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# Agenda

10:30 Registration / Networking

**11:00 Lunch / Welcoming Remarks**

11:20 State Outlook

12:05 Local Update

12:35 -- Break --

12:45 Commercial Real Estate Update

1:05 Real Estate Outlook

1:35 Women in the Workforce

## EVENT HOST



**Lisa Larsen**  
City of Lawrence  
City Commissioner

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## STATE OUTLOOK



**JEREMY HILL**  
Director

Wichita State University  
Center for Economic Development  
& Business Research





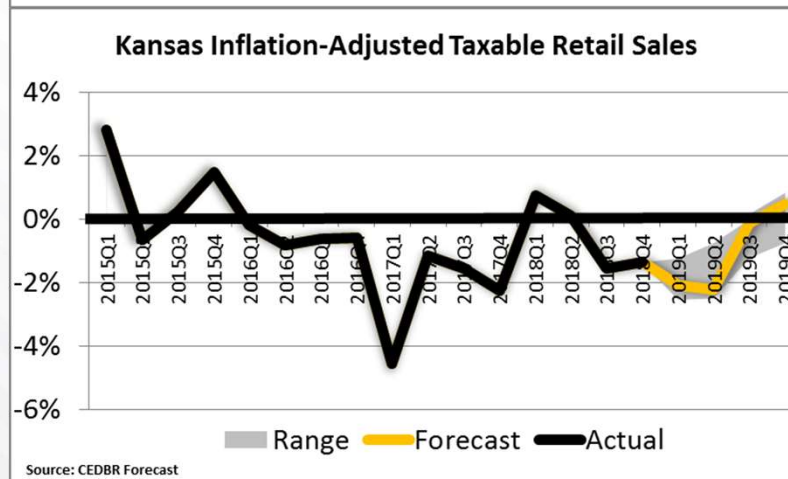
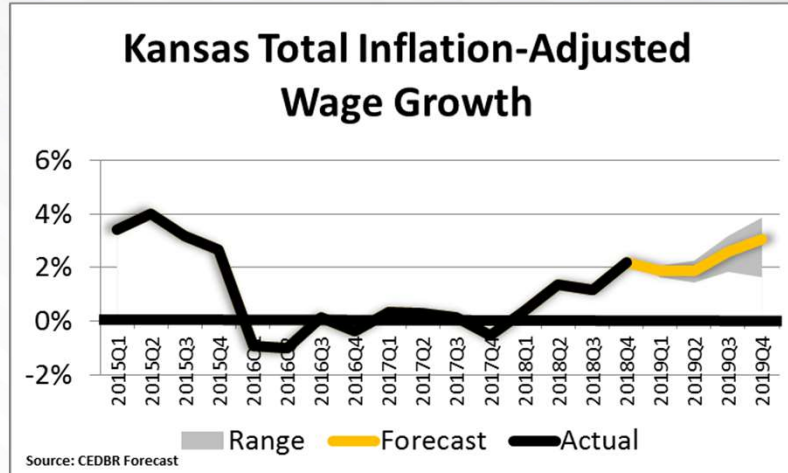
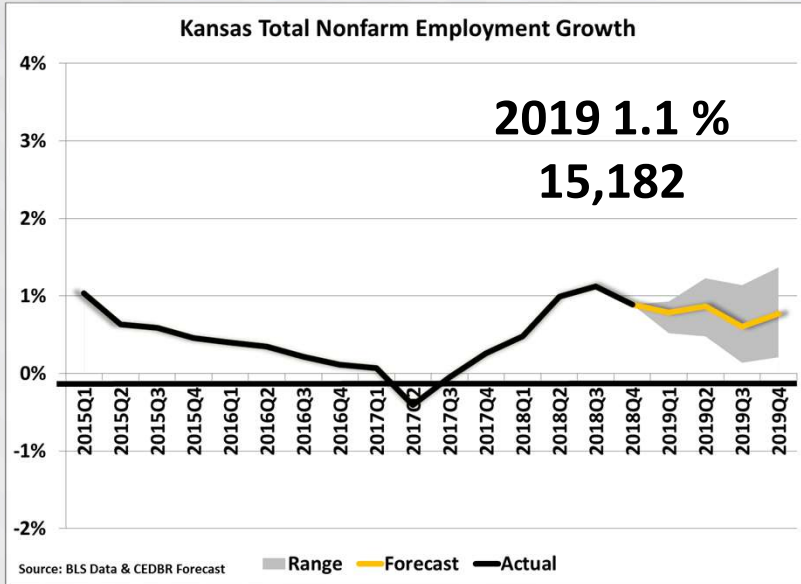
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# Kansas Outlook

Jeremy Hill

**2020**

# Forecast Review (Spring 2019)



- Kansas is expected to continue to grow in 2019.
- Rural areas are likely to see mixed growth opportunities, with net zero growth for the state as a whole.
- Food manufacturing is expected to see continued growth, as long as the nation continues to expand.
- Manufacturing will likely grow, but adding only a few jobs in 2019.
- Retail sales remains a mystery and growth is unlikely.

# Headlines /Topics

2019	2020
Recession horizon	A recession punt?
Labor shortages	"Girl Power" within labor markets
"Trump Trade Tantrums"	"Of Course Trump's Tairffs Hurt U.S. Manufacturing"
Topsy-turvy financial markets	Teflon financial markets/ Climbing the wall of worry.
Brexit - Great Britain or great betrayal	"Ringin in Brexit? Plans to celebrate UK exit divide country"
Inflation expectation remains worrisome	Boring start to FOMC
Fading fiscal stimulus	Nothing
Global economic slowdown	Global manufacturing recoverory
	Consumer are driving the economy, but not cars

# Trade Update

Date	Products	Tariff rate	Value (Bil)	Country
Jan-18	Washing Machines	18, 45%	\$ 1	All
Jan-18	Solar panels	25%	\$ 9	All
Jun-18	Steel	0.25	\$ 34	All except S. Korea, Turkey, Australia, Mexico, and Canada
Jun-18	Aluminum	10%	\$ 17	Canada
Jul-18	List	0.25	\$ 34	China
Aug-18	List	25%	\$ 16	China
May-19	List	0.25	\$ 200	China
Sep-19	List	8%	\$ 120	China
Oct-19	List	10, 25%	\$ 8	E.U.
TBD	List	100%	\$ 2	France
<b>Total implemented</b>			<b>\$ 429</b>	
<b>Total implemented and proposed</b>			<b>\$ 441</b>	

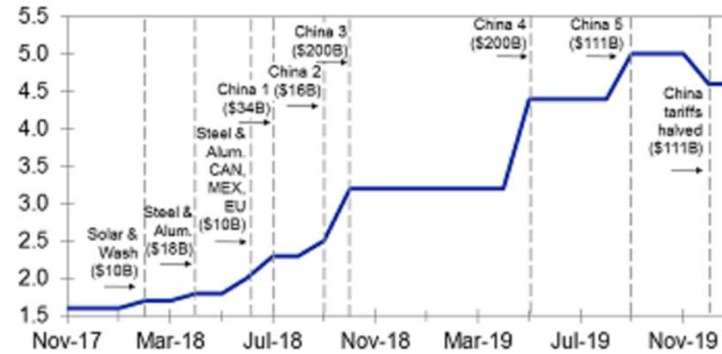
## USMCA

- Opened US energy and agriculture exports

## China – Phase One

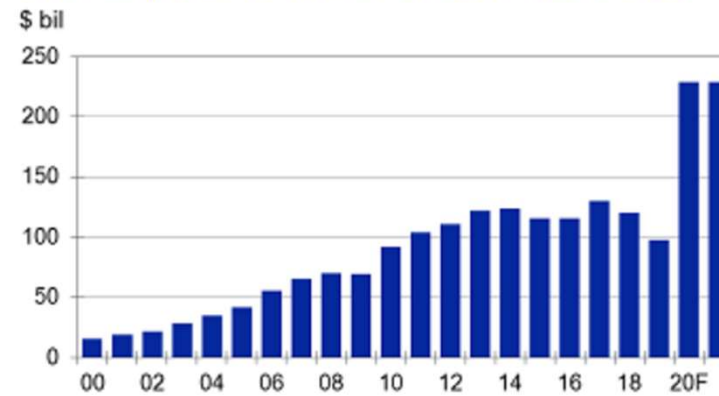
- Doubling purchases (including agriculture)
- Intellectual property theft
- US investment barriers
- “Strong procedures” for enforcement

U.S. estimated effective tariff rate, %



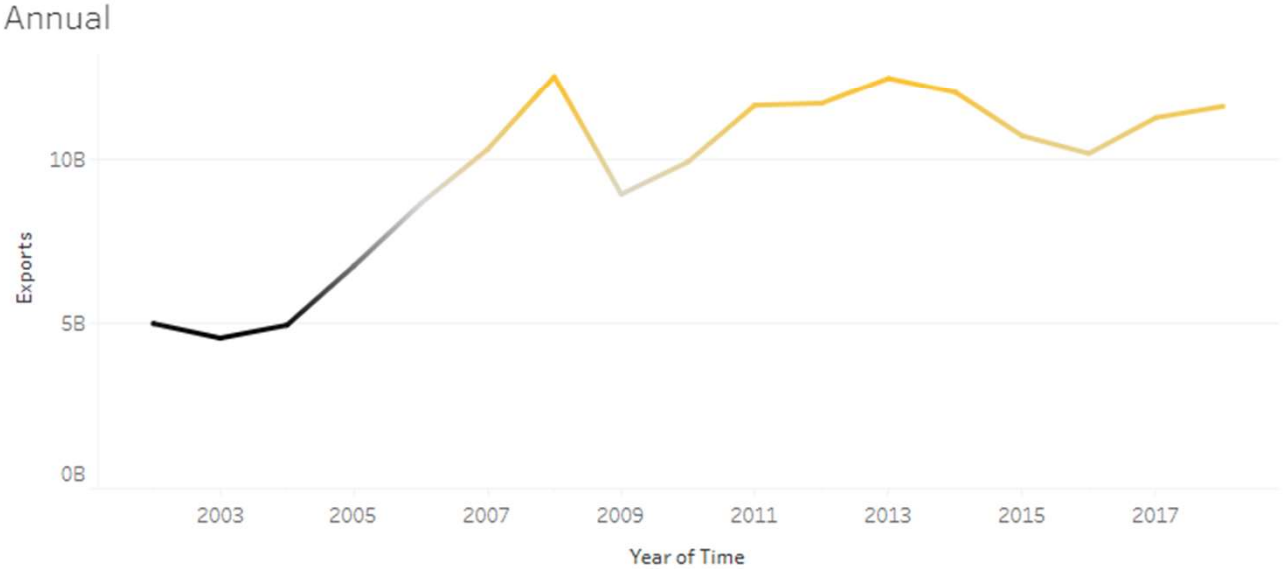
Sources: Census Bureau, USTR, USITC, Moody's Analytics

## U.S. Exports to China Under Phase One



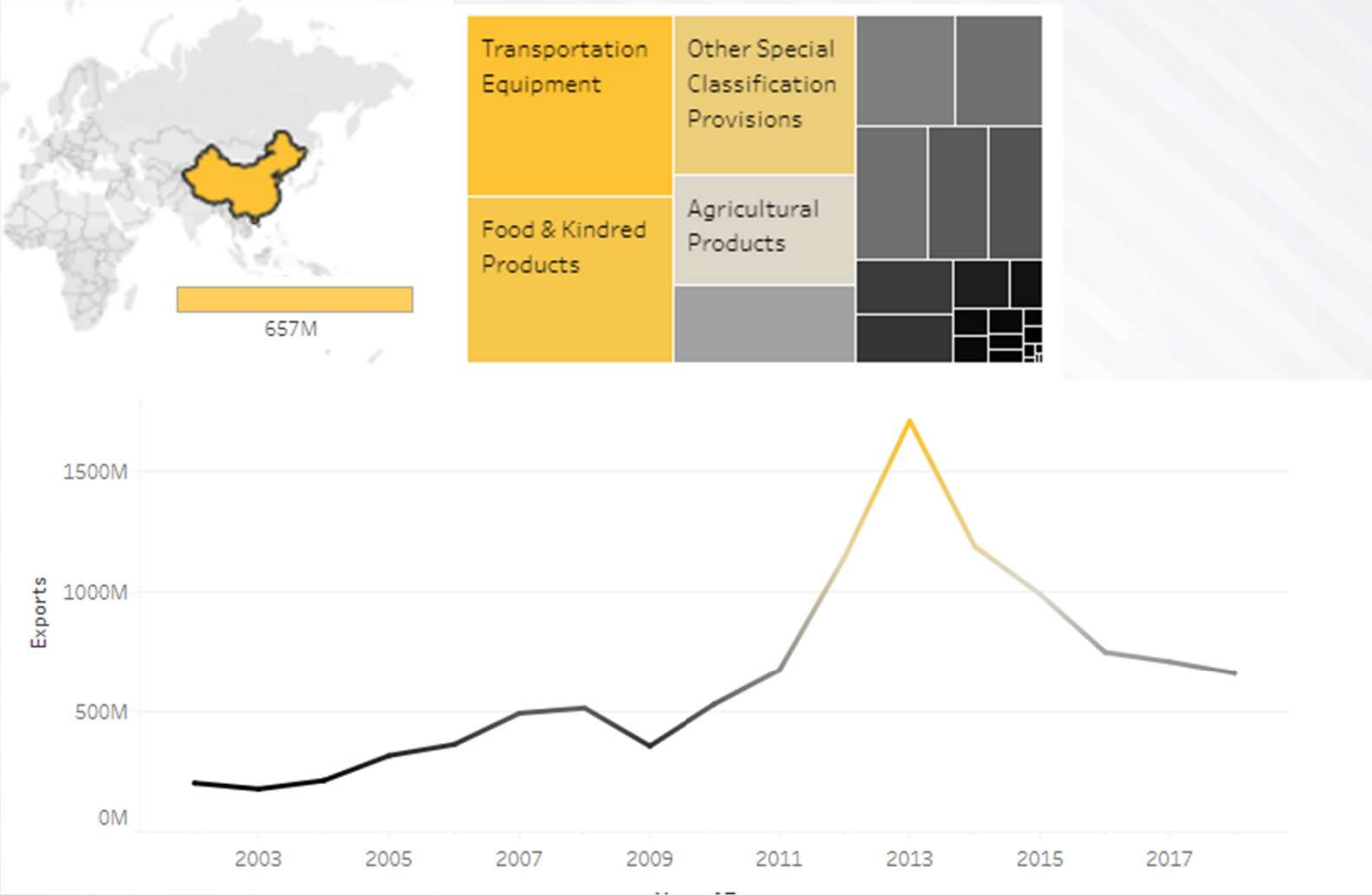
Sources: Census Bureau, Moody's Analytics

# Kansas Exports 2018

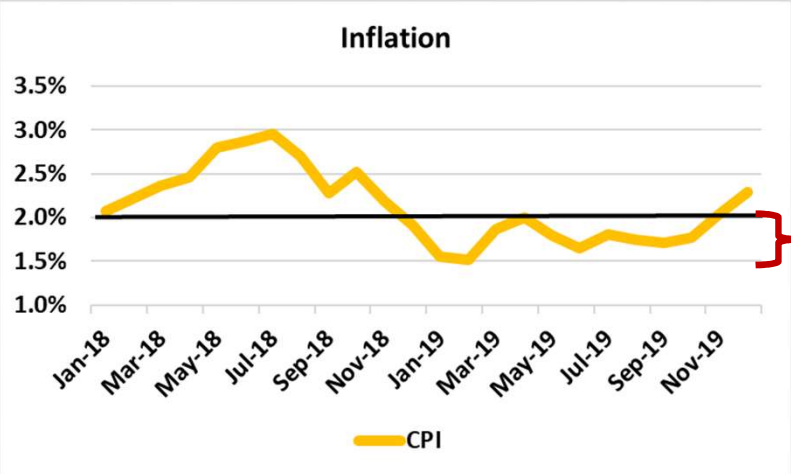




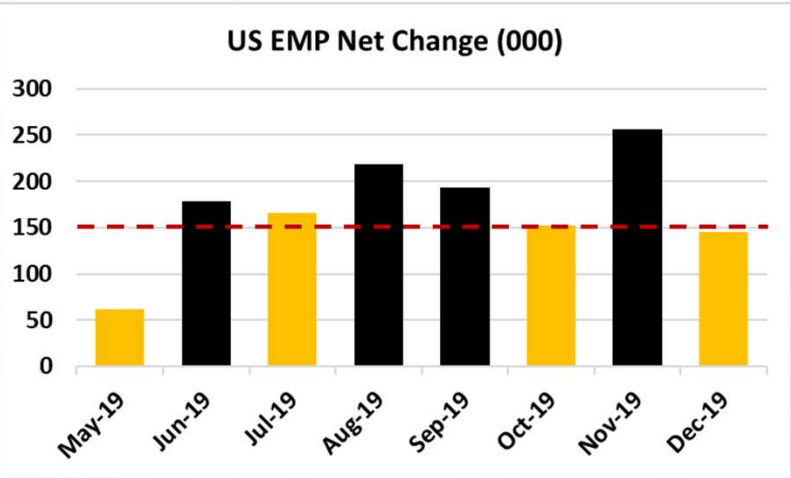
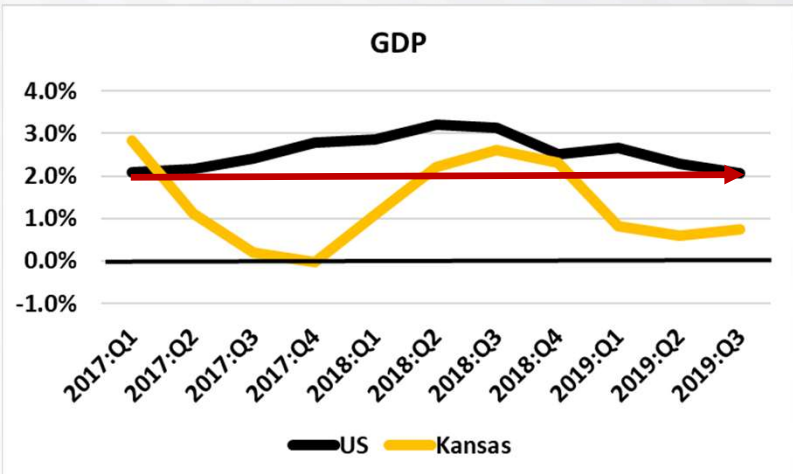
# Kansas Exports 2018



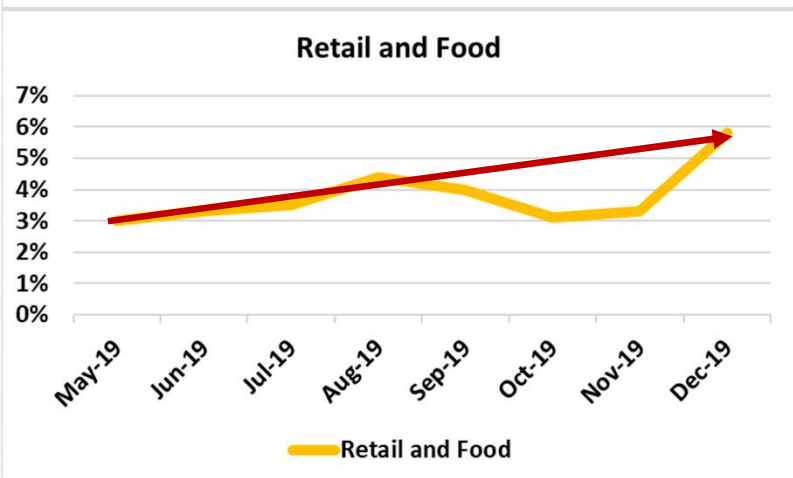
# US Economic Train Continues Down the Track



**Fed Target 2%**



**~150,000 is needed per month**

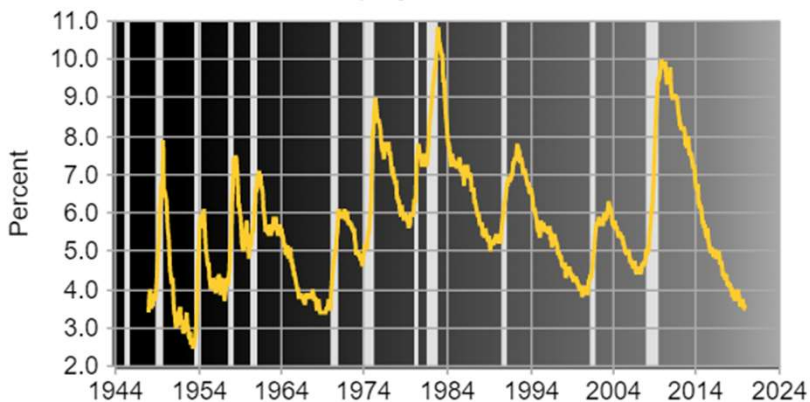


**Consumption is about 68% of the economy**

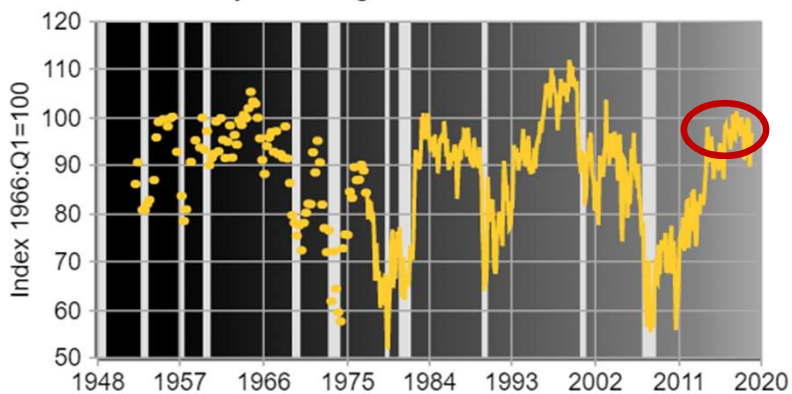


# Indicators are not pointing to a recession, yet

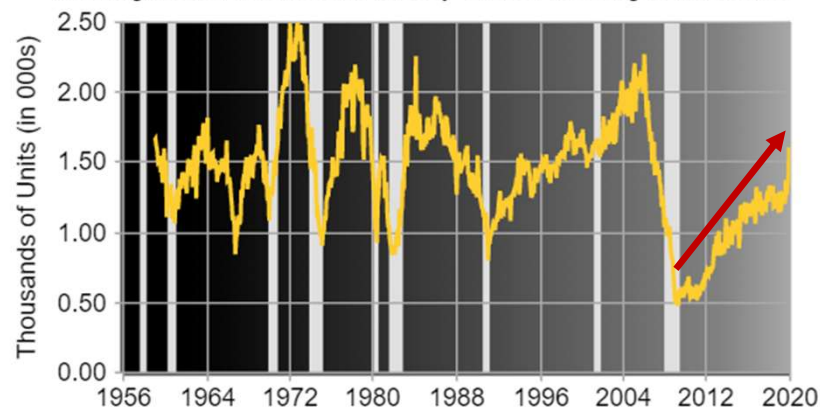
Unemployment Rate



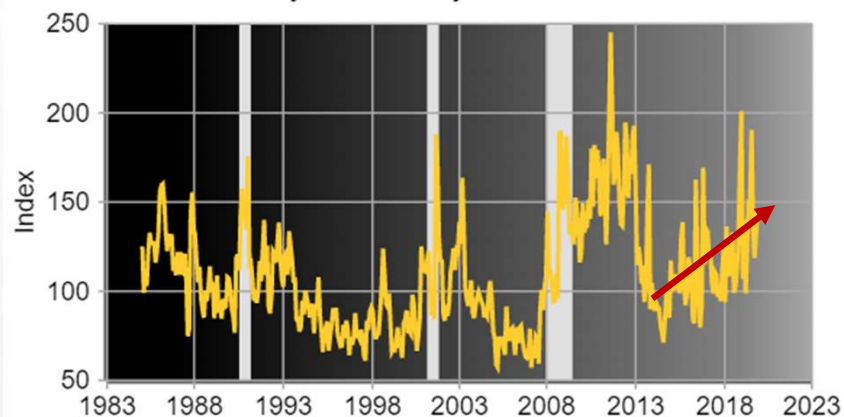
University of Michigan: Consumer Sentiment



Housing Starts: Total: New Privately Owned Housing Units Started



Economic Policy Uncertainty Index for United States





# Yield Curve – False Warning?



# US economy

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- **Summary**

- US economy continues to grow
- Recent economic headwinds are not likely going to slow growth
- Trade deals could push growth up slightly

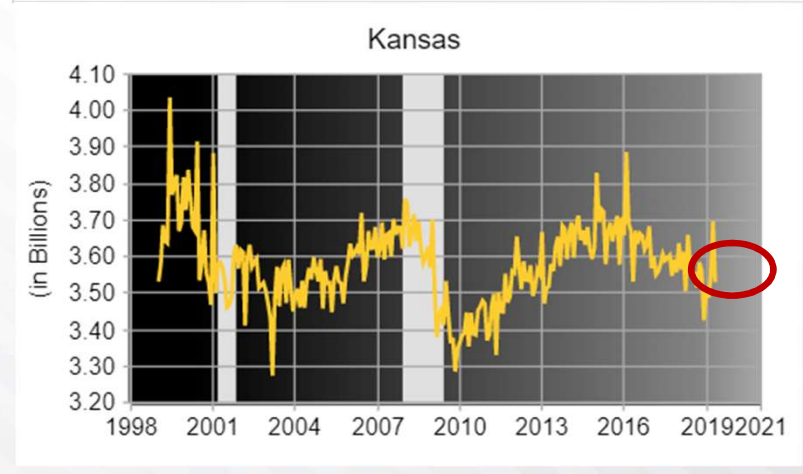
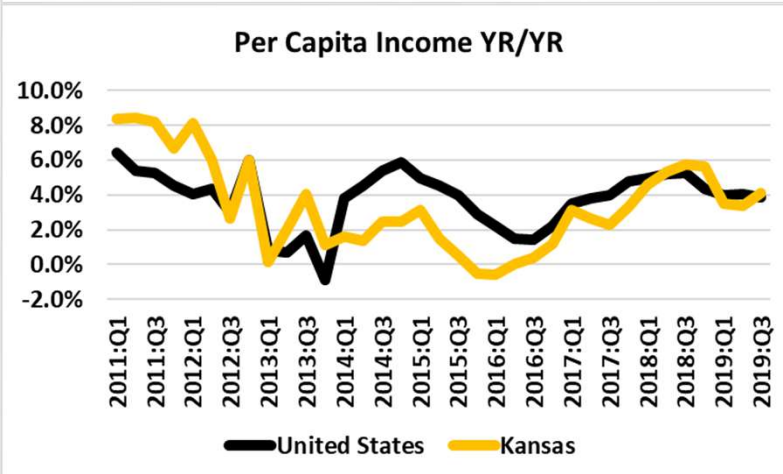
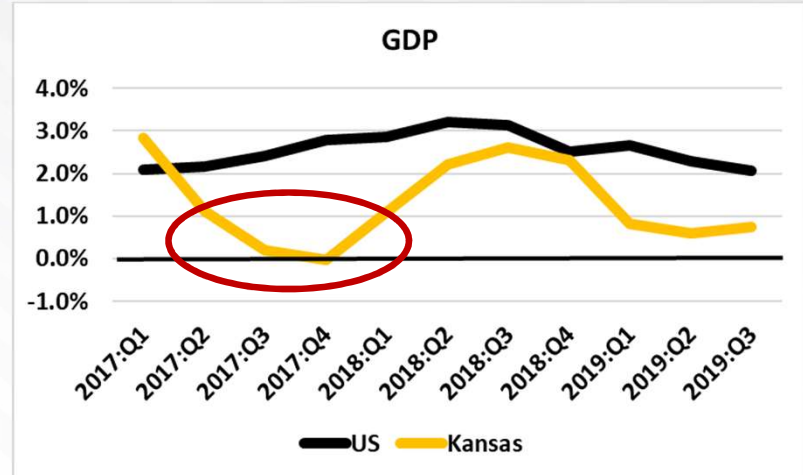
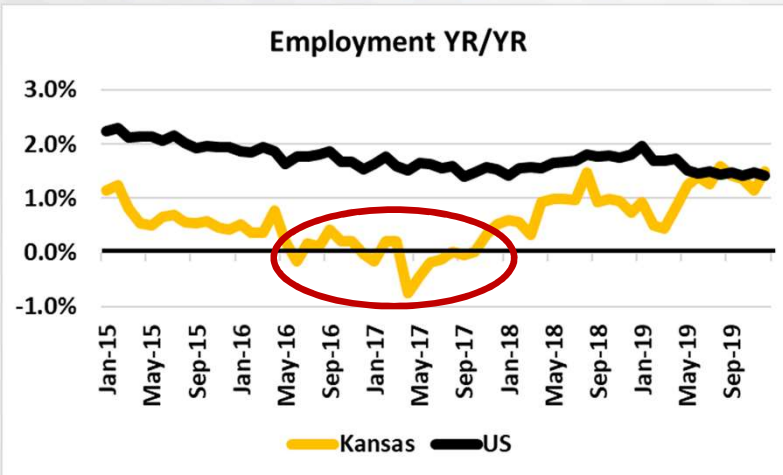
- **Issues to Watch**

- Implementation of the trade deals
- Income growth
- Business investments
- Trade policy



