



# CMAP GO TO 2040

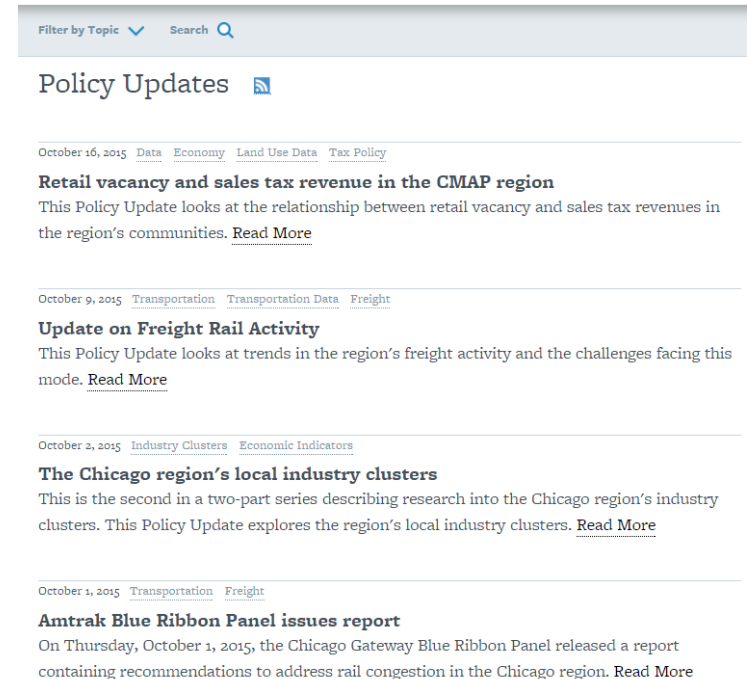
## Industrial Development Trends in Northeastern Illinois

October 26, 2015

CMAP Economic Development Committee

# CMAP Policy Updates

- Follow policies and trends for land use, transportation, tax policy, the regional economy, and other GO TO 2040 topics
- Compare to GO TO 2040 goals
- Connect industrial land use trends to broader policy work



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## Policy Updates 📄

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### Retail vacancy and sales tax revenue in the CMAP region

This Policy Update looks at the relationship between retail vacancy and sales tax revenues in the region's communities. [Read More](#)

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### Update on Freight Rail Activity

This Policy Update looks at trends in the region's freight activity and the challenges facing this mode. [Read More](#)

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### The Chicago region's local industry clusters

This is the second in a two-part series describing research into the Chicago region's industry clusters. This Policy Update explores the region's local industry clusters. [Read More](#)

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October 1, 2015 [Transportation](#) [Freight](#)

### Amtrak Blue Ribbon Panel issues report

On Thursday, October 1, 2015, the Chicago Gateway Blue Ribbon Panel released a report containing recommendations to address rail congestion in the Chicago region. [Read More](#)

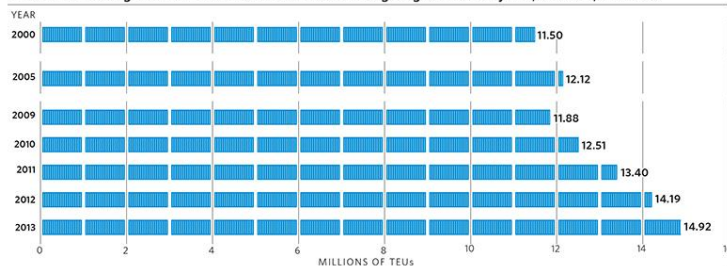
Available at: <http://www.cmap.illinois.gov/about/updates/policy>

