



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF COMMUNITY & ECONOMIC DEVELOPMENT

Amazon
Office of Economic Development
c/o Site Manager Golden
2121 7th Avenue
Seattle, WA 98121

To Whom It May Concern:

On behalf of Governor Tom Wolf, and in partnership with the Pennsylvania General Assembly and the Metropolitan Statistical Areas (MSAs) submitting location information, I am pleased to present the Commonwealth of Pennsylvania's state-level proposal in response to Amazon's RFP for the HQ2 project. This information will accompany the proposals submitted by Pennsylvania communities that have elected to submit a proposal to Amazon. We are committed to working with you seamlessly as a unified force on both state and local levels to implement this project successfully.

Amazon already has a strong presence throughout Pennsylvania, with significant investments in fulfillment centers, warehouse facilities, and numerous other assets. Our shared values, which prioritize sound financials, STEM education, diversity, and inclusiveness, make Pennsylvania an excellent match for your HQ2 project — as well as a welcoming environment where employees can innovate and thrive.

To meet the needs of Amazon's HQ2, the Commonwealth of Pennsylvania proposes up to \$4.6 billion in financial assistance, including up to \$4.5 billion through a new performance-based grant program and \$100 million to support state transportation improvements.

The concept of this new incentive program is straightforward: a grant award will be made available on an annual basis for up to 25 years, and will be based on the amount of personal income tax collected annually from Amazon employees. We believe you will immediately recognize the flexibility and predictable incentive potential of this new program, and we are recommending immediate legislative action to create it. Governor Wolf and the leadership of the Pennsylvania General Assembly are committed to effectively engaging with Amazon to ensure this project's success.

Our talent pipeline is preparing the next generation of leaders and thinkers for the careers that HQ2 will provide. Our workforce — both current and future — is ready for Amazon. Our higher education institutions are among the best in the nation, and are world-renowned for business, computer engineering, and finance. Governor Wolf is a champion for STEM education, and has set a goal of increasing enrollment in STEM majors at state universities by 10,000 before 2020. Each year, he proudly hosts the Governor's PA STEM Competition to highlight STEM education throughout Pennsylvania, and during his term, Governor Wolf has increased K-12 education funding by over \$840 million.

However, all of the assets mentioned above burn most brightly because of our strong inclusivity and diversity. Pennsylvania was founded centuries ago on the principle that all are welcome, and can practice their faith and culture as they see fit. That spirit is still very much alive today, and we strive to uphold its legacy, so that when people are choosing where to go to school, begin their professional lives, start a company, or raise their family, they know that Pennsylvania is open to them.

As you leaf through our accompanying "Work Smart. Live Happy." declaration, we're confident that you'll see Amazon's core values reflected in who we are as a state. Thank you for the opportunity to share our plan of action to assist Amazon in this exciting venture. We look forward to meeting with you soon to engage in what we are confident will be a fruitful partnership.

Sincerely,

Dennis M. Davin
Secretary

Office of the Secretary

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