# Kansas Economy

# Kansas Indicators

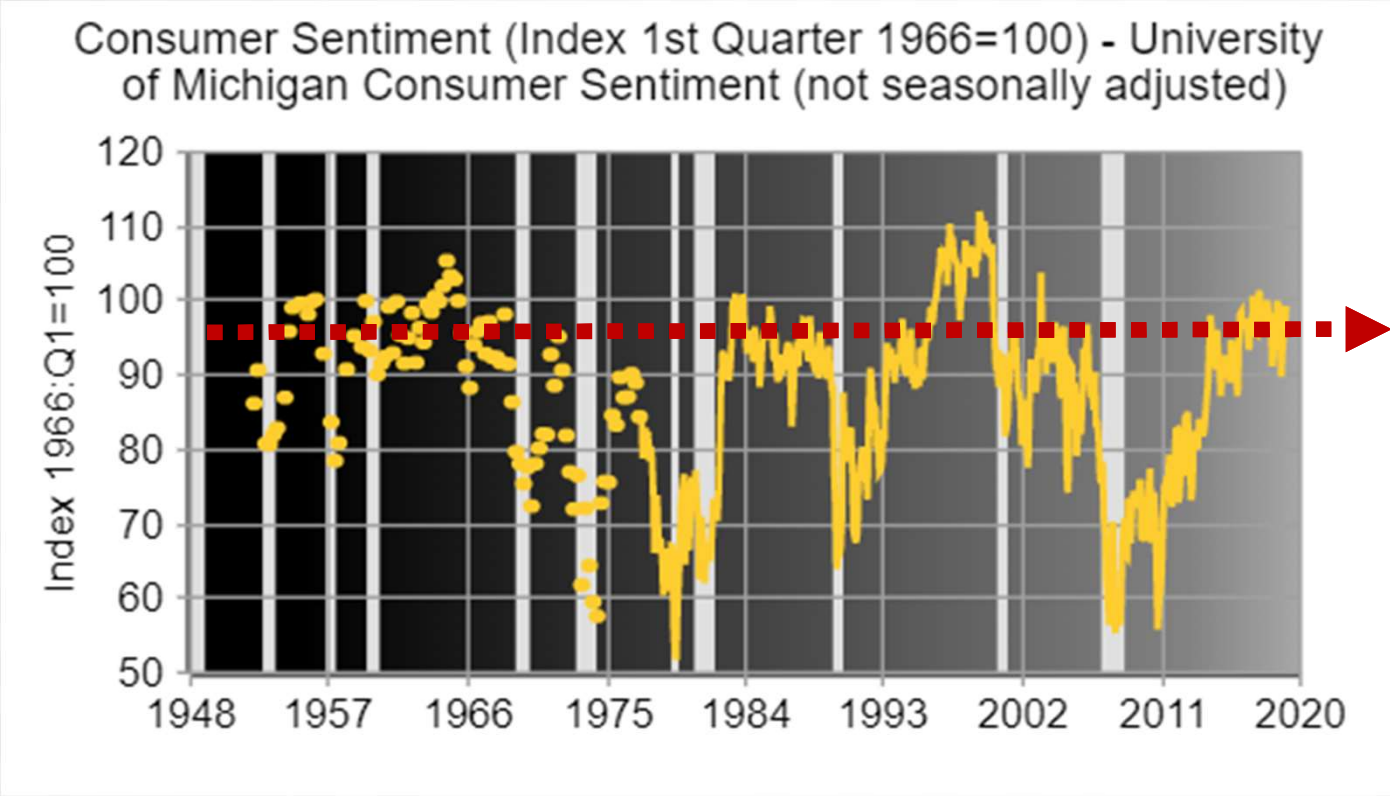




# Households

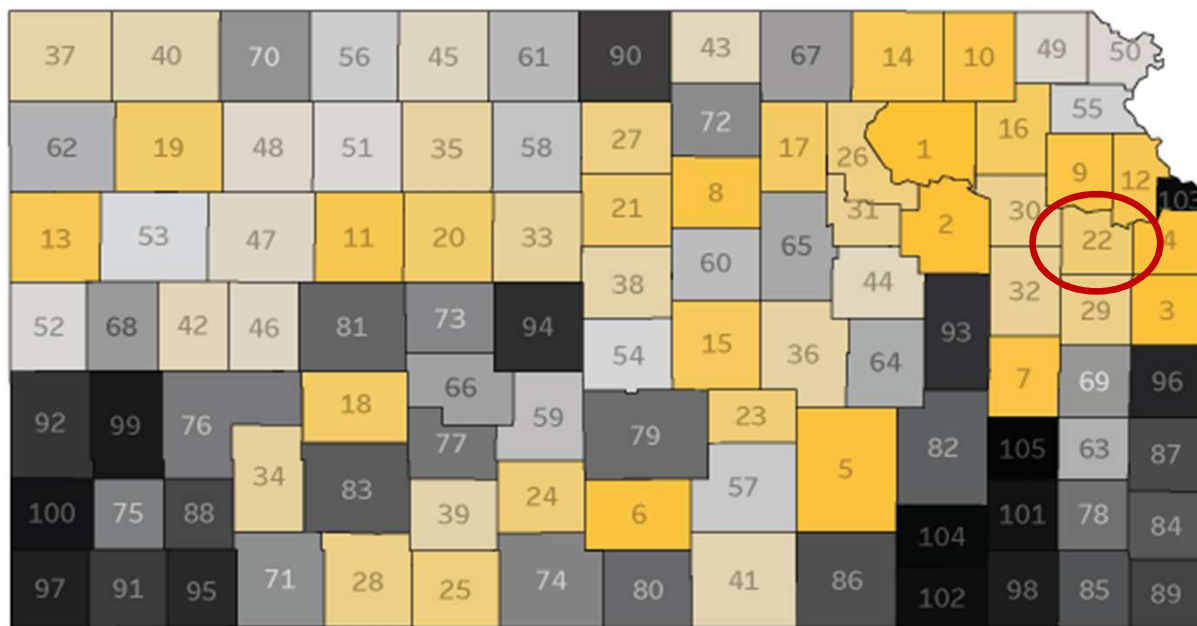


# Households are STILL doing well



# Douglas County – Ranked 22 out of 105

Healthy, Wealthy, Wise 2020 Ranking



- **Healthy** – Ranked 29
  - Low Birthweight 6.9%
  - Poor or Fair Health 13%
  - Uninsured 12%
- **Wealthy** – Ranked 63
  - GINI – 0.471
  - Household income - \$75,291
  - Poverty – 18.7
- **Wise** – Ranked 3
  - Less than HS – 4.5%
  - Bachelor's+ - 50.4%

Employment size ranking = 5

# Northeast

HEALTHY RANKING			
2015		2020	
Wabaunsee	1	Nemaha	1
Pottawatomie	3	Wabaunsee	7
Riley	5	Marshall	8
Jefferson	7	Pottawatomie	10
Nemaha	14	Jefferson	12
Clay	15	Doniphan	15
Jackson	16	Clay	18
Douglas	23	Osage	23
Franklin	25	Riley	26
Osage	38	Douglas	29
Atchison	45	Jackson	30
Shawnee	51	Atchison	44
Marshall	55	Franklin	45
Washington	58	Brown	50
Doniphan	60	Shawnee	55
Brown	80	Geary	57
Geary	86	Washington	67

■ Decline by more than 20    ■ Within a 30 point range  
■ Increase by more than 20

WEALTHY RANKING			
2015		2020	
Jefferson	1	Jefferson	3
Wabaunsee	6	Pottawatomie	4
Pottawatomie	7	Wabaunsee	5
Jackson	9	Jackson	14
Osage	18	Franklin	18
Geary	24	Osage	28
Franklin	27	Nemaha	33
Doniphan	33	Marshall	34
Nemaha	39	Geary	36
Clay	46	Shawnee	44
Shawnee	48	Clay	51
Washington	57	Washington	53
Douglas	63	Brown	59
Atchison	68	Douglas	63
Marshall	73	Doniphan	66
Riley	90	Riley	78
Brown	91	Atchison	80

■ Decline by more than 20    ■ Within a 30 point range  
■ Increase by more than 20

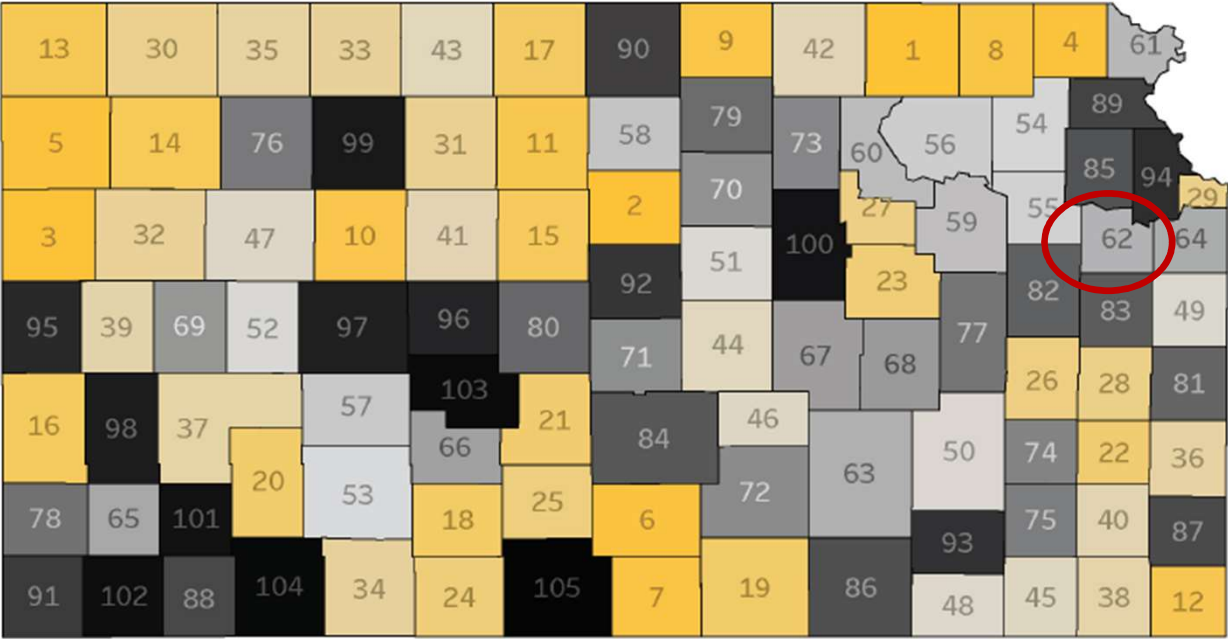
WISE RANKING			
2015		2020	
Riley	2	Riley	2
Douglas	3	Douglas	3
Pottawatomie	4	Pottawatomie	4
Clay	14	Wabaunsee	14
Wabaunsee	15	Clay	16
Shawnee	18	Shawnee	20
Jefferson	22	Nemaha	21
Atchison	23	Marshall	26
Geary	35	Geary	27
Jackson	41	Jackson	32
Marshall	42	Jefferson	33
Osage	43	Brown	39
Franklin	44	Atchison	43
Brown	51	Franklin	55
Nemaha	64	Washington	69
Doniphan	72	Osage	72
Washington	75	Doniphan	76

■ Decline by more than 15    ■ Within a 30 point range  
■ Increase by more than 15



# Douglas County

## Healthy, Wealthy, Wise Improvements Ranking



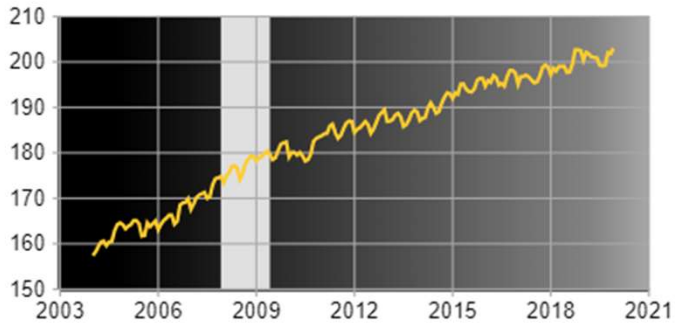
1 105



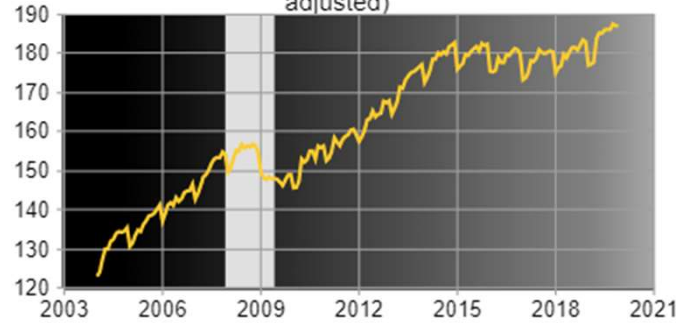
**Businesses**

# Selected Industrial Sectors

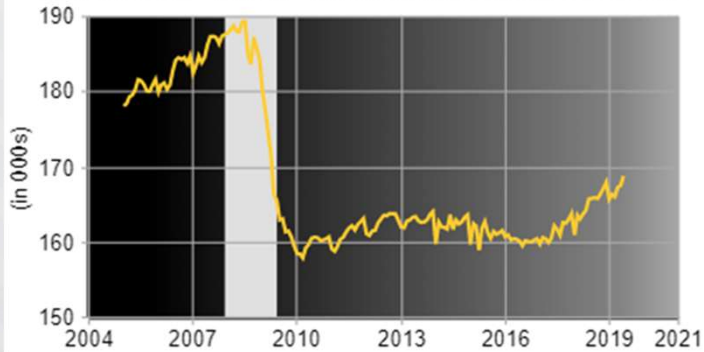
Education and Health Services - Kansas - Total Nonfarm Employment (in thousands, not seasonally adjusted)



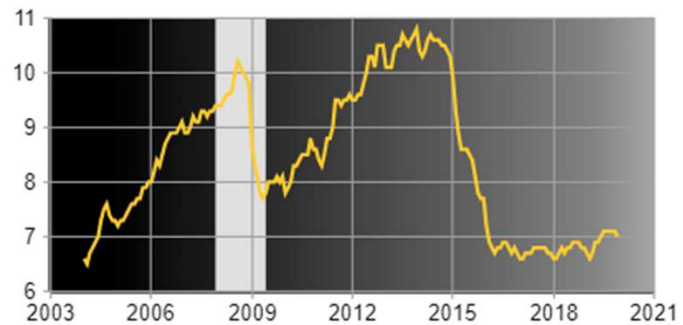
Professional and Business Services - Kansas - Total Nonfarm Employment (in thousands, not seasonally adjusted)



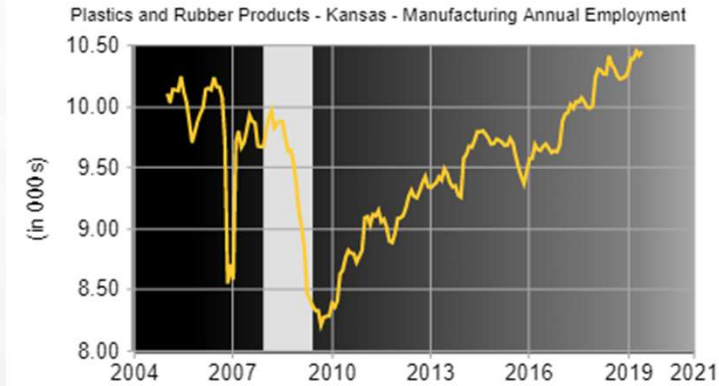
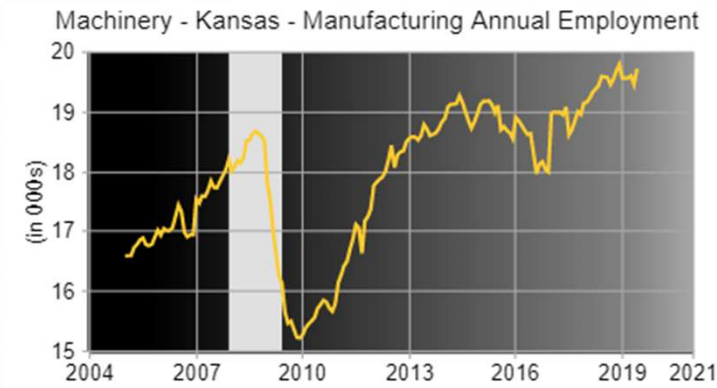
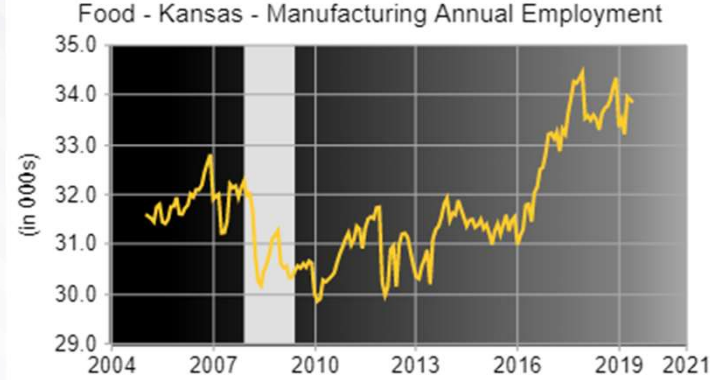
Manufacturing - Kansas - Manufacturing Annual Employment



Mining and Logging - Kansas - Total Nonfarm Employment (in thousands, not seasonally adjusted)

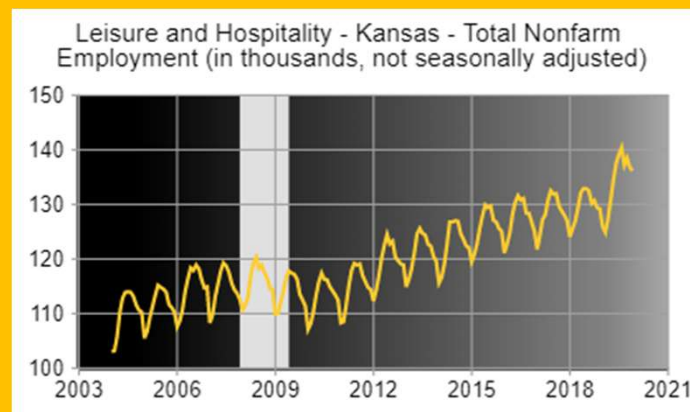
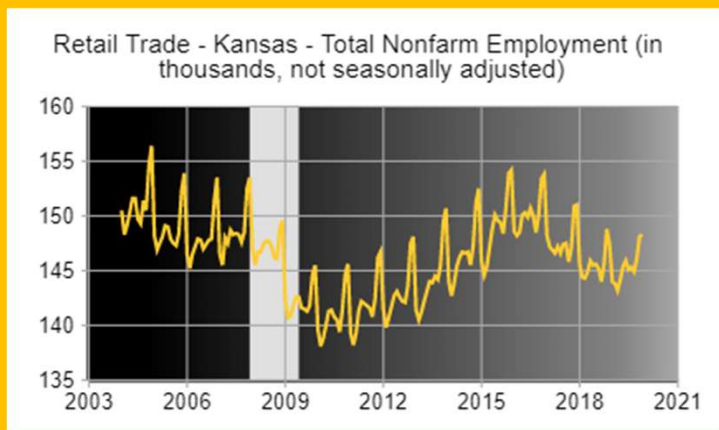


# Manufacturing remains strong

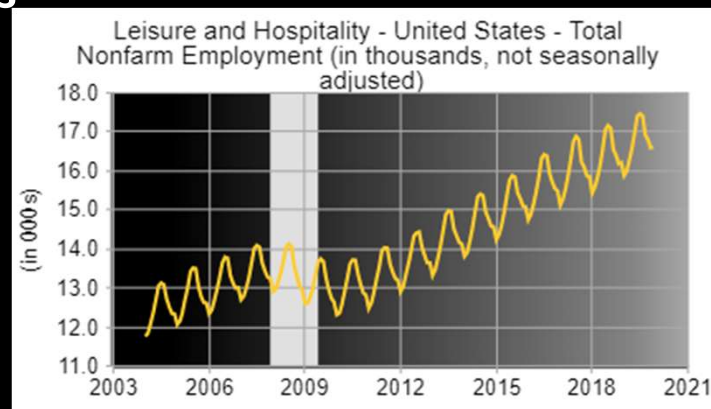


# Mystery of household spending in Kansas

## Kansas



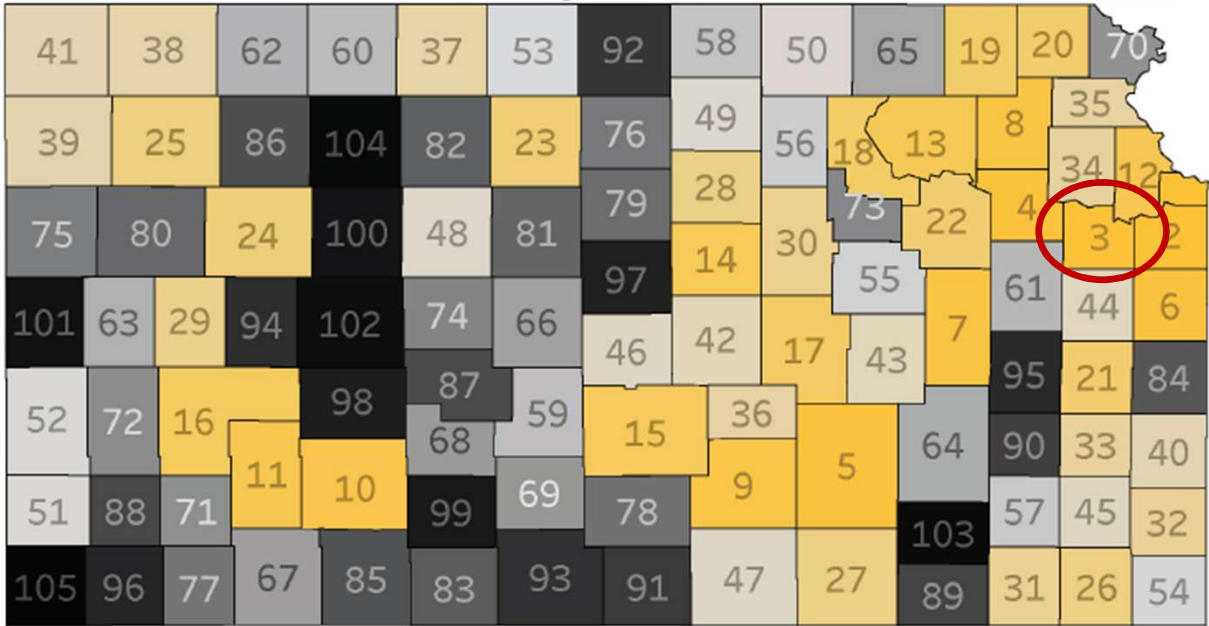
## United States





# Douglas County has a dynamic business economy

**Business Dynamism Rank**



1 105

**• Diversification**

- EMP – 2
- EST – 3
- Pay - 2

**• Expansion**

- EMP – 41
- EST – 13
- Pay - 49

# Northeast

## BUSINESS DIVERSIFICATION

Employment Rank		Diversification Rank	
Shawnee County	3	Shawnee County	1
Douglas County	5	Douglas County	3
Riley County	8	Jackson County	17
Marshall County	14	Riley County	19
Pottawatomie County	21	Nemaha County	24
Franklin County	23	Atchison County	27
Geary County	24	Geary County	33
Atchison County	27	Marshall County	36
Nemaha County	32	Pottawatomie County	37
Brown County	36	Franklin County	45
Jackson County	39	Clay County	48
Jefferson County	46	Brown County	56
Clay County	47	Jefferson County	57
Doniphan County	57	Wabaunsee County	59
Osage County	58	Osage County	61
Washington County	60	Washington County	65
Wabaunsee County	72	Doniphan County	75

■ Decline by more than 10   
 ■ Within a 10 point range  
■ Increase by more than 10

## Diversification



Sources: CEDBR, Census – County Business Patterns 2017

## Growth



Sources: CEDBR, BLS – QCEW 2015-2018

## BUSINESS EXPANSION

Employment Rank		Expansion Rank	
Shawnee County	3	Wabaunsee County	6
Douglas County	5	Brown County	7
Riley County	8	Pottawatomie County	8
Marshall County	14	Douglas County	13
Pottawatomie County	21	Jackson County	19
Franklin County	23	Jefferson County	20
Geary County	24	Shawnee County	25
Atchison County	27	Washington County	32
Nemaha County	32	Riley County	40
Brown County	36	Nemaha County	41
Jackson County	39	Doniphan County	47
Jefferson County	46	Franklin County	48
Clay County	47	Osage County	51
Doniphan County	57	Clay County	57
Osage County	58	Atchison County	59
Washington County	60	Marshall County	83
Wabaunsee County	72	Geary County	94

■ Decline by more than 30   
 ■ Within a 30 point range  
■ Increase by more than 30

# KS economy

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- **Summary**

- Kansas just got back onto growth path
- Aerospace and agriculture weighed down the economy
- Tight labor market conditions kept pressure on wages

- **Issues to Watch**

- Net out migration
- Retail sales
- Business investments
- 737 Max production





**Forecasts**

# 737 Max impact

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Extreme case - 12 months

- Employment
  - 2,800
  - 5,800
- Wages
  - \$220 million
- Sales Tax
  - Wichita 1,250,000
  - Sedgwick 617,000
  - Kansas 13,060,000

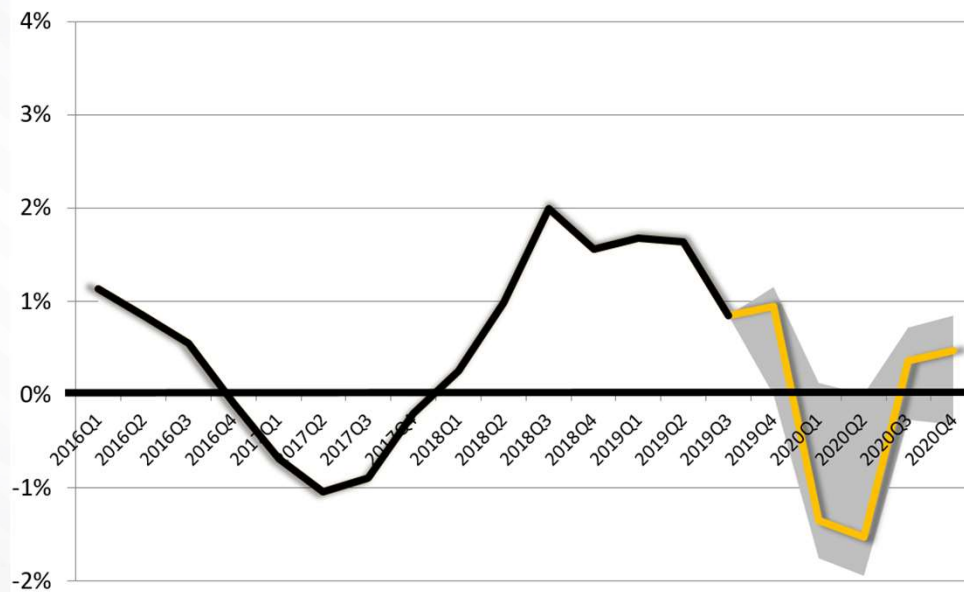
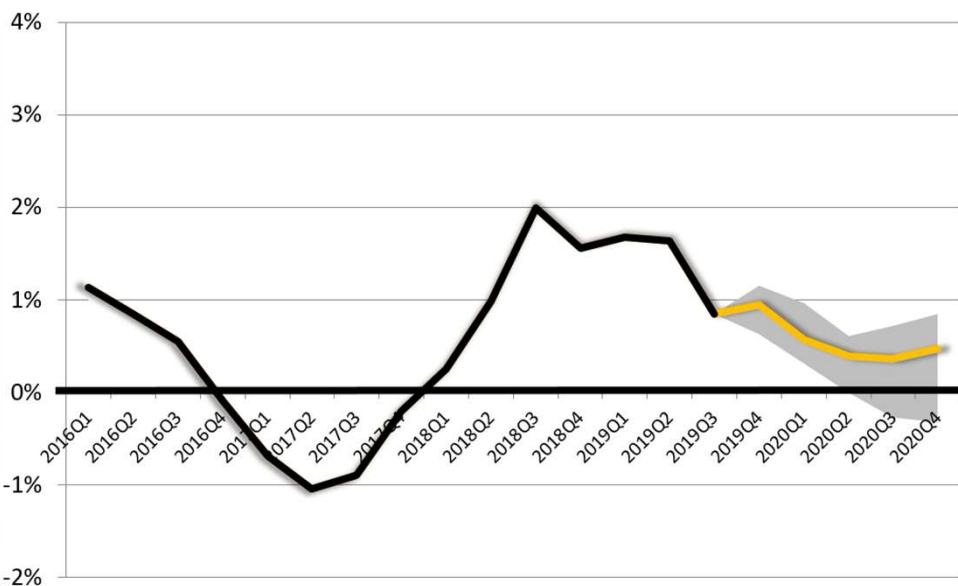
# Wichita was expected to grow

## Original Forecast

## Adjusted Forecast

Wichita Total Nonfarm Employment Growth

Wichita Total Nonfarm Employment Growth



Source: CEDBR, BLS - CES    Range    Forecast    Actual

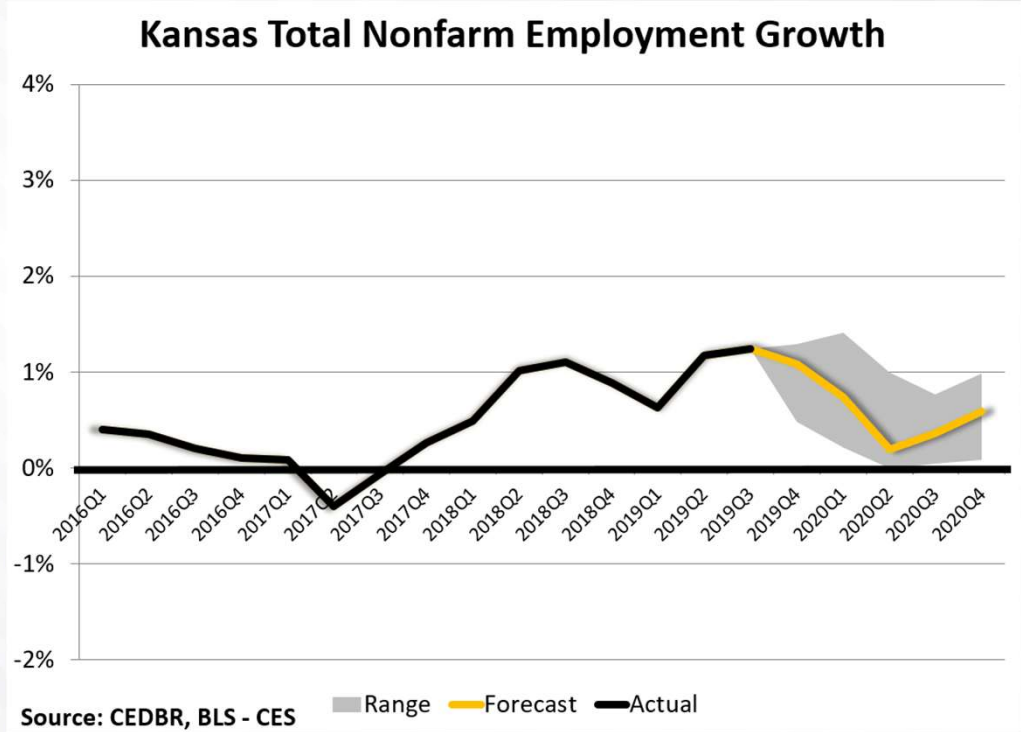
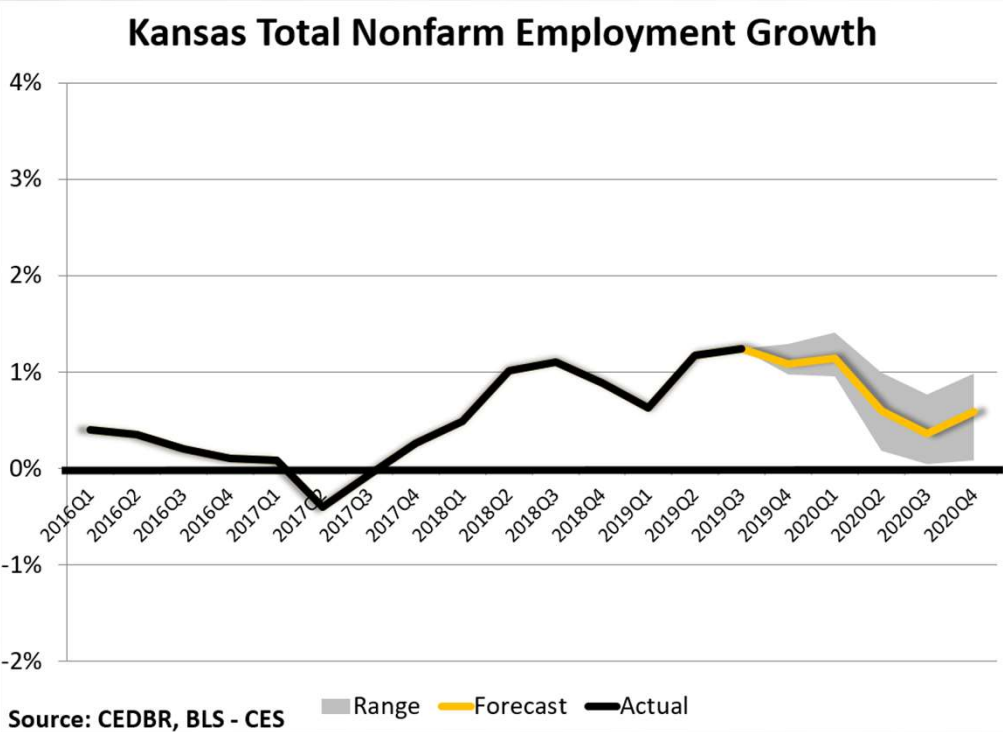
Source: CEDBR, BLS - CES    Range    Forecast    Actual

