

2015 SITE SELECTION SURVEY SUMMARY

Regional Economic Competitiveness | Core Industry Clusters

In the summer of 2015, the Metropolitan Council's Community Development Department distributed an electronic survey to the Twin Cities mailing lists of the National Association of Industrial and Office Parks (NAIOP) and Society of Industrial and Office Realtors (SIOR). The purpose of this survey was to learn more about the factors that are considered in the site selection and location decisions for the Twin Cities Region's Core Industry Clusters¹.

Respondents were asked to consider and rate the relative importance of nearly 50 unique factors in site location decisions for each Core Industry Cluster. This document presents a numerical average of the responses received to the 2015 SIOR and NAIOP Survey, based on the following response criteria:

- A response of "five (5)" indicates that the factor is a "Critical factor" in site selection decisions
- A response of "four (4)" indicates that the factor is an "Important factor" in site selection decisions
- A response of "three (3)" indicates that the factor has "some influence" in site selection decisions
- A response of "two (2)" indicates that the factor has "minimal influence" in site selection decisions
- A response of "one (1)" indicates that the factor has "no influence" in site selection decisions

¹ Advanced Manufacturing, Food Manufacturing and Wholesaling, Finance and Insurance, Headquarters and Advanced Business Services, Freight and Logistics, Health, Science, and Water Technology, and Information Technology

FINANCE AND INSURANCE CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	3.93
Within 1/2 mile of state or federal highway access	2.92
Traffic congestion	3.58
Rail access	1.75
Rail availability/reliability	1.83
Proximity to customers	3.92
Proximity to suppliers	2.67

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	4.13
Availability of existing production/warehouse space	2.25
Availability of bulk warehouse/distribution space	1.88
Availability of specialized tech space (e.g. clean room, data center)	3.00
Availability of flexible/creative space	2.75
Availability of prepared site with infrastructure	2.50
Availability of land without infrastructure	1.63
Cost of space/land	4.13

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	4.83
Ability to attract/retain business professionals	4.33
Ability to attract/retain computer & math professionals	4.33
Ability to attract/retain engineering & related technical professionals	2.67
Ability to attract/retain sales professionals	4.00
Ability to attract/retain office & clerical professionals	4.33
Ability to attract/retain mechanics & repair professionals	1.83
Ability to attract/retain production & operation professionals	2.33
Ability to attract/retain helpers, laborers & transportation professionals	2.00
Ability to attract/retain young (under 30) workforce	4.33
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	4.17
Access to supportive training/educational institution	4.17
Labor costs	3.33

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	3.50
On-site private structured parking	3.83
Within 1/2 mile of public structured parking	4.17
Within 1/2 mile of public surface parking	4.00
Within 1/2 mile of light rail	3.50
Within 1/2 mile of high frequency bus service (at least every 15 min)	3.83
Within 1/2 mile of express bus service (limited/non-stop)	3.67
Within 1/2 mile of local bus service	3.50
Above-standard sewer/water requirements	2.00
Above-standard telecommunications requirements	4.17
Above-standard electrical requirements	3.50
Image of the area	4.83
Proximity to restaurants	4.17
Proximity to hotels/meeting rooms	4.17
Personal and property security	4.83
Proximity of housing affordable/attractive to workforce	3.83
Proximity to recreation, entertainment & cultural opportunities	4.17
Local regulatory climate/permitting efficiency	3.83
Local taxes & fees	3.67
Development incentives	3.00

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Access to mass transit, good image, downtown or highly accessible suburban...”

“Near key partners, visible, easily accessible, access to mass transit, affordable / good value, appropriate image...”

“Downtown; high visibility suburban...”

“Downtown or suburban office tower...”

ADVANCED MANUFACTURING CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	3.50
Within 1/2 mile of state or federal highway access	4.64
Traffic congestion	3.80
Rail access	3.60
Rail availability/reliability	3.60
Proximity to customers	3.70
Proximity to suppliers	4.00

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	2.86
Availability of existing production/warehouse space	4.29
Availability of bulk warehouse/distribution space	3.71
Availability of specialized tech space (e.g. clean room, data center)	3.86
Availability of flexible/creative space	2.57
Availability of prepared site with infrastructure	3.57
Availability of land without infrastructure	2.71
Cost of space/land	3.00

