SITE SELECTION GUIDE:

GET AHEAD OF THE CURVE

How companies can outpace the competition by locating in a mid-size metro area.
For years, it was considered common knowledge that big cities were the best place for businesses looking to move or expand. More people means a bigger labor force, more potential customers, more investors, access to greater resources and so on. But business leaders have started seeing the advantages of doing business in mid-size metro areas with intermodal capabilities.

Mid-sized metros (those with a population between 100,000 and 500,000 people) offer a number of advantages that can’t be found in more populous areas. The lower costs of starting and doing business, and the lower cost of living for employees, can have a big impact on your bottom line. More and more mid-sized metros offer access to the kind of amenities and entertainment that used to be available only in major metropolitan areas. And as technology connects us to each other faster and more conveniently than ever before, immediate physical proximity to customers and suppliers becomes less and less important.

When you consider all these factors together, one thing quickly becomes apparent: **Mid-size metros are a better option for businesses interested in an affordable, comfortable place to move or expand.**

### Cost of Securing Space

One of the most obvious advantages of a mid-size metro is the dramatically reduced cost of maintaining a place of business. In a large city like Los Angeles or Chicago, renting office space can cost nearly $40 per square foot. In Washington, DC., that cost rises to more than $50 per square foot. In New York, the average price per square foot for rented office space is nearly $75.\(^1\)

Compare that to costs around a mid-size city like Peoria, IL, where a square foot of rented office space can fall below $1.\(^2\) This represents either a substantial savings or the ability to rent much more space for the same cost—presenting a number of options for businesses looking to get the best value for the space they rent.

Companies intending to purchase or construct buildings to be used as offices, warehouses, factories or other places of business see similar advantages. Land is at a premium in large cities, which can make new construction or even purchasing an existing space or structure prohibitively expensive. The higher labor cost inherent to any large city makes construction more expensive, as well.

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1. According to calculations from TheSquareFoot at [https://www.entrepreneur.com/article/246857](https://www.entrepreneur.com/article/246857)  
In a mid-size city, land is more affordable and more readily available. Businesses are not forced to choose between a convenient location and an affordable one. Lower average wages drive down construction costs. Whether you’re looking to rent, buy or build your new place of business, a mid-size city offers flexibility and cost efficiency when compared to a larger one.

**Cost of Living**

Another advantage mid-sized cities offer over larger ones is a lower cost of living. In most cases, housing is cheaper and more readily available. Fuel frequently costs less to purchase, and reduced traffic means less time and fuel spent traveling.

While this is obviously advantageous to your employees, it can also be very helpful to your bottom line. A lower cost of living means lower wages can still be competitive, allowing you to compensate your people fairly while still saving money to invest in other aspects of your business.

For example, according to the Economic Policy Institute’s Family Budget Calculator, the average cost for a family of four to live in Chicago for one year is $71,995. Just over 2 hours South, in Peoria, that cost falls to $67,177.\(^3\) That’s a difference of nearly $5,000.

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**Average cost for a family of four**

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<th>CHICAGO</th>
<th>GREATER PEORIA</th>
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Imagine all that you could accomplish if you were able to provide your employees with good wages and still save thousands of dollars per employee. In a mid-size metro, a lower cost of living means more opportunity for you to improve your business and increase your profits.

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Access to Resources

One of the most important factors in choosing a new location for any business is its access to resources. Potential financing and investment, technology, and infrastructure are all critical to the success of your business.

In the past, this frequently meant locating in or near a large metropolitan area. But now, mid-sized metros offer many of the same advantages as larger ones. Many have economic development and investment groups. Most are located conveniently, with access to major interstates, airports or river transportation.

High-speed Internet access is readily available in nearly every mid-sized city in the United States, allowing you to use the technologies that connect you instantly to customers all over the country — or even the world.

Greater Peoria, for example, offers access to a wide variety of resources and infrastructure. The area has a number of financial resources available for new businesses, from grants and loans to tax credits to business development services and more.

Greater Peoria is also a transportation hub, with easy access to major interstate highways, an international port-of-entry airport, a terminal and switching railroad, and a barge terminal on the Illinois River. The city is located within a day’s drive of half the population of the United States. And it’s located in Foreign Trade Zone 114, which offers numerous benefits for companies doing business overseas.

Get Ahead of the Curve

While these are some of the biggest advantages to doing business in a mid-size metro area, they’re really just the tip of the iceberg. They also offer access to high-quality hospitals, parks, entertainment venues and so much more. Regions like Greater Peoria are on the rise, and now is the time for you to take advantage of the opportunities they provide.

To see if Greater Peoria meets your site selection criteria, visit locate.greaterpeoria.us.