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The Pittsburg Micropolitan Area Economic Report, Quarter 4, 2018

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THE PITTSBURGH MICROPOLITAN AREA ECONOMIC REPORT

Retail Sales Doing Well Nationwide and Locally

THE 2018 CHRISTMAS SHOPPING season brought joy to retailers nationwide. Strong growth in the Gross Domestic Product during the second quarter (4.2 percent) and third quarter (3.5 percent) of 2018 and an annual rate of 3.1 percent wage growth for the first time in over ten years have made consumers feel more confident about their economic future. According to IBIS World, an average of 76.5 percent of all traditional holiday consumer spending is spent on gifts, 9.9 percent on decorations, 9.3 percent on food, and 4.3 percent on cards and postage.

The National Retail Federation estimates that the average consumer spent a healthy \$1,000 on the holidays in 2018 and that total holiday retail spending for 2018 increased 4.4 percent over 2017 retail

holiday spending. This is good news for retailers because some specialty retailers such as hobby stores generate, on average, 30.1 percent of total annual revenue during the holidays. An estimated 38,848 people annually visit Pittsburgh for retail shopping, making Pittsburgh a regional center for retail sales and consumer services.

First estimates of the 2018 Christmas shopping season show the Meadowbrook Mall in Pittsburgh did well during the holiday season, and Meadowbrook reports it has had healthy overall sales for 2018. Preliminary estimates by Woods and Poole show that total retail sales increased to \$537.2 million in the Pittsburgh Micropolitan Area during 2018 (up 2.8 percent), with furniture and home furnishing stores having the largest increase in sales in 2018 at \$11.6 million

in total sales (up 7.4 percent from 2017), followed by building materials and garden equipment stores (\$68.6 million, up 5.7 percent); general merchandise (\$105.0 million, up 3.9 percent); health and personal care stores (\$27.3 million, up 3.3 percent); eating and drinking establishments (\$70.3 million, up 2.4 percent); clothing and clothing accessory stores (\$10.0 million, up 2.0 percent); gasoline stations (\$4.1 million, up 2.0 percent); electronics and appliance stores (\$5.3 million, up 1.6 percent); food and beverage stores (\$76.1 million, up 1.2 percent); sporting goods, hobby, book, and music stores (\$7.3 million, up 1.0 percent); motor vehicles and parts (\$81.7 million, up 0.9 percent); and other retail such as gift stores, flower stores and non-store retail sales (\$19.7 million, up 2.8 percent).

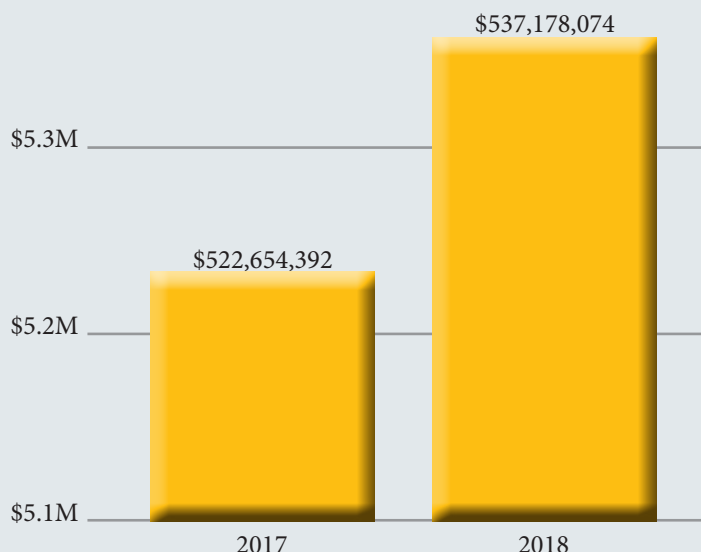
INSIDE

- Total Jobs
- Unemployment
- Job Growth by Industry
- Payroll Growth by Industry
- Labor Force
- Taxable Sales
- Residential Permits
- Commercial and Construction Permits
- Office Space Market
- Commercial & Residential Land Values
- Retail Space Market
- Bankruptcies
- Banking, Credit Unions and more . . .



