749 per month. This increase since 2011 amounts to a \$635 per

month increase for rent.³⁷ Like with the housing prices, the largest rent increases were in outlying areas as residents were pushed out of other, more expensive areas in town.³⁸ These rent increases come in spite of 9,000 new rental units due to become available this year and 60,000 by the end of the decade. Again, prices here have not slowed because the job and population growth continue to be so great.³⁹ Unfortunately, most of the new apartments being built are built for individuals making Amazon headquarters-level salaries.⁴⁰

Those individuals not making those high salaries have to look elsewhere for housing. For workers not in the tech industry (and even some within), this means needing to find housing outside of Seattle and contending with a long commute.⁴¹ The displacement caused by increasing housing prices and by the demolishing of existing housing has led to shifting racial demographics across the city. Some neighborhoods that have been the homes to concentrations of Hispanic/Latinx, black/African American, and Asian/Asian American residents are becoming more diverse as more white/European-American individuals and families move in. At the same time, many Hispanic/Latinx, black/African American, and Asian/Asian American residents and other members of the working class have been pushed outside of Seattle, leading to increases in diversity in those neighborhoods – and longer commutes on an overburdened transportation system.⁴² As one can see, the rapid increase in population, jobs, and salaries plays out very unevenly in the rental market as well. Not everyone benefits in the same way.

And some lose out even more. Sadly, not everyone can keep up with the housing

and rental prices. Many in Seattle find themselves homeless, and the number is increasing. According to the *Boston Globe* article mentioned earlier, one homeless shelter, Mary's Place, has seen a dramatic rise in the number of people it serves – from 2,300 beds filled in 2010 to an expected 170,000 beds filled across eight facilities in 2017. Amazon, for its part, renovated one of those facilities, provides some leftover food from its AmazonGo service, and is building a permanent homeless shelter in one of its new buildings.⁴³ Still, that may not be enough for those pushed out of housing by rapid economic expansion at the top.

What does Seattle's experience have to teach us about whether everyone would benefit from rapid high-income job growth in Pittsburgh? It is essential to recognize that the historical and geographical contexts for Seattle and Pittsburgh are different, so what has happened in Seattle with Amazon's rapid expansion likely will not play out in the same way in Pittsburgh if Amazon were to construct its HQ2 here. For one, large technology companies, like Microsoft, had been a large part of the Seattle area's landscape for over a decade before Amazon started its fast expansion there. Also, the State of Washington does not levy income taxes and instead relies on sales tax. Despite such differences, the processes and patterns at work in Seattle are processes and patterns that are likely to appear in Pittsburgh.

Here, we already face an affordable housing crisis. "Affordability" is most often defined as paying 30% or less of one's household income on housing. In Pittsburgh, at all levels of household income up to and including the city's median household income (\$40,009 in 2014), there is a shortage of affordable

housing homeowner units and a shortage of affordable housing rental units.⁴⁴ Most of the apartments that have been constructed over the last several years or are slated to be constructed over the next several years are market-rate. Similarly to Seattle, as neighborhoods have changed, many lower-wealth residents have been forced to move to neighborhoods and towns with cheaper housing options.⁴⁵

If this is already the case here, what can we learn about whether everyone would benefit from this influx of high-paying jobs? First, it is pretty clear that the rapid increase of highly-paid tech workers has had a dramatic effect on housing and rental prices in Seattle. As incomes for workers outside of the tech industry have not kept pace with increases in housing and rental prices, many lower-wealth and lower-income individuals and families have faced greater burdens and challenges regarding their housing. Some have ended up paying higher rents; others ended up moving to less expensive, more distant areas. And others have ended up with no home at all. We can see, then, that those with less are the most at risk from an influx of highly-paid tech workers. It remains unclear how those already struggling to afford housing would benefit from the arrival of such workers.