\* This assumes that production resumes in July 2020

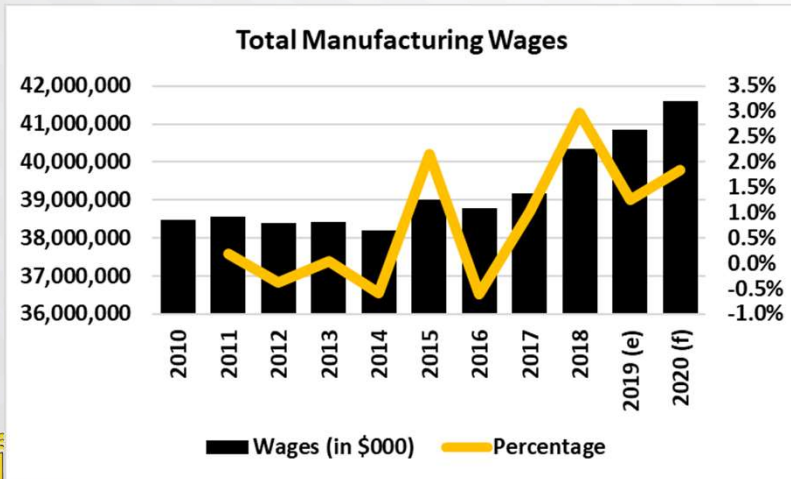
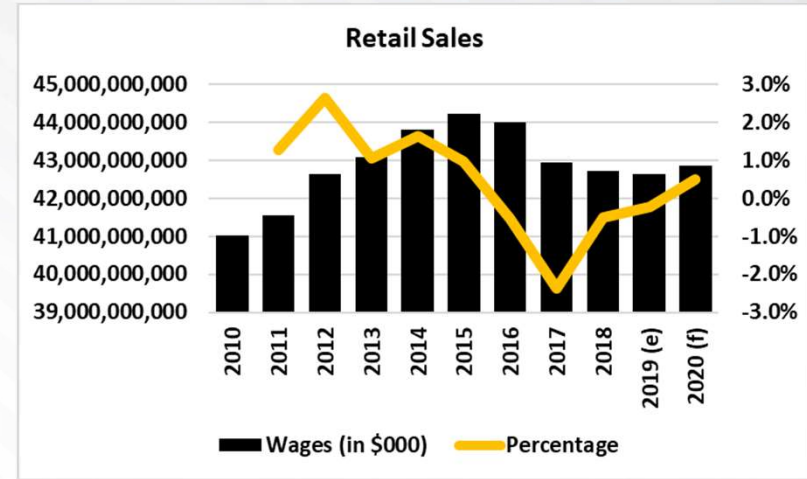
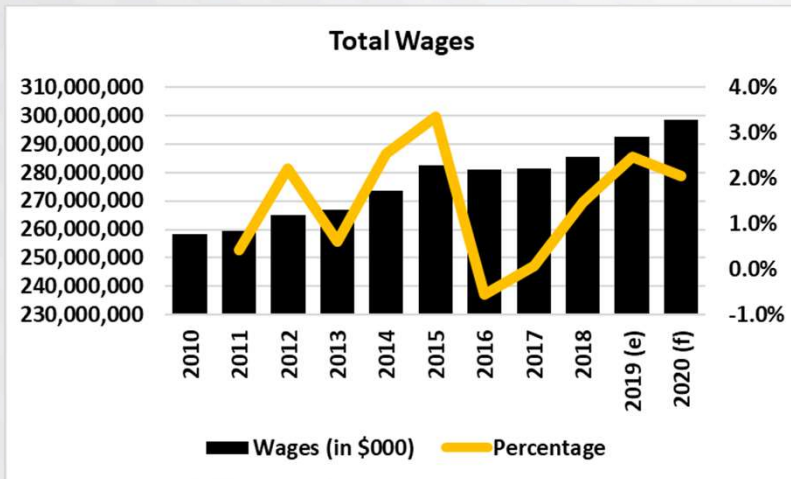
# KS will grow at a slower pace than expected

**Original Forecast**

**Adjusted Forecast**



# Retail Sales are expected to struggle in 2019



Not adjusted for the 737 Max Impact

- KS Retail Sales – Additional reduction
  - \$200,923,402
  - 0.48 percentage points



# Agenda

- |              |                               |
|--------------|-------------------------------|
| 10:30        | Registration / Networking     |
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| <b>12:05</b> | <b>Local Update</b>           |
| 12:35        | -- Break --                   |
| 12:45        | Commercial Real Estate Update |
| 1:05         | Real Estate Outlook           |
| 1:35         | Women in the Workforce        |

## LOCAL UPDATE

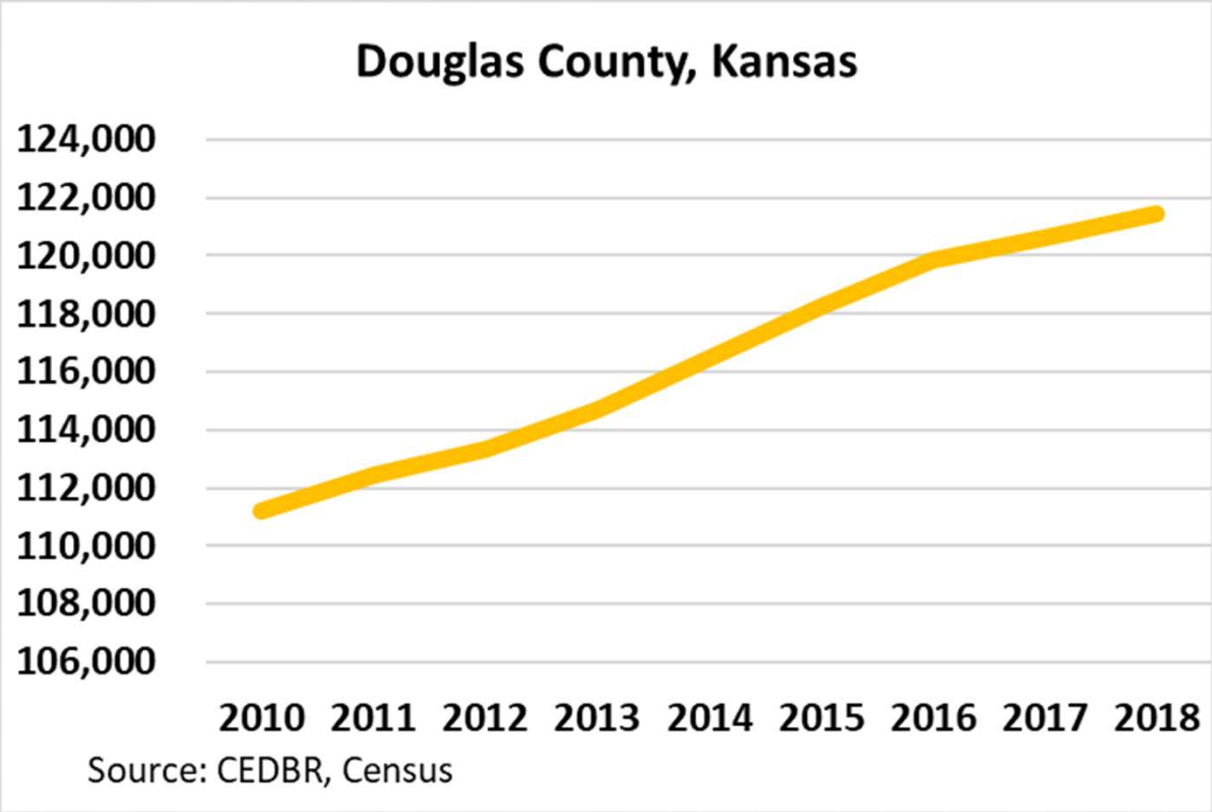


**STEVE KELLY**

**Vice President of  
Economic Development**

The Chamber Lawrence Kansas

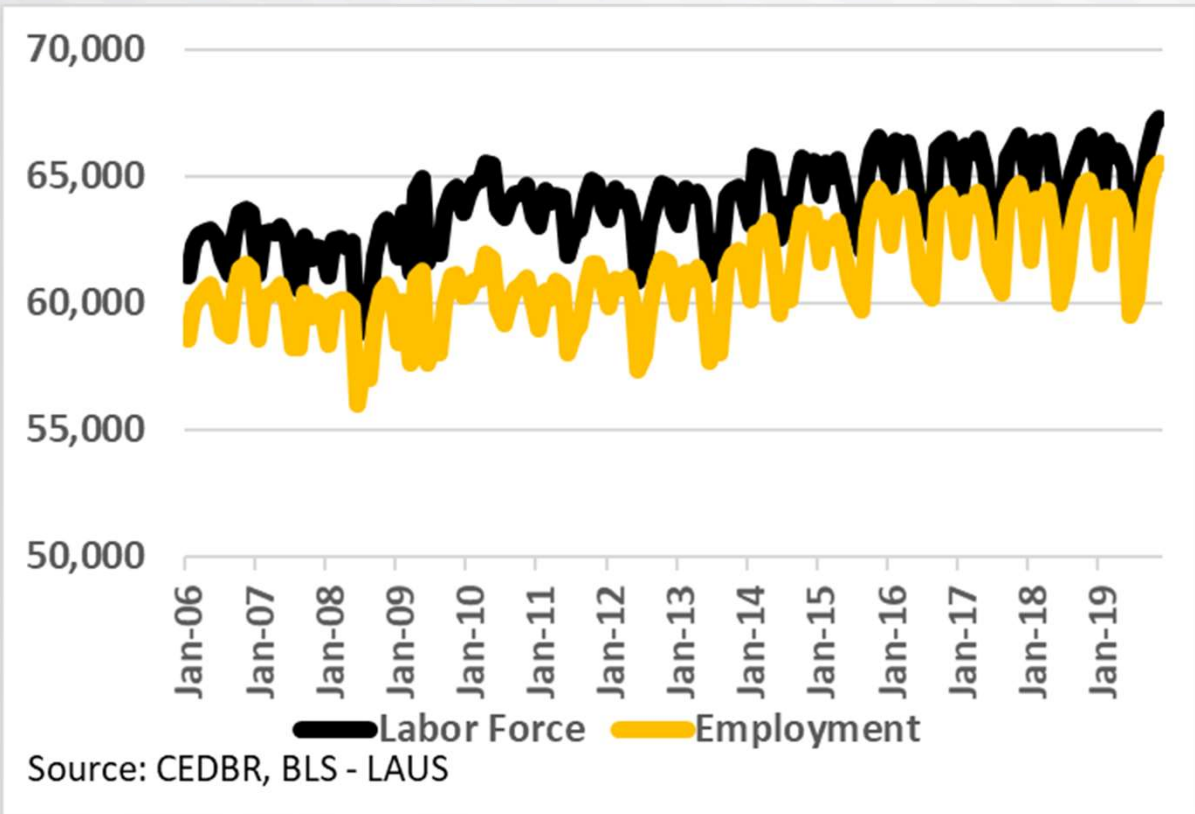
# Population Summary



Annualized Population Growth		
	1 YR	5 YR
Douglas	0.7%	1.2%
Kansas	0.0%	0.1%
US	0.6%	0.7%

Source: CEDBR, Census

# Labor Force



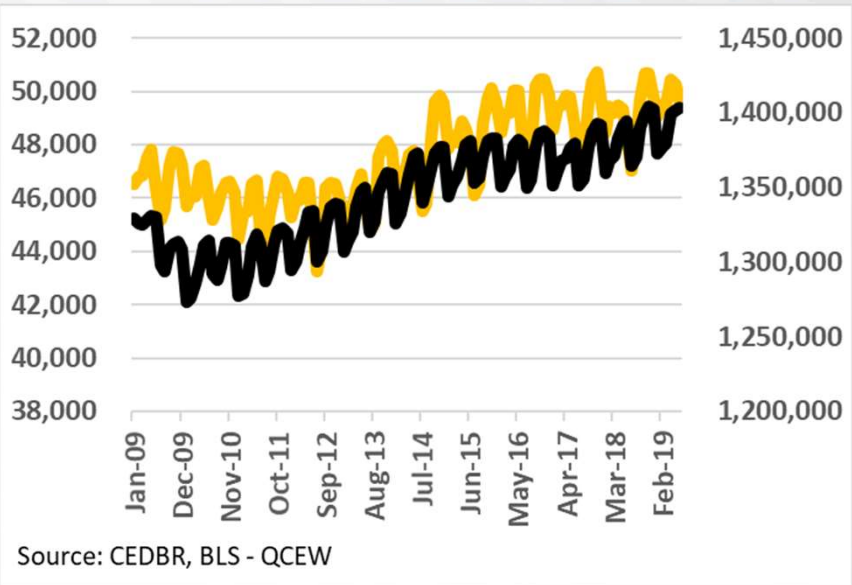
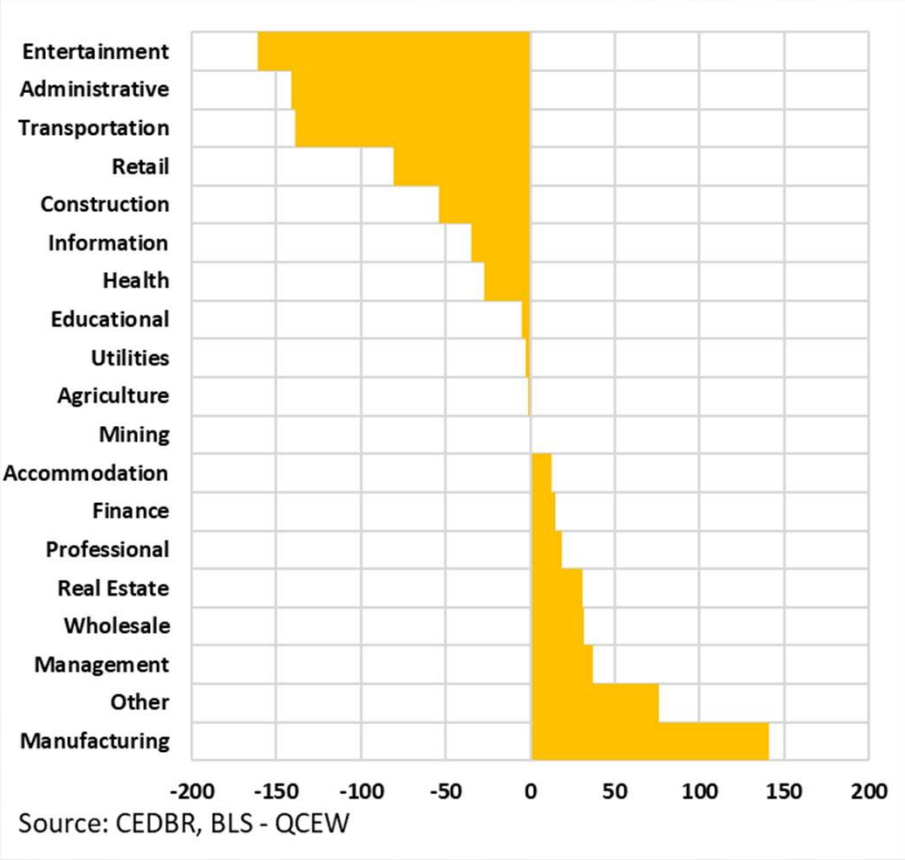
Annualized Growth		
	1YR	5YR
Labor Force	1.0%	0.6%
Employment	1.0%	0.7%
Unemployment	-0.8%	-4.0%

Annualized Growth - Kansas		
	1YR	5YR
Labor Force Level	1.0%	0.1%
Employment Level	1.1%	0.4%
Unemployment Level	-2.9%	-5.3%

Source: CEDBR, BLS - LAUS



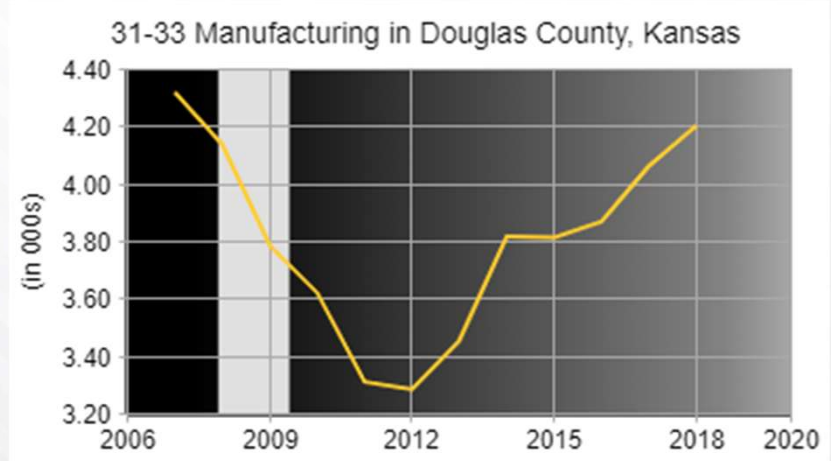
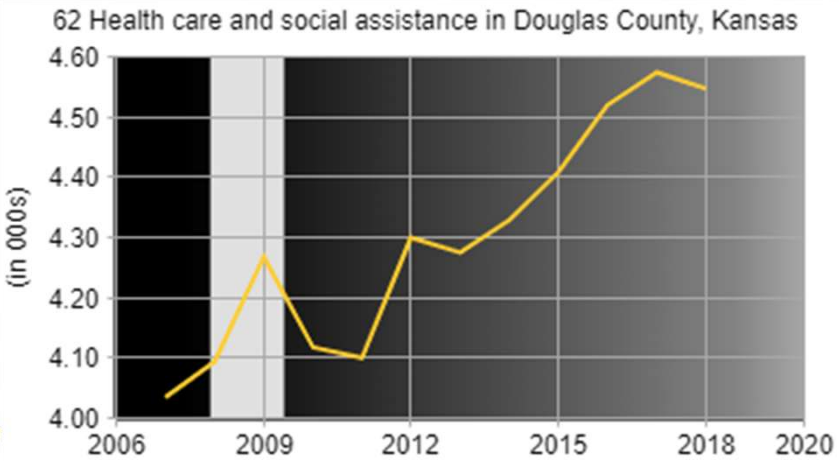
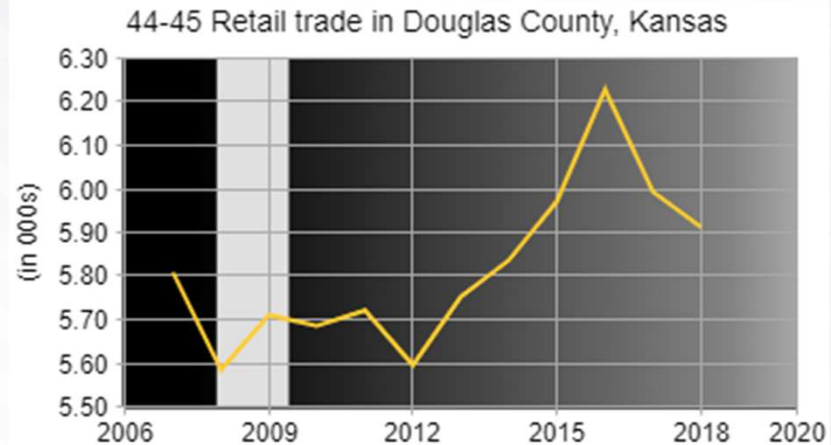
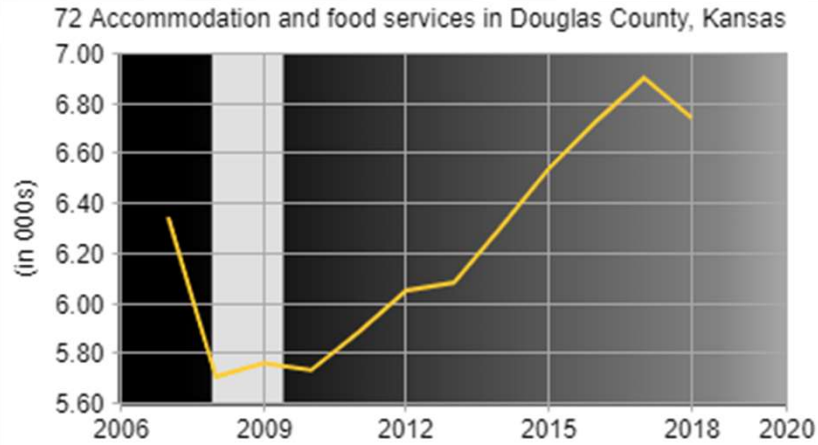
# Employment Summary



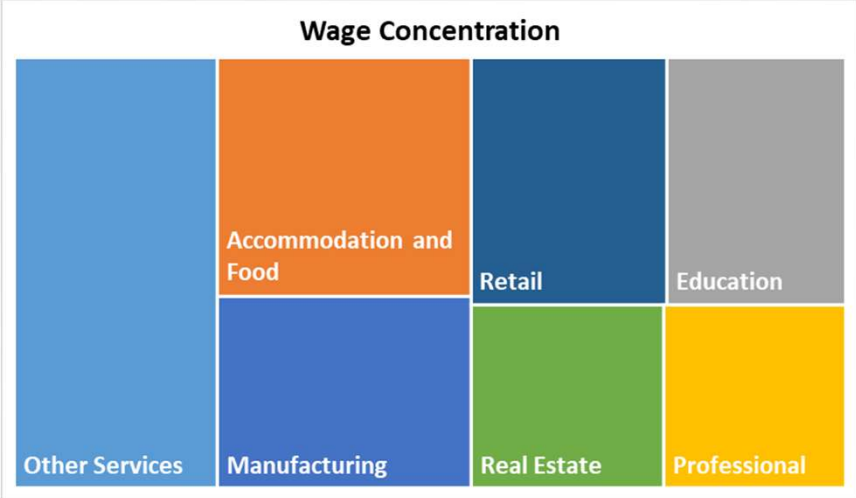
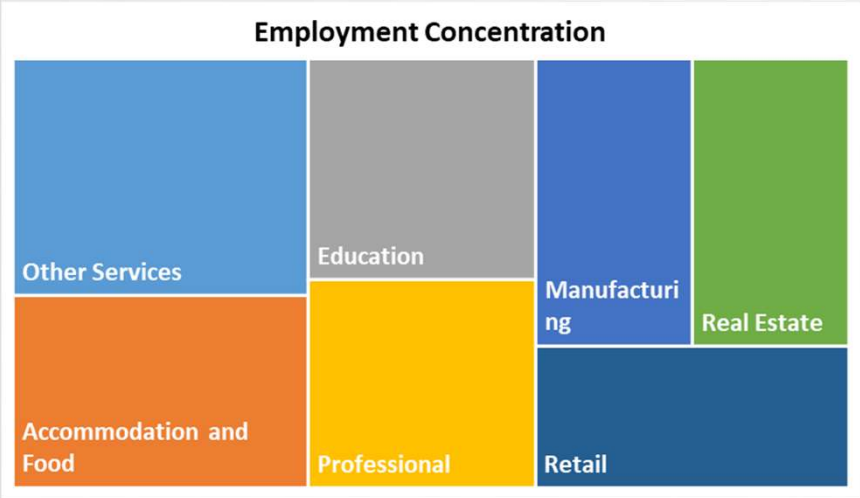
Annualized Employment Growth		
	1 YR	5 YR
Douglas	2.6%	1.2%
Kansas	0.6%	0.4%

Source: CEDBR, Census

# Employment – Largest Sectors



# Economic Concentration

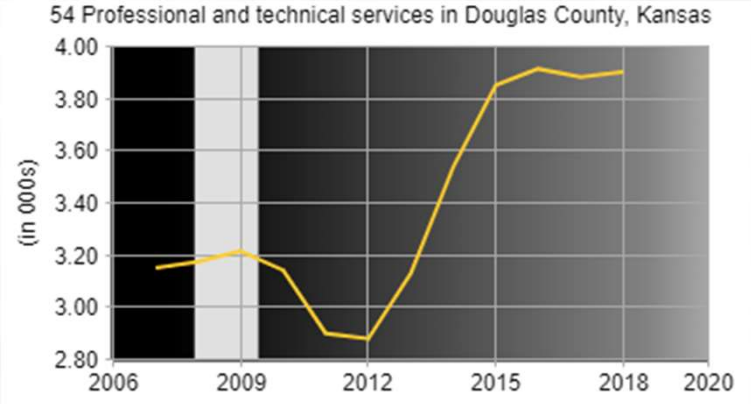
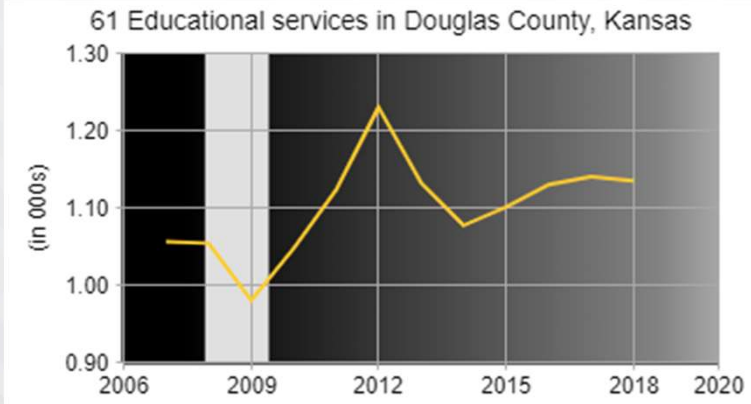
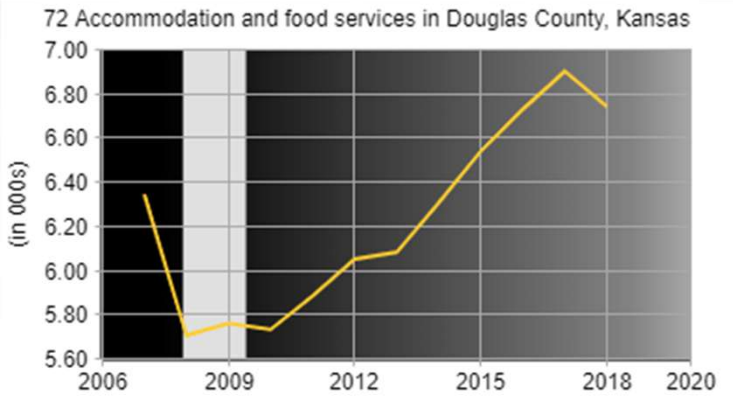
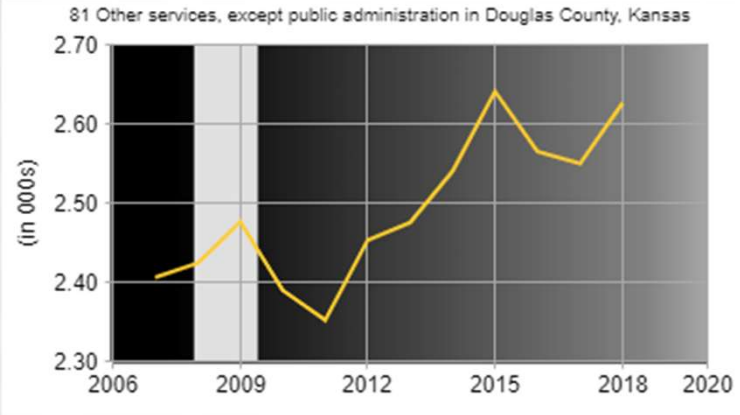


	Employment	Wage
Other Services	1.7	2.08
Accommodation and Food	1.38	1.44
Education	1.22	1.05
Professional	1.15	0.79
Manufacturing	1.1	1.16
Real Estate	1.09	0.84
Retail	1.08	1.15

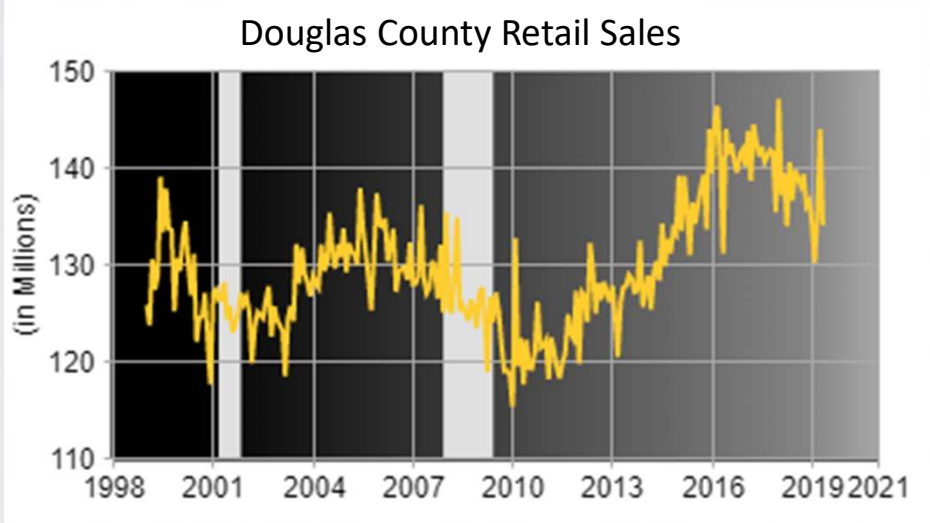
Location quotients quantify industry clusters. The measurement compares the industry share locally with the nation. A value greater than one indicates a higher level of concentration of that industry compared to the nation. Higher levels of concentration also identify key sectors that drive the regional economy.

