

Excerpts from Brookings Institute Report on Urban Manufacturing

The Federal Role in Supporting Urban Manufacturing

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http://www.brookings.edu/papers/2011/04_urban_manufacturing_mistry_byron.aspx.)

Excerpts:

Unlike the days when large companies dominated the nation's commodity production, today's manufacturing landscape is largely occupied by decentralized networks of small, specialized firms, many of which are hidden in plain sight in America's urban areas. In fact, in 2007, of the approximately 51,000 manufacturers in the United States employing fewer than 20 people, more than a third were located in the nation's 10 largest cities. Making everything from cabinets to computer components, these small urban manufacturers (SUMs) are typically part of interdependent, collaborative networks, the synergies between which promote the spillovers and knowledge-sharing that not only help businesses innovate but in turn help build stronger, more adaptable urban economies. Recent research has shown, for example, that manufacturers in urban areas are more productive than those in less dense areas. They also pay higher median wages than other types of employers in many large cities, while providing opportunities for workers with a wide range of skill levels.

Federal reform should encourage cities and states to identify urban and regional manufacturing assets—such as naturally arising industry clusters—and strategically capture their value for regional economic development and job creation.

Urban, industrial land use strategies should be linked to wider economic development and workforce objectives and should minimize mismatches among workforce, community revitalization, and citywide economic-development goals.

Direct competitive funding to infrastructure and development innovations that support manufacturing. The June 2010 announcement by HUD and DOT of a joint \$75 million initiative to fund “localized planning activities that integrate transportation, housing, and economic development” sets a precedent for funding innovative and integrative approaches to urban development. Planning for the reduction of conflict between freight facilities and residential areas is specifically mentioned as an eligible activity; awards in this round, and criteria for future rounds, should go further to encourage cities to tackle (for example) updating and upgrading goods movement infrastructure, or developing urban industrial parks as transit oriented development (TOD).

Help revive the market for industrial real estate development. Older industrial buildings originally designed for use by large single manufacturers need to be renovated and divided to accommodate today's smaller but more technologically advanced manufacturers. Today, successful nonprofit industrial developers are able to access and invest capital in such conversions and are willing to accept a lower rate of return.

Small urban manufacturers provide critical economic benefits to—while also profiting from their locations. Urban centers favor the characteristic organizational form of 21st-century production: supple, peer-to-peer networks, rather than large, vertically integrated, multitiered entities. Synergies between these decentralized networks promote the spillovers and knowledge-sharing that not only help businesses innovate, but in turn help build stronger, more adaptable urban economies. Recent research has shown, for example, that manufacturers in urban areas are more productive than those in less dense areas. They are also indispensable partners to other industries, forging strong linkages within metropolitan economies and generating multiplier effects within and across regions. In New York and Los Angeles, for example, SUMs are critical to the entertainment and fashion industries, both of which have international markets. Finally, SUMs pay higher median wages and have experienced more rapid wage growth than other types of employers in many large cities, while providing opportunities for workers with a wide range of skills.

Promoting Increased Job Density



Seven rules for sustainable communities: design strategies for the post-carbon world

By Patrick M. Condon, Robert Yaro

http://books.google.com/books?id=ilfd304mLYIC&pg=PA89&lpg=PA89&dq=job+density+calculations&source=bl&ots=CL-5BnELmQ&sig=BcrQUd3l5g4wnJvrYppCcoG7U6k&hl=en&sa=X&ei=U3scT_7fKYH0gge987WICQ&ved=0CG8Q6AEwCTgU#v=onepage&q=job%20density%20calculations&f=false

Excerpt:

“... throughout the United States and Canada, zoning codes have been built on the premise that the majority of “industrial” zoned job sites should be segregated from other zones and confined to isolated areas usually close to the freeway but nothing else. This zoning habit has not caught up with the changing nature of jobs. Smelly, dangerous and noisy industrial scale jobs, the ones that really require industrial zones, are increasingly rare. Most of the new jobs are clean, quiet, safe, and can easily fit on the second and higher floors of buildings close to streetcar arterials”.

An enlightened public policy goal would require a minimum job density of 15 to 20 jobs per acre. Some cities require 50 jobs per acre. It would also be reasonable to set a target

that manufacturing jobs would comprise approximately 15% of all the jobs in the municipality. St. Paul currently has about 6% manufacturing jobs.

Job Density Illustrations/ Context

Brooklyn Navy Yard (a non-profit industrial park in NYC): 6,000 workers in 40 buildings over 300 acres = 20 jobs per acre

This project is 99% leased and recently added 1.7 million square feet

New York City has 250 million square feet of industrial space – most of which is multi-story

Ford Plant St. Paul: 1,200 workers on 300 acres = 4 jobs per acre