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Total Retail Sales Pittsburgh Micropolitan Area



Source: Woods & Poole

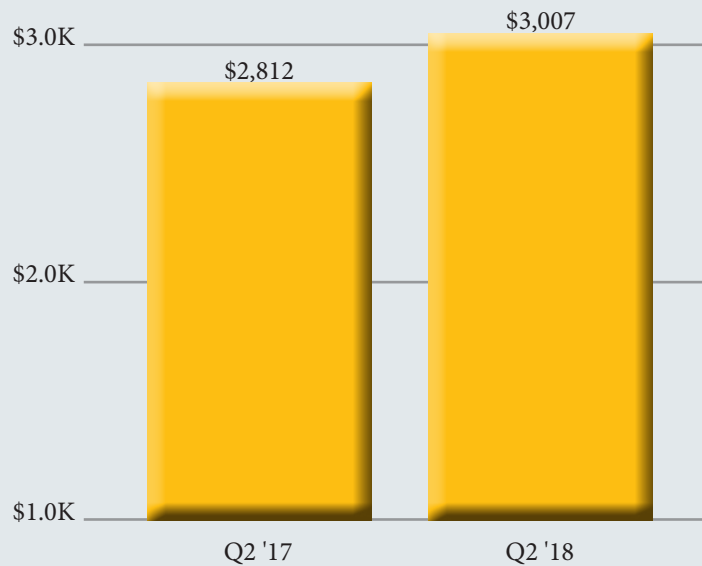


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TOTAL JOBS

The 977 businesses in the Pittsburgh Micropolitan Area that are subject to payroll insurance had 17,116 jobs during the second quarter of 2018 (latest available), according to the Bureau of Labor Statistics, down 1.4 percent from the same quarter last year. However, local wages are up substantially. Total quarterly payroll increased to \$154.4 million (up 5.5 percent), and average local monthly wage increased to \$3,007, up a significant 6.9 percent. The goods-producing industries posted 3,110 jobs during the quarter (down 0.4 percent), quarterly payroll of \$39.6 million (up 25.8 percent), and an average wage of \$4,241 (up a substantial 26.3 percent). The goods-producing industries are heavily concentrated in the area, with 19.0 percent more concentration than the national average. The service-producing industries posted 9,657 jobs (down 1.7 percent), total quarterly payroll of \$76.2 million (up 0.4 percent), and average wages of \$2,631 (up 2.2 percent). Government (all levels) posted 4,348 jobs (down 1.4 percent), total quarterly payroll of \$38.6 million (down 1.2 percent), and an average monthly wage of \$2,958 (up 0.3 percent). The number of jobs increased to 1,388,504 statewide during the period (up 1.0 percent) and to 146.5 million nationwide (up 1.5 percent).