1 = same level of concentration  
 2 = double the level of concentration

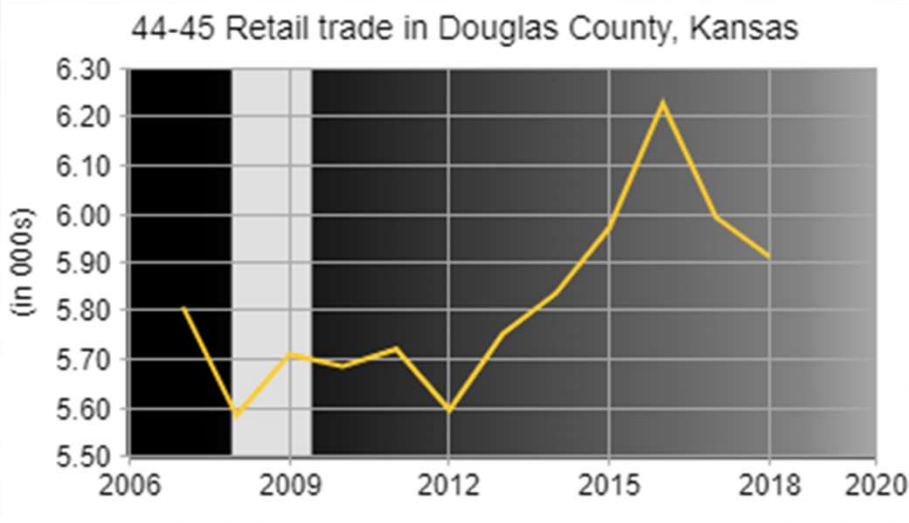
# Employment – Core Sectors



# Retail Update



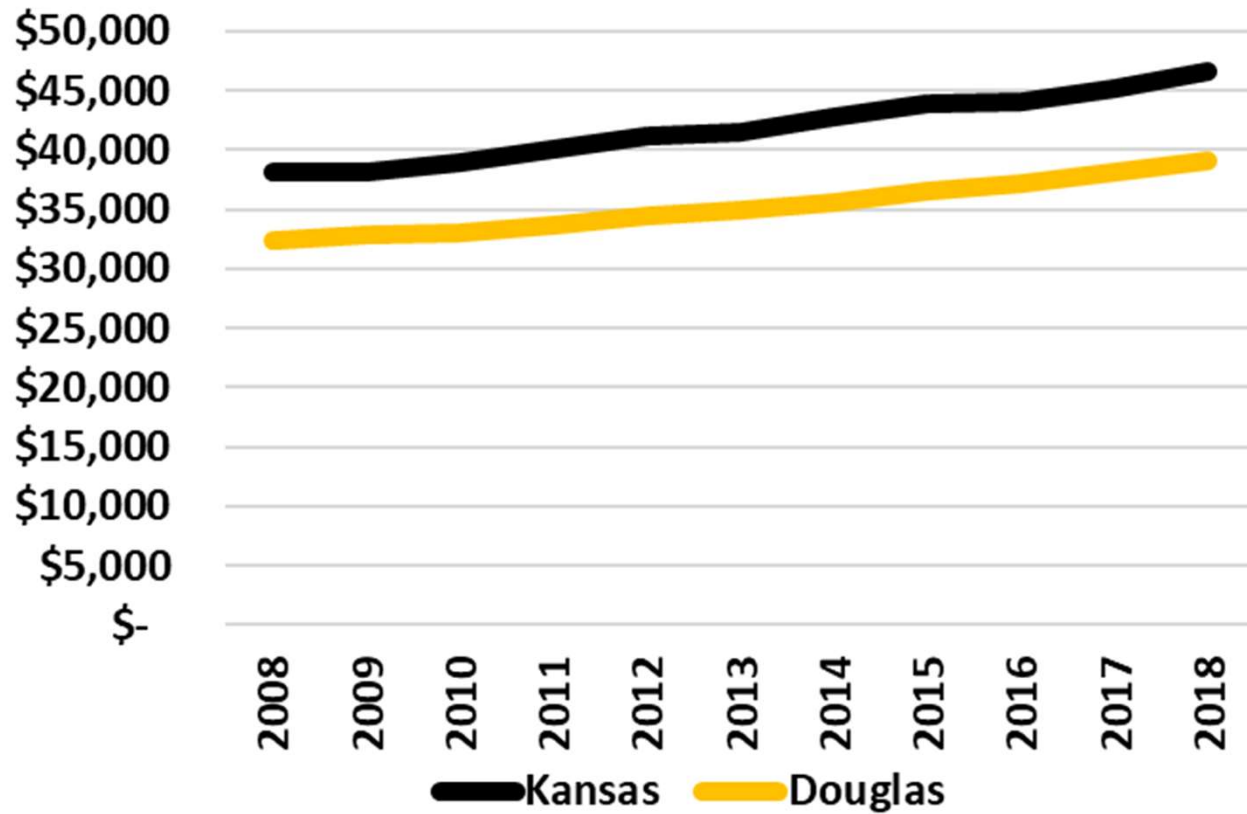
Source: CEDBR, KS Dept of Revenue



Source: CEDBR, BLS - QCEW



# Wages



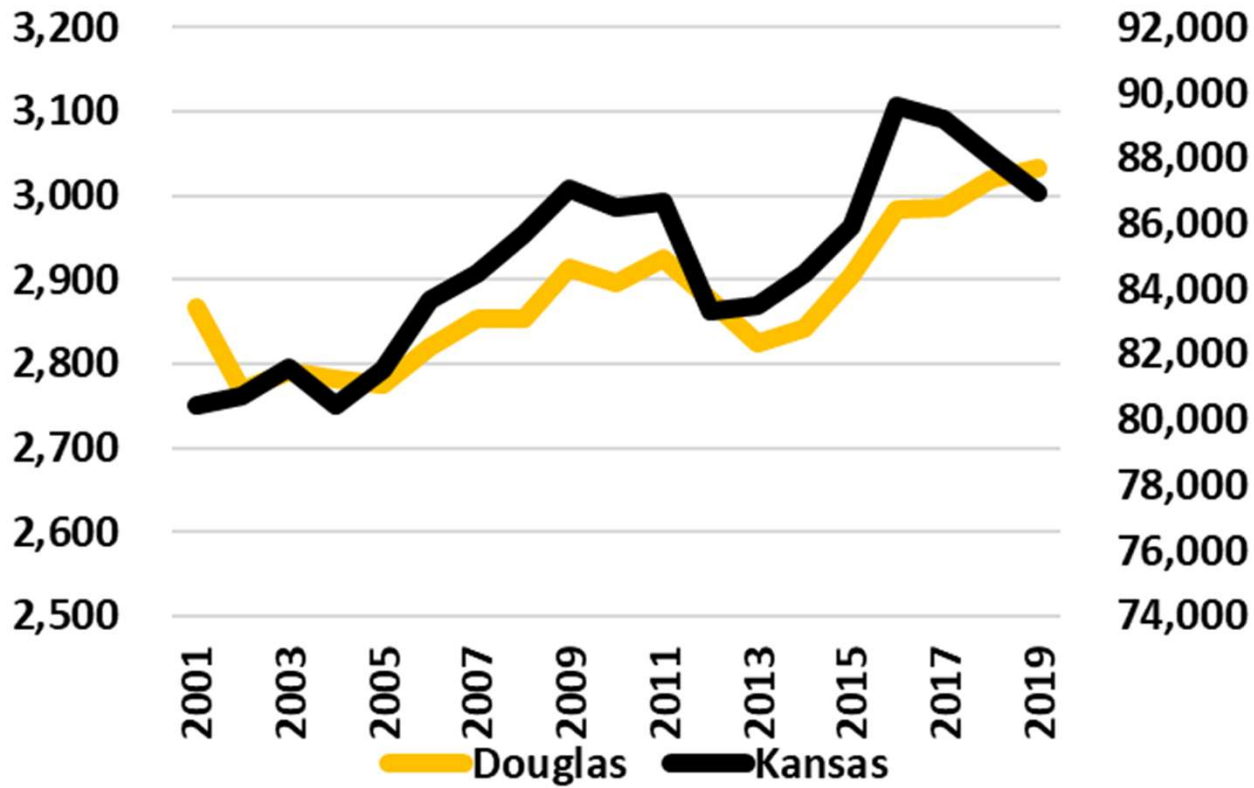
Source: CEDBR, BLS - QCEW

## Annualized Wage Growth

	1 YR	5 YR
Douglas	2.7%	2.4%
Kansas	3.3%	2.4%

Source: CEDBR, Census

# Establishments



Source: CEDBR, BLS - QCEW

## Annualized Establishment Growth

	1 YR	5 YR
Douglas	1.2%	1.5%
Kansas	-0.7%	0.6%

Source: CEDBR, Census

## NEW DATA SITE

- *Economic Forecasts*
- *Indices*
- *Industry Employment Trends*
- *Economic Indicators*
- *Demographics*

[www.KansasEconomy.org](http://www.KansasEconomy.org)



# Agenda

10:30 Registration / Networking

11:00 Lunch / Welcoming Remarks

11:20 State Outlook

12:05 Local Update

**12:35 -- Break --**

12:45 Commercial Real Estate Update

1:05 Real Estate Outlook

1:35 Women in the Workforce

# Agenda

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| 1:35         | Women in the Workforce               |

## COMMERCIAL REAL ESTATE



**STEVE MARTENS**

**CEO/President**

The Martens Companies



# COMMERCIAL REAL ESTATE OUTLOOK

**Steven J. Martens, CPM, CCIM, SIOR**  
*CEO/President – The Martens Companies*

Lawrence, Kansas  
February 6, 2020





DCCCA





375+ local offices  
6,000+ local market leaders

An aerial photograph of a city street in Lawrence, Kansas. The street is paved and has several cars driving. On the right side, there is a building with a sign that says "Welcome to DOWNTOWN LAWRENCE". In the background, there is a tall building with a clock tower. The sky is blue with some clouds. A large white rectangular box is overlaid on the center of the image, containing the text "LAWRENCE COMMERCIAL REAL ESTATE MARKET" in blue, bold, sans-serif font.

# LAWRENCE COMMERCIAL REAL ESTATE MARKET

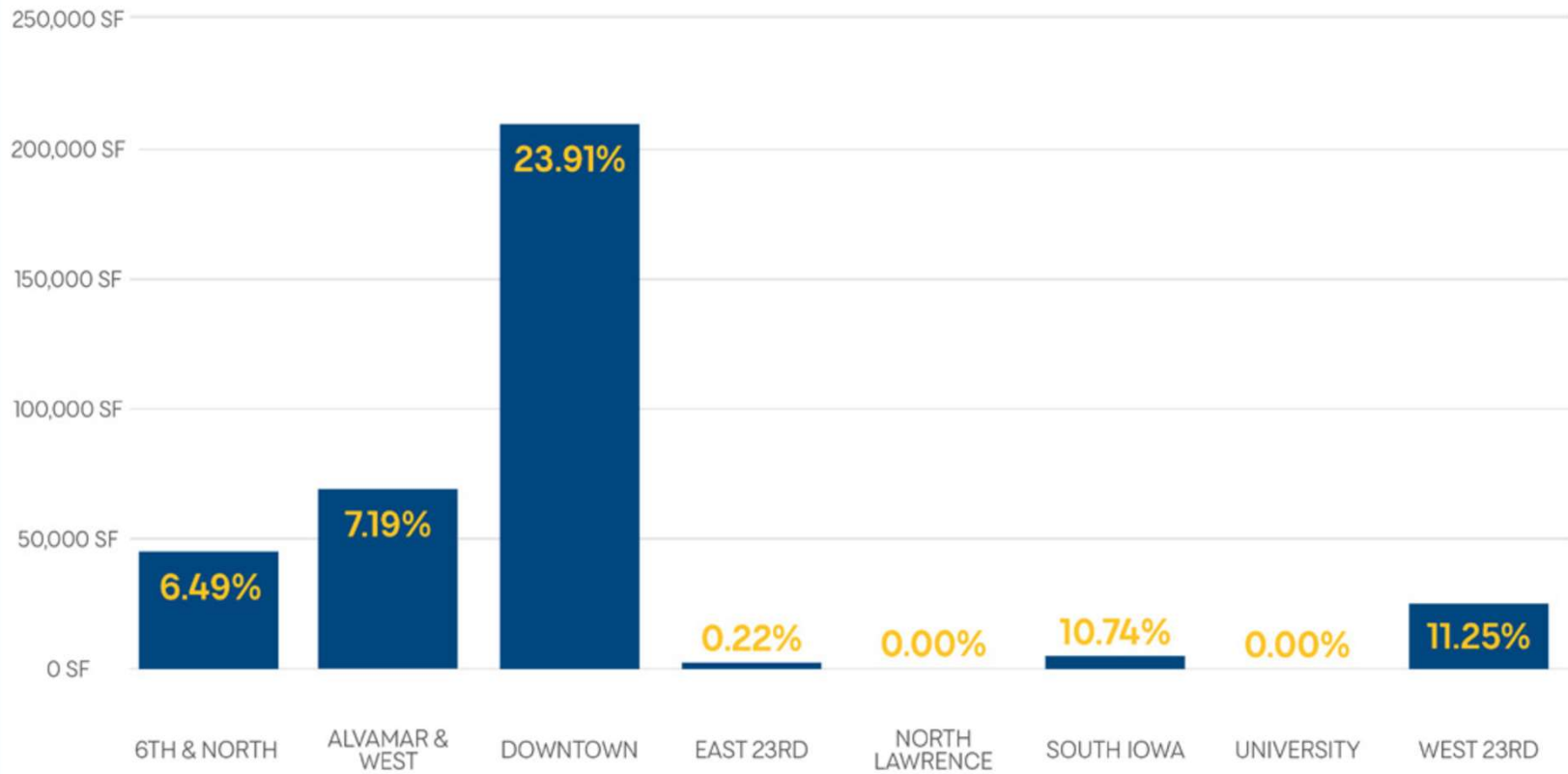


# OFFICE VACANCY BY SUBMARKET

\*percentages = submarket vacancy rates

Total Inventory: 3,314,221 SF

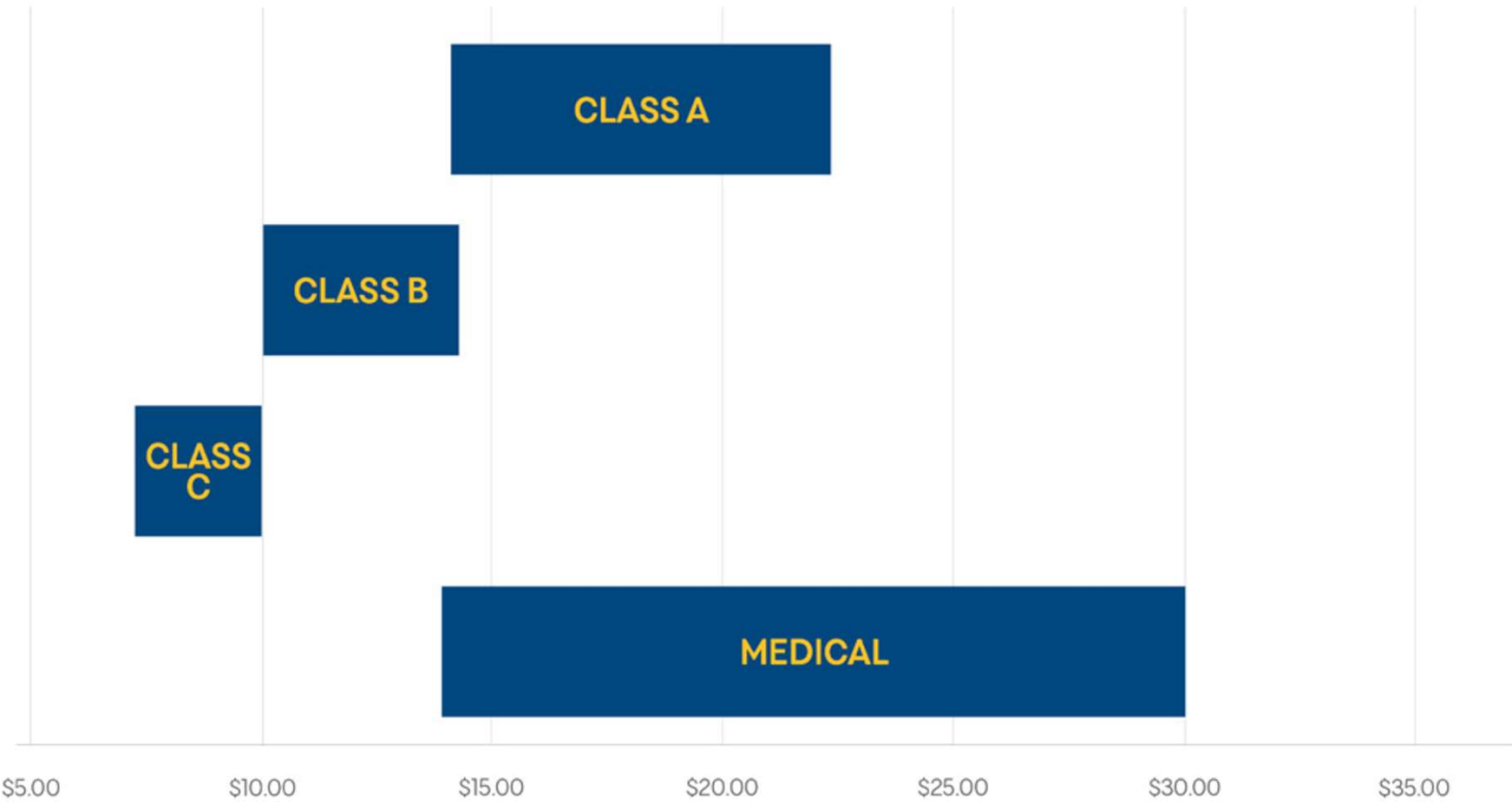
Total Vacant Inventory: 344,638 (10.40%)



SOURCE: COLLIERS RESEARCH



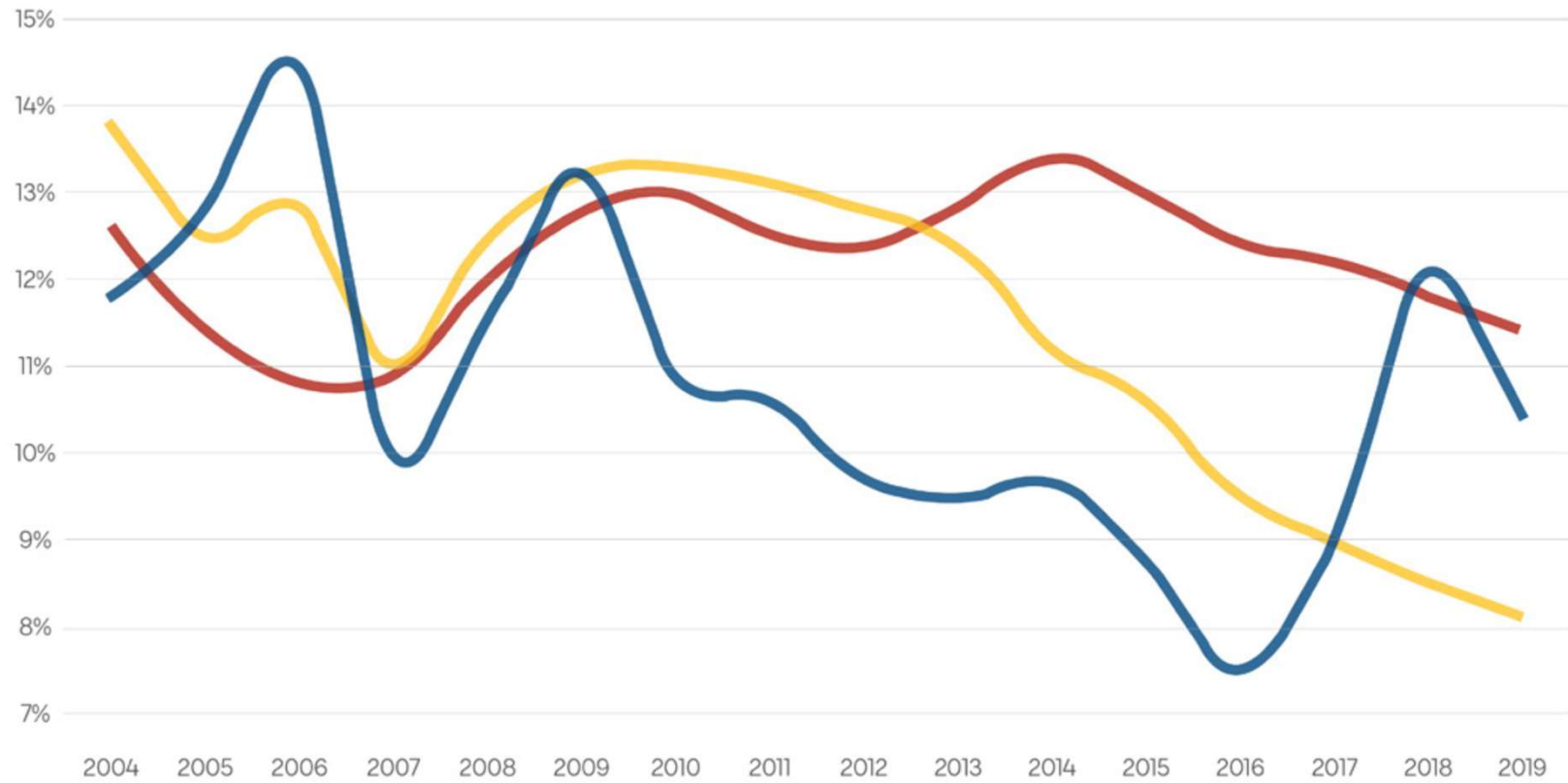
## QUOTED OFFICE RATES PER SQUARE FOOT (NNN)



