

Consequences to the Bay Area From Loss of Central Area Industrial Land

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Focus on Industrial Land Use Along Key Goods Movement Corridors in Central Bay Area

- ◆ East Bay I-80/880 Corridor
Richmond to Fremont
- ◆ North Peninsula US 101 Corridor
San Mateo Co. line to Millbrae/Burlingame

High Concentrations of Industrial Land Along Inner East Bay and No. Peninsula Corridors

<u>Industrial Land</u>		<u>Industrial Bldg. Space</u>	
Industrial	19,000 ac.	Warehouse	100 mil. sf
Air/Water/Rail	7,000 ac.	Manufacturing	<u>88 mil. sf</u>
Mixed Com'l/Ind'l	<u>2,500 ac.</u>	Total	188 mil. sf
Total	28,500 ac.	Air/Seaport/RR facilities	

Broad Range of Industrial Businesses/Industries Along Central Corridors

- ◆ Manufacturing
- ◆ Transportation, Warehouse, Courier/Postal, and related
- ◆ Merchant Wholesalers
- ◆ Construction

5,400 Estabs.

177,200 Jobs

Industrial Businesses Are Important to Bay Area

- ◆ Serve and support business and population centers
- ◆ Provide good-paying, blue-collar jobs near urban centers
- ◆ Locations along transportation corridors support efficient goods movement and enhance regional competitiveness

Industrial Activity Is Growing As Is Demand for Central Corridor Locations

◆ Demand-driven forecasts for study corridors

2006: 177,200 jobs 2035: 282,100 jobs
+104,900 jobs
+59% growth

- Growing businesses and population in central areas
- Growth of airports and seaports
- Access to rest of region from central corridors

Strong Competition for Land in Central Areas

- ◆ Market pressures for higher-value uses
- ◆ Local land use policies allow/encourage new uses in industrial areas
- ◆ Increasing land use conflicts as development intensifies around industrial uses

Result: - Declining industrial land supply
- Increasing costs of industrial land/space

General Plan Land Uses for Existing Industrial Land

(% of Existing Industrial Acres)

	Industrial <u>Not Changed</u>	<u>Total</u>	Industrial At Risk:		
			Business Mix	Com'l, Resid'l, OS	Air/Sea & Inst.
East Bay I-80/880 Corridor	62%	38%	12%	23%	3%
North Peninsula U.S. 101 Corridor	30%	70%	53%	16%	1%
TOTAL	59%	41%	16%	22%	3%

Recent Changes in Industrial Space Along Major Corridors

(Q1 2003 – Q1 2007)

East Bay	-11.8 mil. sq. ft.
I-80/880 Corridor	-6.7%

North Peninsula	-2.9 mil. sq. ft.
U.S. 101 Corridor	-10.9%

Total	<i>2003:</i>	202.6 mil. Sq. ft.
	<i>2007:</i>	187.9 mil. Sq. ft.
	<i>Change</i>	-14.7 mil. sq. ft.
		-7.3%

Result: Outward Dispersion of Industrial Land Uses

- ◆ Declining industrial land supply in central, Bayside areas results in outward dispersion of industrial/goods movement businesses
 - Geography of Bay Area limits alternative locations nearby
 - Shifts outward
 - San Joaquin Co. I-580/I-5
 - Solano Co. I-80/780/680

Implications of Continued Industrial Dispersion, While Demand Grows in Center

- ◆ More truck miles on regional routes
- ◆ Greater congestion
- ◆ More truck emissions
- ◆ Higher costs to Bay Area businesses and consumers
- ◆ Fewer industrial jobs in proximity to urban workforce

Challenges

- ◆ Some urgency to address, as trends resulting in *permanent loss* of industrial land
- ◆ Multi-jurisdictional approach needed in Bay Area
- ◆ Industrial/Goods Movement As Part of Regional Smart Growth makes sense
 - Broaden focus of Vision
 - Cities need regional support