# Design and function of industrial buildings have changed

## □ Mix of factors leading to changes in industrial development

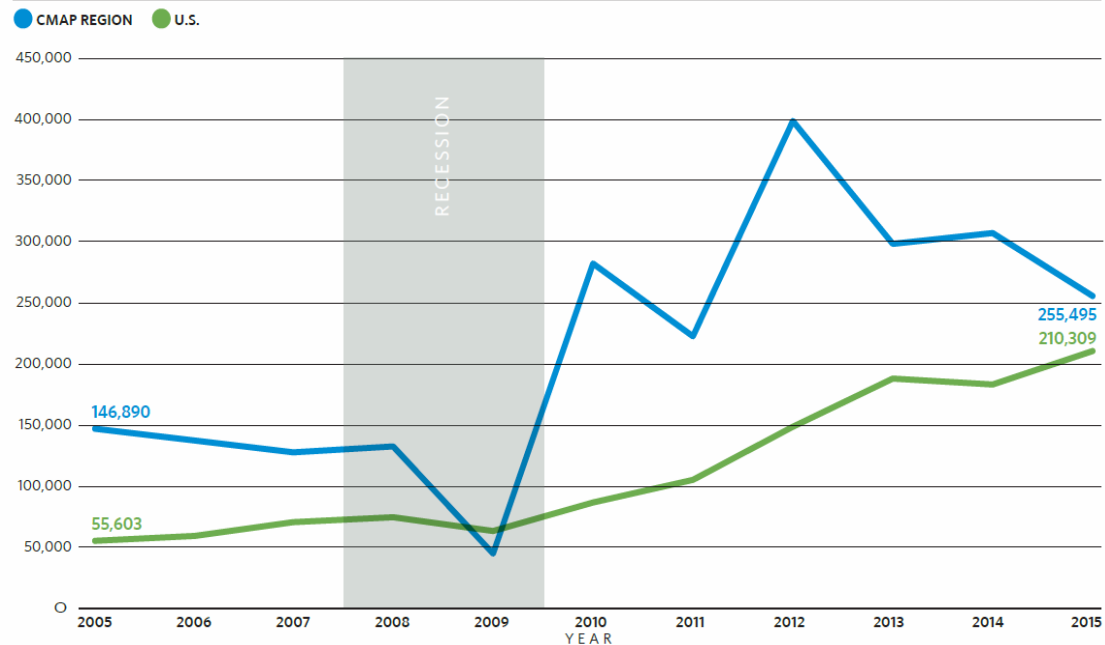
- ▣ Intermodalism
- ▣ Retail
- ▣ Supply chain management

TEUs moved through rail-truck intermodal facilities in Chicago region in select years, 2000-13, in millions



Note: TEU is a 20-foot equivalent freight cargo container. Data not available for 2001-04 and 2007-08.  
Source: Chicago Metropolitan Agency for Planning estimates.

