

Freight Villages and Integrated Logistics Centers in the US

Opportunities for Freight Operations to
Create Economic Value and Be Good
Neighbors

A. Strauss-Wieder, Inc.
analyses for informed decision-making



Definition

A complex where the following activities occur:

- *Modal shift* – goods are moved between two or more forms of freight transportation
 - Rail to truck; barge to rail/truck; air and rail/truck
- *Economic activity* –
 - Active distribution centers and industrial activities are located adjacent to the modal shift facilities within the village
 - No passive activity or container storage
- *Support activities* – truck stops/rest areas, office space, retail (restaurants, banking, stores), and hotels
- *Unified management* – the village is often under the management of a single entity

Also known as "Integrated Logistics Centers" (ILC)

Characteristics of US Freight Villages

- *Modal Shift* – generally rail/truck; some air/rail/truck
- *Economic Activity* – large, state-of-the-art distribution centers serving large market areas
- *Support Activities* – present and, at times, extensive
- *Development* – primarily by the private sector

Examples of US Freight Villages and Concepts

- *"Build from Scratch"* – Alliance (TX), CenterPoint (IL), Winter Haven (FL)
- *"Add a Village"* – Mesquite Intermodal/Skyland Business Park (TX), Dallas Intermodal Terminal/Dallas Logistics Hub (TX)
- *"Evolve a Village"* – Raritan Center (NJ), Pureland Industrial Complex (NJ)
- *"Think Freight Hamlet"* – Hillsborough Compact Freight Village Concept (NJ)

Alliance Texas

- **Developer:** Hillwood, a Perot Co.
- **Site Size:** 17,000 acres
- **Tenants:** 140 tenants
- **Freight Activities:**
 - BNSF Railway's Alliance Intermodal Facility: 587,274 lifts in 2006
 - BNSF and UP Class I rail lines and rail-served facilities
 - Fort Worth Alliance Airport – 100 percent industrial airport
 - 10-to-15 minute access to Dallas Fort Worth Airport
 - Interstate 35W, State Highway 170 and State Highway 114
 - FedEx Southwest Regional Sort Hub; FedEx Service Center
 - Foreign Trade Zone & Freeport Tax Exemption
- **Other Land Uses:** Residential, Office, Recreational



Alliance Gateway®

1. LG Electronics
2. Nokia
3. Insurance & Financial Services Provider
4. Texas Instruments/Exel
5. ATC Logistics & Electronics
6. Mitsubishi Motor Sales of America
7. Applied Industrial Technologies
8. Tech Data Corporation
9. Color-Box - Lockheed
10. Ford Motor Company
11. DSC Logistics
12. Alliance Gateway Tech Center
13. Motorola

14. Enkei International
Tucker Rocky Distribution
15. Digisource - Strategic Service Solutions
16. AT&T Yellow Pages
17. TD Ameritrade
18. Alliance Gateway 18 site
399,000 SF available 11/07
19. ATC Logistics & Electronics
Hewlett Packard/Ryder Integrated Logistics
20. eci² - Oxford Global - Staffmark
21. Ryder North American
Transportation Management Center
22. Pharmaceutical Distributor

23. Alliance Gateway 23 site
142,500 SF available 6/07
24. Nestle
25. Children's Courtyard Day Care
26. Premium Waters
27. Premium Waters
28. AT&T
29. Trans-Trade
30. Total Distribution/CHEP
31. ATC Logistics & Electronics
32. Grainger Industrial Supply
33. General Motors

34. Cardinal Health
35. UPS Supply Chain Solutions
49. IDC
50. Sateway
Metro Active Warehouse
LG Electronics
51. General Mills
52. Alliance Gateway 52 site
250,000 SF available 12/07
53. The Home Depot/Exel
54. Honeywell - Ryder System
55. Bell Helicopter
Ryder Integrated Logistics

58. Thermadyne
Mission Foods
60. Ryder/Philips
61. Bridgestone/Firestone
62. LEGO/Exel
63. AmerisourceBergen
64. Behr Process Corporation
72. Alliance Gateway 72 site
472,500 SF available 8/07

Photo Date: April 2007



CenterPoint Intermodal Center

- **Developer:** CenterPoint Properties
- **Total Investment:** \$1 billion
- **Site Size:** 2,200 acres
- **Employment:** 8,000 jobs
- **Total Building Space:** up to 12 million square feet
- **Tenants:** BNSF Railroad, Wal-Mart Stores (3.4 million sq. ft. complex), Inc., DSC Logistics, Georgia Pacific, Potlatch, Sanyo Logistics, Partners Warehouse, California Cartage, Maersk
- **Freight:** BNSF Logistics Park (770 acres), link to UP, link to Interstates 55 and 80
- **Former Military Base and Brownfield**



Source: CenterPoint Properties

Mesquite Intermodal Facility/Skyland Business Park

- **Developers:**
 - Intermodal Terminal - UP
 - Skyland – Hillwood
- **Site Size:** 400 acres
- **Tenants:** Georgia Pacific, Gerard Roofing, Pride Mobility, Bronco Packing, Benjamin Moore & Company and United Parcel Service
- **Freight:**
 - UP Intermodal Terminal
 - Access to I-635 and US 80
 - Triple Freeport Tax Exemption
 - City of Mesquite Tax Abatement
- Restaurants, Hotels located nearby but not on-site