Second, Seattle's experience suggests a correlation between the rapid influx of highly-paid tech workers and the rapid increase in property values. Thus, bringing 50,000 new workers making an average of \$100,000 to Pittsburgh would point toward a large increase in property values – likely concentrated in areas near the HQ site(s) and in neighborhoods with accessible public transportation. Given Pittsburgh's relatively lower house prices, the promise of these high-paying jobs would make for

prime conditions for property speculation as soon as the city were announced as the location for HQ2. These conditions present an opportunity for existing developers and other medium and high-wealth individuals to buy up as many properties as possible at a lower-cost in anticipation of the influx of jobs and money into the region and for banks to extend loans to profit off of this speculation. Although the conditions allow some to benefit, others individuals and families may not. Low-wealth individuals, individuals not familiar with home buying, individuals with poor credit scores, and individuals who are not plugged into pending changes in their neighborhood are at a distinct *disadvantage* in trying to take advantage of property values increasing. Many of these individuals have been historically excluded from building their wealth through housing, because of discriminatory and racist laws and policies.⁴⁶ What's potentially worse, many individuals and families who face these barriers live in neighborhoods immediately adjacent to the locations proposed for HQ2 – Hazelwood, the Hill District, Uptown, and Manchester. Unless there are protections in place for individuals and families facing property tax increases, utility cost increases, or rent increases, it remains unclear how many individuals and families would be safeguarded from property speculation and property value increases.

To be sure, many people and institutions would benefit from an influx of 50,000 highly paid individuals looking for housing. But everyone might not. One might argue that all of the wealth of these new workers would trickle down to other workers, likely in the service industries, who would benefit financially – and thus be able to afford housing cost increases. That is *not* what has happened in Seattle. Not

only might some not benefit, they might even be worse off.

Transportation

One of the requirements for sites in Amazon's HQ2 request for proposals is access to public transportation. Company CEO Jeff Bezos has explained that many of Amazon's headquarters employees value an urban campus and the lifestyle that goes along with it.⁴⁷ Public transportation is part of that lifestyle, and Amazon provides its Seattle headquarters employees with a monthly public transit pass.

Nonetheless, Seattle's rapid, tech-led population growth over the last decade has taxed the city's transportation infrastructure – both its roads and its public transit. Navigation and mapping company TomTom now ranks Seattle's traffic as fourth worst in the country (Pittsburgh's is 30th).⁴⁸ Even though 15% of Amazon's employees live within the same zip code as their office and over half do not use a car to get to work, Amazon recently launched a private commuter shuttle service for its employees who live in distant suburbs so that they will not have to deal with long traffic delays.⁴⁹ Public transit also faces problems. As one journalist lamented, "King County Metro, operating at a reduced capacity due to funding shortages, is seeing record ridership. The Seattle Bicycle Master Plan has been chronically underfunded since its adoption in 2007. The one-line light rail currently serves a small area from the airport to downtown and [the full line] is well over a decade from completion."⁵⁰ What this means is that those individuals who have been pushed out of their neighborhoods by increased housing costs to neighborhoods or suburbs with lower

housing costs farther away face longer, possibly more complicated commutes by both car and public transit.

As Seattle struggles with its transportation problems, Seattle-based writer Kurt Schlosser cautions: “As Seattle races against the clock to build a mass transit system worthy of servicing such a rapidly growing population, other cities chasing Amazon for HQ2 had better be way ahead in that game.”⁵¹ Pittsburgh is not. Pittsburgh-area residents already face difficulties with transportation infrastructure. In addition to the poorly paved roads and structurally deficient bridges, the public transportation system has not recovered from the large funding and service cuts earlier this decade. Those cuts left many residents without close access to public transportation.⁵² Moreover, many residents who relied on public transportation have been displaced from city neighborhoods, such as East Liberty, and have had to find cheaper housing in areas in the city and county with less frequent or no service.⁵³

Adding tens of thousands of new residents to the area in a short period of time presents further challenges to transportation infrastructure – challenges that might not be good for everyone. First, as mentioned earlier, an influx of this many high-paying jobs could lead to further rounds of displacement, especially in those neighborhoods – Hazelwood, the Hill District, Uptown, Manchester – billed as the prime sites for HQ2. In result, individuals and families may find themselves in a new neighborhood or town with infrequent, inconvenient (think multiple transfers and long rides), or no public transit.