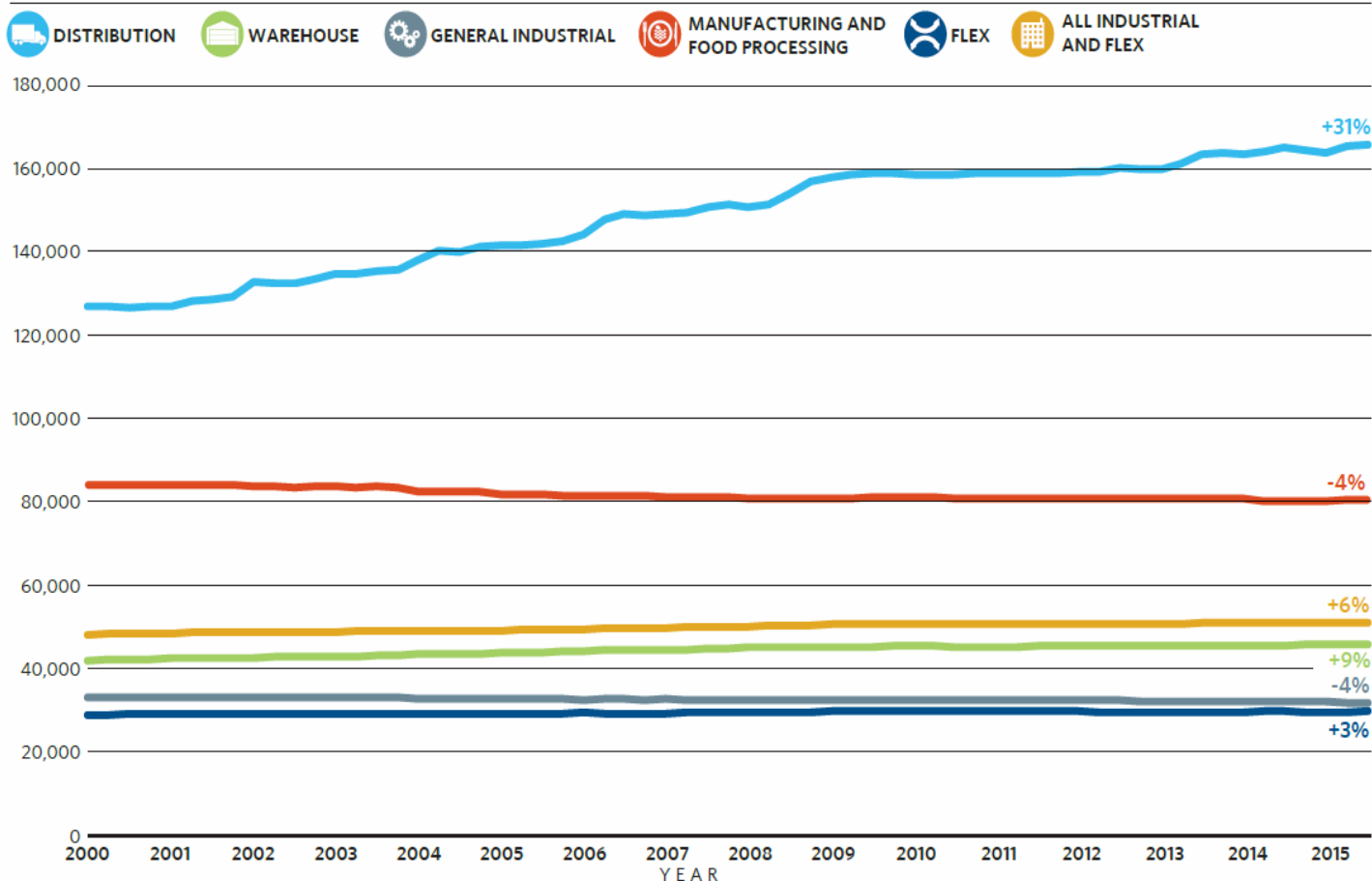
Average size of new industrial buildings in the U.S. and CMAP region, 2005-15, square feet of rentable building area



Note: The graph above uses CoStar's data for under construction building trends.  
Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.

# Size of distribution and warehouse buildings increased the most

Average size of existing industrial buildings by building type in the CMAP region, 2000-15, square feet of rentable building area

