Amazon chooses Tulsa again for new merchandise sorting center

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E-commerce behemoth Amazon is enlarging its presence in Tulsa.

Amazon plans to build a 270,000-square-foot operations facility that will create at least 200 full- and part-time jobs, a company spokesman said Wednesday. Located on Mingo Road between 36th Street North and Apache Boulevard, the warehouse distribution and sorting center is expected to be completed later this year.

The Tulsa World reported last week that city planning and building records showed that a roughly 270,000-square-foot distribution center had been proposed on land just east of Tulsa International Airport. The city declined at the time to provide specifics about the project, including what business was building it, and a board member for the Tulsa Airports Improvement Trust, which owns the project land, said a nondisclosure agreement prevented it from discussing particulars until a lease was approved.

The specifics were released to the public Thursday morning.

"With another planned facility in Tulsa, Amazon continues to show they want to do business here and extend more employment opportunities to Tulsans," Mayor G.T. Bynum said in a statement. "This investment accelerates development around one of our strongest job centers and speaks volumes to the kind of city and workforce we have." The facility will be Amazon's third outlet in Tulsa. It opened a 60,000square-foot delivery station in the summer of 2019 and a four-story fulfillment center last year.

Tulsa was selected last month as one of 16 cities to test Amazon's electric delivery vehicles.

"This is an exciting day, and I look forward to seeing what opportunities they will bring to the neighborhood," District 3 City Councilor Crista Patrick said in a statement. "Over the past several years, it's been great to see employers like Amazon and Greenheck plant their roots in this part of Tulsa to create new jobs in our district."

The sortation center will act as a supply-chain middle ground between order fulfillment centers and last-mile delivery stations, which serve as the transit portion of Amazon's operations. The company expects to start hiring late this summer.

"We are proud to be able to continue our growth in Tulsa and provide hundreds of job opportunities for the local community," Jessica Breaux, Amazon's manager of economic development, said in a statement. "We're grateful for the strong partnerships we've made with state and local officials, and we look forward to our future in this great city."

The new center in Tulsa will sit on about 40 acres on the southeast corner of Mingo Road and 36th Street North. The Tulsa Airports Improvement Trust will enter into a 40-year land lease (with two 10year options), and Tulsa International Airport Development Trust will provide up to \$5.8 million in financing incentives through its Tax Increment Financing District, according to the development and financing assistance agreement. The project's worth upon completion is expected to be \$32.3 million, representing \$17.3 million in real property value and \$15 million in personal property value, according to documents.

"We are delighted that Amazon continues to build out their footprint in Tulsa and on Tulsa Airports Improvement Trust land," TAIT Chair Joe Robson said in a statement. "This initiative capitalizes on the use of available land that is adjacent to the airport as well as (U.S.) Highway 169, making it extremely attractive to companies looking to expand near Tulsa's largest industrial and transportation corridor."

Amazon's profitability has surged during the COVID-19 pandemic, with earnings in the first quarter of this year ballooning 225% yearover-year to \$8.1 billion.

The company also brought in \$108.5 billion in first-quarter 2021 net sales, a 44% increase over the same period a year ago.

With major centers in Oklahoma City, as well, Amazon since 2010 has created more than 11,000 jobs in Oklahoma and invested more than \$650 million across the state, including infrastructure and compensation to its employees.

In 2020 in Oklahoma, Amazon increased hiring by more than 7,000 (200%), making it one of the largest job creators in the state. All told, the company has contributed more than \$530 million in gross domestic product to the state's economy and has helped create at least 4,100 indirect jobs on top of Amazon's direct hires — from jobs in construction and logistics to professional services.

"Amazon has been a tremendous partner since first coming here, and we're thrilled the company is expanding its footprint in northeast Oklahoma," Mike Neal, president and CEO of the Tulsa Regional Chamber, said in a statement Thursday morning. "Recruiting firstclass companies such as Amazon yields continued growth and has long-term positive effects on the region. Amazon's decision to further invest in northeast Oklahoma's workforce speaks to our strong regional talent pool, and we're grateful for the substantial number of jobs this project will bring..."