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	4.40
Ability to attract/retain business professionals	4.20
Ability to attract/retain computer & math professionals	2.80
Ability to attract/retain engineering & related technical professionals	4.20
Ability to attract/retain sales professionals	3.60
Ability to attract/retain office & clerical professionals	3.00
Ability to attract/retain mechanics & repair professionals	4.00
Ability to attract/retain production & operation professionals	4.00
Ability to attract/retain helpers, laborers & transportation professionals	3.80
Ability to attract/retain young (under 30) workforce	4.00
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	3.40
Access to supportive training/educational institution	4.00
Labor costs	4.20

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	4.00
On-site private structured parking	1.40
Within 1/2 mile of public structured parking	2.80
Within 1/2 mile of public surface parking	3.20
Within 1/2 mile of light rail	3.00
Within 1/2 mile of high frequency bus service (at least every 15 min)	2.60
Within 1/2 mile of express bus service (limited/non-stop)	2.80
Within 1/2 mile of local bus service	3.20
Above-standard sewer/water requirements	3.00
Above-standard telecommunications requirements	3.00
Above-standard electrical requirements	4.20
Image of the area	3.80
Proximity to restaurants	3.20
Proximity to hotels/meeting rooms	3.00
Personal and property security	4.20
Proximity of housing affordable/attractive to workforce	3.20
Proximity to recreation, entertainment & cultural opportunities	4.00
Local regulatory climate/permitting efficiency	4.00
Local taxes & fees	3.60
Development incentives	3.00

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Typically suburban, need access to workforce - can be a problem if they get out too far...”

“Suburban...”

“Class B+ office/warehouse/flex space...”

FOOD MANUFACTURING AND WHOLESALING CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	3.27
Within 1/2 mile of state or federal highway access	4.50
Traffic congestion	3.56
Rail access	3.78
Rail availability/reliability	3.44
Proximity to customers	4.33
Proximity to suppliers	4.33

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	2.86
Availability of existing production/warehouse space	3.86
Availability of bulk warehouse/distribution space	4.29
Availability of specialized tech space (e.g. clean room, data center)	2.43
Availability of flexible/creative space	2.29
Availability of prepared site with infrastructure	3.71
Availability of land without infrastructure	2.86
Cost of space/land	3.43

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	3.20
Ability to attract/retain business professionals	4.00
Ability to attract/retain computer & math professionals	2.80
Ability to attract/retain engineering & related technical professionals	2.60
Ability to attract/retain sales professionals	3.80
Ability to attract/retain office & clerical professionals	2.80
Ability to attract/retain mechanics & repair professionals	2.40
Ability to attract/retain production & operation professionals	3.60
Ability to attract/retain helpers, laborers & transportation professionals	3.60
Ability to attract/retain young (under 30) workforce	3.80
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	3.40
Access to supportive training/educational institution	3.80
Labor costs	3.80

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	4.25
On-site private structured parking	1.75
Within 1/2 mile of public structured parking	1.75
Within 1/2 mile of public surface parking	2.75
Within 1/2 mile of light rail	2.25
Within 1/2 mile of high frequency bus service (at least every 15 min)	2.25
Within 1/2 mile of express bus service (limited/non-stop)	2.25
Within 1/2 mile of local bus service	2.50
Above-standard sewer/water requirements	3.75
Above-standard telecommunications requirements	2.75
Above-standard electrical requirements	3.75
Image of the area	3.50
Proximity to restaurants	2.75
Proximity to hotels/meeting rooms	3.50
Personal and property security	3.00
Proximity of housing affordable/attractive to workforce	3.75
Proximity to recreation, entertainment & cultural opportunities	3.00
Local regulatory climate/permitting efficiency	4.00
Local taxes & fees	4.00
Development incentives	3.00

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Need space for truck movement, often heavy water/sewer user, food mfg needs access to production workforce that may be 24/7...”

“Suburban...”

“Greenfield or inner city site...”

HEADQUARTERS AND ADVANCED BUSINESS SERVICES CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	4.50
Within 1/2 mile of state or federal highway access	3.55
Traffic congestion	3.70
Rail access	1.50
Rail availability/reliability	1.50
Proximity to customers	3.10
Proximity to suppliers	2.70

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	4.63
Availability of existing production/warehouse space	2.63
Availability of bulk warehouse/distribution space	2.50
Availability of specialized tech space (e.g. clean room, data center)	3.25
Availability of flexible/creative space	3.88
Availability of prepared site with infrastructure	3.00
Availability of land without infrastructure	2.13
Cost of space/land	3.50