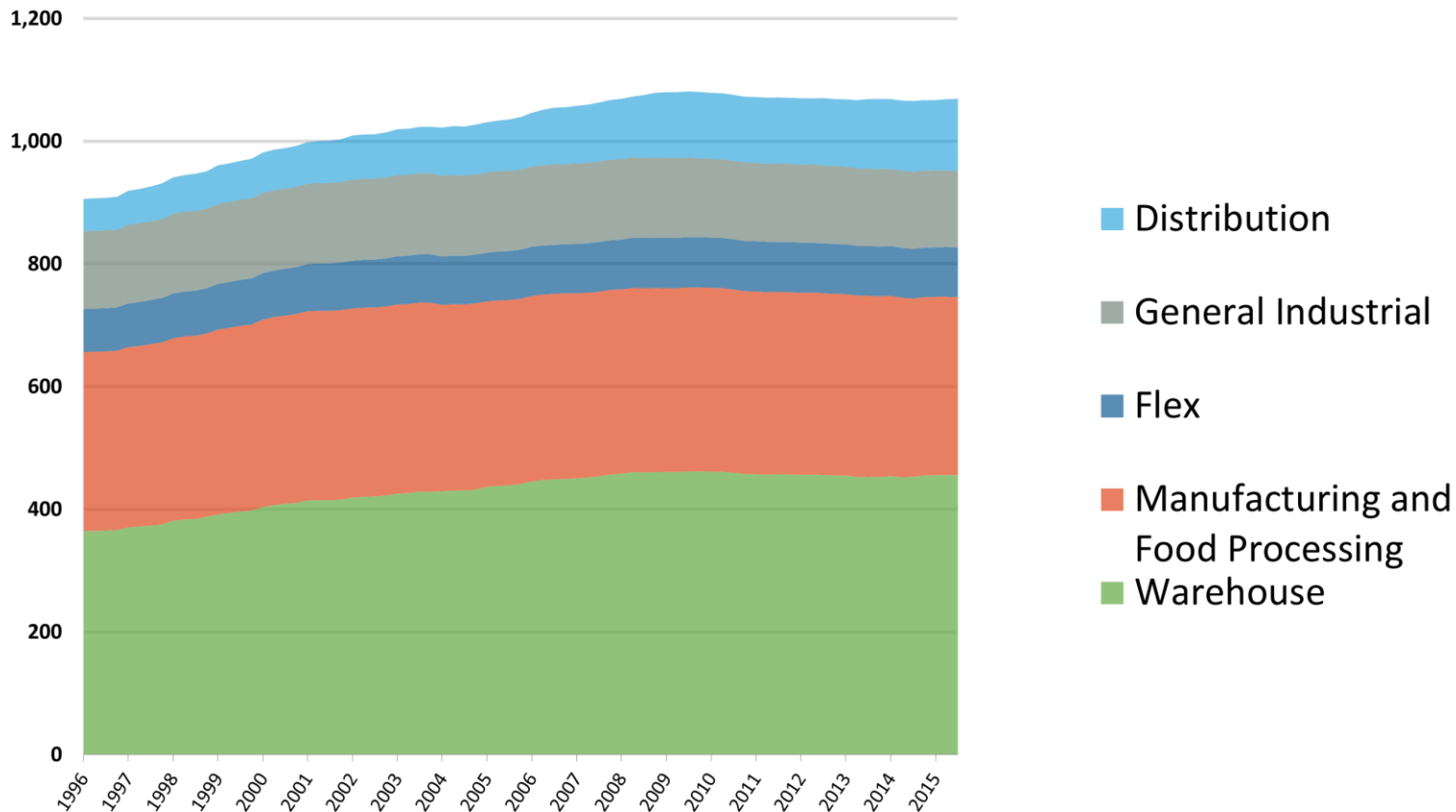


Note: Industrial buildings are aggregated from CoStar building categories in keeping with standard industry definitions. CMAP created "the General Industrial" category for uncategorized buildings, which the data indicates to be primarily older, smaller, owner-occupied buildings. For this analysis, the General Industrial category also includes trucking terminals. These are often found within distribution hubs, but are a unique size and configuration.

Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.