Second, Amazon’s request for proposals states that the proposed sites should include access to public transit (as

mentioned already) and should be less than two miles from a highway. The leading sites proposed – Hazelwood Green (Almono), the Lower Hill, Manchester/Chateau – all have both of these; however, they might not be convenient for Amazon’s needs. When we think about these sites, we have to think about Amazon’s desire to connect them to existing infrastructure. How and whether we connect them means making a choice about any investment into infrastructure. Should we invest in highway on-ramps, the once-proposed transit connector from Hazelwood Green (Almono) through Four-Mile Run to Oakland and East Liberty, or a proposed light rail extension to the Chateau site? Should we invest in constructing new infrastructure that primarily benefits Amazon and developers, or invest in infrastructure to benefit residents displaced through those developments and other long-term residents throughout the city who rely on public transit? Investing in both is possible, but there is no guarantee that the transportation infrastructure investment will be for everyone.

Paying the Cost of Amazon

Given the proposed project of this size and impact, it is not surprising that Amazon is interested in what cities are willing to contribute to its own investment. Indeed, of the first *four* items listed in the “Information Requested” section of the request for proposals, *three* of them ask for detailed information about local and state incentives that would be offered to the company. Only the first one asks about the potential sites themselves. Greg Leroy, the executive director of policy resource center

Good Jobs First, speculates that Amazon already has a short list of desired locations, considering that the company has its own “sophisticated” internal site location department.⁵⁴ Since the company may already have a good idea of where it wants to build its second headquarters, what it is really interested in is a low-tax environment and in using the promise of its investment to gain incentives, tax breaks and exemptions, and necessary or desired infrastructure.⁵⁵ As the request for proposals indicates, the company is looking for a “stable business-friendly environment.”⁵⁶ Leroy also suspects that Amazon is interested in more than just tax breaks and taxpayer-funded infrastructure. It may want to be able to keep some of its employees’ state payroll tax or it may want to monetize the credits. This second option means selling its tax credits to other companies that owe tax. As Leroy points out, as of late September this year, Amazon was hiring more senior tax-break experts, including ones for jobs that would include tax break monetization.⁵⁷ This all means that taxpayers could be paying for tax breaks and infrastructure that Amazon wants *and* providing Amazon with new products (our potential tax dollars) that it could then sell for profit. These schemes sound like they are good for Amazon, but not for everybody.

Whatever incentive costs it would take to lure Amazon to Pittsburgh would not be the only costs that we would have to pay. We would be on the hook for everything that Amazon brought with it. Reflecting on the challenges facing Seattle, Boston Globe reporter Nestor Ramos sums up the situation well: “Mitigating the growing pains that come with tens of thousands of new people arriving in fairly short order ... is the job of government, not Amazon.”⁵⁸ Amazon would not be responsible for the

externalities of its own growth. All of the costs associated with gender and race income and power disparities, increased housing prices and displacement, homelessness, and poor access to transportation are all costs that we would bear. Many of us would bear them financially. Many would bear them personally. Seattle’s former mayor said early last year that Amazon’s growth was “‘a good problem to have.”⁵⁹ It is doubtful that those families now seeking refuge in homeless shelters would agree.

False Promises?

