DEKALB COUNTY
INDUSTRIAL LAND AND ECONOMY STUDY

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October 13, 2016
Main Findings

- Industrial economy is rapidly changing.
- DeKalb County is in a position to take advantage of these changes.
- First, several challenges must be addressed, mainly involving:
  - Industrial land and buildings
  - Industrial workforce
Main Recommendation

Establish **DeKalb Industrial Council**

- “One-stop shop”
- Agency tasked with implementing actions
- Modeled on examples from around the U.S.

SFMade in San Francisco

Brooklyn Navy Yard in New York
Detailed Actions

Infrastructure, Land, and the Built Environment Actions

- Create industrial land and building inventory
- **Protect** industrial land through zoning and regulation
- Envision *21st Century* industrial spaces
- Prepare sites for industrial redevelopment

- Create industrial **revolving loan fund**
- Prioritize industrial land for **brownfield incentives**
- Direct SPLOST or other public **funds** to improve industrial **infrastructure**
- Conduct **community outreach** about industrial land and economy
Education and Workforce Actions

- Work with local high schools to develop manufacturing and logistics career academies
- Partner with local PDR businesses to establish apprenticeship or co-op programs
- Create a post-secondary level advanced manufacturing training program

Source: http://www.clevelandmetroschools.org/MaxSHayes

Max Hayes High School, Cleveland
Manufacturing and Construction Academy
Main recommendation and detailed actions build on the 3 Strategic Objectives of the 2014 Comprehensive Economic Development Strategic Plan

1. Improve business climate

2. Revitalize commercial corridors

3. Enhance quality of place
Background: Industry in the 21st Century

Shaped by multiple trends:

- Port and canal expansion
- E-commerce and same-day shipping
- Evolving production technology (e.g. robotics)
- More sustainable and cleaner practices
- Continuing importance to growth and innovation
The Industrial Ecosystem

- Production
- Distribution
- Repair

**EXAMPLES:**

P: Fabricated structural metal manufacturing

D: Petroleum products distributors

R: Truck mechanics
Methodology

Study consists of

- Industrial land inventory
- Economic analysis of DeKalb’s PDR economy
- Stakeholder focus groups
- Survey of strategies and practices from around U.S.
Industrial Land and Buildings

- Surplus of industrial land
- Not being used optimally due to
  - Outdated buildings
  - Inadequate site configurations
  - Inadequate infrastructure
8 Industrial Corridors identified

Southwest DeKalb (Moreland/Bouldercrest) Corridor example shown here
The PDR sector is struggling.

PDR employment shrinking in recent years.

Distribution is the largest component of DeKalb’s PDR sector.

- Truck transport is growing, but
- Warehousing and wholesaling are declining.

Few manufacturing sectors are both significant employers and expanding.
Identified 8 themes where there are challenges to industrial redevelopment:

1. Crime and safety
2. Infrastructure
3. Aesthetics
4. Site and building conditions
5. Information availability and support services
6. Public relations and image
7. Land availability and zoning
8. Workforce and Education
Action Summary

- Create and maintain and industrial land inventory.
- Acquire, assemble, and remediate (if needed) industrial sites for redevelopment.
- Apply for and distribute planning and redevelopment funds, such as EPA brownfield grants.
- Advocate for industrial businesses (e.g. using SPLOST funds for industrial infrastructure improvement).
- Create awareness to enhance industry-community relations.
- Facilitate relationships between businesses and educators to develop PDR training programs for highly demanded skills.
DeKalb County has Industrial/PDR advantages and assets.

While they are currently underutilized, they can be repositioned through focused actions.

A one-stop shop **DeKalb Industrial Council** is needed to streamline processes and facilitate intergovernmental and public-private collaborations.
End of Presentation

Supplementary Slides Follow
Industrial Real Estate

Rent and Vacancy: 2015 Q1 to 2016 Q1

<table>
<thead>
<tr>
<th></th>
<th>DeKalb</th>
<th>Gwinnett</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent/Sq Ft</td>
<td>$3.75</td>
<td>$4.37</td>
</tr>
<tr>
<td>Sales Price/Sq Ft</td>
<td>$32</td>
<td>$52</td>
</tr>
<tr>
<td>Vacancy Rate</td>
<td>6.1%</td>
<td>4.6%</td>
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<tr>
<td>Vacant Sq Ft</td>
<td>3,202,498</td>
<td>5,188,521</td>
</tr>
<tr>
<td>Absorption Sq Ft</td>
<td>236,563</td>
<td>3,356,647</td>
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(Source: CoStar)
Industrial Real Estate

Industrial Construction Activity: Q1 2015 to Q1 2016

<table>
<thead>
<tr>
<th></th>
<th>DeKalb</th>
<th>Gwinnet</th>
<th>Gwinnett</th>
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</thead>
<tbody>
<tr>
<td>Existing buildings</td>
<td>1,338</td>
<td>1,945</td>
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<tr>
<td>Existing sq ft</td>
<td>55,497,499</td>
<td>113,281,704</td>
<td></td>
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<tr>
<td>12 mo construction starts (sq ft)</td>
<td>400,000</td>
<td>2,914,747</td>
<td></td>
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<tr>
<td>Under construction (sq ft)</td>
<td>400,000</td>
<td>3,256,739</td>
<td></td>
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<tr>
<td>12 month deliveries (sq ft)</td>
<td>0</td>
<td>1,045,258</td>
<td></td>
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*Source: CoStar*
DeKalb County Industrial Parcels
### DeKalb PDR Employment Change

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Total PDR</td>
<td>61,843</td>
<td>53,275</td>
<td>-8,568</td>
<td>-13.9%</td>
</tr>
<tr>
<td>Distribution</td>
<td>31,545</td>
<td>29,958</td>
<td>-4,587</td>
<td>-14.5%</td>
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<tr>
<td>Production</td>
<td>27,742</td>
<td>23,891</td>
<td>-3,851</td>
<td>-13.9%</td>
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<tr>
<td>Repair</td>
<td>2,556</td>
<td>2,426</td>
<td>-130</td>
<td>-5.1%</td>
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</tbody>
</table>

Source: U.S. Census County Business Patterns
DeKalb PDR Location Quotient Change Relative to Atlanta Metro Region

<table>
<thead>
<tr>
<th>Sector</th>
<th>LQ 2009</th>
<th>LQ 2014</th>
<th>LQ Change (2009-2014)</th>
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<tbody>
<tr>
<td>Total PDR</td>
<td>1.03</td>
<td>0.92</td>
<td>-0.11</td>
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<tr>
<td>Distribution</td>
<td>1.08</td>
<td>1.01</td>
<td>-0.06</td>
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<tr>
<td>Production</td>
<td>1.00</td>
<td>0.84</td>
<td>-0.16</td>
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<tr>
<td>Repair</td>
<td>1.00</td>
<td>1.04</td>
<td>0.05</td>
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</table>

Source: U.S. Census County Business Patterns