SOURCE: COLLIER'S RESEARCH

## OFFICE VACANCY RATES IN PERCENTAGES

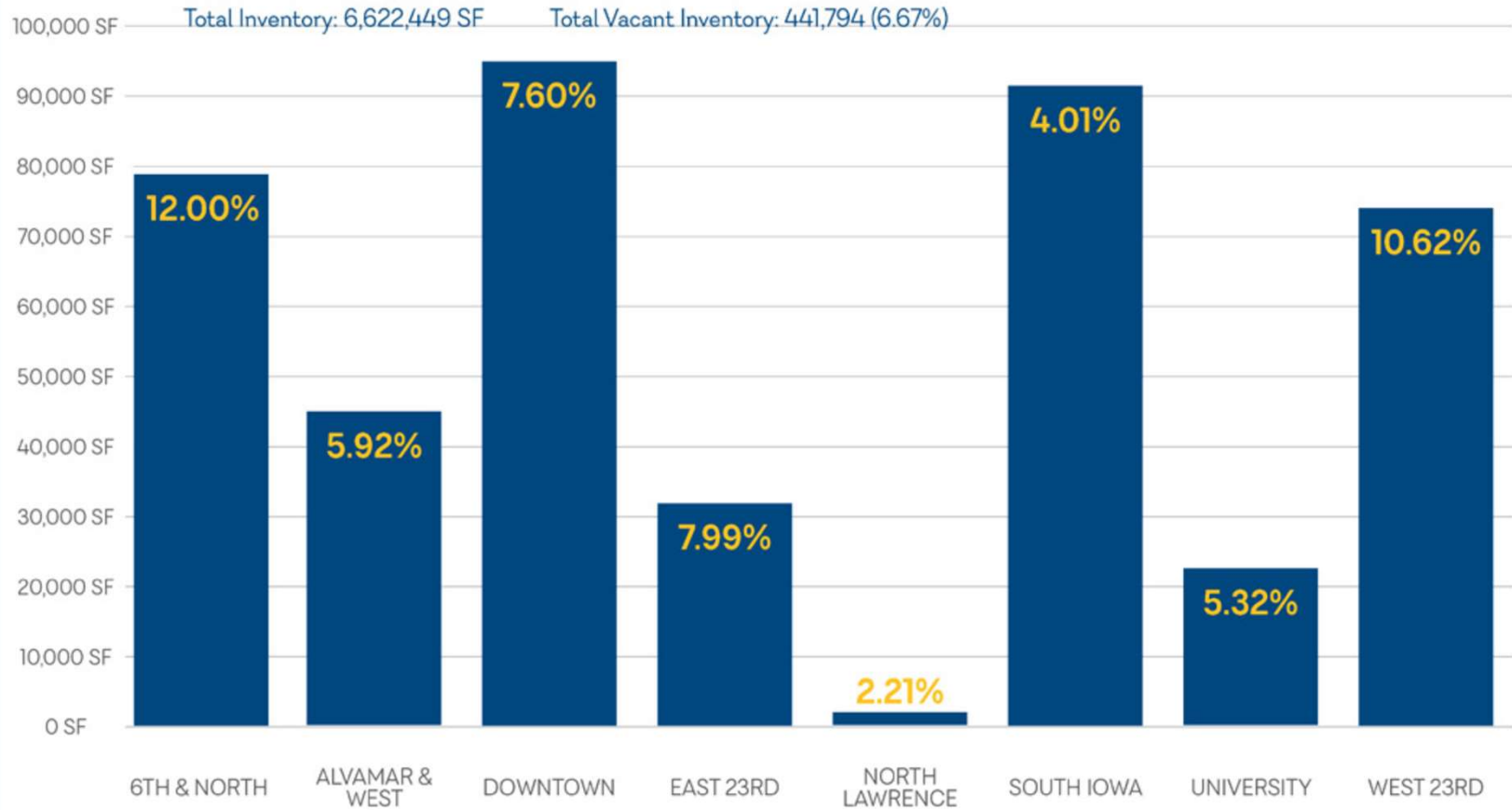
USA  
KANSAS CITY  
LAWRENCE



SOURCE: COLLIERS RESEARCH AND COSTAR

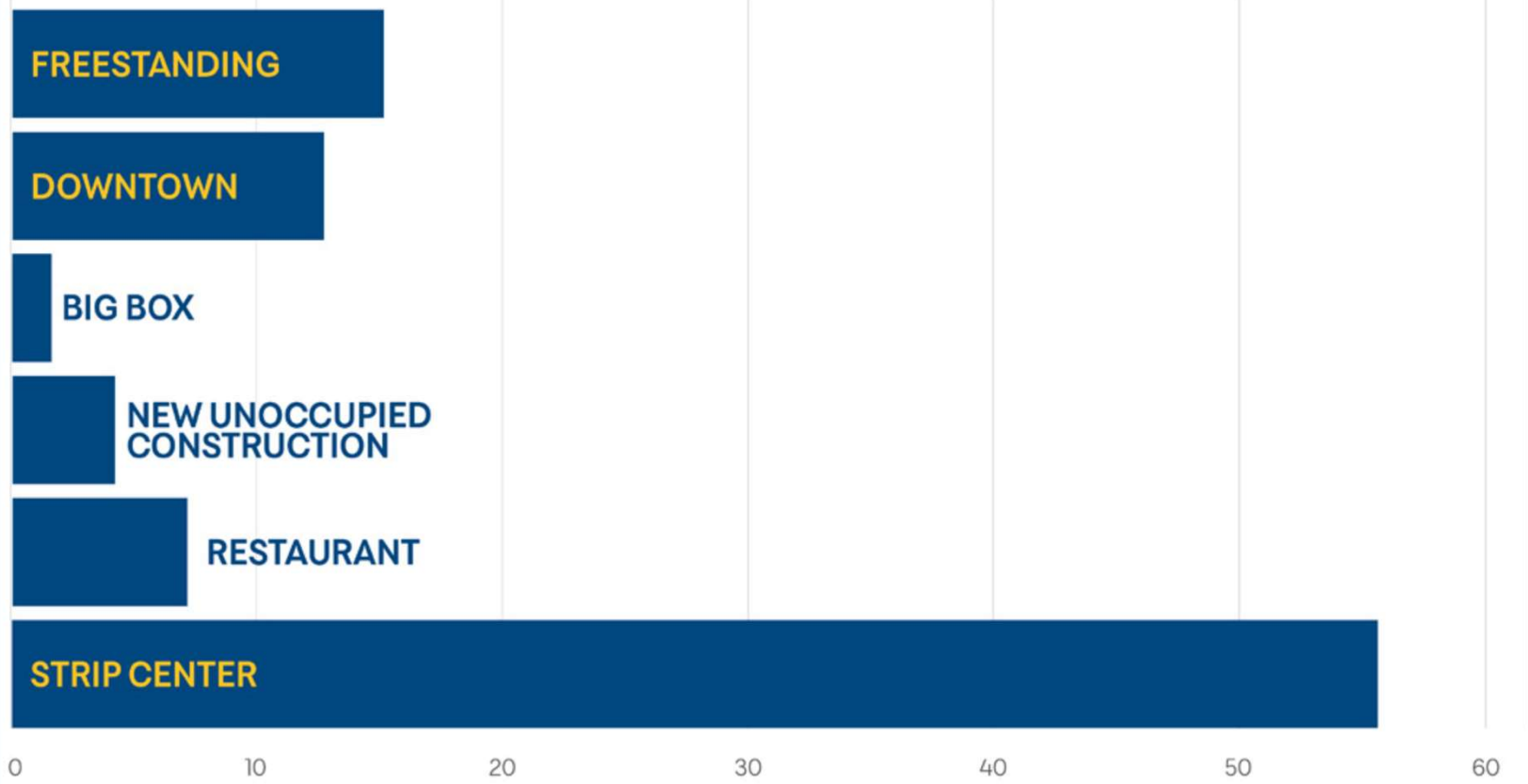
# RETAIL VACANCY BY SUBMARKET

\*percentages = submarket vacancy rates



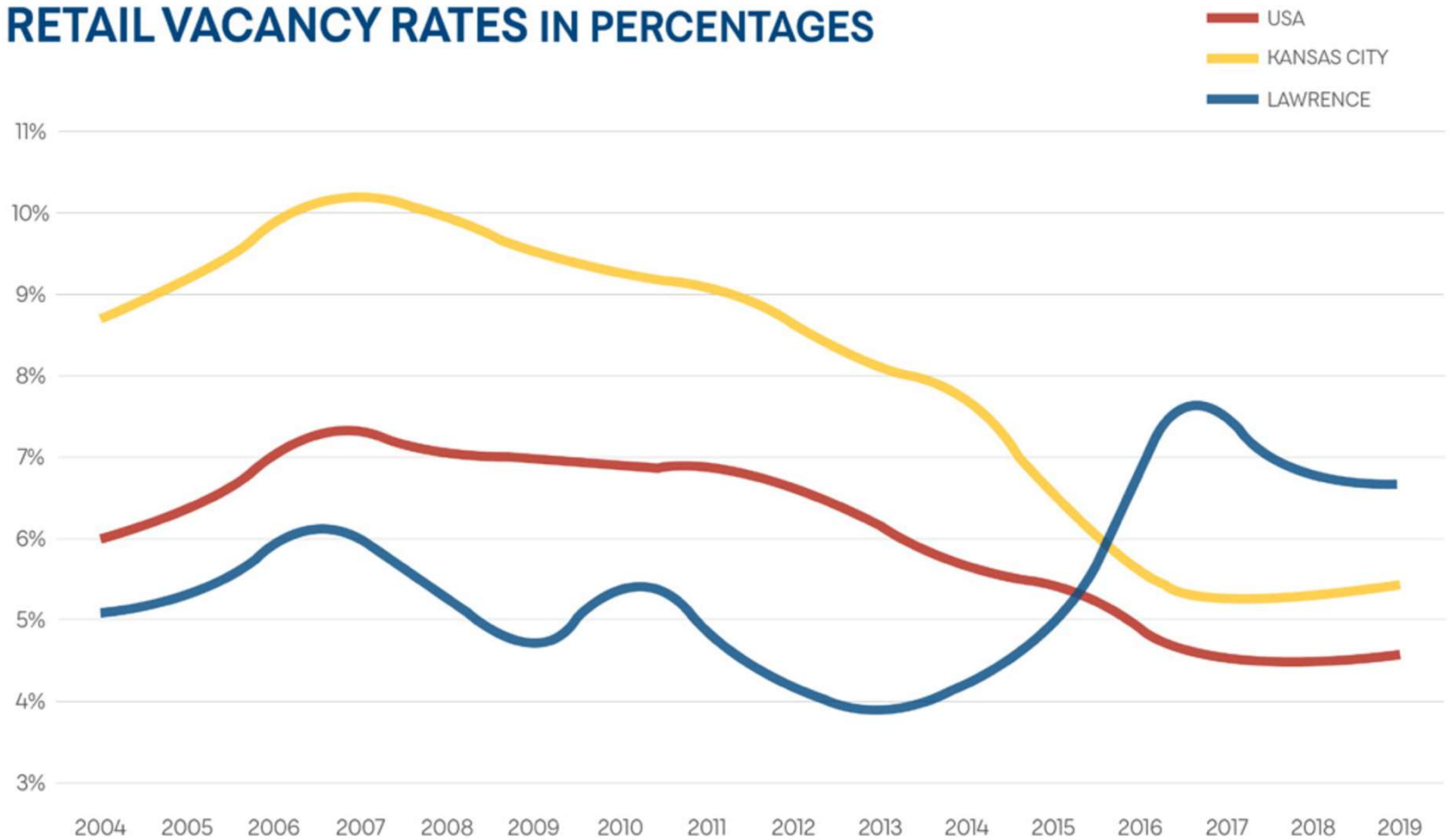
SOURCE: COLLIER'S RESEARCH

## RETAIL SPACES AVAILABLE BY PROPERTY TYPE



SOURCE: COLLIERS RESEARCH

## RETAIL VACANCY RATES IN PERCENTAGES

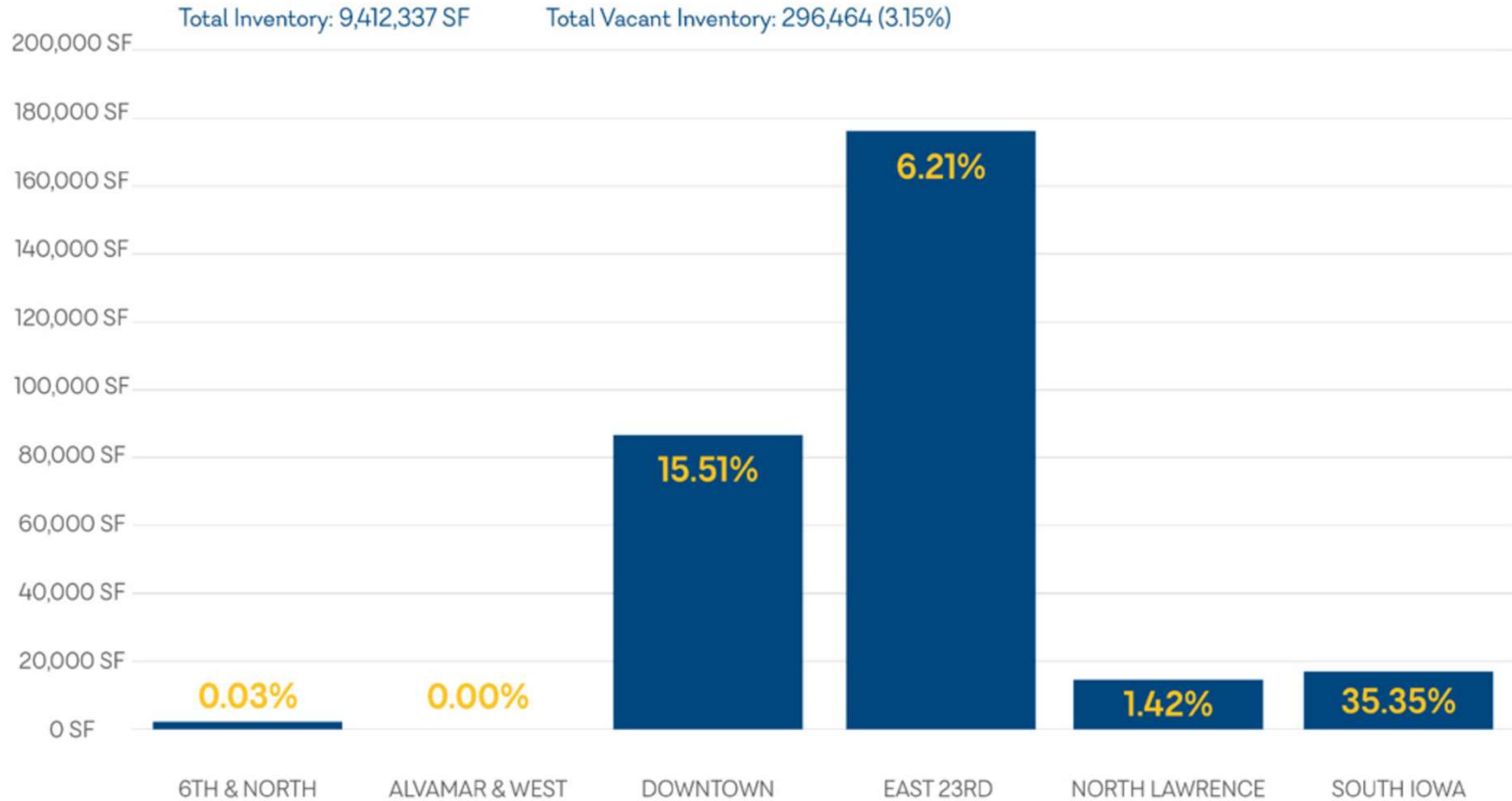


SOURCE: COLLIERS RESEARCH AND COSTAR



# INDUSTRIAL VACANCY BY SUBMARKET

\*percentages = submarket vacancy rates



SOURCE: COLLIERS RESEARCH

# QUOTED INDUSTRIAL RATES PER SQUARE FOOT (NNN)

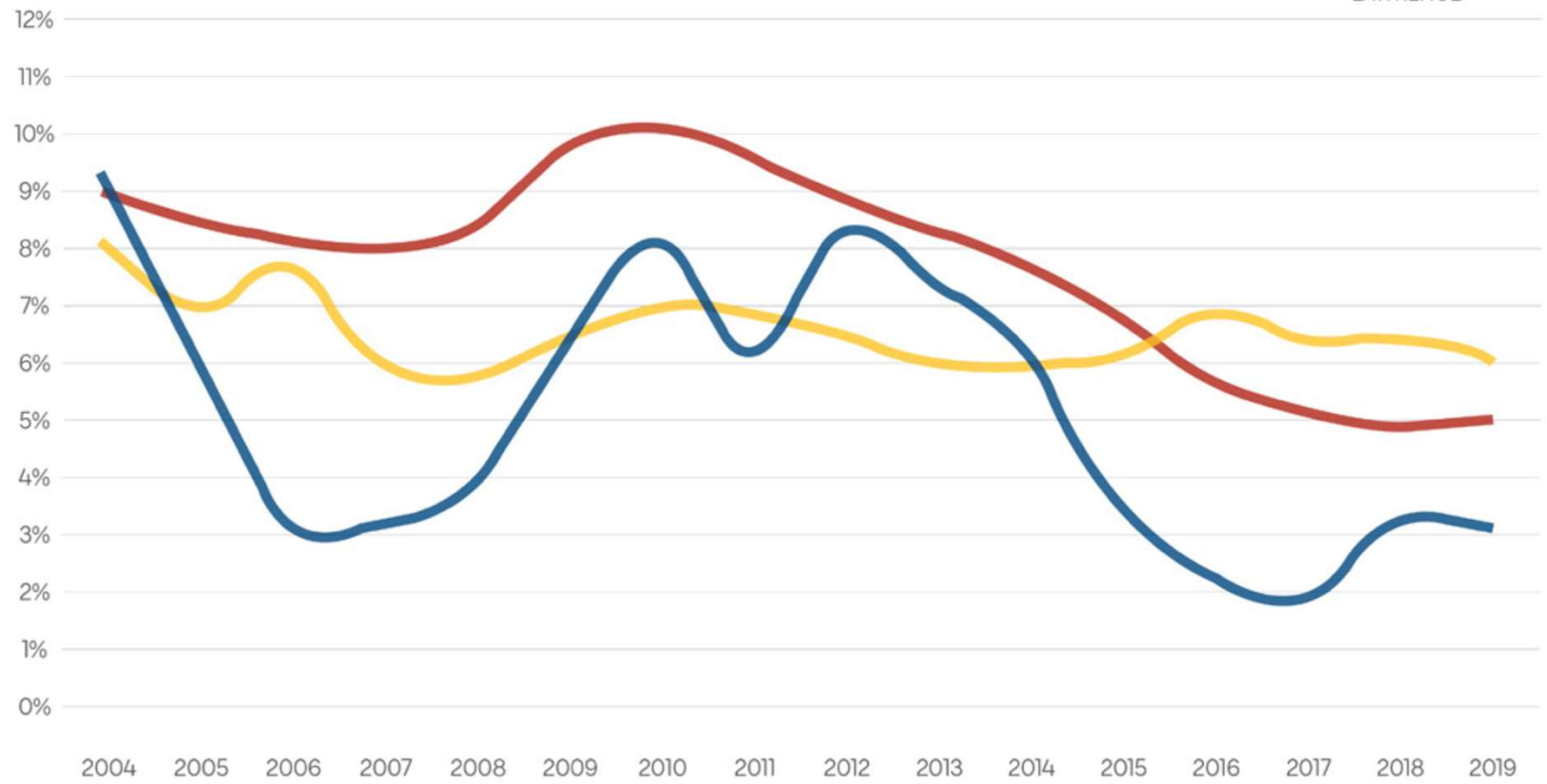


\$2.00    \$3.00    \$4.00    \$5.00    \$6.00    \$7.00    \$8.00    \$9.00    \$10.00

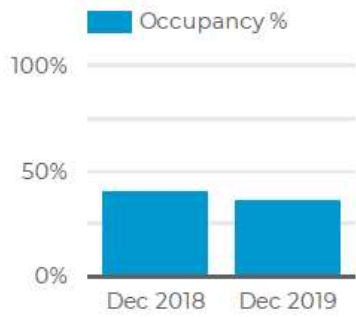
SOURCE: COLLIERS RESEARCH

# INDUSTRIAL VACANCY RATES IN PERCENTAGES

- USA
- KANSAS CITY
- LAWRENCE



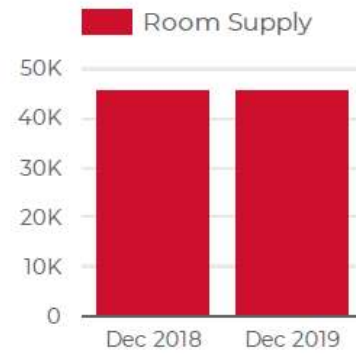
SOURCE: COLLIERS RESEARCH AND COSTAR



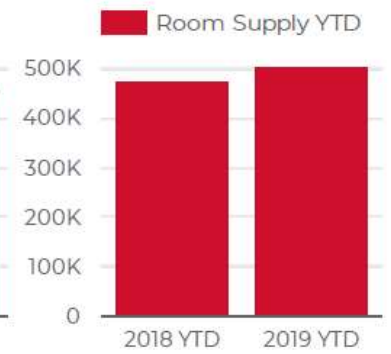
Occupancy Change  
-10.20%



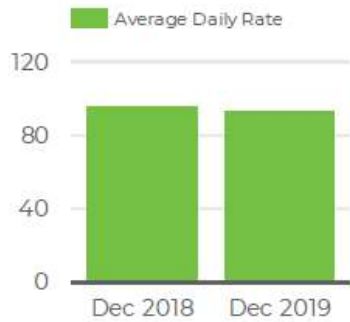
Occupancy Change  
-11.50%



Room Supply Change  
0.10%



Room Supply Change  
13.00%



ADR Change  
-2.60%



ADR Change  
-0.90%

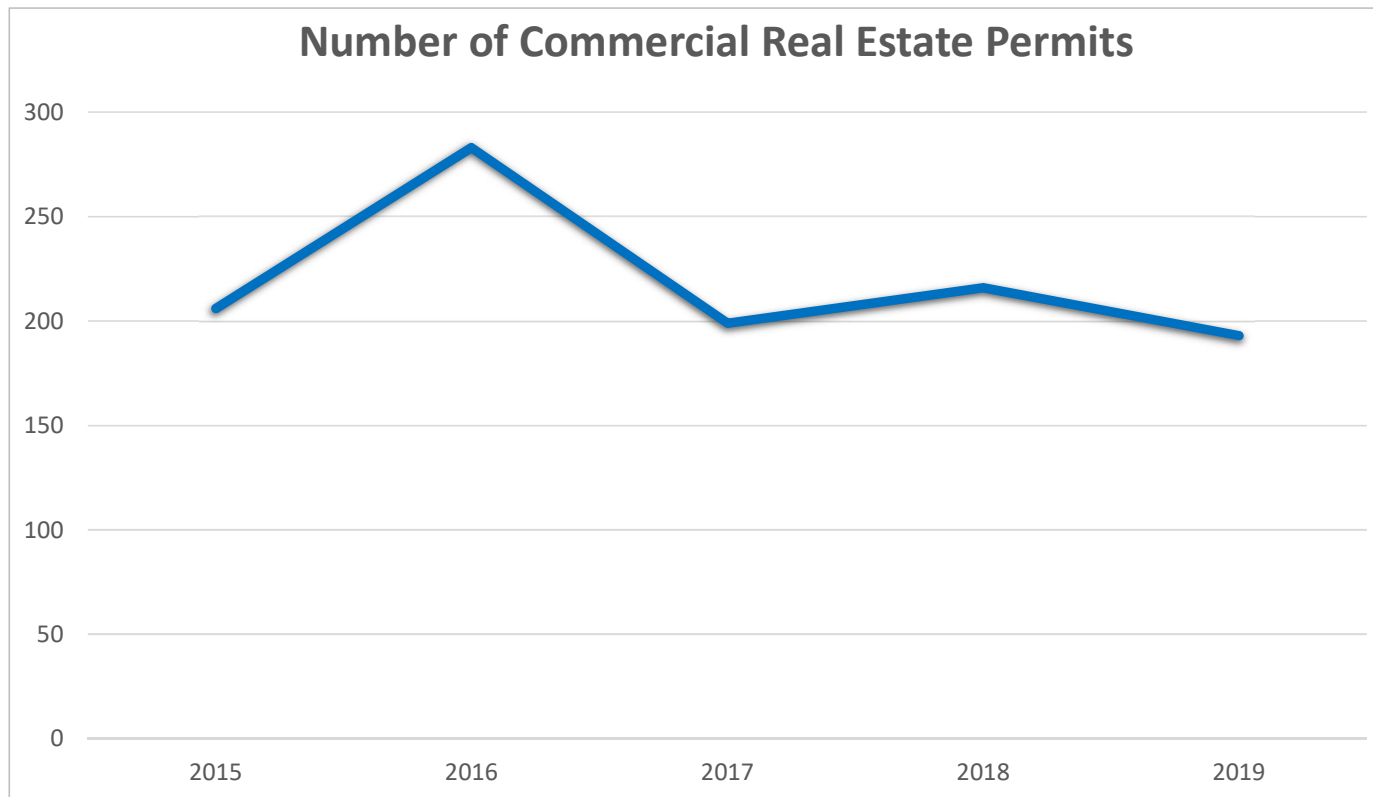


Room Demand Change  
-10.10%



Room Demand Change  
0.10%

## LAWRENCE COMMERCIAL REAL ESTATE PERMITS



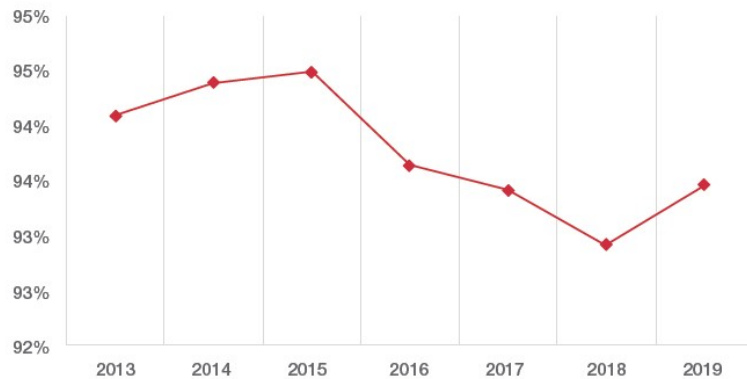


# WICHITA MULTIFAMILY MARKET Q3

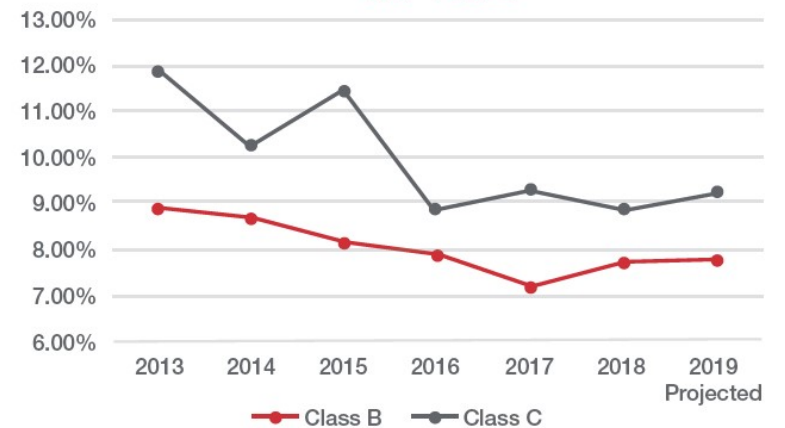
## RENTAL RATES

	Studio (\$/ SF)	One-Bedroom (\$/ SF)	Two-Bedroom (\$/ SF)
Class A	\$1.59	\$1.17	\$1.00
Class B	\$1.07	\$0.86	\$0.74
Class C	\$0.99	\$0.82	\$0.70
Overall Market	\$1.07	\$0.91	\$0.79
Total Wichita Market	\$0.86		

## OCCUPANCY RATE



## CAP RATE



# KANSAS CITY MULTIFAMILY MARKET Q3

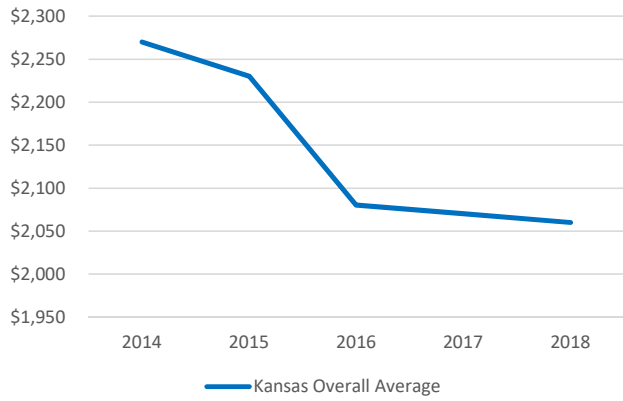
MARKET INDICATORS <small>Relative to prior period</small>	Kansas City 3Q18	Kansas City 3Q19
OCCUPANCY	↑	↑
EFFECTIVE RENTS	↑	↑
CONSTRUCTION	↑	↑
DELIVERIES	↑	↓

SUMMARY STATISTICS <small>3Q19</small>	Kansas City Market
TOTAL INVENTORY (UNITS)	167,948
VACANCY RATE	4.10%
TOTAL OCCUPANCY RATE	95.90%
UNITS UNDER CONSTRUCTION	5,467
UNIT DELIVERIES IN Q3 2019	655

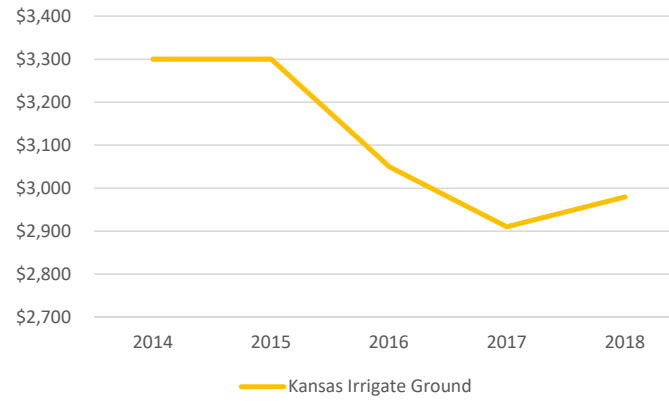
EFFECTIVE RENTS <small>Per Unit Per Month</small>	Kansas City Metro
AVERAGE PER UNIT	\$975
RENT PSF	\$1.060
RENT GROWTH (ANNUAL)	2.5%

# KANSAS AGRICULTURAL MARKET Q3

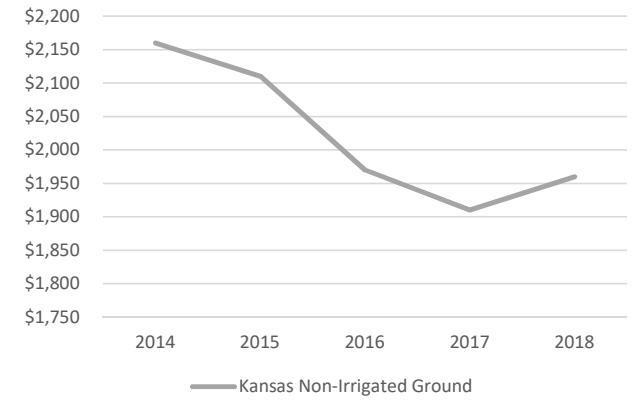
### Kansas Overall Average



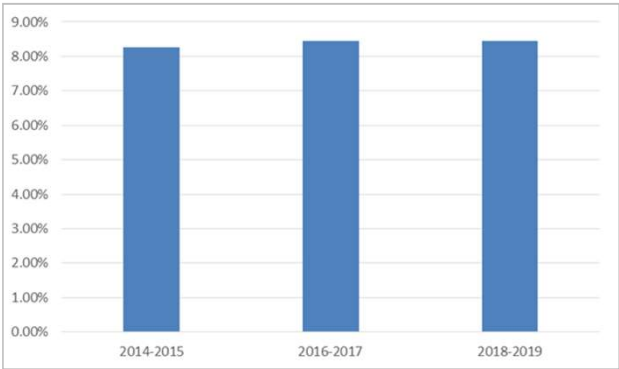
### Kansas Irrigate Ground



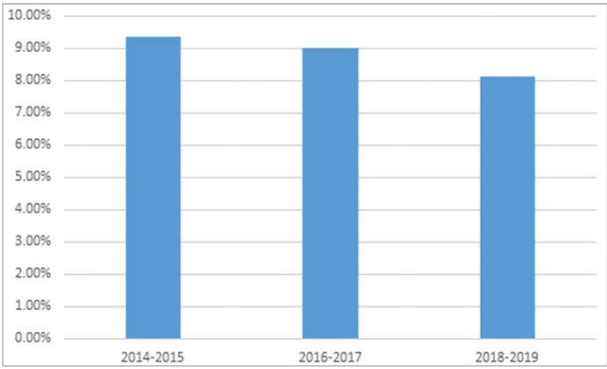
### Kansas Non-Irrigated Ground



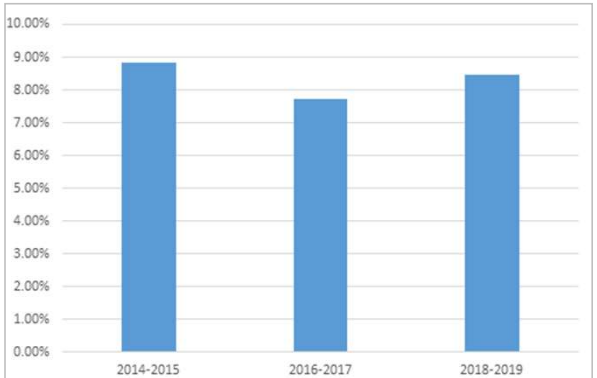
# CAP RATE TRENDS BY PROPERTY TYPE IN KANSAS



**Retail**



**Office**



**Industrial**

## DOW JONES - 10 YEAR DAILY CHART



## S & P 500 - 10 YEAR DAILY CHART





CBRE CBRE Group, Inc. NYSE + BATS

© StockCharts.com

Real Estate / Real Estate Services

Tuesday 21-Jan-2020 9:47 am

Open:	60.75	Ask:	60.72	P/E:	19.96	Options:	yes
High:	60.90	Ask Size:	100	EPS:	3.04	Annual Dividend:	N/A
Low:	60.71	Bid:	60.63	Last Size:	0 shrs	Yield:	N/A
Prev Close:	61.03	Bid Size:	150	VWAP:		SCTR (Large):	69.8

Chg:	-0.52%
Last:	60.71
Volume:	14,031

CBRE (Weekly) 60.71

CBRE 10 year weekly chart



CIGI Colliers International Group Inc. Nasdaq GS + BATS

© StockCharts.com

Real Estate / Real Estate Services

Tuesday 21-Jan-2020 9:51 am

Open: <b>84.20</b>	Ask: <b>82.72</b>	P/E: <b>30.28</b>	Options: <b>no</b>
High: <b>84.20</b>	Ask Size: <b>200</b>	EPS: <b>2.73</b>	Annual Dividend: <b>0.1</b>
Low: <b>82.61</b>	Bid: <b>82.18</b>	Last Size: <b>0 shrs</b>	Yield: <b>0.12%</b>
Prev Close: <b>83.74</b>	Bid Size: <b>100</b>	VWAP:	SCTR:

▼ **-1.27%**  
Chg: **-1.06**  
Last: **82.68**  
Volume: **4,291**

— CIGI (Weekly) 82.68

CIGI 10 year weekly chart



# 10 YEAR TREASURY BOND RATE



# Agenda

- |             |                               |
|-------------|-------------------------------|
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| 12:45       | Commercial Real Estate Update |
| <b>1:05</b> | <b>Real Estate Outlook</b>    |
| 1:35        | Women in the Workforce        |

## REAL ESTATE OUTLOOK



**STAN LONGHOFER**  
**Director**

Wichita State University  
Center for Real Estate

# Lawrence Housing Market in 2020

Lawrence Economic Outlook Conference  
February 6, 2020

Dr. Stanley D. Longhofer  
WSU Center for Real Estate

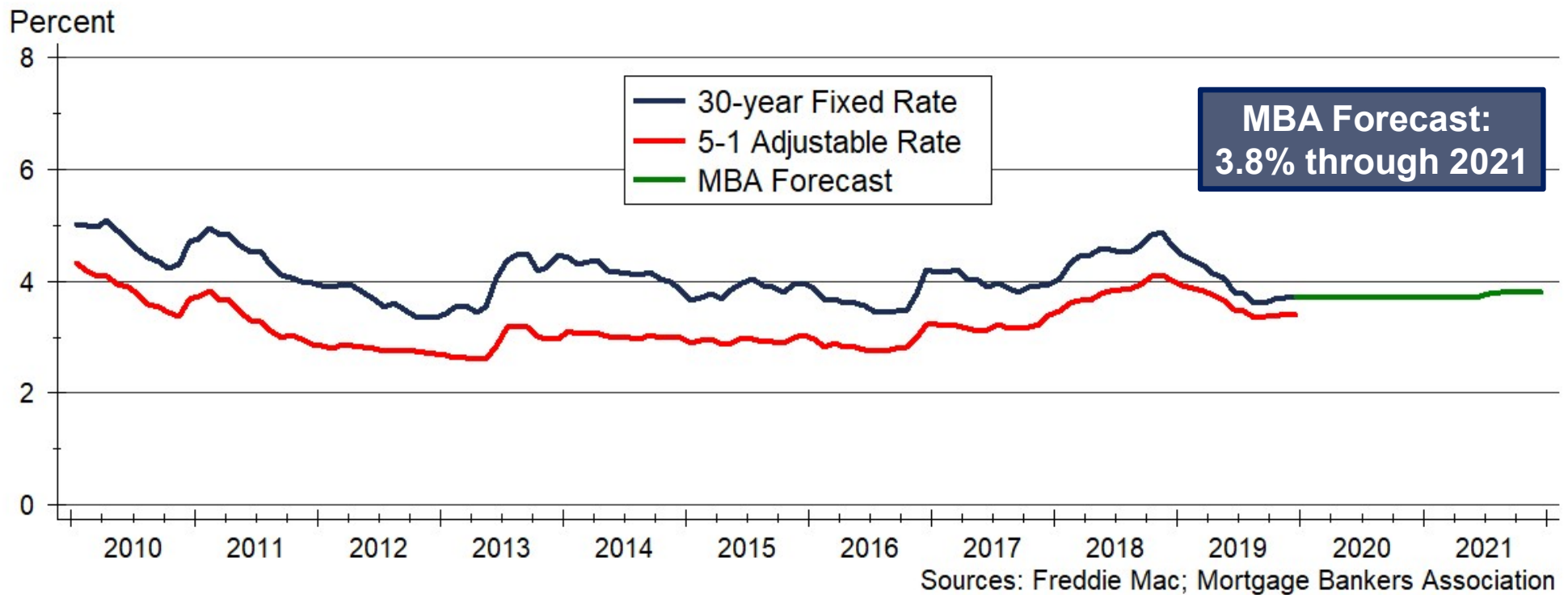


WICHITA STATE  
UNIVERSITY  
*W. FRANK BARTON*  
*SCHOOL OF BUSINESS*

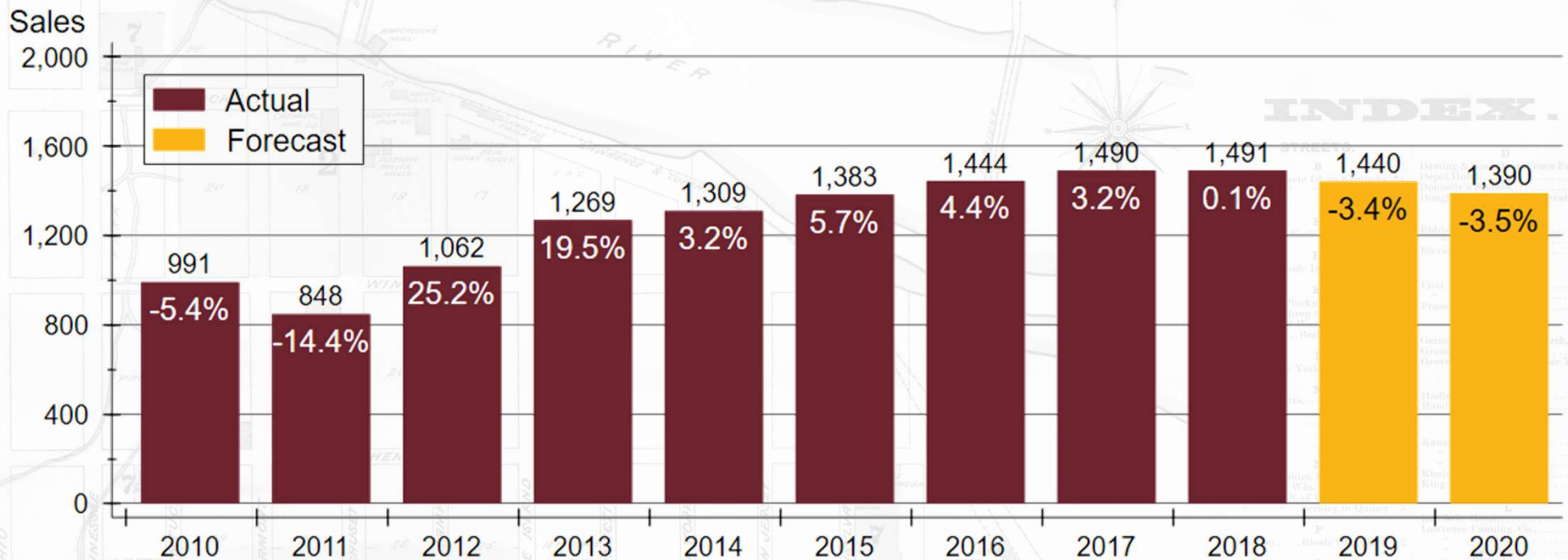




# Monthly Mortgage Rates



# Original Home Sales Forecast



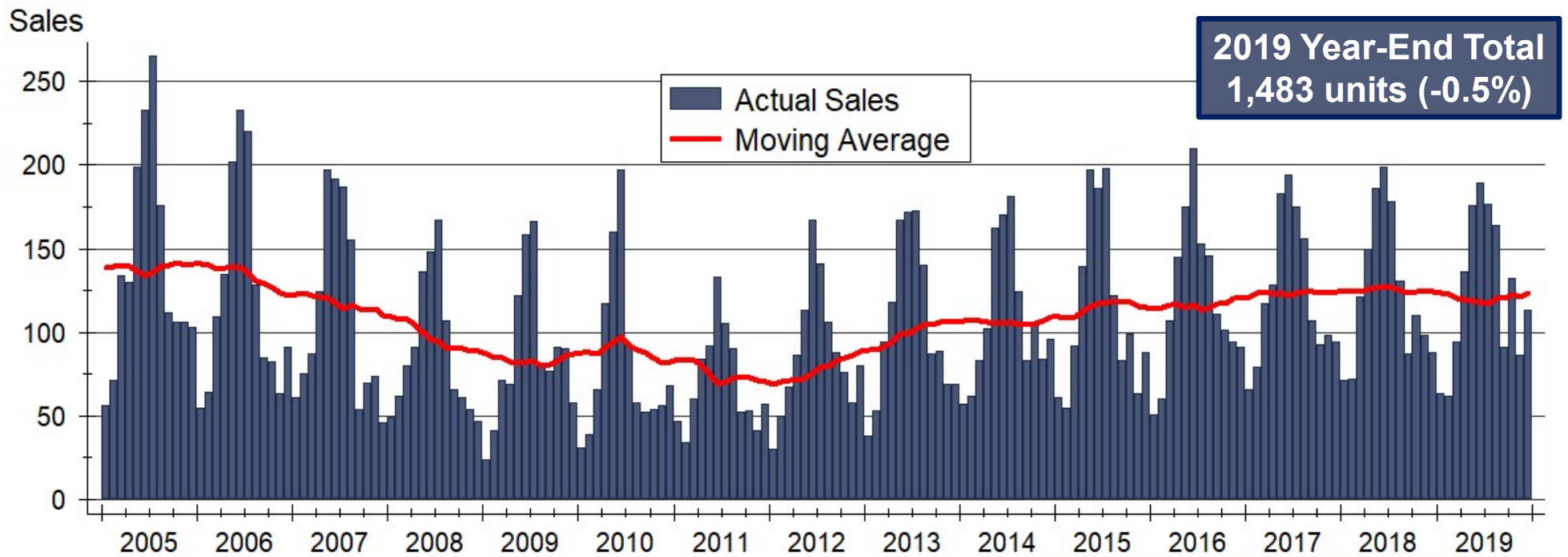
Sources: WSU Center for Real Estate and Lawrence Board of Realtors®