Average Monthly Wages Pittsburgh Micropolitan Area

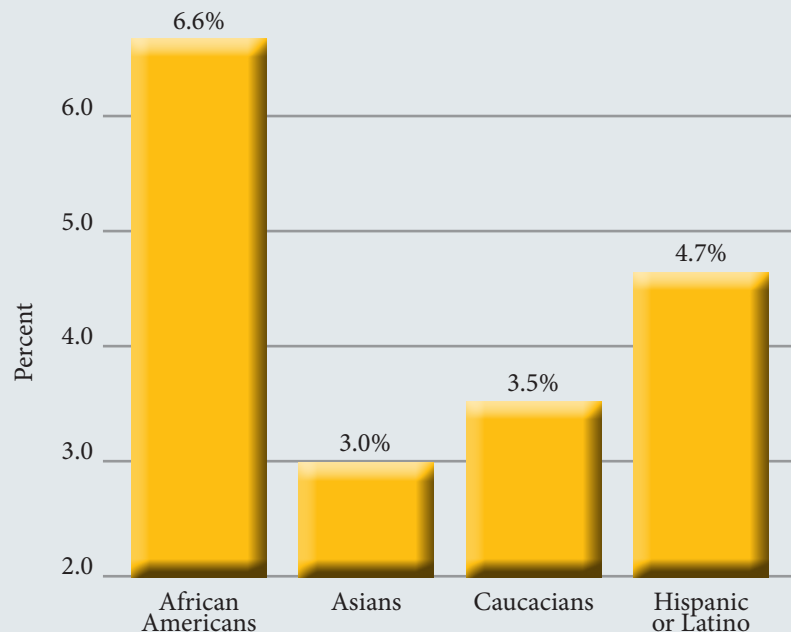


Source: Bureau of Labor Statistics

UNEMPLOYMENT

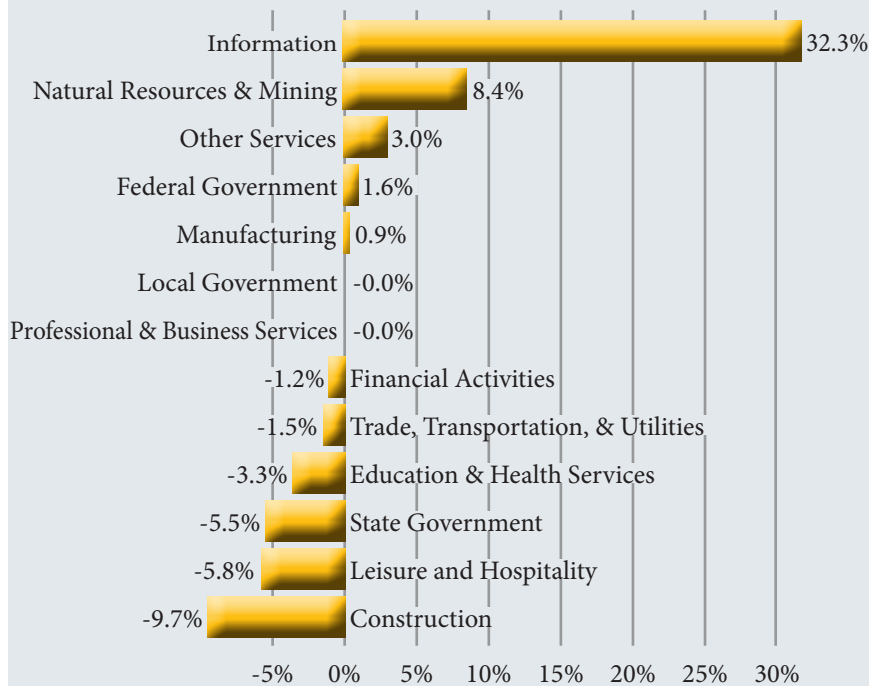
The unemployment rate in the Pittsburgh Micropolitan Area declined to 4.1 percent for the first ten months of 2018 (down from 4.3 percent for the first ten months of 2017), 3.4 percent statewide, while the national unemployment rate declined to 4.0 percent. The unemployment rate as of October was highest for African American job seekers at 6.6 percent, followed by Hispanic/Latino job seekers at 4.7 percent, Caucasian 3.5 percent, and Asian 3.0 percent. A recently released report by the BLS on employee tenure by industry shows that employee tenure is longest in Utilities with a median employee tenure of 9.5 years, followed by Federal Government, 8.3 years; Local Government, 6.9 years; State Government, 5.9 years; Durable Goods Manufacturing, 5.3 years; Mining, 5.1 years; Manufacturing, 5.0 years; Non-Durable Goods Manufacturing, 4.7 years; Financial Activities, 4.7 years; Information Services, 4.4 years; Transportation and Warehousing, 4.2 years; Construction, 4.1 years; Education and Health Services, 3.9 years; Professional and Business Services, 3.6 years; Wholesale and Retail Trade, 3.2 years; Leisure and Hospitality, 2.2 years; Accommodations and Food Services, 2.1 years; and Food Services and Drinking Places, 2.0 years.

Unemployment By Ethnic Group Nationwide, October 2018



Source: Bureau of Labor Statistics

Percent Job Growth By Industry Pittsburg Micropolitan Area - Q2 2018



Source: Bureau of Labor Statistics

JOB GROWTH BY INDUSTRY

The 13 companies in the Information Services industry in the Pittsburg Micropolitan Area had the largest percentage job growth during the period, posting 310 jobs (up 32.3 percent, adding 76 jobs), followed by Natural Resources and Mining, with 22 companies posting 95 jobs, up 8.4 percent (adding seven jobs); Other Services (clergy, dry cleaners, etc.), with 70 companies posting 232 jobs, up 3.0 percent (adding seven jobs); Federal Government, with 85 jobs, up 1.6 percent (adding one job); Manufacturing, with 51 companies posting 2,610 jobs, up 0.9 percent (adding 23 jobs); Local Government, with 3,162 jobs, up 0.0 percent; Professional and Business Services, with 126 companies posting 1,392 jobs, up 0.0 percent; Financial Activities, with 98 companies posting 451 jobs, down 1.2 percent (down six jobs); Trade, Transportation, and Utilities, with 219 companies posting 3,074 jobs, down 1.5 percent (down 45 jobs); Education and Health Services, with 130 institutions posting 2,214 jobs, down 3.3 percent (down 75 jobs); State Government, with 1,102 jobs, down 5.5 percent (down 64 jobs); Leisure and Hospitality, with 92 companies posting 1,984 jobs, down 5.8 percent (down 121 jobs); and Construction, with 83 companies posting 406 jobs, down 9.7 percent (down 43 jobs).