Dallas Intermodal Terminal/Dallas Logistics Hub

- **Developer:**
 - Dallas Intermodal Terminal - UP
 - Dallas Logistics Hub – Allen Group
- **Site Size:** 6,360 acres
 - Intermodal Terminal – 360 acres
 - 6,000 acre distribution park, with 60 million sf possible
- **Tenants:** Industrial Space not yet developed
- **Freight:**
 - Dallas Intermodal Terminal
 - Proposed BNSF Intermodal Yard
 - Truck access via Interstates 20, 35 and 45 (45 to Port of Houston)
 - Access to proposed Trans-Texas Corridor
 - Proposed all-cargo Lancaster Airport
 - FTZ and Triple Freeport Tax Abatement



Source: The Allen Group

Raritan Center

- **Developers:**
 - Federal Business Centers
 - Summit Associates, Inc.
 - Raritan Central Railway
- **Site Size:** 2,350 acres
- **Tenants:** 3,000 tenants
 - Brooks Bros, Wakefern, Costco, Federated Dept. Stores, Nabisco/Kraft, Whirlpool, York, Fuji
- **Freight:**
 - Raritan Central (shortline), connecting to CSAO/NS/CSX – direct rail and transload facilities
 - Access to New Jersey Turnpike
 - Approx. 20 minutes to EWR and Port
- **Other Amenities:**
 - NJ Convention and Expo Center
 - Hotels, Restaurants, Banks, Day Care, US Postal Service Office



Source: CoStar



Source: Raritan Central



Source: A. Strauss-Wieder, Inc.

Pureland Industrial Complex

- **Developers:**
 - The Pureland Group
 - DP Partners
 - Additional developers, such as Liberty Property Trust
- **Site Size:** 3,000 acres
- **Tenants:** Over 150 tenants
 - Including Home Depot, Becton & Dickenson, Produce Junction, US Foods, Albert's Organics, and Mitsubishi.
- **Freight:**
 - SMS Rail Lines (shortline), connecting to CSAO/NS/CSX/CP – direct rail and transload facilities
 - Direct access to I-295
 - Approx. 20 minutes to Philadelphia International and SJ/Phila. ports
- **Other Amenities:**
 - Hotel, Restaurants, Banks, Day Care
 - Nature walks, preserved open space



Source: A. Strauss-Wieder, Inc.

What Makes A Good Neighbor?

- Creates economic value – jobs & tax ratables
- Contributes to the quality of life in an area
 - Blends with an area
 - Provides valuable services
- Helps mitigate concerns
 - Includes eco-friendly practices
 - Reuses brownfields
 - Has several types of freight service



Integrating Freight Facilities and Operations with Community Goals, NCHRP Synthesis 320.

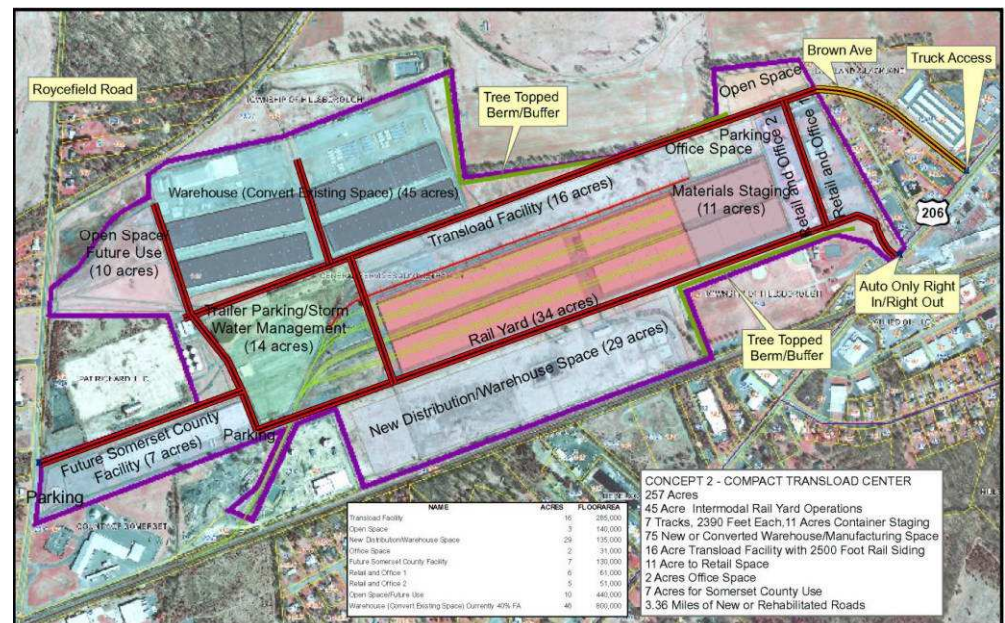
Green Practices

- Purelands – nature trails and areas
- Haines – transit access
- East Coast and Halls Refrigerated Warehouses – some of the largest solar arrays on structures in the world.



Sensitive to Surrounding Land Uses – Hillsborough Compact Freight Village Concept

- Develop design criteria that showcase how open space and industrial space can co-exist.
- Utilize low impact design for buildings, parking and staging areas.
- Utilize context sensitive lighting to minimize light spillage onto adjacent properties.
- Incorporate “green building” techniques.
- Reuse brownfields.



Freight Villages are Opportunities

- Leverage freight operations to create local economic value
- Create shared value – support businesses serve the village and the surrounding community
- Use primarily private funds to achieve local community development goals
- Reuse brownfield properties
- Encourage multimodal freight use

Thank you! Questions?

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