WICHITA STATE UNIVERSITY  
W. FRANK BARTON SCHOOL OF BUSINESS

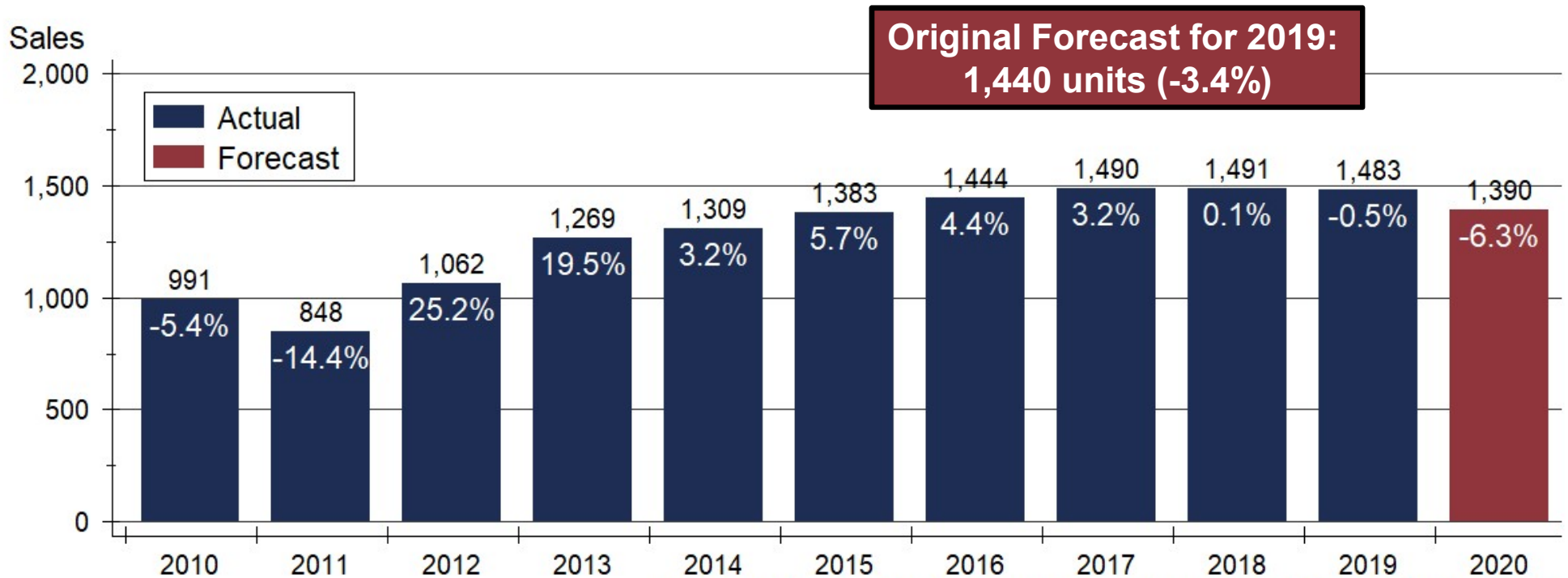


# Lawrence MSA Home Sales Activity



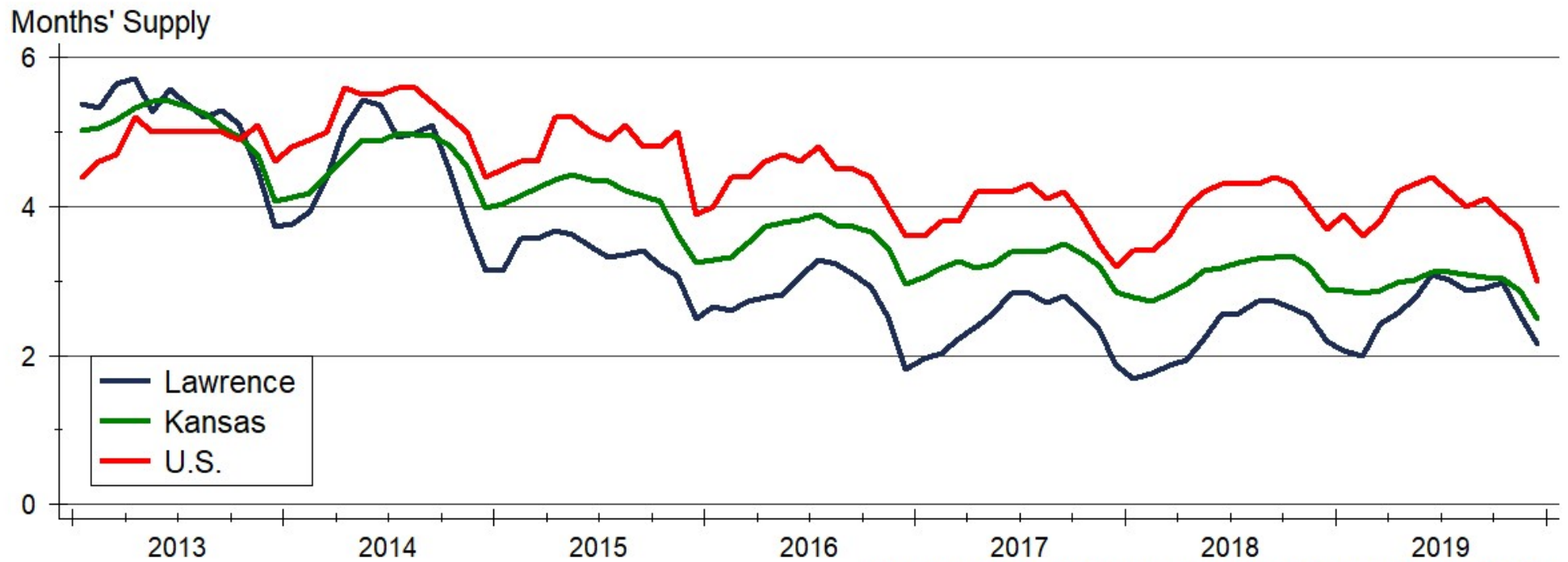
Source: Lawrence Board of REALTORS®

# Lawrence MSA Home Sales Forecast



Sources: WSU Center for Real Estate and Lawrence Board of REALTORS®

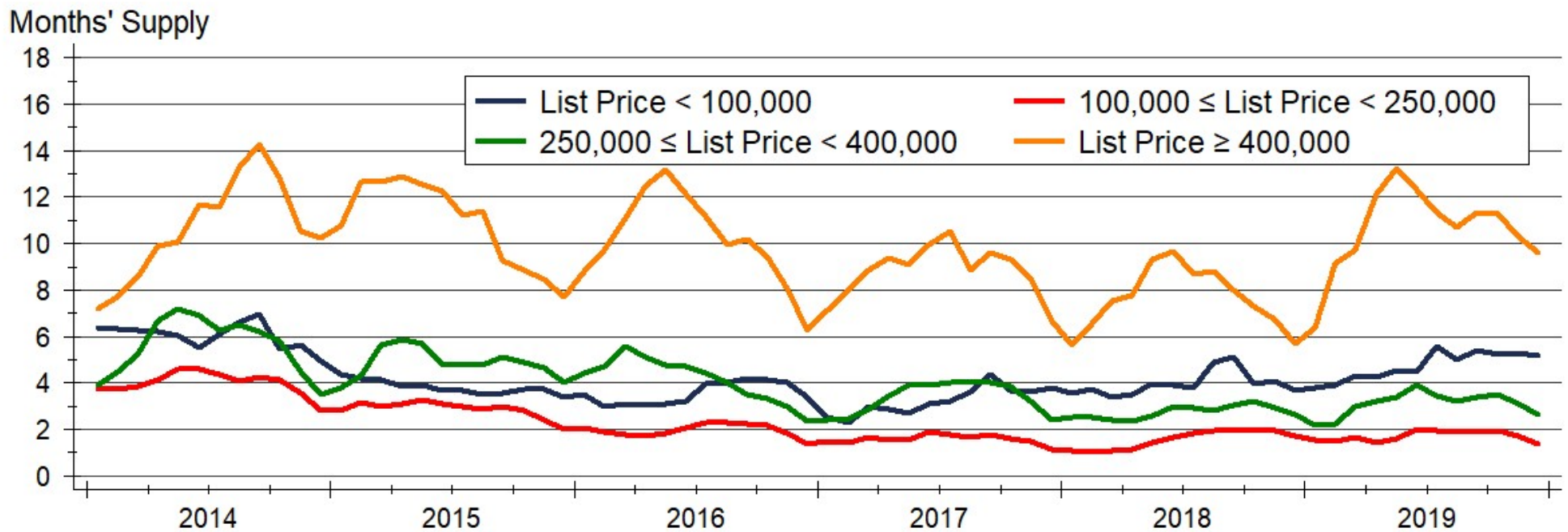
# Inventory of Homes for Sale



Sources: NAR, KAR and Lawrence Board of REALTORS®

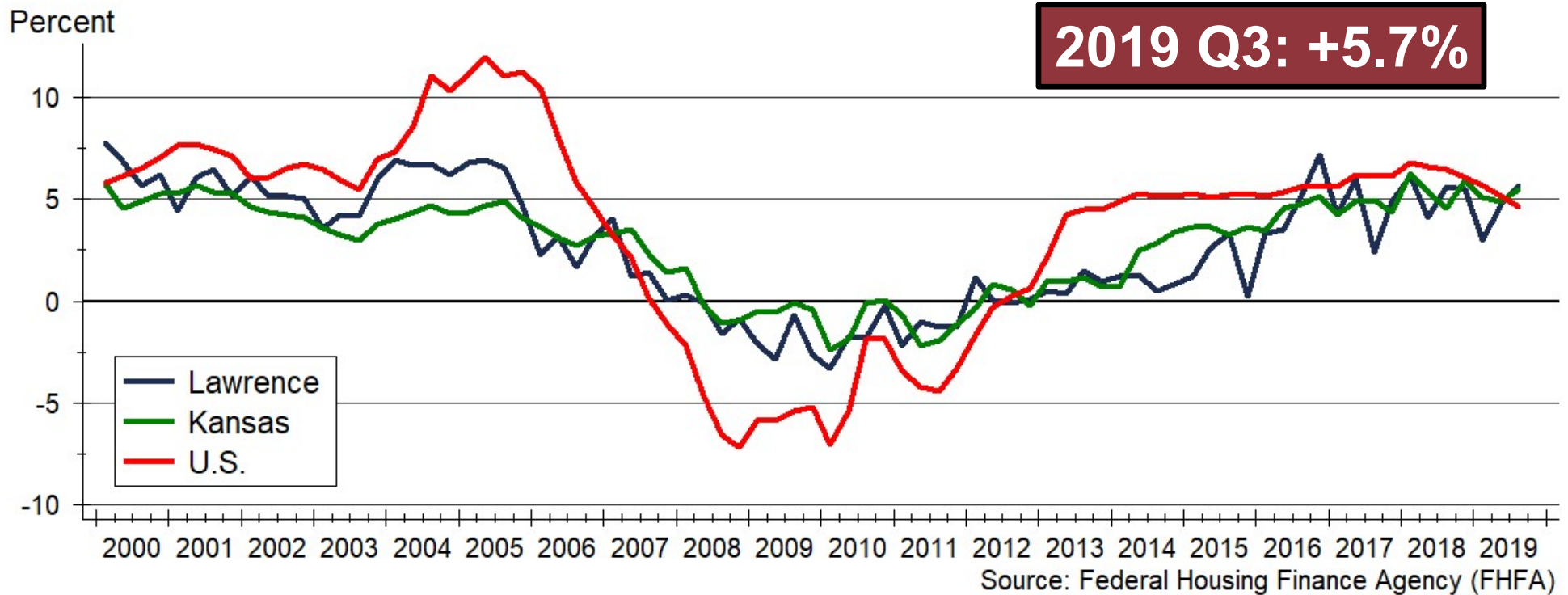


# Lawrence Home Inventories by Price Range

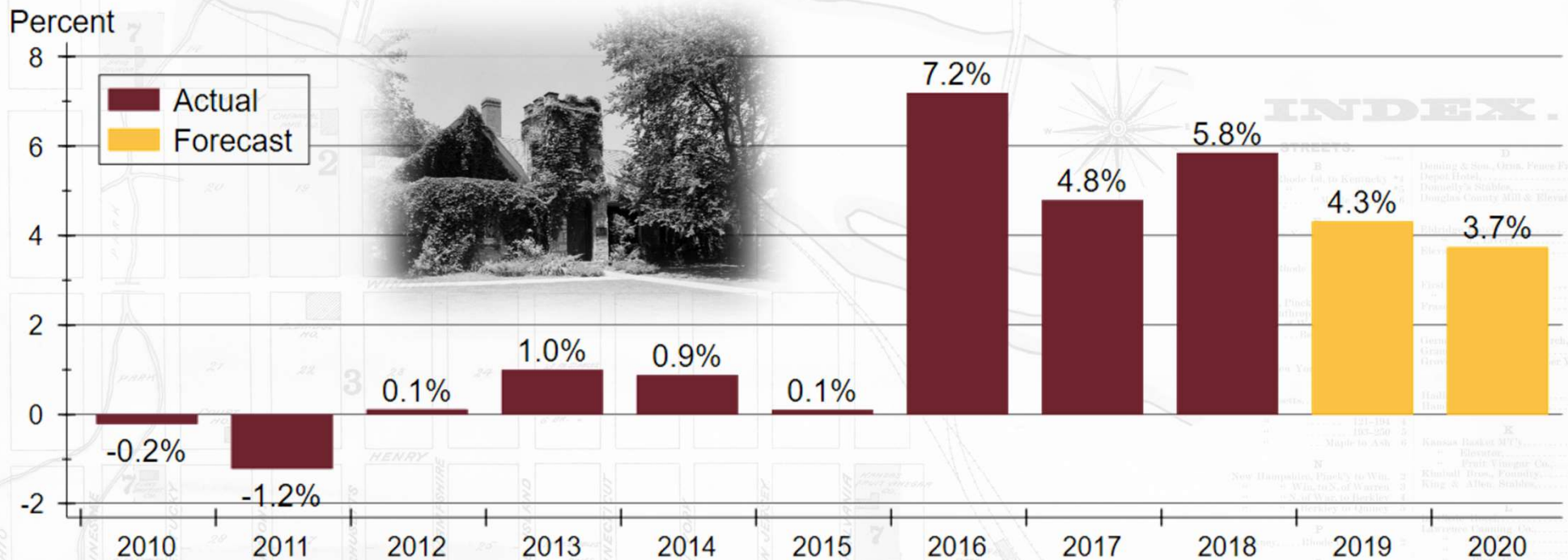


Source: Lawrence Board of REALTORS®  
Data are 12-month lagging moving averages

# Lawrence Home Price Appreciation



# Lawrence Home Prices Forecast



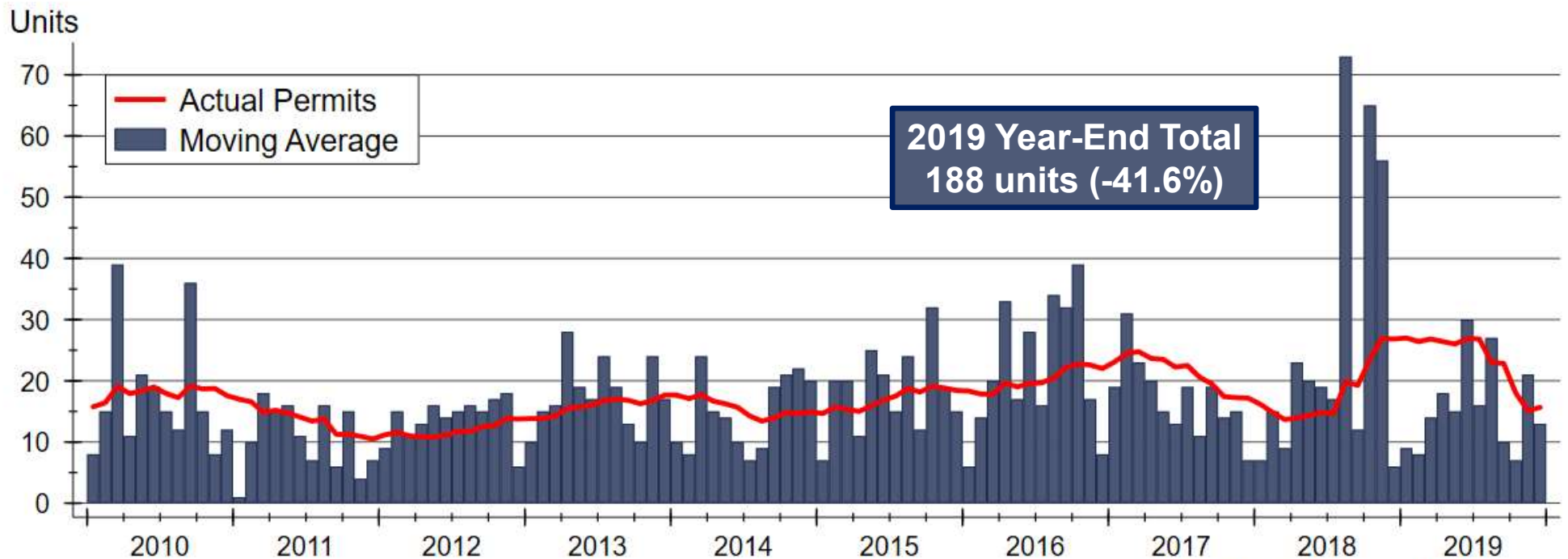
Sources: WSU Center for Real Estate and Federal Housing Finance Agency



WICHITA STATE UNIVERSITY  
W. FRANK BARTON SCHOOL OF BUSINESS



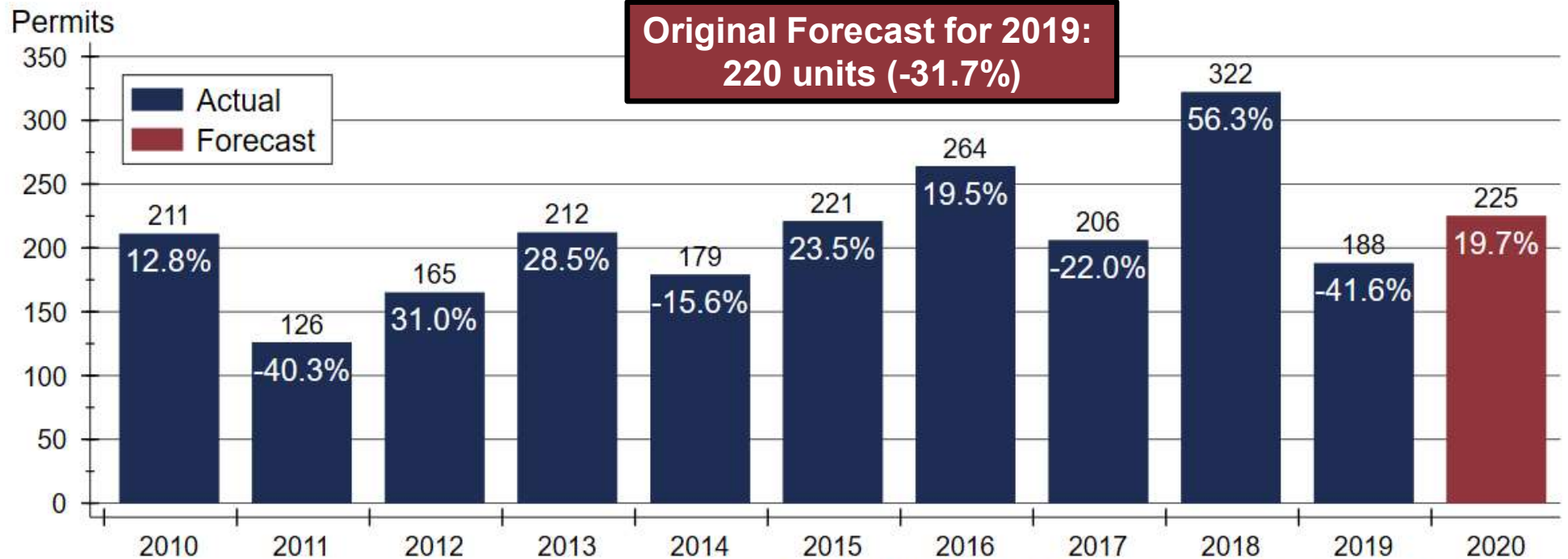
# Lawrence Single-Family Building Permits



Source: U.S. Bureau of the Census



# Lawrence New Home Construction Forecast



Sources: WSU Center for Real Estate and U.S. Bureau of the Census

# WSU Center for Real Estate

## Laying a Foundation for Real Estate in Kansas

*[www.wichita.edu/realestate](http://www.wichita.edu/realestate)*



WICHITA STATE  
UNIVERSITY  
W. FRANK BARTON  
SCHOOL OF BUSINESS





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| 1:35  | <b>Women in the Workforce</b> |

## WOMEN IN THE WORKFORCE



**DONNA GINTHER**

**Interim Director**

The University of Kansas  
Institute for Policy and  
Social Research



# *Women in the Labor Force in the US & Kansas*

Donna K. Ginther, Interim Director IPSR  
Dean's Professor Department of Economics  
Research Associate, National Bureau of Economic Research

February 6, 2020

**KU** INSTITUTE FOR POLICY  
& SOCIAL RESEARCH  
The University of Kansas



# Overview

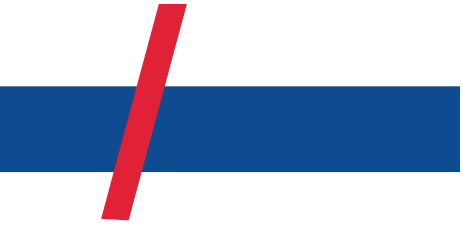


- **Introduction to IPSR**
- **Women in the Labor Market**
  - Labor Force Participation
  - Unemployment
  - Earnings
- **Childcare is critically important for women's full participation.**



A photograph of a large, multi-story brick building with a prominent gabled roof section featuring several dormer windows. The building has a grid-like window pattern. The image is framed by a white border with two dark blue diagonal bars. A white horizontal banner is overlaid across the middle of the image.

*BLAKE HALL HOME OF IPSR*



Institute for Policy & Social Research

*The Intellectual Home for Social Science Research at KU*





## Institute for Policy & Social Research Mission

- Facilitate and support fundamental, cross-disciplinary research on social problems and issues.
- Foster and support the scholarly community for policy and social sciences at KU.
- Provide policy-relevant research to Kansas state and local government as well as the federal government.
- IPSR is the intellectual home for federally funded social science research at KU.
- IPSR currently has 47 extant projects worth \$7.9 million.





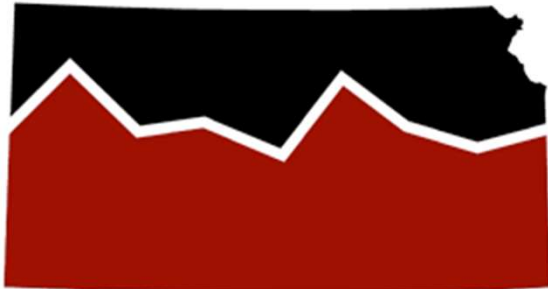
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## 2012 STATE OF THE STATE - KANSAS ECONOMIC POLICY CONFERENCE



### The Kansas Economy: Investing in People, Business, and Community



## 2013 State of the State Kansas Economic Policy Conference **The Kansas Fiscal Experiment— Impacts on Communities**



## 2017 Kansas Economic Policy Conference

### Walling off the Kansas Economy: Trade, Immigration, and Economic Growth

## JOBS RESULTING FROM KANSAS STARTUPS

**19,882** new jobs created on average by startups each year from 2014 - 2018.

Startups accounted for 94,227 new jobs from 2014 to 2018, representing 50% of all new jobs in Kansas.



6% of the total annual employment in Kansas is from Startups.

There were **6,663** startups in 2018 in Kansas. Average wages from jobs created by startups in 2014 were 8% higher than the KS average and grew to exceed the Kansas average by 33% in their fifth year!

**1,115** new jobs have been created each year on average by the science and tech sector for the past five years.<sup>1</sup>

<sup>1</sup> Data from the Quarterly Census of Employers and Wages (QCEW).

## Kauffman Early Stage Entrepreneurial Index



*Kansas's Entrepreneurial Index has been negative since state budget cuts to programs and policies that supported entrepreneurship.*

## GROWING NEW VENTURES AND JOBS IN KANSAS

INSTITUTE FOR POLICY & SOCIAL RESEARCH  
AT THE UNIVERSITY OF KANSAS  
JANUARY 2020



*Kansas has few programs and policies to support entrepreneurs, which have contributed to them taking their business to other states.*

	Kansas	Colorado	Nebraska	Iowa	Missouri	Oklahoma
State Business Incubator Program	-	-	-	-	\$500,000 annual credit cap	\$4.9 million credits used (FY 2016)
State Public Venture Capital Firm	-	\$51 million (CY 2017)	1.4 million (FY 2017-18)	\$3.4 million (FY 2014)	\$2.25 million (2019 FY)	\$2.9 million (FY 2020)
Angel Investment Tax Credit	\$6 million annual cap	-	-	\$2 million annual cap	-	-
State SBIR/STTR Matching Fund	-	-	Awarded \$676,754 in (FY 17-18)	-\$701,754 (CY 2019)	-	-
Main Street	\$250,000 state budget (FY 2020)	\$100,000 grant (CY 2013)	-	\$2.9 million grant (CY 2019)	No data	\$470,000 state budget (FY 2016)



Funded by the Enterprise Center in Johnson County



# Kansas



## State Data Center

<https://ipsr.ku.edu/sdc/>

United States<sup>®</sup>  
**Census**  
**2020**



## Institute for Policy & Social Research

- IPSR was recently named the Kansas State Data Center by the US Census Bureau.
- Xan Wedel is on the Governor's Complete Count Committee
- Accurate Census Data affects Federal Funding and representation in the state

# Census Concerns for Privacy Have Affected County Business Patterns Data

Number of Establishments Missing Industry Detail in 2017 County Business Patterns in Kansas, by County

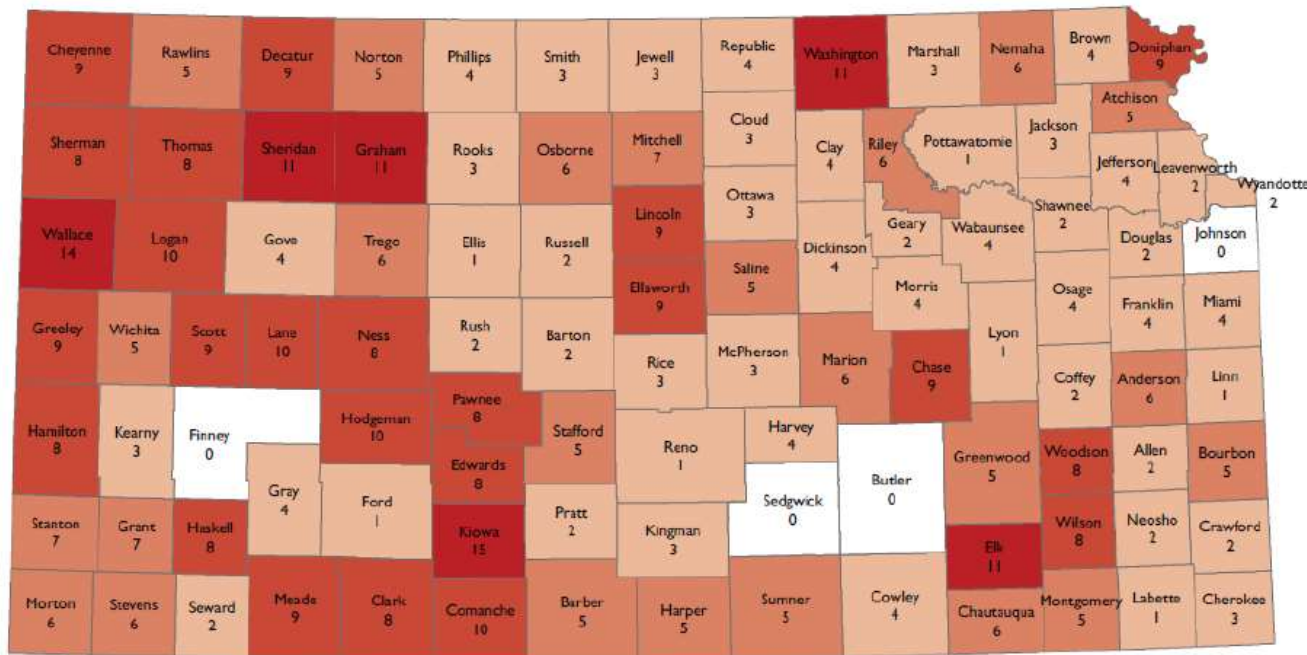


Figure 2: Map of establishments missing industry detail by county (2017).



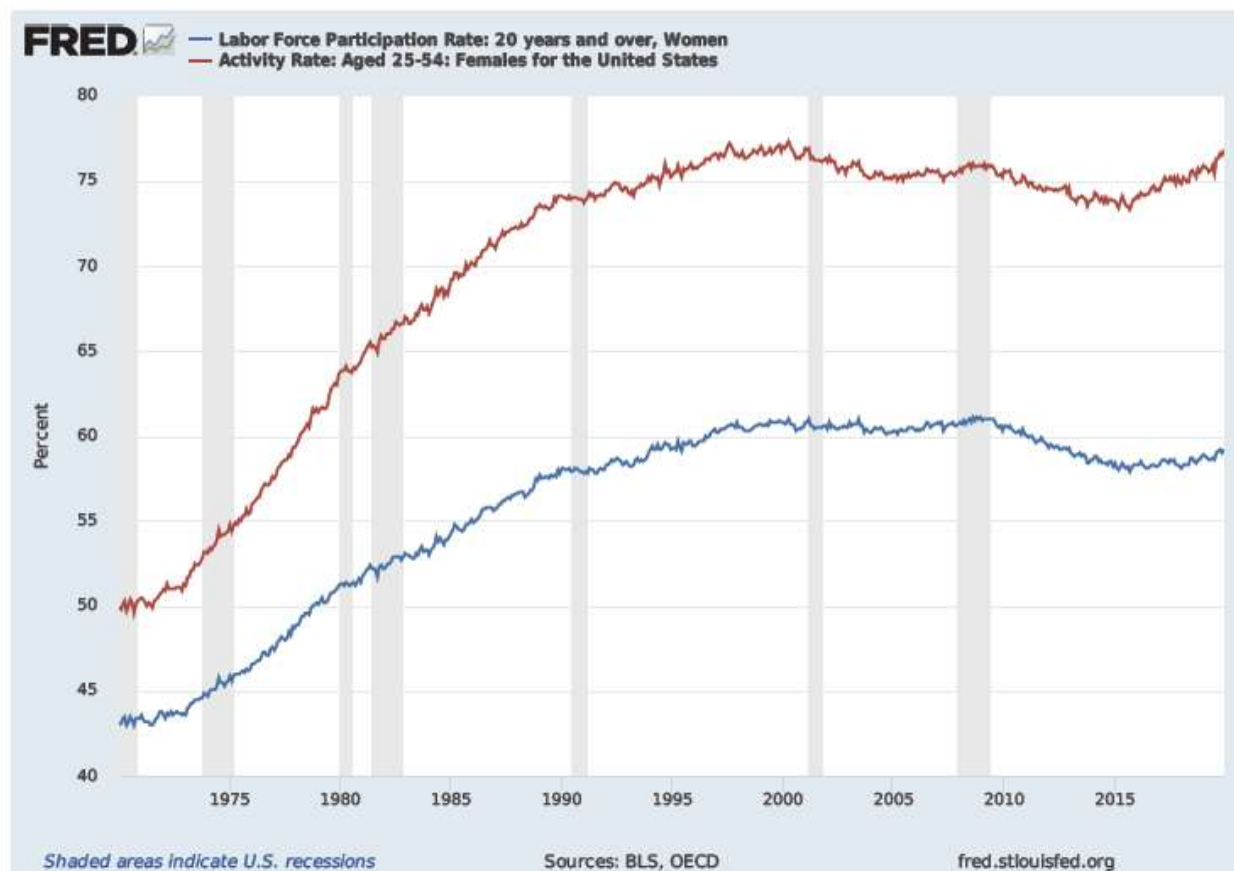


# *Women in the Labor Market*

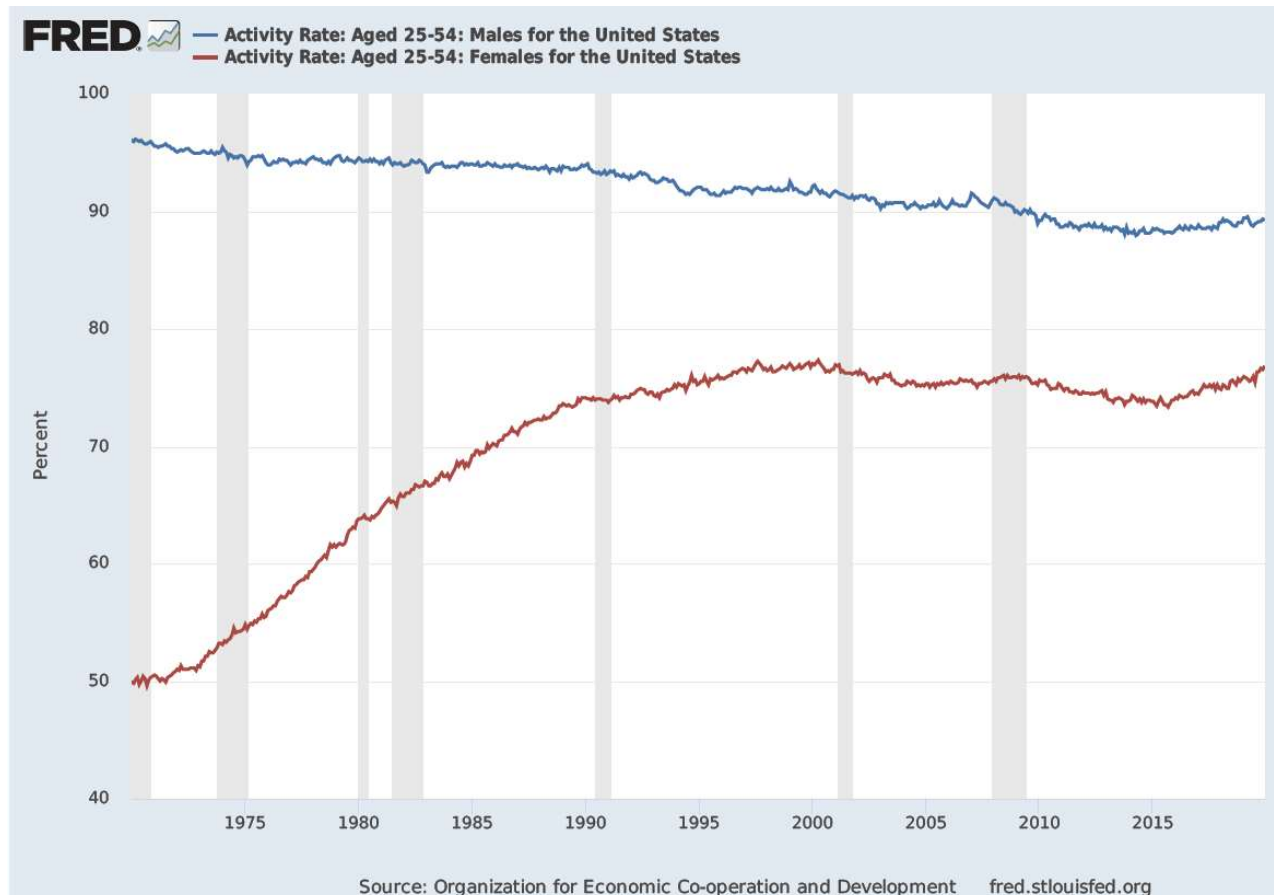
- Labor Force Participation
  - In the US & Kansas
- Unemployment
- Earnings
  - In the US & Kansas