Total Payroll By Industry Pittsburg Micropolitan Area - Q2 2018



Source: Bureau of Labor Statistics

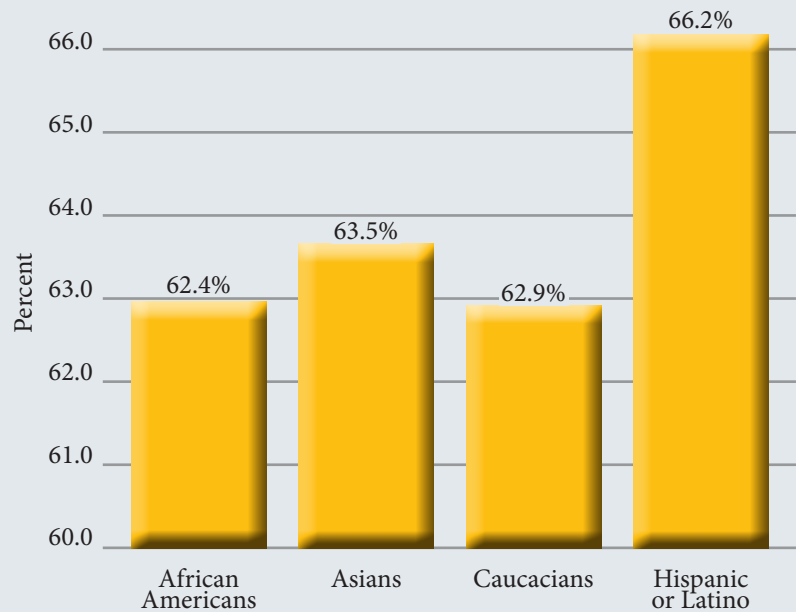
PAYROLL GROWTH BY INDUSTRY

Natural Resources and Mining posting the largest percentage growth in quarterly payroll during the third quarter in the Pittsburg Micropolitan Area, adding a total of \$6.5 million (up 601.6 percent) and posting \$26,715 in monthly wages, followed by Information, adding \$580,900 to quarterly payroll (up 21.1 percent) and \$3,590 in wages; Manufacturing, adding \$1.7 million (up 6.4 percent) and \$3,588 in wages; Federal Government, adding \$63,131 (up 6.4 percent) and \$4,116 in wages; Trade, Transportation, and Utilities, adding \$893,172 (up 3.5 percent) and \$2,867 in wages; Other Services, adding \$14,942 (up 1.0 percent) and \$2,152 in wages; Local Government, adding \$99,069 (up 0.4 percent) and \$2,446 in wages; Financial Activities, posting a decline in quarterly payroll of \$15,203 (down 0.3 percent) and reporting \$3,381 in monthly wages; Education and Health Services, \$423,598 (down 2.0 percent) and \$3,106 in wages; Construction, \$111,670 (down 2.8 percent) and 3,179 in wages; Professional and Business Services, \$427,253 (down 3.3 percent) and \$2,987 in wages; Leisure and Hospitality, \$284,349 (down 3.8 percent) and \$1,223 in wages; and State Government, posting a decline of \$618,785 (down 4.1 percent) and \$4,339 in wages.

LABOR FORCE

For the first ten months of 2018, the average labor force was 18,883 in the Pittsburgh Micropolitan Area (down 1.3 percent from the first ten months of 2017), 1.5 million statewide (down slightly), and 162.0 million nationwide (up 1.0 percent). Hispanics/Latinos had the highest labor force participation rate at 66.2 percent, Asians 63.5 percent, Caucasians 62.9 percent, and African Americans 62.4 percent. Training new employees is expensive, and low employee turnover and long employee tenure is important for companies, especially since the workplace is getting increasingly high tech. BLS reports that employee tenure is highest for management occupations at 6.4 years, followed by legal occupations at 5.1 years; education, training, and library occupations, 5.1 years; community and social service occupations, 4.6 years; business and financial occupations, 4.5 years; production occupations, 4.4 years; computer and mathematical occupations, 4.3 years; healthcare practitioners and technical occupations, 4.3 years; office and administrative support occupations, 3.8 years; transportation and material moving occupations, 3.5 years; sales and related occupations, 3.2 years; healthcare support occupations, 3 years; and service occupations, 2.9 years.