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	4.67
Ability to attract/retain business professionals	4.50
Ability to attract/retain computer & math professionals	4.33
Ability to attract/retain engineering & related technical professionals	4.00
Ability to attract/retain sales professionals	4.17
Ability to attract/retain office & clerical professionals	4.00
Ability to attract/retain mechanics & repair professionals	2.00
Ability to attract/retain production & operation professionals	2.17
Ability to attract/retain helpers, laborers & transportation professionals	2.17
Ability to attract/retain young (under 30) workforce	4.33
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	4.00
Access to supportive training/educational institution	4.00
Labor costs	4.00

Community and Local Services Factors	Averaged Responses
On-site private surface parking	4.00
On-site private structured parking	4.00
Within 1/2 mile of public structured parking	4.20
Within 1/2 mile of public surface parking	4.00
Within 1/2 mile of light rail	3.40
Within 1/2 mile of high frequency bus service (at least every 15 min)	3.40
Within 1/2 mile of express bus service (limited/non-stop)	3.40
Within 1/2 mile of local bus service	3.80
Above-standard sewer/water requirements	2.00
Above-standard telecommunications requirements	4.40
Above-standard electrical requirements	3.20
Image of the area	4.80
Proximity to restaurants	4.20
Proximity to hotels/meeting rooms	4.20
Personal and property security	4.40
Proximity of housing affordable/attractive to workforce	4.00
Proximity to recreation, entertainment & cultural opportunities	4.00
Local regulatory climate/permitting efficiency	3.80
Local taxes & fees	4.40
Development incentives	3.60

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Downtown or high end suburb; good access, image and visibility. Large operations need good transit access...”

“Near key partners, visible, easily accessible, access to mass transit, affordable / good value, appropriate image...”

“High visibility...”

“Downtown or high-end suburb...”

FREIGHT AND LOGISTICS CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	3.91
Within 1/2 mile of state or federal highway access	4.80
Traffic congestion	4.44
Rail access	4.67
Rail availability/reliability	4.56
Proximity to customers	4.22
Proximity to suppliers	3.67

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	2.14
Availability of existing production/warehouse space	4.00
Availability of bulk warehouse/distribution space	4.00
Availability of specialized tech space (e.g. clean room, data center)	2.29
Availability of flexible/creative space	2.14
Availability of prepared site with infrastructure	3.57
Availability of land without infrastructure	2.71
Cost of space/land	3.57

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	3.60
Ability to attract/retain business professionals	3.40
Ability to attract/retain computer & math professionals	2.40
Ability to attract/retain engineering & related technical professionals	2.20
Ability to attract/retain sales professionals	3.40
Ability to attract/retain office & clerical professionals	3.20
Ability to attract/retain mechanics & repair professionals	4.00
Ability to attract/retain production & operation professionals	3.60
Ability to attract/retain helpers, laborers & transportation professionals	4.00
Ability to attract/retain young (under 30) workforce	4.00
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	3.20
Access to supportive training/educational institution	3.00
Labor costs	3.80

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	4.25
On-site private structured parking	1.50
Within 1/2 mile of public structured parking	1.00
Within 1/2 mile of public surface parking	2.75
Within 1/2 mile of light rail	2.00
Within 1/2 mile of high frequency bus service (at least every 15 min)	2.25
Within 1/2 mile of express bus service (limited/non-stop)	2.00
Within 1/2 mile of local bus service	2.50
Above-standard sewer/water requirements	1.50
Above-standard telecommunications requirements	3.00
Above-standard electrical requirements	3.00
Image of the area	3.00
Proximity to restaurants	3.00
Proximity to hotels/meeting rooms	3.25
Personal and property security	4.00
Proximity of housing affordable/attractive to workforce	3.25
Proximity to recreation, entertainment & cultural opportunities	3.00
Local regulatory climate/permitting efficiency	4.00
Local taxes & fees	4.00
Development incentives	3.50

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Large site, great access to highway system...”

“Suburban; rail...”

“Outer ring suburb - greenfield site...”