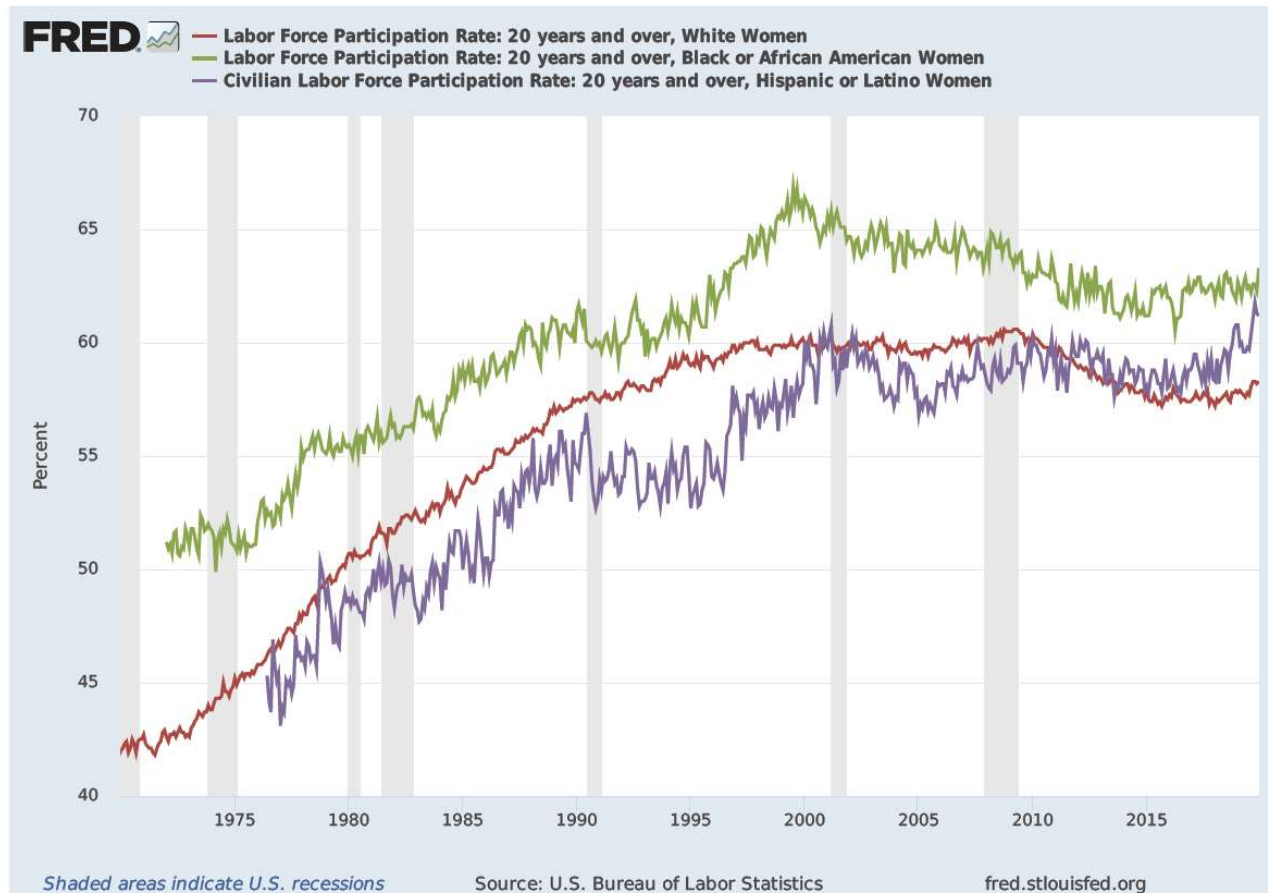
# Women's Labor Force Participation Peaked in 2000



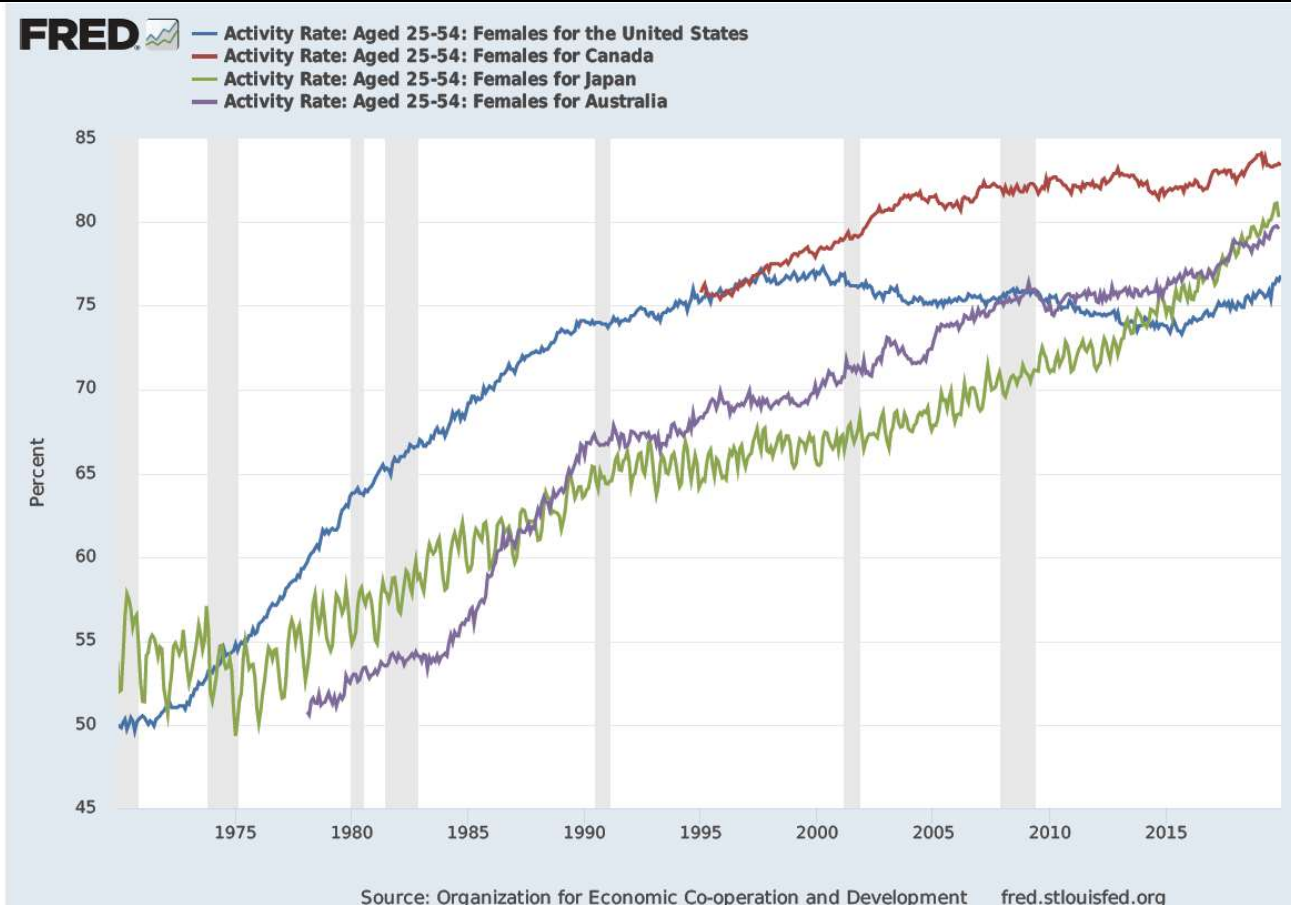
# Prime Aged Labor Force Participation has increased for women & declined for men



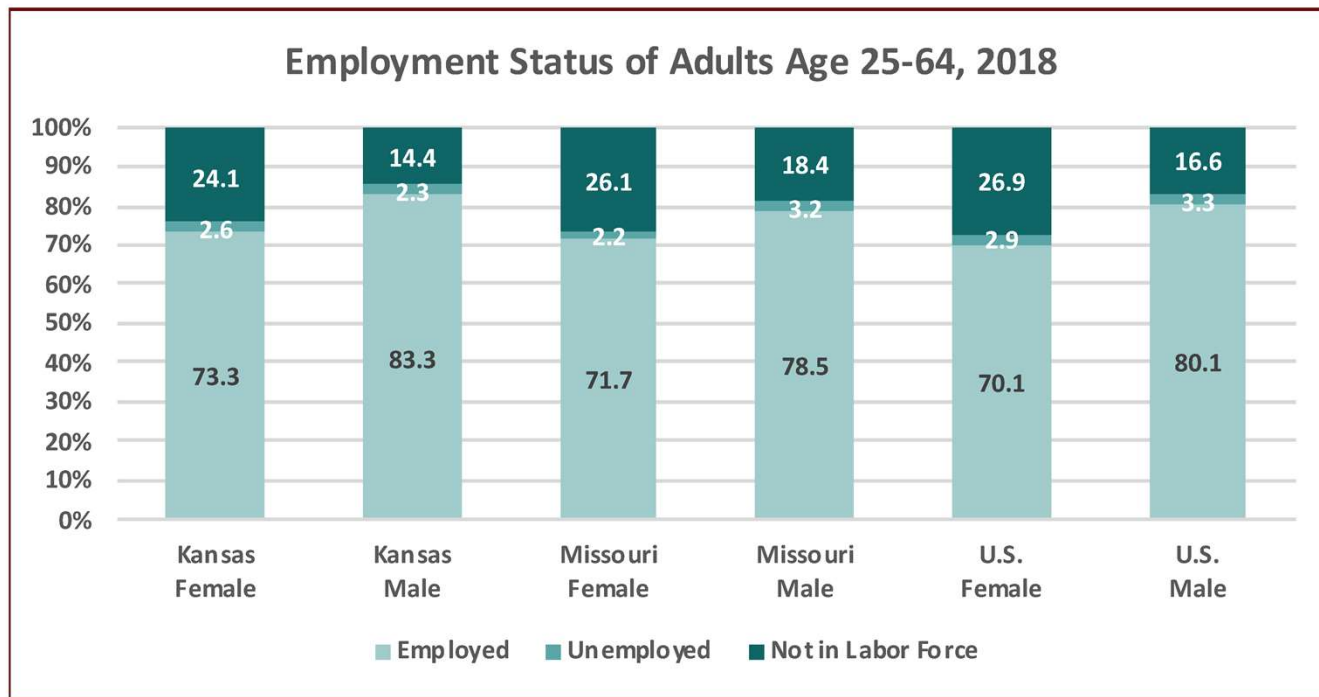
# Women's Labor Force Participation Varies by Race—Nonwhites work More



# Women's Labor Force Participation in the US Lags Other Developed Countries



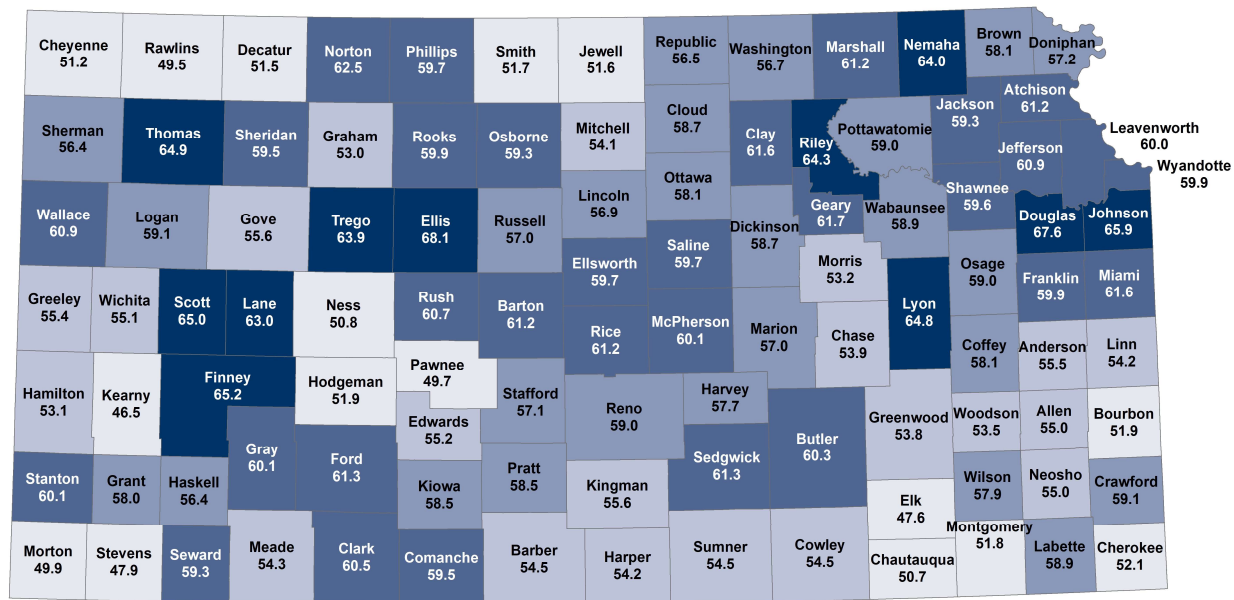
## Women's Labor Force Participation in Kansas is Higher than in the US and Missouri



Source: University of Minnesota, Integrated Public Use Microdata Series, using data from U.S. Census Bureau, 2018 American Community Survey Public Use Microdata.

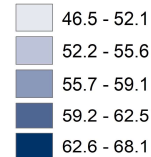
# Women's Labor Force Participation in Kansas Varies by County

Percent of Women Age 16 and Over in the Labor Force, 2014-18



Source: Institute for Policy & Social Research, The University of Kansas; data from U.S. Census Bureau, 2014-2018 American Community Survey.

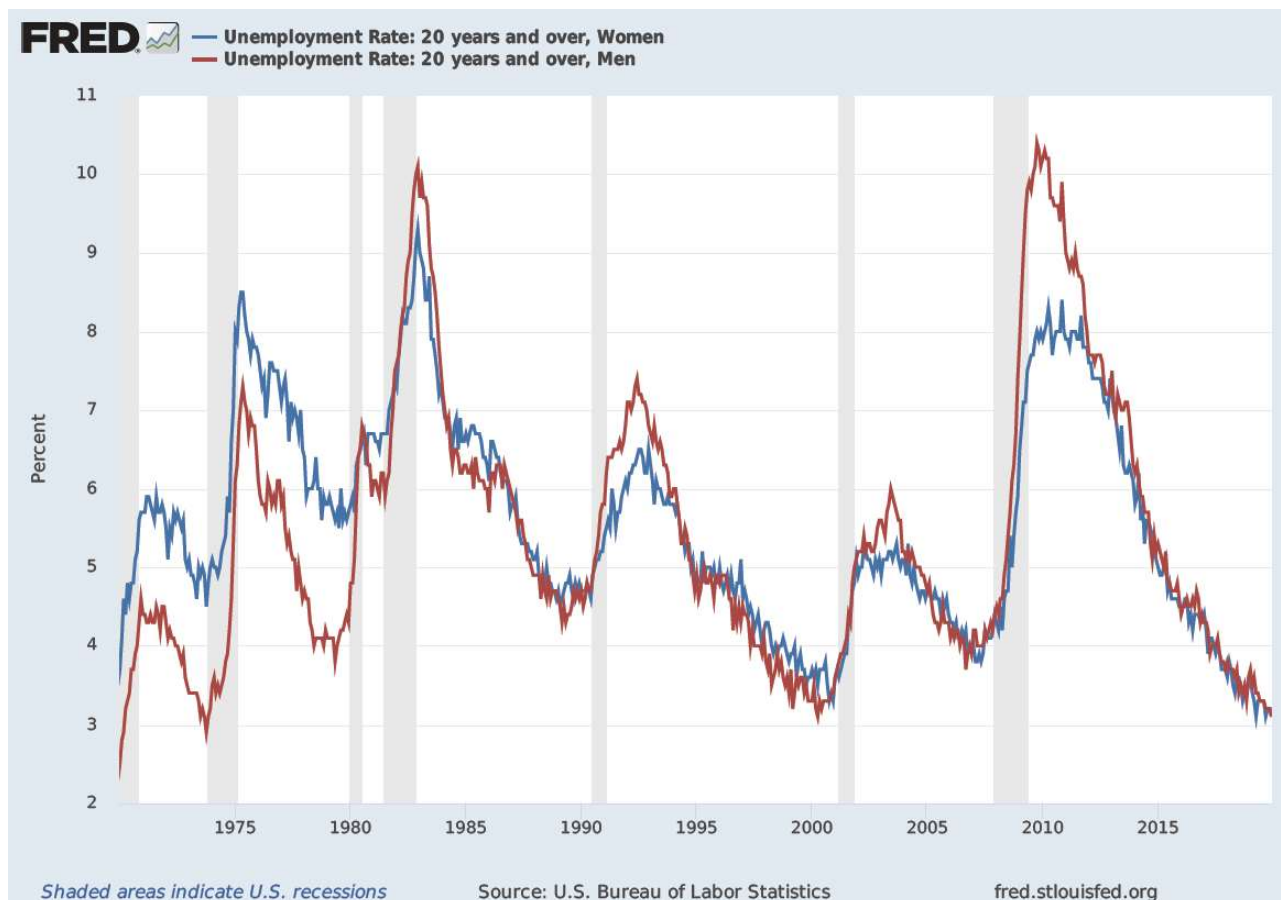
Percent of Women Age 16 and Over



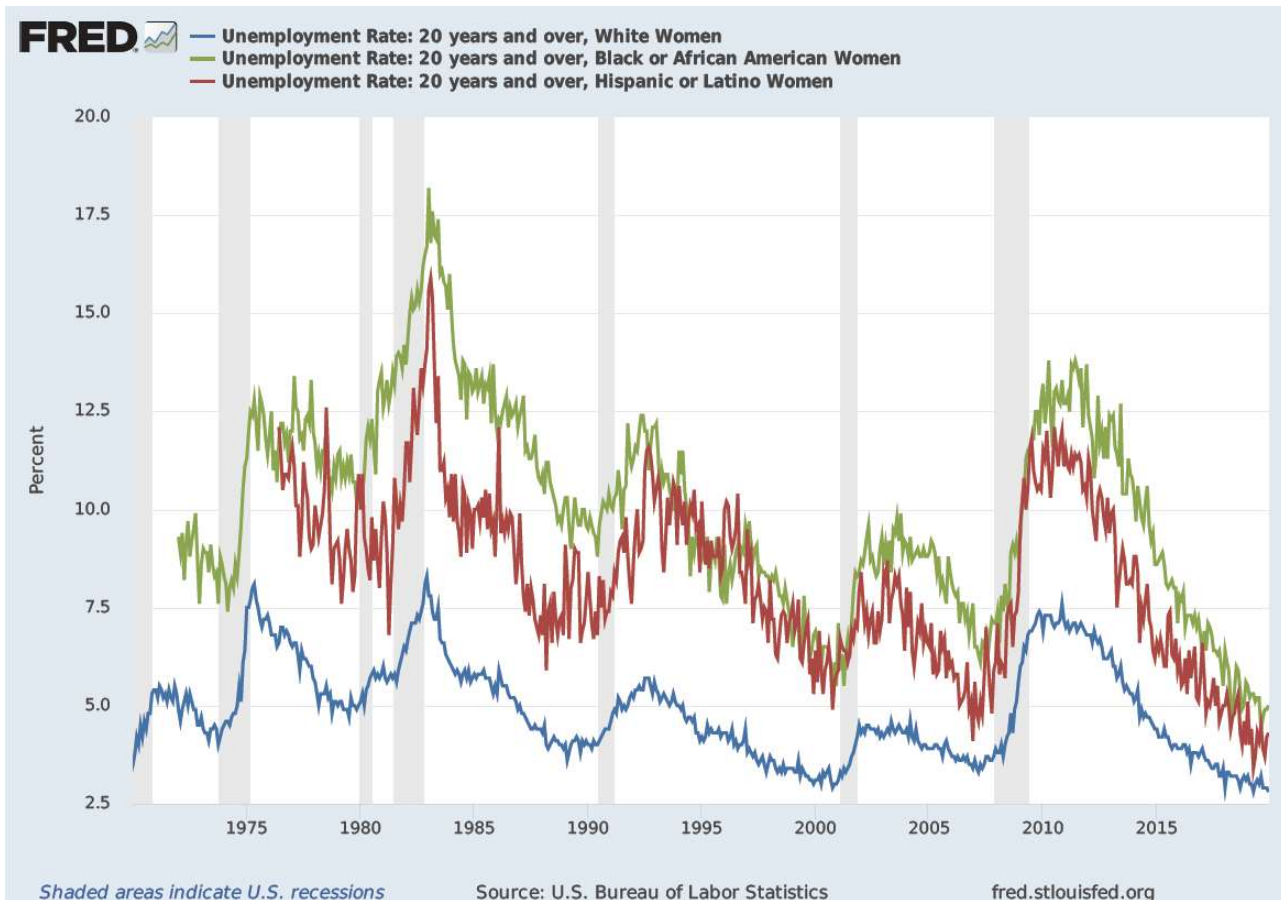
Kansas: 61.3  
U.S.: 58.3



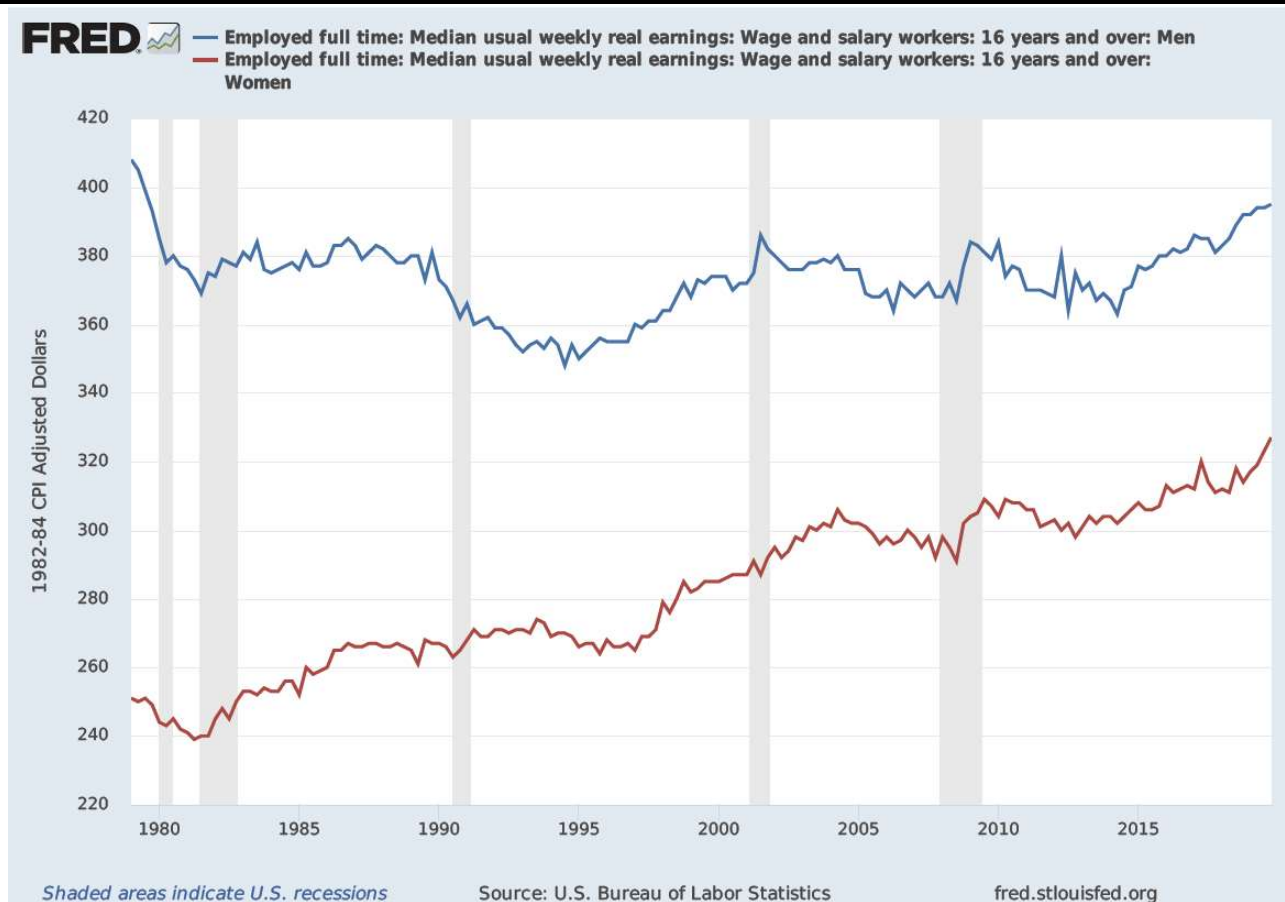
# Women's Unemployment is not as Severe as Men's During Recessions



# Non-White Women's Unemployment is Higher

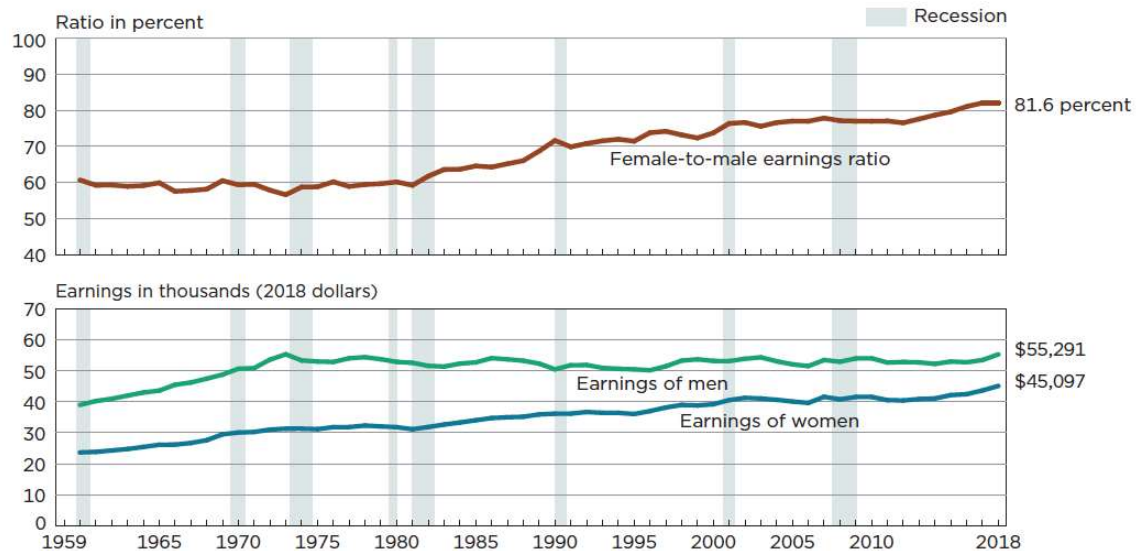


# Women Earn Less than Men



# Women's Earnings Relative to Men's Continue to Increase

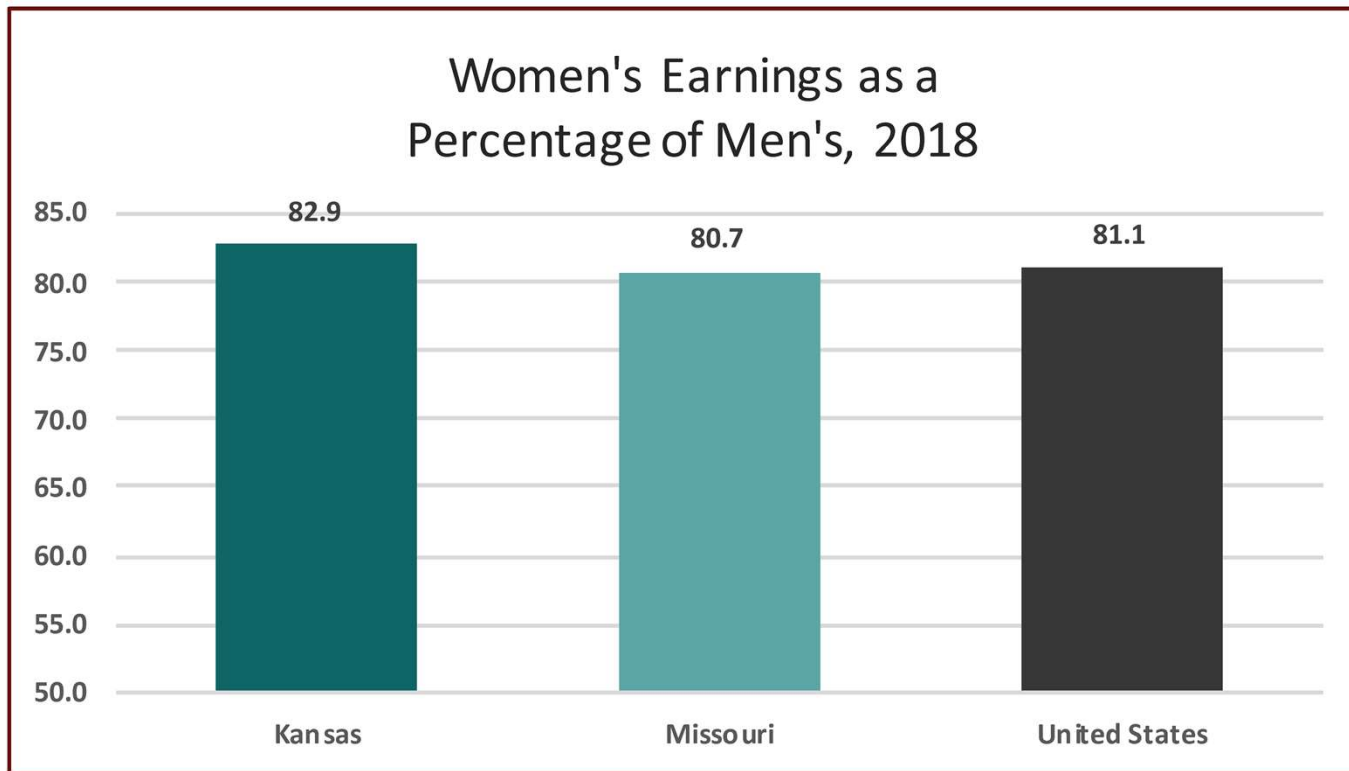
Figure 5.  
**Female-to-Male Earnings Ratio and Median Earnings of Full-Time, Year-Round Workers  
 15 Years and Older by Sex: 1960 to 2018**



Notes: The data for 2017 and beyond reflect the implementation of an updated processing system. See Appendix D for more information. The data for 2013 and beyond reflect the implementation of the redesigned income questions. See Table A-7 for historical footnotes. The data points are placed at the midpoints of the respective years. Data on earnings for full-time, year-round workers are not available before 1960. For more information on recessions, see Appendix A. For more information on confidentiality protection, sampling error, nonsampling error, and definitions, see <<https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar19.pdf>>.