# Volume of distribution and warehouse buildings also increasing

**CMAP Region Rentable Building Area by Building Type, 1996-2015 (Millions of Square Feet)**



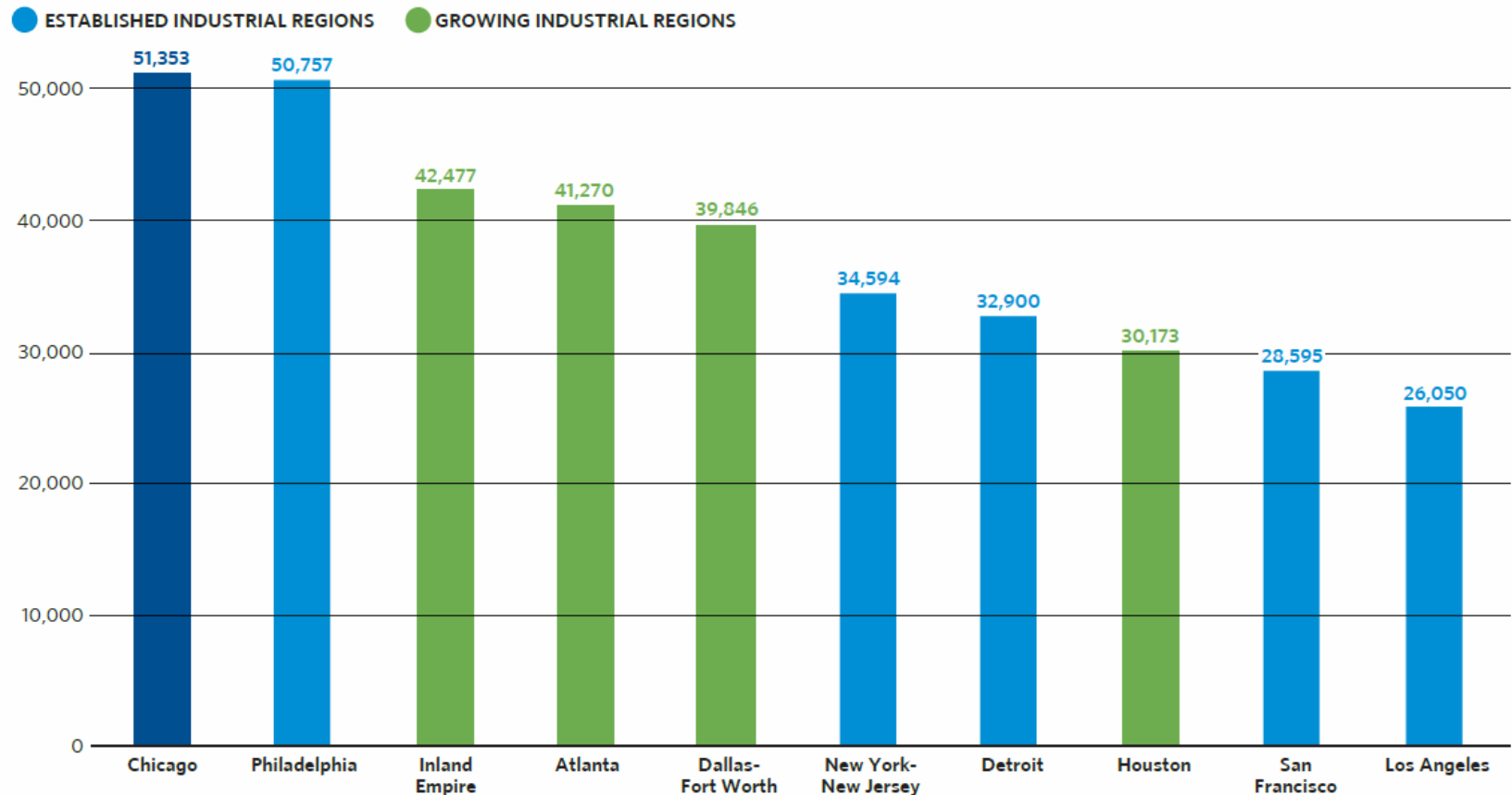
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Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.



# The region's economic base leads to large industrial buildings

Average size of existing industrial buildings in the CoStar Chicago and peer regions, 2015, square feet of rentable building area

