

Economic and Transportation Drivers for Siting Freight Intermodal and Warehouse Distribution Facilities

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This presentation provides a comprehensive briefing of the research findings from National Cooperative Freight Research Program (NCFRP) 23 entitled “Economic and Transportation Drivers for Siting Freight Intermodal and Warehouse Distribution Facilities.” The objectives of this research are to: (1) inform public-sector freight policy and decision makers about the key criteria that the private sector considers when siting logistics facilities, (2) inform the public sector about the complexity of the various facility types and the role they play in goods movement and supply chain management, and (3) enhance the potential for successful projects. Transportation, distribution, manufacturing, and other freight companies continually re-assess their location strategies due to growth, costs, market access, and other issues. Regulatory, fuel cost, globalization, and environmental issues are accelerating the change in this marketplace like never before. Since trade contributes a large and growing part of the economy, the public sector needs to effectively understand the transportation, planning, and economic development repercussions of these changes. This presentation is based on research led by the co-authors over the past year for the Transportation Research Board. In over 50 interviews of manufacturers, shippers, distributors, and public officials, we have been able to isolate both the changes occurring in the freight universe and have identified best practices for business attraction and retention. A key aspect of the research was case studies of different types of freight facilities to illustrate the significant differences between warehouse facilities, truck distribution centers, intermodal rail terminals and global logistics parks. The research includes an economic analysis framework to estimate the benefits, costs, and economic impacts of freight facilities as well as showing how changes in the industry result in new opportunities and challenges for communities in their economic development efforts.