Source: U.S. Census Bureau, Current Population Survey, 1961 to 2019 Annual Social and Economic Supplements.

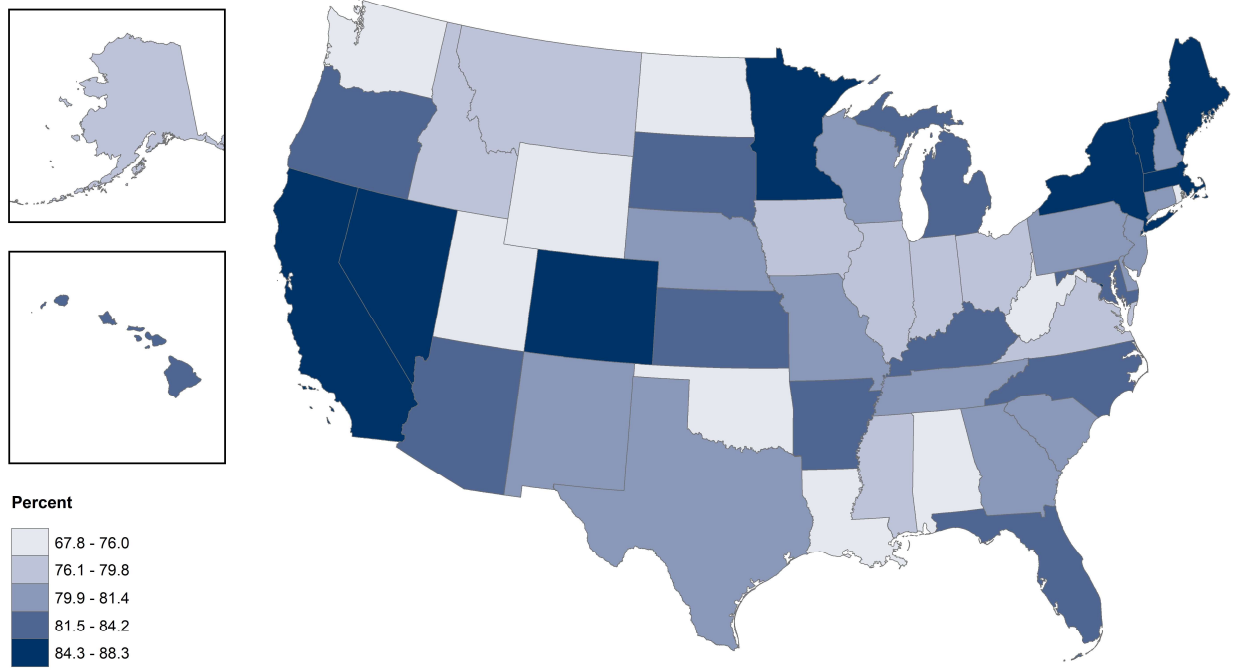
# Women's Earnings Relative to Men's Are Higher in Kansas Relative to the US



Source: Institute for Policy & Social Research, The University of Kansas; data from U.S. Bureau of Labor Statistics.

# This Varies Significantly Across States

Women's Earnings as a Percentage of Men's by State, 2018



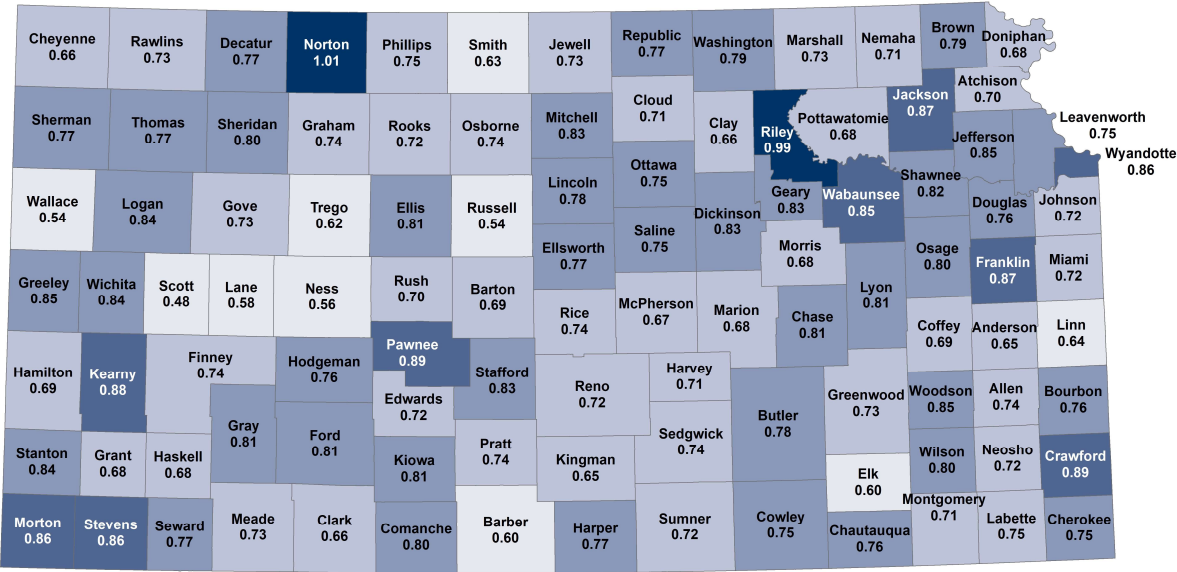
United States: 81.1

Source: Institute for Policy & Social Research, The University of Kansas; data from the U.S. Bureau of Labor Statistics.

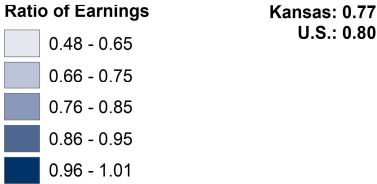


# This Varies Significantly Across and Counties within Kansas

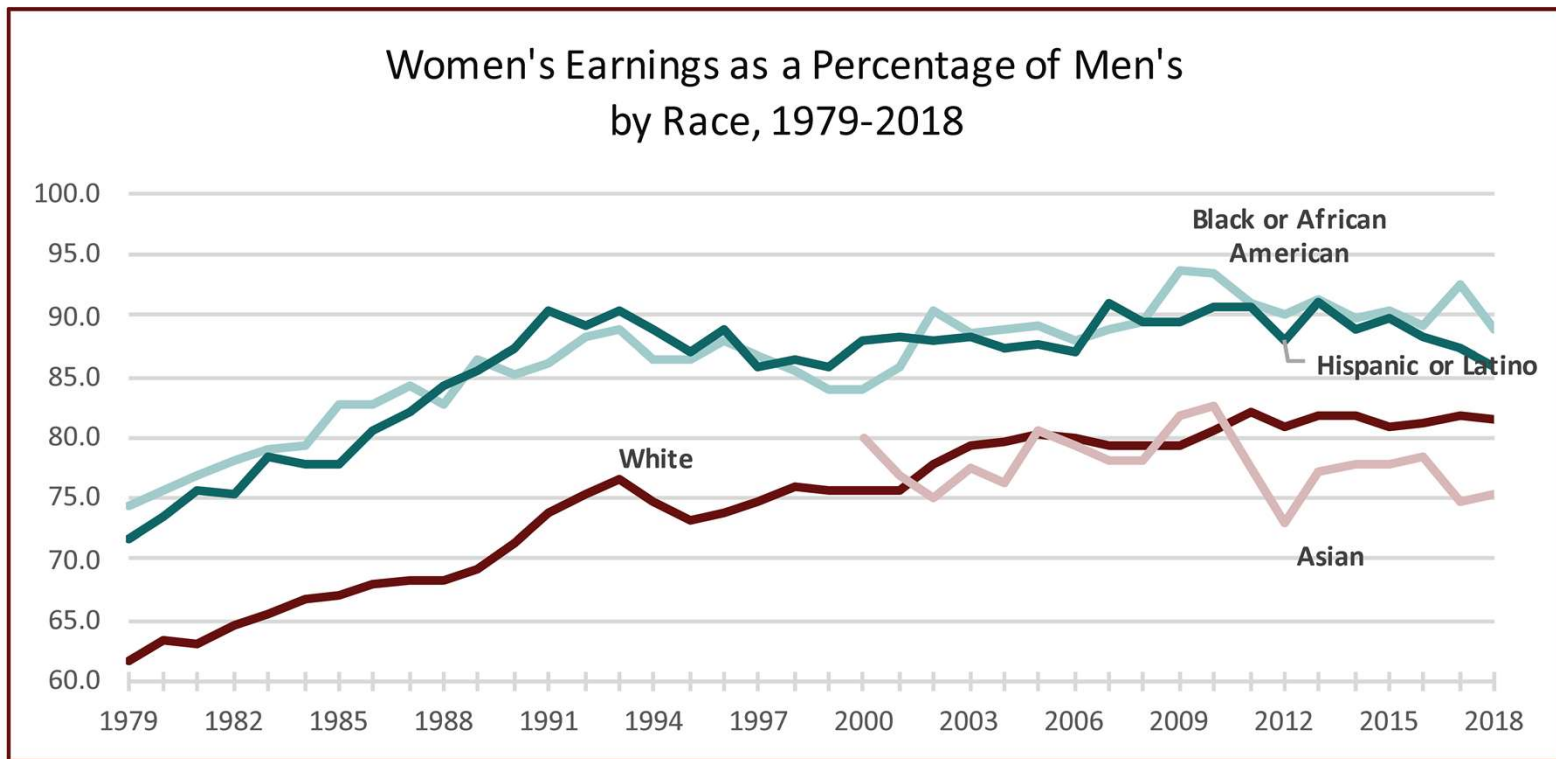
Ratio of Female-to-Male Median Earnings of Full-time, Year-round Workers, 2014-18



Source: Institute for Policy & Social Research, The University of Kansas; data from U.S. Census Bureau, 2014-2018 American Community Survey.



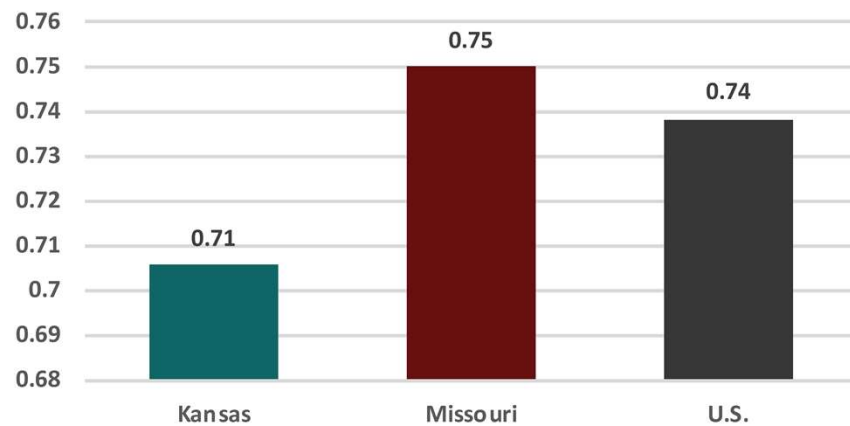
## This Varies Significantly Across Race



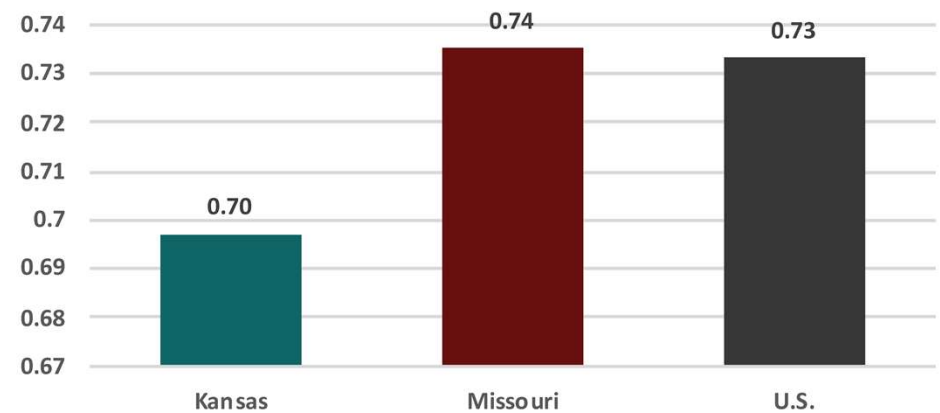
Source: Institute for Policy & Social Research, The University of Kansas; data from U.S. Bureau of Labor Statistics.

## Women's Median Earnings Also Differ by Education

Ratio of Female-to-Male Median Wages of Full-time, Year-round Workers Age 25-64 with High School Education, 2018



Ratio of Female-to-Male Median Wages of Full-time, Year-round Workers Age 25-64 with Bachelor's Degree, 2018



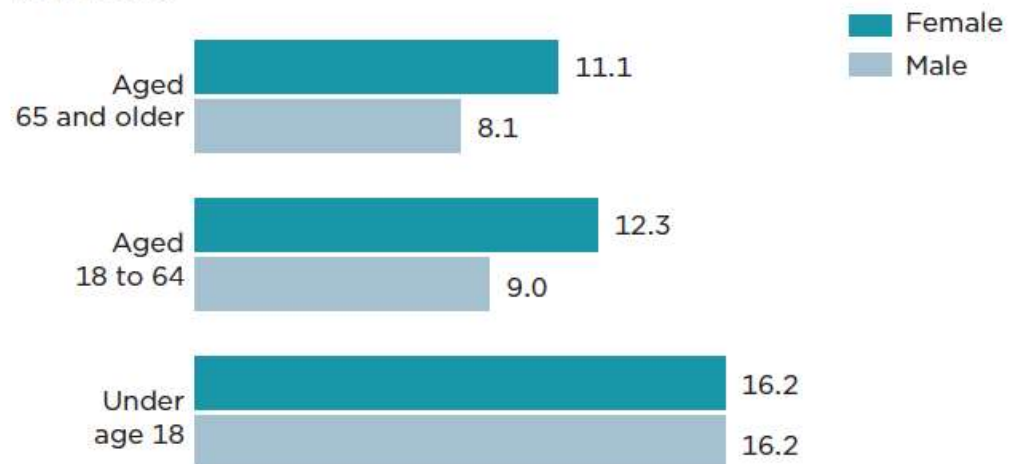
Source: University of Minnesota, Integrated Public Use Microdata Series, using data from U.S. Census Bureau, 2018 American Community Survey Public Use Microdata.

## Women's Are More Likely to be in Poverty than Men

Figure 10.

### Poverty Rates by Age and Sex: 2018

(In percent)



Note: For information on confidentiality protection, sampling error, nonsampling error, and definitions, see <<https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar19.pdf>>.

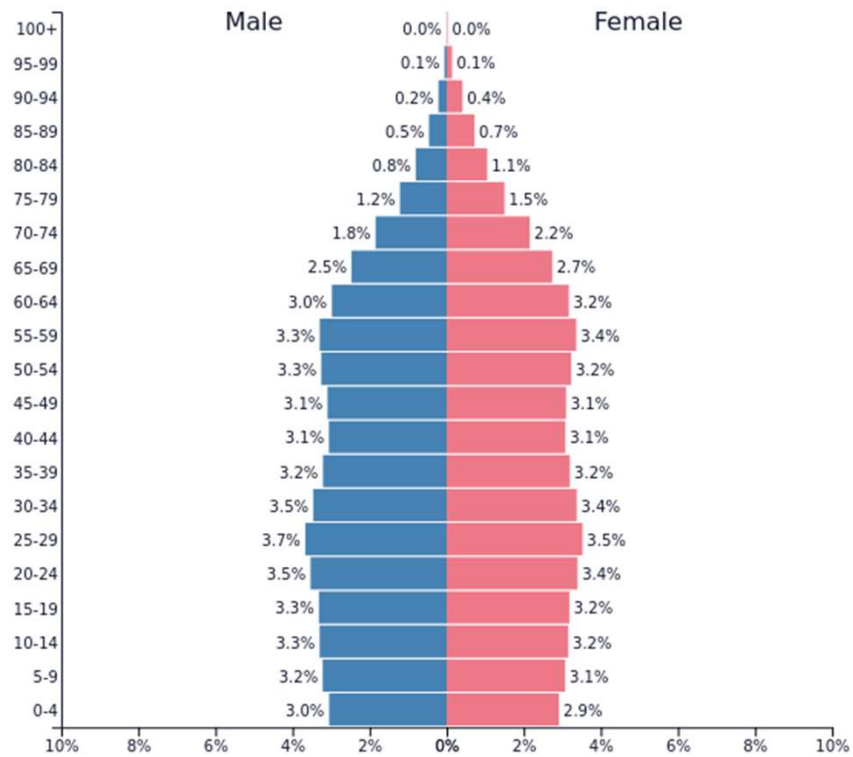
Source: U.S. Census Bureau, Current Population Survey, 2019 Annual Social and Economic Supplement.



*Why has  
Women's  
Labor Force  
Participation  
Stagnated?*

- Aging Labor Force
- Lack of Part-time jobs
- Lack of Affordable Childcare
- Lack of Paid Family Leave

# The US Population is Aging (Baby Boomers)



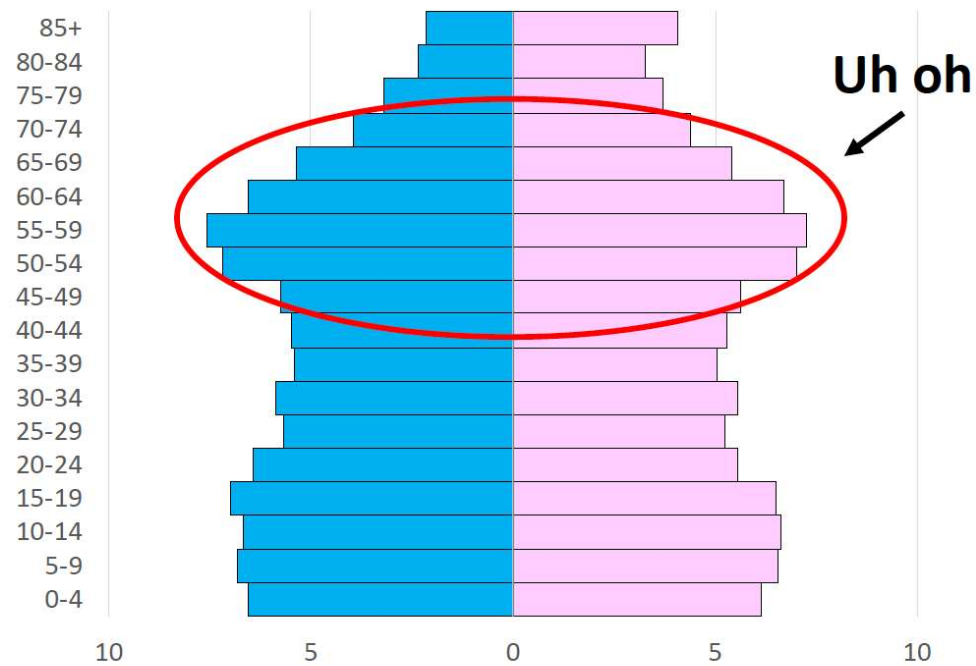
PopulationPyramid.net

United States of America - 2018  
Population: 327,096,263



# The Kansas Population is Aging Faster: Source Matt Sanderson Kansas State

## Kansas: Age Composition, 2016



By region in Kansas... ■ %Male ■ %Female



## Women's Demand for Job Flexibility: Research

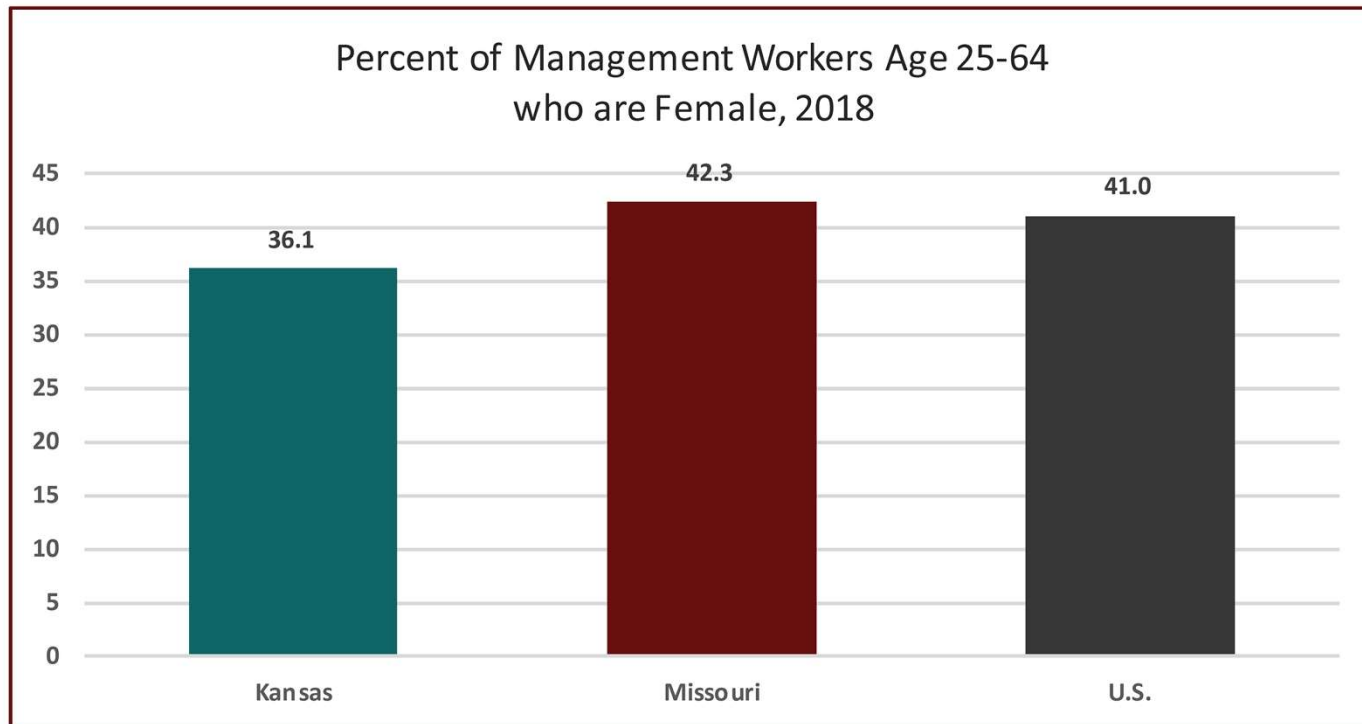
- Women leave careers with long hours like MBAs when they have children.
- Women are more likely to work in Jobs with regular hours such as pharmacy (Claudia Goldin)
- Some evidence that paid parental leave increases women's attachment to the labor force.
- Childcare costs are a barrier to women's entry into the labor force.

## The US Economy Does Not Create Part-time Jobs



Only 17.7% of Jobs  
in the US  
Are Part-time

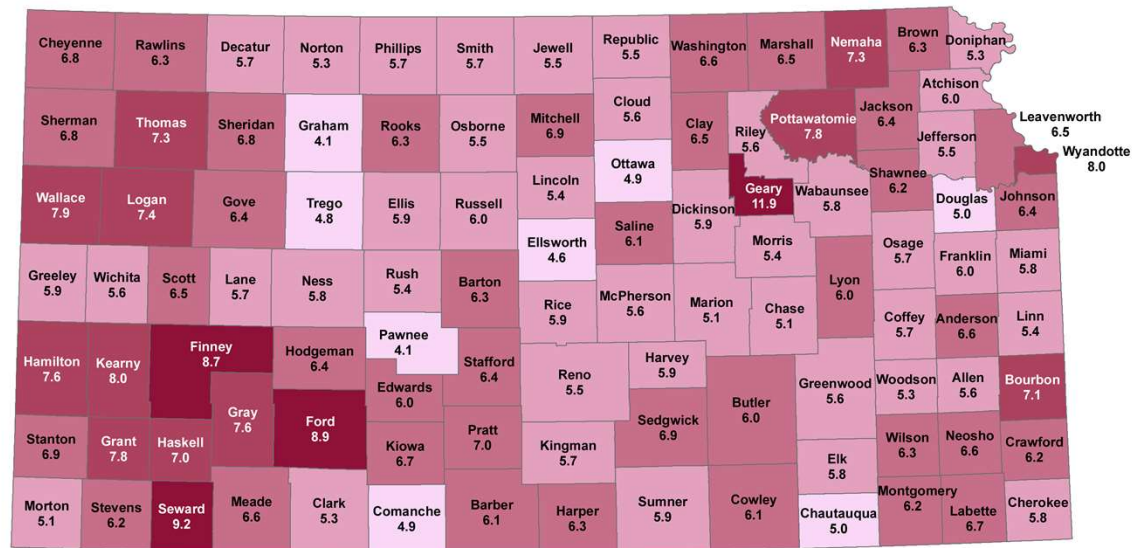
## Women are Less Likely to work in Management Positions in Kansas



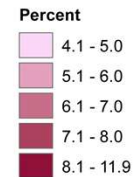
Source: University of Minnesota, Integrated Public Use Microdata Series, using data from U.S. Census Bureau, 2018 American Community Survey Public Use Microdata.

# Number of Young Children in Kansas is Unevenly Distributed

Percent of Population Under Age 5, 2018



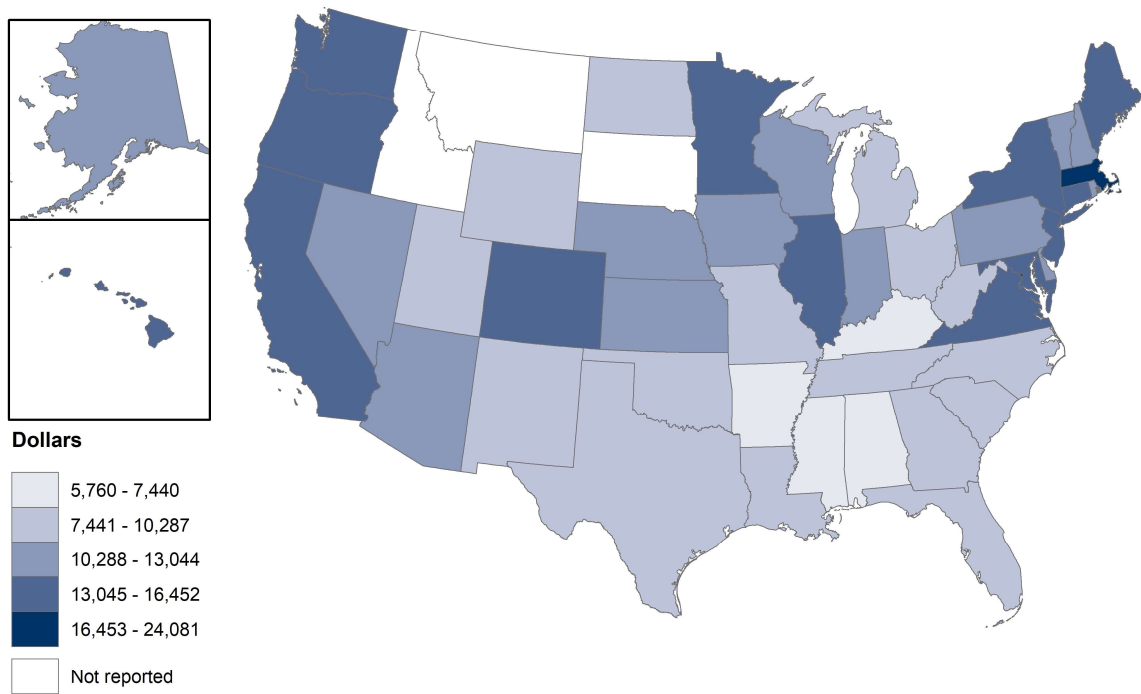
Source: Institute for Policy & Social Research, The University of Kansas; data from U.S. Census Bureau, 2018 Population Estimates by Age and Sex.



**Kansas: 6.5**  
**U.S.: 6.1**

# Costs for Infant Care are Astronomical

Average Annual Cost of Full-Time Infant Care in a Center, by State, 2018



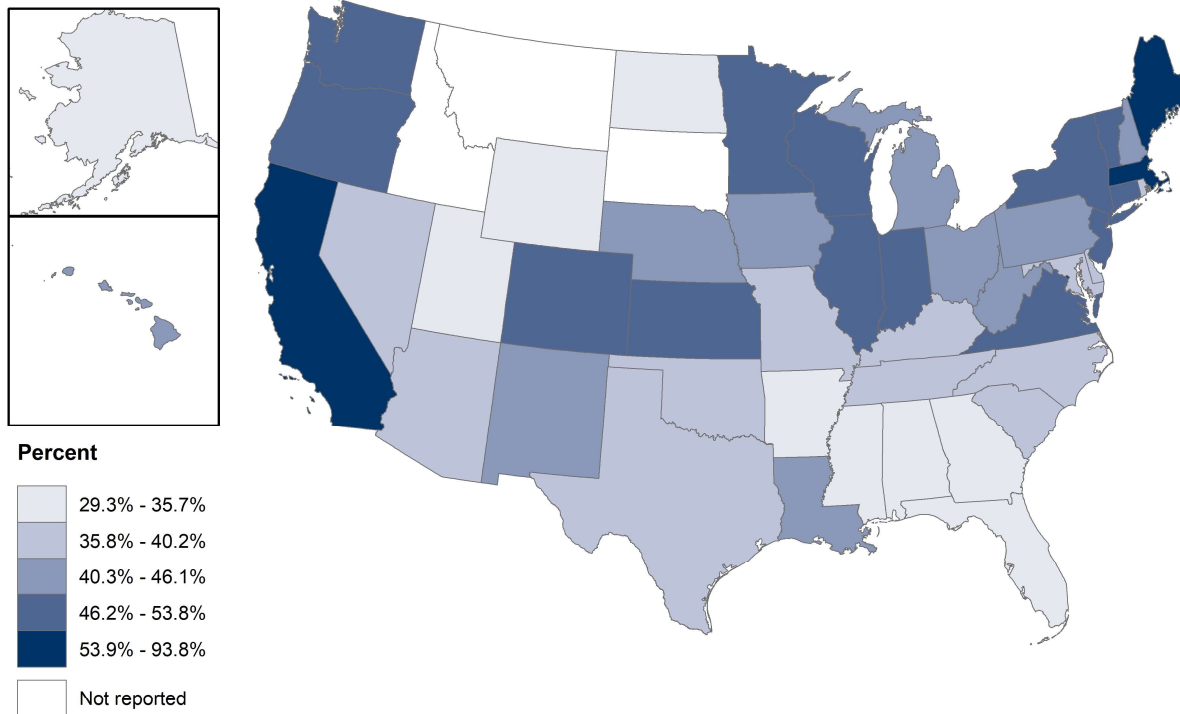
In Kansas, costs for Infant care per year Exceeds \$10,000

Source: Institute for Policy & Social Research, The University of Kansas; data from Child Care Aware of America.



# Costs for Infant Care are Astronomical

Cost of Infant Care as Percentage of Women's Median Annual Earnings, by State, 2018



In Kansas, costs for Infant care are close To 50% of women's Median Earnings





There is a Childcare  
Shortage in Rural  
Kansas

---

New Childcare Center in Phillipsburg, KS Source: Kansas News Service





## Women in the Kansas Economy

- Kansas has a growing share of children under the age of five, concentrated where immigrants live.
- Kansas has higher female labor force participation than the US
- Median earnings for women in Kansas are higher than in the US.
- Kansas has significantly fewer women working in management.
- Kansas infant care costs are close to 50% of women's median earnings



## Women in the Kansas Economy

- Kansas has a childcare shortage in rural areas
- One way to promote economic growth in the state would be to increase women's labor force participation
- Providing access to high quality, affordable childcare would facilitate an increase in women's labor force attachment.

**Thank  
You**

*Mahalo*

**Kiitos**

*Tack*

**Toda**

**Grazie**

*Obrigado*

**Thanks**

**Takk**

**Merci**

**Gracias**

# *Thank you!*





*Thank you for joining us!*

*Lawrence Regional*  
**ECONOMIC**  
**OUTLOOK**  
**CONFERENCE**