

Kansas Construction Industry News and Developments

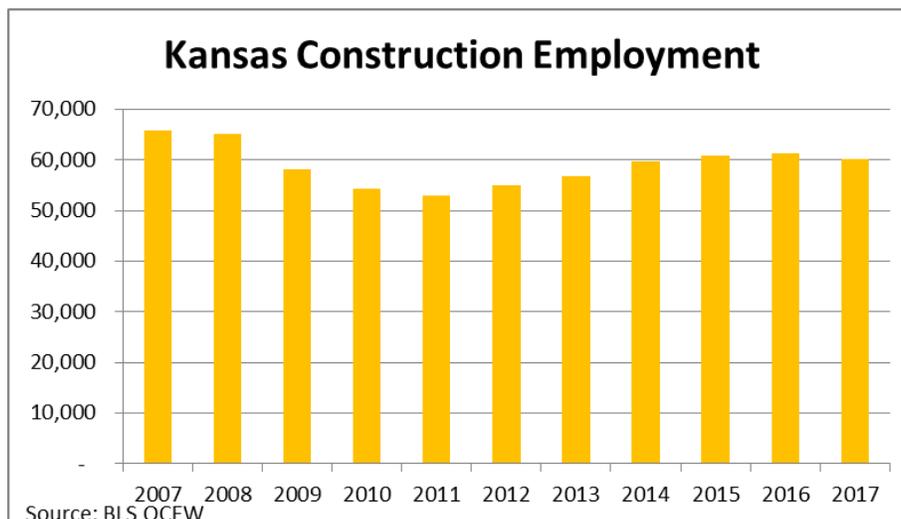
Employment and Wages

Employment in Kansas' construction sector declined by approximately 1,000 jobs in 2017 to 60,200 after five years of employment increases from 2011 to 2016. The decline affected all of the major construction subsectors, with the largest job loss in building construction. Even after adding more than 8,000 jobs from 2011 to 2016, the sector remains below its 2007 peak of 65,800 jobs.

Building equipment contractors were the single largest subsector in Kansas in 2017, employing 18,000 workers, and also the fastest growing since 2011, adding approximately 3,000 jobs through 2016. Heavy and civil engineering construction began to decline earlier than the other construction subsectors, suffering employment losses every year since 2014.

The Kansas City, Kansas, metropolitan area has been the fastest growing portion of Kansas construction employment, expanding by 2.5 percent in 2017 and by 31 percent in total from 2011 to 2017. Both Wichita and Topeka metropolitan area construction employment declined in 2017, by 100 and 400 jobs, respectively. Prior to 2017, both areas had experienced consistent job growth in construction since 2011, expanding by 11.6 and 23 percent, respectively, through 2016.

Kansas' construction wages averaged \$1,016 a week in 2017, an increase of 0.2 percent over 2016 after adjusting for inflation. Inflation-adjusted construction wages have risen each year in Kansas since 2011, with average annual growth of 1.2 percent. Heavy and civil engineering construction was the highest-paid construction subsector in 2017, with an average weekly wage of \$1,163.



Industry News

- Construction began in June 2018 on a \$23 million development on the area containing the former Spaghetti Works building in downtown Wichita. The building will be remodeled to contain 41 apartments, and a new 60,000-square-foot office and commercial building will be constructed adjacent to it.
- The second phase of renovations to Wichita's Union Station began in the summer of 2018. The \$30 million second phase will renovate the Station's terminal building and freight area for office use, with the first occupants projected to move in December 2018. The third phase of the project is expected to be completed by 2020, with a total investment of up to \$55 million.
- Construction started on the new \$193 million courthouse in Johnson County in July 2018. The building will be the largest vertical construction project in Johnson County history and is expected to be completed in late 2020.
- The \$200 million Mission Gateway project in Overland Park is expected to start construction on its first phase in September 2018, which, when completed, will include 170 apartment units and retail space.

