

# WAYNE COUNTY EXPLORES POTENTIAL BUSINESS BOON WITH AEROTROPOLIS

Trucking & Transportation Practice Group

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Traditionally, cities have emerged as critical transportation junctions around sea and water ports, rail and freeway networks. Although these traditional means of transportation are still viable, air transportation has grown tremendously over the past few decades.

In a global economy, airports serve as the critical junction for distributing goods and transporting people around the globe, thereby fostering economic development in and around airports. With the growth of global air travel and the current state of Michigan's economy, the word aerotropolis has become the buzz word for spurring economic development in southeast Michigan.

But what is an aerotropolis? Where would it be located? How long would it take to create? What are the benefits?

In short, an aerotropolis is an airport-city with the airport serving as the focal point, spurring the growth of a global logistic hub of office, warehouse, residential, retail and entertainment venues.

The location of the so-called Southeastern Michigan Aerotropolis would surround the existing Detroit Metropolitan and Willow Run airports in Wayne County. There are approximately 25,000 acres of available undeveloped land located between the airports.

The proposed Southeast Michigan's Aerotropolis has an advantageous geographic location. Currently, Detroit Metro and Willow Run airports provide access to many North American consumer markets. Further, with the emergence of daily flights to China and the close proximity to Canada, the United States' biggest trade partner, the viability of an airport city and its economic benefits to all parties involved are apparent.

So, how long would it take to establish a full fledged aerotropolis in Michigan? To some degree, it already exists. Numerous trucking and air cargo companies have established their hubs around the two airports and approximately 40 million square feet of warehouse and industrial space already exists in the area. There are, however, some elements not yet in place to create a full fledged aerotropolis. These elements include additional residential, retail and entertainment venues, as well as the necessary infrastructure to support such a large development.

Because the Southeast Michigan Aerotropolis is only in the initial planning stages, it will likely take another 20-30 years before it could rival some of the other more successful "aerotropoli" already in existence. Probably the most successful aerotropolis is located in the Netherlands.

Amsterdam's Schipol Aerotropolis created approximately 60,000 jobs and transformed the airport into one of the busiest travel hubs in the world.

In the United States, Dallas-Fort Worth has created the most successful American aerotropolis to date. In the 1960's, the cities of Dallas and Fort Worth bought 18,000 acres of land, primarily as a noise buffer for the airplanes. Now, much of the 18,000 acres has been transformed into an aerotropolis, which spurred the growth of a workforce of 305,000 people. Due to the tremendous growth in this region, Dallas-Fort Worth has plans for new hotels, restaurants, a rail line, as well as additional office and commercial space to keep pace with the economic growth in its aerotropolis.

Currently, 40 percent of all world air cargo is transported by air. That volume is expected to triple by 2020, underscoring the tremendous opportunity an aerotropolis represents to Michigan's ailing economy.

Wayne County has taken the lead on developing the Southeast Michigan Aerotropolis. Airport consultant John Kasarda, has been hired by the county to complete a study on the proposed project. His findings are due in early 2008.

In addition, Detroit Renaissance, a nonprofit organization focused on economic development in Southeast Michigan, has hired Jones Lange LaSalle, a real estate consultancy, to create a master plan for the 25,000 acres surrounding the two airports. Upon completion, the Kasarda Report and real estate master plan, will allow officials to proceed with the steps of developing a business plan and marketing study.

As the concept of a Southeast Michigan Aerotropolis continues to take shape, Plunkett Cooney will remain at the forefront and provide further updates.

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