HEALTH, SCIENCE, AND WATER TECHNOLOGY CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	4.18
Within 1/2 mile of state or federal highway access	3.50
Traffic congestion	3.67
Rail access	1.89
Rail availability/reliability	1.89
Proximity to customers	3.11
Proximity to suppliers	3.00

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	3.83
Availability of existing production/warehouse space	2.83
Availability of bulk warehouse/distribution space	2.67
Availability of specialized tech space (e.g. clean room, data center)	4.00
Availability of flexible/creative space	3.00
Availability of prepared site with infrastructure	3.17
Availability of land without infrastructure	1.50
Cost of space/land	3.00

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	4.40
Ability to attract/retain business professionals	4.40
Ability to attract/retain computer & math professionals	4.20
Ability to attract/retain engineering & related technical professionals	4.60
Ability to attract/retain sales professionals	3.80
Ability to attract/retain office & clerical professionals	3.40
Ability to attract/retain mechanics & repair professionals	3.00
Ability to attract/retain production & operation professionals	3.20
Ability to attract/retain helpers, laborers & transportation professionals	2.00
Ability to attract/retain young (under 30) workforce	4.00
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	3.80
Access to supportive training/educational institution	3.80
Labor costs	3.00

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	4.00
On-site private structured parking	3.25
Within 1/2 mile of public structured parking	3.50
Within 1/2 mile of public surface parking	3.50
Within 1/2 mile of light rail	3.75
Within 1/2 mile of high frequency bus service (at least every 15 min)	3.25
Within 1/2 mile of express bus service (limited/non-stop)	3.25
Within 1/2 mile of local bus service	3.25
Above-standard sewer/water requirements	3.00
Above-standard telecommunications requirements	3.75
Above-standard electrical requirements	3.50
Image of the area	3.75
Proximity to restaurants	3.75
Proximity to hotels/meeting rooms	3.75
Personal and property security	4.25
Proximity of housing affordable/attractive to workforce	3.75
Proximity to recreation, entertainment & cultural opportunities	3.75
Local regulatory climate/permitting efficiency	4.25
Local taxes & fees	3.75
Development incentives	2.75

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Typically suburban- increasingly young professionals want more urban setting...”

“Suburban ...”

“High-end suburb...”

INFORMATION TECHNOLOGY CLUSTER

<i>Transportation Access Factors</i>	Averaged Responses
Proximity to commercial air service	3.64
Within 1/2 mile of state or federal highway access	3.50
Traffic congestion	3.33
Rail access	1.44
Rail availability/reliability	1.67
Proximity to customers	3.22
Proximity to suppliers	2.67

<i>Real Estate Factors</i>	Averaged Responses
Availability of existing office space	4.33
Availability of existing production/warehouse space	1.67
Availability of bulk warehouse/distribution space	1.50
Availability of specialized tech space (e.g. clean room, data center)	3.83
Availability of flexible/creative space	4.17
Availability of prepared site with infrastructure	2.50
Availability of land without infrastructure	1.17
Cost of space/land	2.83

<i>Workforce Factors</i>	Averaged Responses
Ability to attract/retain management professionals	4.40
Ability to attract/retain business professionals	4.80
Ability to attract/retain computer & math professionals	4.40
Ability to attract/retain engineering & related technical professionals	4.80
Ability to attract/retain sales professionals	4.00
Ability to attract/retain office & clerical professionals	3.60
Ability to attract/retain mechanics & repair professionals	1.60
Ability to attract/retain production & operation professionals	2.00
Ability to attract/retain helpers, laborers & transportation professionals	1.60
Ability to attract/retain young (under 30) workforce	4.20
Ability to attract/retain diverse (ethnicity, race, gender, cultural) workforce	4.00
Access to supportive training/educational institution	4.00
Labor costs	3.20

<i>Community and Local Services Factors</i>	Averaged Responses
On-site private surface parking	4.00
On-site private structured parking	3.75
Within 1/2 mile of public structured parking	4.00
Within 1/2 mile of public surface parking	3.75
Within 1/2 mile of light rail	3.25
Within 1/2 mile of high frequency bus service (at least every 15 min)	3.25
Within 1/2 mile of express bus service (limited/non-stop)	3.25
Within 1/2 mile of local bus service	3.25
Above-standard sewer/water requirements	1.25
Above-standard telecommunications requirements	4.75
Above-standard electrical requirements	4.25
Image of the area	4.25
Proximity to restaurants	4.00
Proximity to hotels/meeting rooms	4.00
Personal and property security	4.75
Proximity of housing affordable/attractive to workforce	4.00
Proximity to recreation, entertainment & cultural opportunities	4.00
Local regulatory climate/permitting efficiency	4.00
Local taxes & fees	4.00
Development incentives	2.75

Additionally, respondents were asked to volunteer any thoughts about “ideal sites” for this Cluster. Although most respondents declined, the responses offered are provided below.

“Downtown or suburb with a good image and access...”

“Downtown; suburban...”

“Downtown or high-end suburb...”