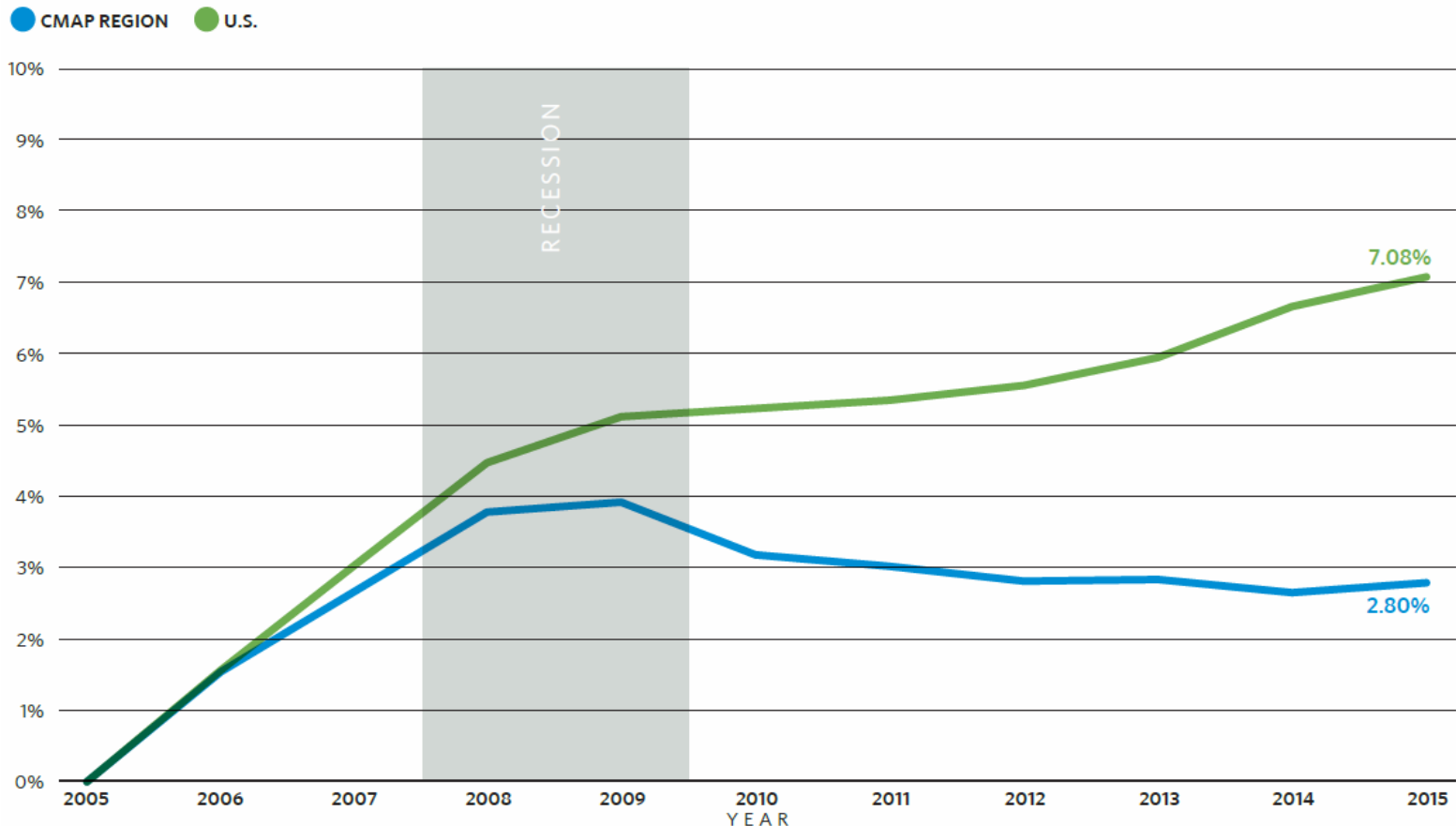


Notes: The regions above are made up of adjacent CoStar industrial market areas which were combined to approximate typical census regions. The aggregated areas may be somewhat smaller or larger than the equivalent Census MSA regions.

Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.