Labor Force Participation by Ethnic Group Nationwide, Jan-Oct 2018

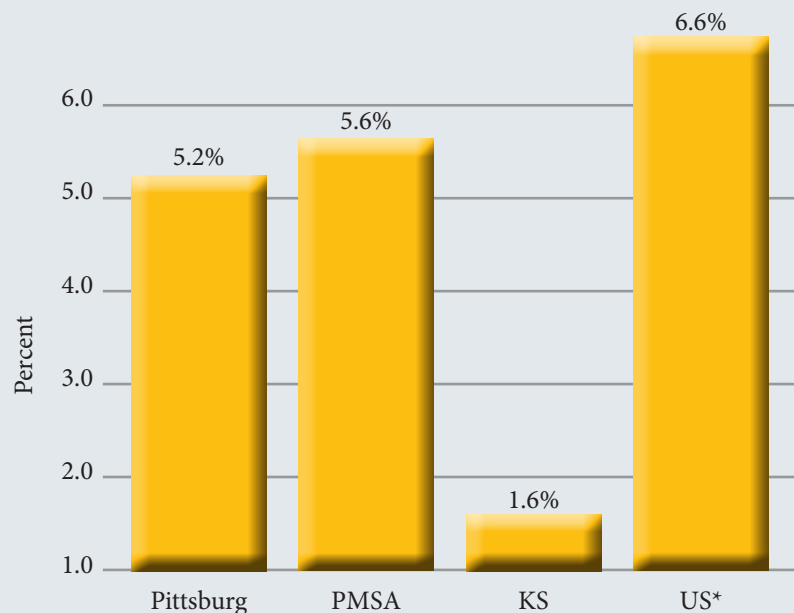


Source: Bureau of The Census

TAXABLE SALES

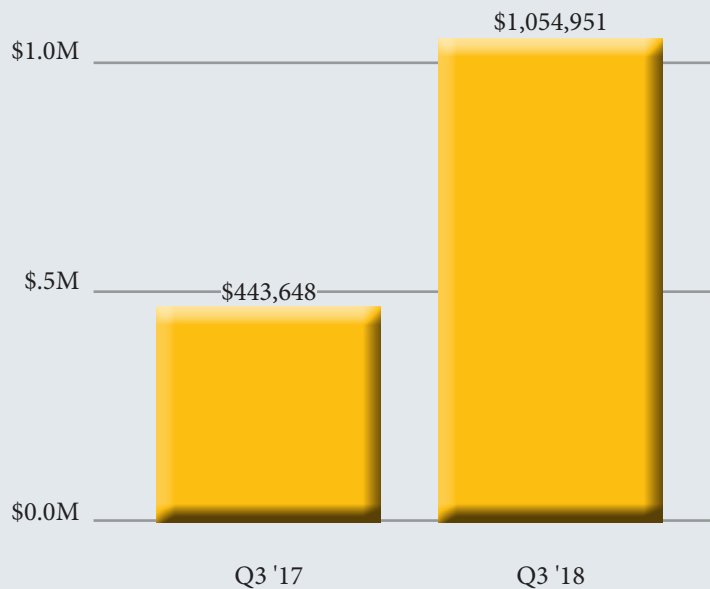
Pittsburg is a regional center for retail sales and consumer services, and an estimated 34,848 people visit Pittsburg annually for shopping. A 2017 study of the economic, social, and geographic characteristics of cities nationwide by the National League of Cities (NLC) shows that Pittsburg has a city character more consistent with cities in the 50,000-100,000 population range. The Kansas Department of Revenue reports that taxable sales (retail sales plus taxable service sales, mainly tourism) increased to \$27.5 million in Pittsburg in August 2018 (up 5.2 percent from August 2017) and to \$213.1 million during the first eight months of 2018 (up 1.4 percent from the same period in 2017). In the Pittsburgh Micropolitan Area, August taxable sales increased to \$39.7 million (up 5.6 percent) and to \$313.5 during the first eight months of 2018 (up 5.6 percent). Statewide taxable sales increased to \$3.6 billion in August (up 1.6 percent) and \$28.0 billion for the first eight months (up 2.6 percent). Nationally, total retail sales (taxable sales not available) increased to \$524.6 billion in August (up 6.6 percent) and to \$4.0 trillion for the first eight months of 2018 (up 5.7 percent).