The call for proposals and the promise of 50,000 high paying jobs has led to a competition between cities and regions that will do all that they can do – promise all of the incentives they can and sacrifice their identities in order to succeed. Amazon has made these cities its employees, seeking to extract as much as possible without concern for their workers’ well-being. Amazon and other large companies do not have local loyalties: they are beholden to their shareholders.⁶⁰

In a recent Public Source article, Mark Kramer asks if HQ2 and equitable development can coexist.(Kramer – PubSource) UrbanKind remains doubtful. As much as elected officials here and elsewhere may think that they will be able to steer the types and the trajectories of development, their abilities and power will only go so far. While they may make stipulations and achieve concessions regarding building design, materials used, or other development metrics, any stipulations from the city found too onerous or disruptive to Amazon’s ability to accumulate profit will lead the company

to look elsewhere. They will not likely be able to control or even manage the effects – direct or indirect – of a sudden influx of tens of thousands of mostly young, white/European-American men who will earn, on average, *over twice* the city’s median *household* income.

To be clear, no development deal with Amazon can get the company to hire more women and more black/African Americans, Hispanic/Latinas, Asian/Asian Americans, Alaskan or Hawaii natives, American Indians, or Pacific Islanders to their leadership and other professional positions. No development deal can fix the

city’s gender pay gap. No development deal can protect long-term and low-wealth residents of any race or ethnicity from displacement, worsening relative poverty, or homelessness. No development deal can fix the city’s existing affordable housing crisis. No development deal can improve transportation access for those families and individuals already displaced out of the city through recent rounds of displacement. No deal can guarantee positive outcomes for all, but *this* deal threatens to make all of these things worse. And so, we ask, is this really for us?

TABLE 1: Gender breakdown of top three position levels and administrators at Amazon, July 2016

JOB TITLE	TOTALS				TOP 3 CATEGORIES			
	MALE	FEMALE	% Male	% Female	MALE	FEMALE	% Male	% Female
EXECUTIVE / SR. OFFICIALS & MGRS	82	23	0.781	0.219	32680	11210	0.745	0.255
FIRST/MID OFFICIALS & MGRS	10289	3063	0.771	0.229				
PROFESSIONALS	22309	8124	0.733	0.267				
ADMINISTRATIVE SUPPORT	2709	5011	0.351	0.649				
<i>Totals</i>	<i>35389</i>	<i>16221</i>	<i>0.686</i>	<i>0.314</i>				
	<i>51610</i>							

Source: Amazon Equal Employment Opportunity 2016 Employer Information Report

TABLE 2: Female Race/Ethnicity breakdown of top three position levels and administrators at Amazon, July 2016

JOB TITLE	FEMALE	NON-HISPANIC OR LATINA						<i>Totals</i>
	Hispanic / Latina	White	Black or African - American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	
EXECUTIVE / SR. OFFICIALS & MGRS	0	20	0	0	3	0	0	23
FIRST/MID OFFICIALS & MGRS	169	2013	233	3	514	5	126	3063
PROFESSIONALS	262	4112	312	17	3131	20	270	8124
<i>TOTALS (position levels listed above)</i>	<i>431</i>	<i>6145</i>	<i>545</i>	<i>20</i>	<i>3648</i>	<i>25</i>	<i>396</i>	<i>11210</i>
ADMINISTRATIVE SUPPORT	348	3105	948	14	300	27	269	5011
<i>TOTAL (top 3 + Admin)</i>	<i>779</i>	<i>9250</i>	<i>1493</i>	<i>34</i>	<i>3948</i>	<i>52</i>	<i>665</i>	<i>16221</i>
<i>TOTAL (all position levels)</i>	<i>10354</i>	<i>31955</i>	<i>18661</i>	<i>351</i>	<i>6778</i>	<i>464</i>	<i>3021</i>	<i>71584</i>

Source: Amazon Equal Employment Opportunity 2016 Employer Information Report

TABLE 3: Female Race/Ethnicity breakdown of top three position levels and administrators at Amazon by percent, July 2016