# Slower pace of development compared to national average

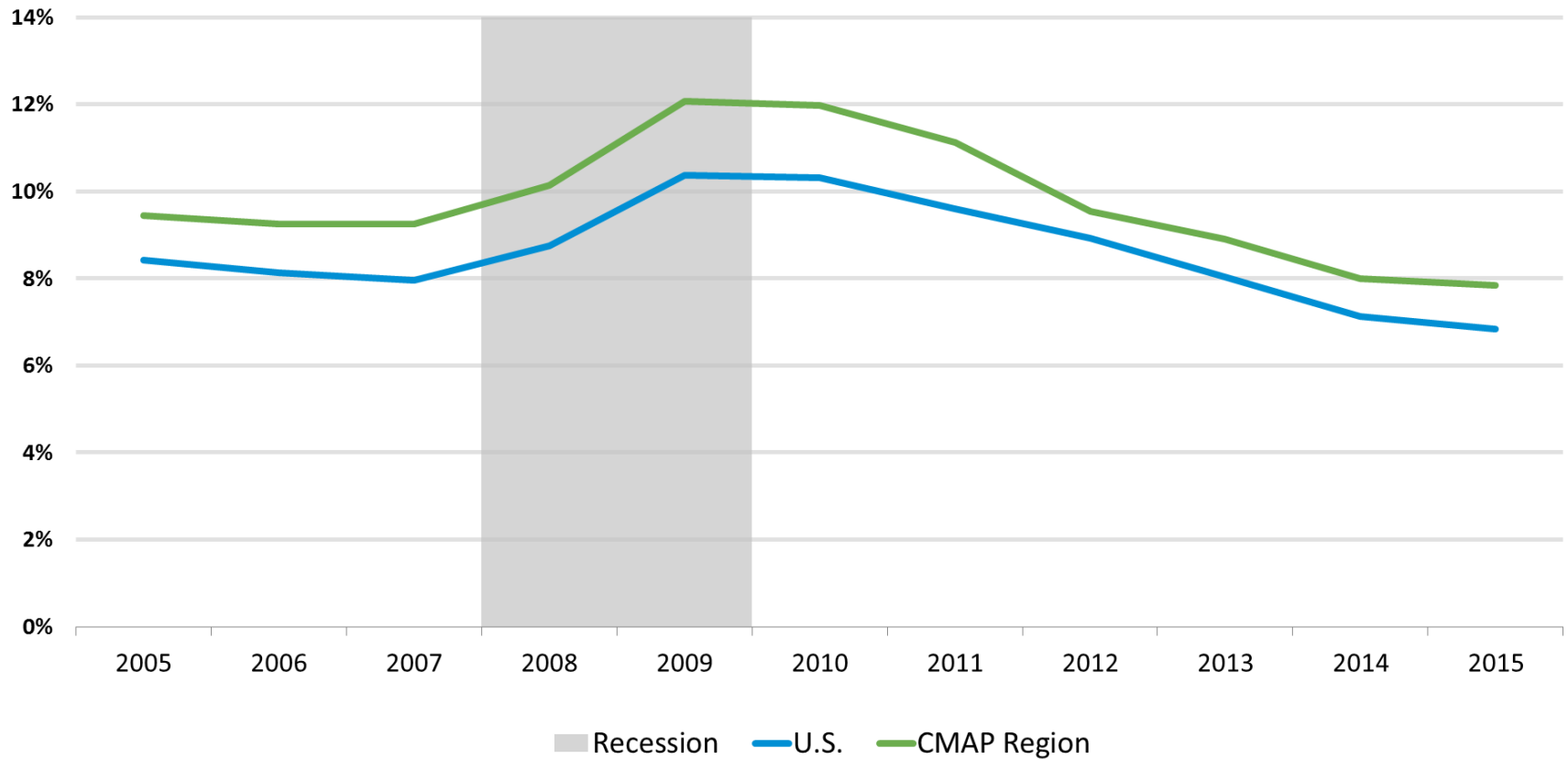
Growth in existing industrial rentable buildable area in the U.S. and CMAP region, 2005-15, indexed to 2005



Note: The existing RBA rate is indexed to the 2005 rate. For the national statistics cited in this update, CoStar aggregates the data for 42 select markets that are consistently tracked and represent the country's most significant economic regions.

Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.