Taxable Sales Retail & Tourism Related Service Industry Sales August 2017-August 2018



* Retail Sales (Taxable sales not available for US)
Source: Kansas Department of Revenue

Value Of Residential Permits Pittsburg Micropolitan Area

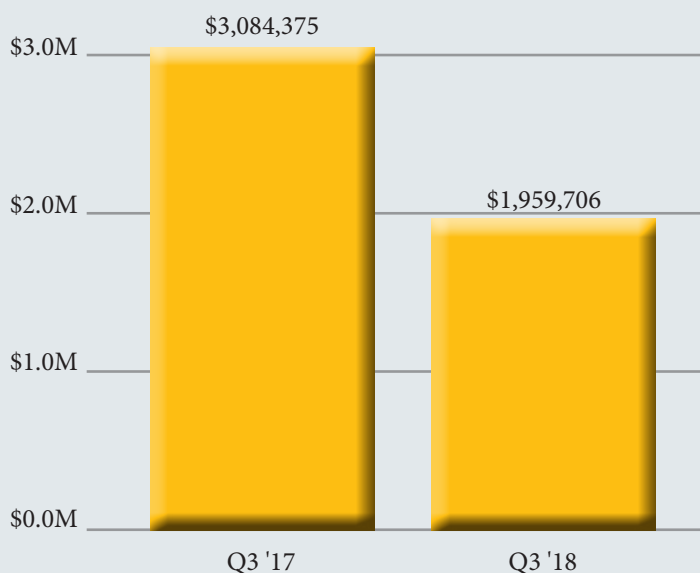


Source: City of Pittsburg

RESIDENTIAL PERMITS

The value of new residential building permits issued during the third quarter of 2018 was up 3.2 percent from the third quarter last year nationwide and 23.6 percent statewide. The City of Pittsburg reports that during the third quarter of 2018, 40 permits were issued for residential construction with a stated value of \$1.1 million, up 138 percent. This includes seven permits for new single family residential construction, with a stated value of \$672,500 (up 254.9 percent) and 33 permits for additions, alterations, and conversions, with a stated value of \$382,451 (up 50 percent). Overall, 121 residential permits were issued during the first three quarters of 2018, with a stated value of 16.2 million, up 766 percent from the same period last year. The Pittsburg Area Realtors Association reports that 374 homes were sold during the first ten months of 2018 (365 existing and nine new homes), down 7.0 percent from the same period last year. The median selling price was \$77,750 (up 1.7 percent), and the average price was \$95,794 (down 2.7 percent). The average home was on the market 158 days during the first ten months in 2016, 135 days in 2017, and only 116 days in 2018.

Value Of Commercial Permits Pittsburg Micropolitan Area



Source: City of Pittsburg

COMMERCIAL PERMITS & THE CONSTRUCTION INDUSTRY

The national construction industry is doing well in 2018. There were 278,000 job openings in construction nationwide at the end of September, up 55% from September 2017, according to the Associated General Contractors of America (AGC), and construction employment increased in 78 percent of all metropolitan areas during the period. Wages in the construction industry increased 3.4 percent in 2017 and could be up as much as 3.6 percent in 2018. However, construction costs are also on the rise, and inflation-adjusted spending on construction of commercial and health care structures declined 4.9 percent during the third quarter, 5.0 percent for manufacturing structures, 13 percent for power and communications structures, and 5.6 percent for other non-mining structures. Jobs in construction pay well in Kansas, paying on average 15 percent more than all private sector jobs. During the first half of 2018, the value of commercial building permits increased 150.9 percent in the Pittsburg Micropolitan Area compared to the same period last year but declined 36.5 percent during the third quarter. Overall, the value of commercial building permits issued in Pittsburg is up 86.0 percent for the first three quarters of 2018.

OFFICE SPACE MARKET

Approximately \$81.3 million has been invested in medical infrastructure in Pittsburgh during the last four years. Via Christi Hospital underwent major renovations, while Joplin-based Mercy Hospital built a medical office center in conjunction with Via Christi. Other construction includes significant expansion of South East Kansas Community Health Center as well as the newly built DaVita blood lab. Pittsburgh's Via Christi hospital is a ninety-eight bed, 401,000 square foot facility featuring a level III trauma center, a new 40,000 square foot surgery center with state-of-the-art technology offering robotics-assisted minimally invasive surgeries, a newly renovated \$2.6 million cardiac step-down unit, and state-of-the-art catheterization lab, and a comprehensive cancer center. Medical office space is more expensive than other types of space because of requirements for specialized plumbing and other unique features. The local medical office space market is doing well, according to Jones Heritage Realtors, a local authority on commercial space, with an average low medical space rental rate of \$11.00 per square foot in 2018, an average high of \$16.00 per square foot, and an overall average of \$14.00 per square foot.