JOB TITLE	FEMALE	NON-HISPANIC OR LATINA					
	Hispanic / Latina	White	Black or African - American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races
EXECUTIVE / SR. OFFICIALS & MGRS	0	87.0	0	0	13.0	0	0
FIRST/MID OFFICIALS & MGRS	5.5	65.7	7.6	0.1	16.8	0.2	4.1
PROFESSIONALS	3.2	50.6	3.8	0.2	38.5	0.2	3.3
<i>TOTAL (position levels listed above)</i>	<i>3.8</i>	<i>54.8</i>	<i>4.9</i>	<i>0.2</i>	<i>32.5</i>	<i>0.2</i>	<i>3.5</i>
ADMINISTRATIVE SUPPORT	6.9	62.0	18.9	0.3	6.0	0.5	5.4
<i>TOTAL (top 3 + Admin)</i>	<i>4.8</i>	<i>57.0</i>	<i>9.2</i>	<i>0.2</i>	<i>24.3</i>	<i>0.3</i>	<i>4.1</i>
<i>TOTAL (all position levels)</i>	<i>14.5</i>	<i>44.6</i>	<i>26.1</i>	<i>0.5</i>	<i>9.5</i>	<i>0.6</i>	<i>4.2</i>

Source: Amazon Equal Employment Opportunity 2016 Employer Information Report

TABLE 4: Male Race/Ethnicity breakdown of top three position levels and administrators at Amazon, July 2016

JOB TITLE	MALE	NON-HISPANIC OR LATINO						<i>TOTALS</i>
	Hispanic / Latino	White	Black or African - American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races	
EXECUTIVE / SR. OFFICIALS & MGRS	1	78	0	0	3	0	0	82
FIRST/MID OFFICIALS & MGRS	489	6840	500	11	2153	25	271	10289
PROFESSIONALS	790	11603	486	27	8846	33	524	22309
<i>TOTAL (position levels listed above)</i>	<i>1280</i>	<i>18521</i>	<i>986</i>	<i>38</i>	<i>11002</i>	<i>58</i>	<i>795</i>	<i>32680</i>
ADMINISTRATIVE SUPPORT	246	1836	301	6	178	18	124	2709
<i>TOTAL (top 3 + Admin)</i>	<i>1526</i>	<i>20357</i>	<i>1287</i>	<i>44</i>	<i>11180</i>	<i>76</i>	<i>919</i>	<i>35389</i>
<i>TOTAL (all position levels)</i>	<i>12440</i>	<i>51253</i>	<i>18802</i>	<i>443</i>	<i>15697</i>	<i>552</i>	<i>3678</i>	<i>102865</i>

Source: Amazon Equal Employment Opportunity 2016 Employer Information Report

TABLE 5: Male Race/Ethnicity breakdown of top three position levels and administrators at Amazon by percent, July 2016

JOB TITLE	MALE	NON-HISPANIC OR LATINO					
	Hispanic / Latino	White	Black or African - American	Native Hawaiian or Pacific Islander	Asian	American Indian or Alaskan Native	Two or More Races
EXECUTIVE / SR. OFFICIALS & MGRS	1.2	95.1	0	0	3.7	0	0
FIRST/MID OFFICIALS & MGRS	4.8	66.5	4.9	0.1	20.9	0.2	2.6
PROFESSIONALS	3.5	52.0	2.2	0.1	39.7	0.1	2.3
<i>TOTAL (position levels listed above)</i>	<i>3.9</i>	<i>56.7</i>	<i>3.0</i>	<i>0.1</i>	<i>33.7</i>	<i>0.2</i>	<i>2.4</i>
ADMINISTRATIVE SUPPORT	9.1	67.8	11.1	0.2	6.6	0.7	4.6
<i>TOTAL (top 3 + Admin)</i>	<i>4.3</i>	<i>57.5</i>	<i>3.6</i>	<i>0.1</i>	<i>31.6</i>	<i>0.2</i>	<i>2.6</i>
<i>TOTAL (all position levels)</i>	<i>12.1</i>	<i>49.8</i>	<i>18.3</i>	<i>0.4</i>	<i>15.3</i>	<i>0.5</i>	<i>3.6</i>

Source: Amazon Equal Employment Opportunity 2016 Employer Information Report

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