Trying to stand on ‘big shoulders’

Chicago metro leads nation in business investments, but
Ind. near bottom of Midwest in economic development

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Businesses are choosing to invest in the Chicago metro area more than anywhere else in the United States. Last year, the Chicago metropolitan area led the nation in new facilities and expansions, according to Site Selection magazine. The metro area includes nine Illinois counties, one Wisconsin county, and Lake, Porter, Jasper and Newton counties in Indiana.

With 371 major projects last year, the Chicago-Naperville-Chicago metro area topped the pack of the 58 metro areas that have more than 1 million residents, according to Site Selection magazine, a 60-year-old Atlanta-based trade publication that tracks nearly 50,000 corporate executives. New and expanded offices, warehouses and factories were counted, editor-in-chief Mark Aund said.

After narrowly finishing second behind Houston in 2012, Chicago far and away won large expansions and new facilities than any other metro area in the country last year, surpassing second-place Houston by 12 projects. The magazine looked at major projects that involved more than $1 million in investment, 20,000 square feet or 50 jobs.

Businesses gravitate to places where executives think they can make the biggest profit, said Troy Sindone, an assistant professor of economics at Purdue North Central University. The Chicago metro area well because of factors like its trained workforce, central location, access to markets, and world-class transportation system.

Location is huge in these things,” he said. “The metro area is crisscrossed with rail lines and intermodal facilities that make it a crucial part of the supply chain. You’ve got international ports like the Port of Indiana-Burns Harbor” Illinois ranked third nationally among states with 365 projects, all

Top metros by projects

1. Chicago 103
2. Houston 94
3. Dallas 79
4. Atlanta 64
5. Detroit 62

Top states

1. Texas 634
2. Ohio 480
3. Illinois 382
4. Pennsylvania 348
5. Michigan 322

Midwestern states projects per capita

1. Nebraska 18.6
2. Ohio 14.1
3. Kansas 10.6
4. Iowa 8.7
5. Michigan 9.5
6. Illinois 7.9
7. Wisconsin 6.8
8. South Dakota 4.3
9. North Dakota 2.0
10. Minnesota 2.9
11. Illinois 2.7
12. Minnesota 1.9

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Projects

Midwestern states are likely experiencing such high rates of economic growth because it is manufacturing is prevalent, and the manufacturing industry has been coming back, said Morton Marcus, a Times columnist and economist.

“The Midwest is doing fairly well since the economy has been rebounding,” he said. “It’s not a surprise that Chicago is doing so well because it’s really only competing with Los Angeles, New York and other large metropolitan areas. Because of the size, if you look at the raw number of jobs and not the percent, smaller cities like Des Moines don’t compare.”

At the state level, Indiana has not been as many X projects as its Midwestern neighbors because it has not the same significant new facilities or expansions per capita last year.

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SOURCE: SITE

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