Medical Office Space Rental Rates Pittsburg - 2018



Source: Jones Heritage Realtors

COMMERCIAL AND RESIDENTIAL LAND VALUES

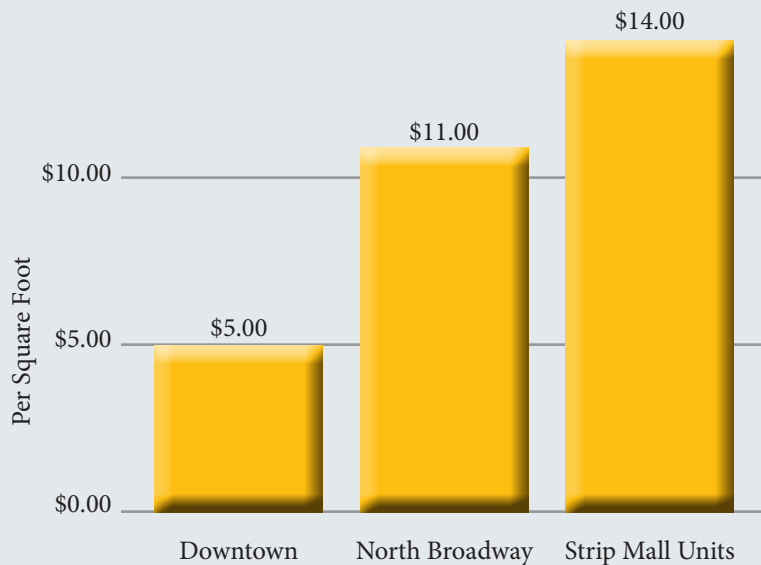
Most of local manufacturers depend on the national industry and some need extensive warehousing. The future looks promising for the local industrial land market because the Pittsburgh Micropolitan Area is well suited to manufacturing and warehousing due to improvement in the local economy and the widening of US Highway 69 from Fort Scott to Arma, which will provide for a four lane highway all the way to Kansas City. Major industrial space sales in 2018 include a 19,881 square foot warehouse at a 4.4 acre site at the Northeast Industrial Park, which sold for \$18.36 per square foot; a 36,000 square foot industrial building on a 5.3 acre site which sold for \$16.34 per square foot, a 12,600 square foot warehouse in the East Jefferson Street industrial area which sold for \$17.46 per square foot, and a 5,000 square foot office/warehouse building off Broadway. Jones Heritage Realtors report that in the Pittsburgh area, light industrial and warehouse rental rates start at average low of \$2.00 per square foot and increase to an average high of \$4.00 per square foot with an overall average rent of \$3.00 per square foot.

Light Industrial & Warehouse Space Rental Rates Pittsburg - 2018



Source: Jones Heritage Realtors

Net Retail Space Rental Rates Pittsburg - 2018



Source: Jones Heritage Realtors

RETAIL SPACE MARKET

Approximately \$24.7 million has been invested in retail space and infrastructure in Pittsburg during the last four years (excluding bars). These projects involved a Walmart Neighborhood Market, Dillon's Food Stores, Colton's Steak House, Tractor Supply Company Store, Buffalo Wild Wings, Arvest Bank, Rib Crib Restaurant, McDonald's, Labette Bank, Walmart, Jimmy John's Gourmet Sandwiches, Jimmy's Egg Restaurant, Petsense Pet Supply and Dog Grooming, Ron's IGA, Wendy's, Gusano's Pizza and more. This is a lot of investment for a town of 21,000 people like Pittsburg and it shows confidence in the local economic future. Retail construction nationwide has not been as robust and numerous national major retailers filed for some type of bankruptcy during the last four years. As a matter of fact, retail space construction nationwide fell 5.1 percent during the first three quarters of 2018 (compared to the same period last year) according to the Associated General Contractors (ACG). The local retail space market is doing relatively well. The average retail space rental rate in downtown Pittsburg is \$5.00 per square foot in 2018 according to Jones Heritage Realtors, \$11.00 per square foot on North Broadway and \$14.00 per square foot in Strip Malls.