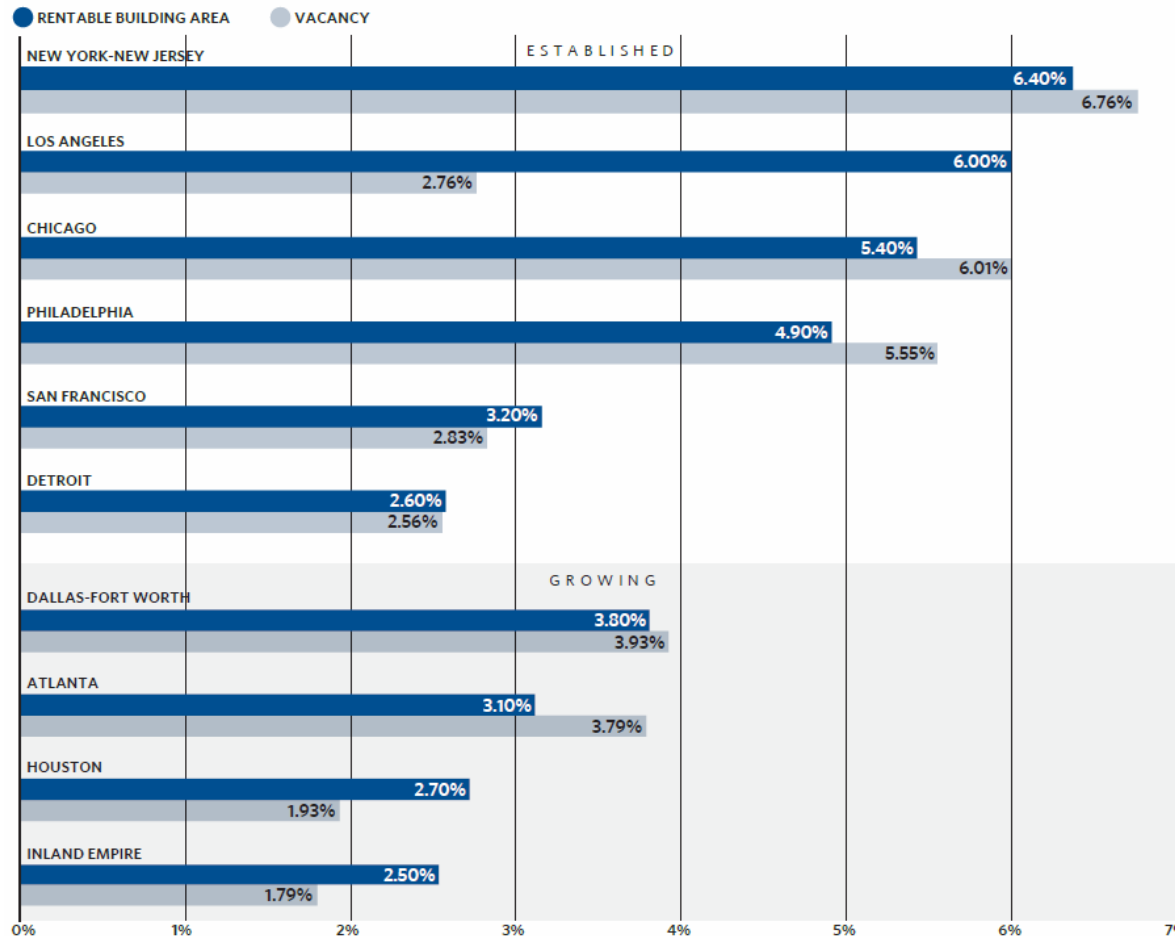
# Regional industrial vacancy tracking national trends





# Regional industrial square footage and vacancy in line with established peer regions

Percentage of existing and vacant industrial rentable buildable area in the CoStar Chicago and peer regions out of U.S. total



Notes: The regions above are made up of adjacent CoStar industrial market areas which were combined to approximate typical census regions. The aggregated areas may be somewhat smaller or larger than the equivalent Census MSA regions. Note that the Inland Empire and the Los Angeles region are very closely related in industrial activity.

Source: Chicago Metropolitan Agency for Planning analysis of CoStar data, 2015.

# Looking ahead

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- Regional industrial development
  - ▣ Driven by changes in retail, intermodalism, and overall supply chain practices
  - ▣ Follows national trends
  - ▣ Reflects the region's overall economic status
  - ▣ Recent growth in size and volume of distribution and warehouse facilities
- GO TO 2040 supports infill growth that leverages existing infrastructure, is located near existing workforce, and connects to people and goods.

An aerial night-time photograph of a city, likely Chicago, with its road network highlighted by glowing white lines. The city is situated next to a large body of water, which is dark blue. The overall scene is in shades of blue and white, with the city lights providing a bright contrast to the dark surroundings.

# Discussion

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