

From: Kathy Cocus
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Subject: FW: The Changing Face of Industrial Real Estate - SFP Insider
Date: Thursday, May 24, 2018 12:20:05 PM

In light of yesterday's discussion at the Poulsbo CC Econ Dev Committee, thought this may be of interest. I also did a bit of quick research and found these articles on commercial real estate.

- <https://www.biggerpockets.com/renewblog/technology-changes-real-estate/>
- <http://www.globest.com/2018/05/24/retail-and-logistics-world-of-tomorrow/?sreturn=20180424144809>
- <https://irei.com/publications/article/future-retail-era-changing-technology-consumer-tastes/>
 - consumers have shifted toward experiences, such as travel, dining, movie attendance, sporting events and concerts, rather than material goods — furniture, electronics and apparel. Not only do millennials spend a majority of their disposable income on experiences, they do so at a higher rate than past generations did at the same age.
- <https://www.thecut.com/2018/05/retail-success-in-the-age-of-amazon.html>
- <http://wwd.com/business-news/technology/retail-technology-1202667884/>

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From: Area Development Editors <newsletter@areadevelopment.com>

Sent: Thursday, May 24, 2018 10:53 AM

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Subject: The Changing Face of Industrial Real Estate - SFP Insider

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Area Development



May 24th, 2018

Site & Facility Planning Insider

The Changing Face of Industrial Real Estate

Advanced manufacturing, or “maker-tech,” isn’t defined by a particular set of activities. Its defining feature is most often the variety of uses it brings together in an industrial setting, from computer-aided design in an office setting to welding and machining in the next room or a building nearby.

Maker-tech firms cluster around larger manufacturers, acting as problem-solvers for these organizations and speeding the innovation process, as profit models have shifted towards responsiveness and speed-to-market.

This runs contrary to the idea of competing for sales and profit by achieving the lowest cost, which was the principal force behind offshoring the manufacture of many household and personal goods in years past.

While the scale of manufacturing in places like the Midwest has decreased due to trends like offshoring and automation, the role of the remaining real estate many times has not. All across the Rust Belt we’re seeing unexpected innovation happening in old manufacturing facilities such as Electric Works in Fort Wayne, the Detroit Foundation Hotel, the Bottleworks District in Indianapolis, the Cleveland Aquarium, and the Indiana IoT lab in Fishers.

Meanwhile, as large e-commerce providers and online retailers fight for space in urban areas, former industrial-use facilities and available land become more expensive. This trend of industrial warehouses cropping up in urban locations creates a whole new level of employment that will only continue to grow as the urban environment changes and adapts to new technologies and consumer preferences.

Retaking the Rust Belt

Rich Forslund, Executive Vice President, Colliers International

Across the Midwest, new life is being breathed into old industrial facilities that are becoming home to IoT incubators, office space, and other mixed-use development.

[Read the whole story...](#)



“Maker-Tech” Crosses Lines of Industrial, Office & Retail

Uses

Edward Del Beccaro, Senior Managing Director,
Transwestern

A new niche is forming in the industrial sector which needs to be near existing “brain clusters” of the targeted industry and may require sites zoned for multiple uses.



[Read the whole story...](#)

In Focus: E-Tail Creating Demand for Urban Warehouses

Joseph Panepinto, Panepinto Properties

In order to be close to their target markets, e-retailers are locating warehouses in urban locations and taking advantage of these densely populated areas’ built-in employee bases.

[Read the whole story...](#)

Editor's Picks:

Tomorrow’s Factories Will Need Better Processes, Not Just Better Robots - HBR

There’s no doubt that the auto industry will continue to vigorously pursue automation solutions to lower the cost of producing cars. But the reality is that any major leap forward on cost and efficiency will no longer be possible through automation alone, since most of the tasks that can be automated in an automotive factory have already been tackled. [More »](#)

The 3D-Printed Age: Why This Futuristic Ohio Factory Is Proving Mark Twain Wrong - GE Reports

Mark Twain allegedly claimed that when the end of the world came, he wanted to be in Cincinnati “because it’s always 20 years behind the times.” The quip is funny, but his strategy to ride out Armageddon in the Queen City would backfire today. A case in point is GE’s Additive Technology Center located along Interstate 75 as it bisects the northern suburb of West Chester Township. [More »](#)

Why multi-story warehouses are coming to America - JLL Real Views

For warehouses looking for space to grow in many of America’s big cities, the only way to go is up. [More »](#)

Can a defunct factory return to relevance? - Autoweek

The auto industry has a long history of finding new uses for old manufacturing sites. Auto plants have been changing owners and uses since Henry Ford rented a wagon factory on Detroit's Mack Avenue in 1903 to start assembling his Model A. [More »](#)

Tech's New Hotbeds: Cities With Fastest Growth In STEM Jobs Are Far From Silicon Valley - Newgeography.com

The most recent data on STEM jobs – in science, technology, engineering or mathematics – suggests that tech jobs, with some exceptions, are shifting to smaller, generally more affordable places. What we may be witnessing, in fact, is a third turning in the tech world. The initial phase, in the 1950s, was mostly suburban – dominated by the still-powerful Bay Area, Boston and Southern California – and was heavily tied to aerospace and defense. The second phase, now coming to a close, refocused tech growth in two hot spots, the Bay Area and Washington's Puget Sound, and largely involved social media, search and digital applications for business services. The third tech turning, now in its infancy, promises greater dispersion to other markets, some with strong tech backgrounds, some with far less. [More »](#)

Warehouse Conversions Aren't Just for Cities Anymore. Or Just for Warehouses. - The New York Times

In an era when homes and offices seem to embrace industrial décor, such “adaptive-reuse” projects are turning up in more suburban areas, in a slew of building types, like power plants, churches, schools, prisons, railroad stations, hospitals and factories. [More »](#)

Millennials Bring New Life to Some Rust Belt Cities - STATELINE - The Pew Charitable Trusts

BALTIMORE — Educated millennials are transforming some neighborhoods in several Rust Belt cities like this one, where old flour and textile mills are being converted to apartments and faded industrial districts have become thriving enclaves with colorful street life. [More »](#)

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The Conrad, Indianapolis, Indiana

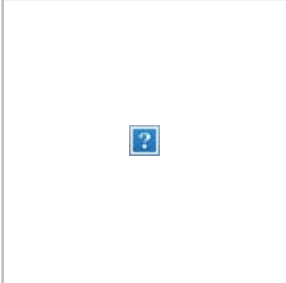
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