

Spring 2017

I-39 Logistics Corridor Association... Connecting You to the Information and Resources You Need!

Stay Up-to-Date with the <u>Catalyst</u>, the newsletter of the I-39 Logistics Corridor!

The I-39 Logistics Corridor is all about helping you connect to the **proximity** vital for **logistics**, **manufacturing**, **company headquarters**, **raw resources and materials**, and **industry and business clusters**. We identify site criteria important for the Chicago area, which handles more freight than any other city in the country.

For more information, please visit the <u>I-39 Logistics Corridor Website</u>.

Auto Plant and Supplier Activity in the I-39 Corridor

Over the past several months, the I-39 Corridor has become the I-39 *Automotive* Corridor. News of the upcoming retooling at the Fiat Chrysler plant in July produced several announcements of new auto suppliers in I-39 communities.

Fiat-Chrysler - Belvidere. The Belvidere Assembly plant will begin manufacturing the larger Jeep Cherokee in 2017. The larger vehicle replaces the Dodge Dart and other compact SUV and crossover vehicles previously made in Belvidere. Fiat Chrysler plans to increase production of Jeep Cherokees by about 40% -- to 300,000 vehicles per year -- according to the Rockford Register Star.



Exterior of the Fiat-Chrysler - Belvidere Assembly Plant. (Photo Credit: Terracon - <u>www.terracon.com</u>)

The Chrysler Group announcement indicated that the company plans to expand the Belvidere Assembly Plant facility by 500,000 square feet.

LandMark Construction began building a new 336,000 square foot building in Belvidere in July 2016. The facility will be operated by **Yanfeng Automotive Interiors** and bring 400 new jobs to the area. The new facility represents an investment of over \$28 million.



Rendering of the Yanfeng facility by LandMark Construction.

Hendricks Commercial Properties began construction in 2016 on its 105,000 square foot speculative building in Beloit's I-90 Stateline Industrial Park. In September, **Toledo Molding & Die** (TMD) announced that it had committed to lease the building. TMD will manufacture and supply plastic interior, air, and fluid management systems for the new Jeep Cherokee platform at the Fiat Chrysler Belvidere Assembly Plant. Chase Brieman, of CBRE's Madison Office represented

Hendricks, while Bill Mears (Coldwell McGuire Mears & Associates) and Emmett Gray (Key Commercial Realty) provided tenant representation. Angus Young Associates provided the design services, while Corporate Contractors, Inc. is performing the project's construction services. According to James Otterstein, Rock County's Economic Development Manager, "Plastics manufacturing is a key industry driver for the Janesville-Beloit MSA, as demonstrated by the number of plastics-related projects announced throughout Rock County over the last six years."



Rendering of the Toledo Molding & Die facility by Hendricks Commercial Properties.

Rivian Motors - Normal. Rivian Motors plans to build electric vehicles at its recently purchased plant in Normal, IL. The 2.6 million square foot production plant, purchased in January 2017, is a former Mitsubishi Motors site. Production is scheduled to begin in 2019.

"Since Mitsubishi's exit from the area last year, it's been an all-hands-on-deck effort to redeploy the plant and create good-paying jobs," said Chris Koos, Mayor of Normal.

Rivian Automotive is a technology startup developing an integrated portfolio based around a shift to more sustainable mobility. The company currently has operations in Michigan and California.

Kyle Ham, CEO of the Bloomington-Normal EDC, led the effort to recruit Rivian. "Rivian is enthusiastic about calling Normal home," said Ham. "This region has a talented and innovative workforce that will be central to Rivian's success. The facility is a great foundation to establish a manufacturing base, and Central Illinois is home or in close proximity to a majority of the automotive supply base that will help with production efforts."

Rivian acquired the plant from Maynards Industries, a Michigan asset liquidation firm, for \$2 million.

"The company is hitting the ground running with plant renovations to ensure it's in line with the start timeline," said Rivian spokesperson Samantha Flynn. "The aim is to refurbish portions of the factory for community and third party use in current and future opportunities."





Interior of the Rivian Production Facility in Normal, IL.

CIT Trucks Expanding in the I-39 Corridor in Peru

CIT TRUCKS, LLC has begun construction on a new 34,000 sq. ft. dealership in Peru. CIT owns and operates two local heavy duty truck dealerships. The Peru location has represented the Kenworth and Volvo line of trucks since 1989. Continued growth from these franchises has made it necessary to expand facilities. CIT will be moving their Mack Truck LaSalle dealership to the current May Road building when the new facility is complete.

CIT local dealerships offer a complete inventory of truck and trailer parts, along with high quality mechanical and body shop repair services. They currently employ 53 people, and the new \$4.5 million expansion should result in an additional 10

positions. (Information supplied by Ivan Baker, CEO of the Economic Development Corp. of North Central Illinois and CIT Trucks)



CIT Trucks, LLC rendering of their new Peru, IL dealership.

Rockford EDC Welcomes Nathan Bryant as New CEO

Nathan Bryant is the new RAEDC President and CEO effective January 9th. Nathan was most recently the President of Development for Spring Creek Development Group.

Throughout his career, Nathan has successfully crafted over \$100M of public / private partnerships in over 50 different communities involving complicated financial structures with critical delivery schedules.

As a licensed Professional Engineer and Real Estate Broker, Nathan brings a unique approach to every aspect of business with a focus on data driven decisions. During his professional career, Nathan has developed real estate for many of the top Fortune 500 companies including Wal-Mart, CVS Pharmacy, Walgreens, Target, Home Depot, and Lowes.

Rockford Area Ranks 5th in Nation in Job Gains for 2016

The Milken Institute released their *Best-Performing Cities Biggest Gainers: Sectors on the Upswing* report and the Rockford MSA ranks 5th! The "biggest gainers" among the Top 25 metros that improved their rankings saw gains in the construction, real estate, transportation equipment manufacturing, and healthcare sectors. Overall, those industries are driving the economies with the most substantial gains.

MightyVine in Rochelle

MightyVine is a 15-acre (655,000 sq. ft. building) state-of-the-art hydroponic farm, located in Rochelle, Illinois. Providing relief from one of winter's cruelest impositions, the tasteless tomato, MightyVine harvests daily, supplying the Midwest market with 8 million pounds of tomatoes, 52 weeks a year. Planting is focused on two varieties of on-the-vine, premium glasshouse tomatoes: the MightyVine Forticia and MightyVine Robinio, a slicing tomato and cherry tomato, respectively.

MightyVine provides restaurants and retailers in the greater Chicagoland area, Quad Cities, and Stateline cities with premium local tomatoes harvested at the peak of ripeness and immediately delivered to the market within hours of being picked, not weeks. Key retailers are Whole Foods Market, Jewel Osco, Sullivan's Foods, and Hy-Vee.

According to Jason Anderson of the Greater Rochelle Economic Development Corp., "The MightyVine project is extremely unique as their site which was a farm, converted in to an Industrial Park, and then back into a 21st century hydroponic farm."



Hydroponic Farm Operations at MightyVine in Rochelle.

In other Rochelle News, Jim Planey of Lee & Associates reported there was no vacancy in the 4,910,894 sq. ft. of class A warehouse/Industrial buildings in Rochelle and very little available in the class B properties.

Another hydroponic grower, **BrightFarms**, completed their 170,000 sq. ft. facility in the Prologis Park. Rochelle is now home to 825,000 sq. ft. of hydroponic farms!

DeKalb County Development Activity

Capital Investment approached \$100 million during 2016 in DeKalb County, after exceeding \$130 million during the prior year. More than 600,000 square feet of industrial space was developed during 2016. This development resulted in the creation of more than 700 new jobs, the largest total in a decade. As a result, unemployment remained below 6 percent for the second straight year.

One of the several notable projects was **Target's** completion of the \$50 million conversion of its DeKalb regional distribution center into an "upstream distribution center." The operation will handle seasonal and specialty merchandise for one third of the U.S. To operate this facility, Target has doubled employment from 350 to 700 workers.



Aerial view of the DeKalb, IL Target Upstream Distribution Center.

Additionally, **Solotech** leased 72,000 square feet of the 711 Fairview Drive building in Park 88. The Quebec, Canada based company specializes in sound, lighting, video and rigging for the entertainment, sports and corporate event industry. Solotech compliments DeKalb County's growing entertainment industry cluster including **Upstaging** and **Vertigo**.

Tate & Lyle Custom Ingredients completed a \$1.5 million, 14,100-square-foot expansion of its production facility in the Sycamore Prairie Business Park. The company creates and distributes flavorings and ingredients for dairy manufacturers throughout North America.

Also, **LEDiL**, headquartered in Finland, established operations in the former Duplex building on Page Street with the assistance of the City of Sycamore. The company plans to distribute, and ultimately, manufacture innovative LED lighting for the U.S. market.



FOR MORE INFORMATION:

Roger Hopkins
630.219.8341
rhopkins@i39logisticscorridor.com

Visit Our Website:

www.i39logisticscorridor.com