Bankruptcies Kansas, Oct '16-Sept '17 to Oct '17-Sept '18



Source: US Bankruptcy Courts

BANKRUPTCIES

Equifax reports that the number of people in the Pittsburg Micropolitan Area with a credit score above the subprime credit score of 667 is the highest in the local recorded history. However, local bankruptcies increased to 44 during the 12 month period ending in September 2018, up 46.7 percent from the previous 12 month period. Statewide, 6,845 bankruptcies were filed during the period (up 2.0 percent), with a total of 3,626 Chapter 7 personal bankruptcies (straight bankruptcy, debt wiped out), down 0.6 percent; one Chapter 11 personal bankruptcy (reorganization of personal debt), down 75.0 percent; and 3,028 Chapter 13 personal bankruptcies (some debt wiped out and some repayments), up 5.2 percent.

A total of 190 business bankruptcies were filed statewide (up 4.4 percent), including 114 Chapter 7 business bankruptcies (total liquidation with no repayments), up 15.2 percent; 23 Chapter 11 business bankruptcies (reorganization of business debt), down 37.8 percent; 26 Chapter 12 business bankruptcies (reorganization of debt for family farms), up 4.0 percent; and 27 Chapter 13 business bankruptcies (total liquidation with some repayments), up 28.6 percent. Bankruptcies declined 2.2 percent nationwide during the period.

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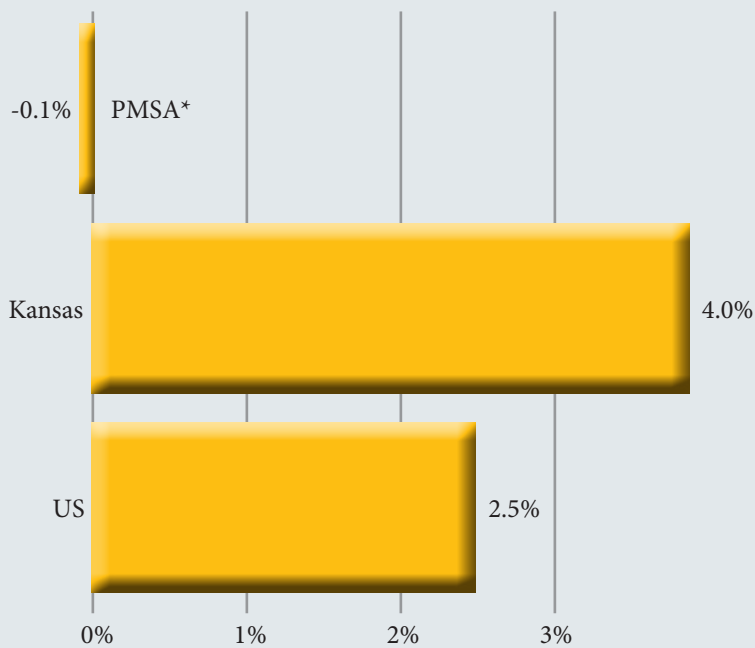
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Growth In Total Assets

Jan '17-Sept '17 to Jan '18-Sept '18



* Banks with headquarters in the Pittsburgh Micropolitan Area

Source: Federal Deposit Insurance Corporation

BANKING INDUSTRY

The national banking industry (commercial banks and savings institutions) did well during the third quarter of 2018, according to the FDIC. The 5,477 FDIC insured institutions (excluding insured branches of foreign institutions) reported an annual return on assets of 1.36 percent and a return on equity of 12.05 percent, which are both the highest in the recent history. Overall, the national industry posted \$17.7 trillion in total assets during the third quarter of 2018 (up 2.5 percent from the same quarter last year), \$9.8 trillion in net loans and leases (up 4.1 percent), \$177.9 billion in net income (up 27.5 percent), and \$101.3 billion in non-current loans and leases (down 11.8 percent). The statewide banking industry reported total assets of \$71.3 billion (up 4.0 percent), \$47.7 billion in net loans and leases (up 7.0 percent), \$628.1 million in net income (up 15.6 percent), and \$364 million in non-current loans and leases (down 4.6 percent). Pittsburgh Micropolitan Area banks with local headquarters posted \$708.4 million in total assets (down 0.1 percent), \$491.6 million in net loans and leases (up 3.6 percent), \$6.5 million in net income (up 23.6 percent) and \$7.8 million in non-current loans and leases (down 41.6 percent).

Growth In Total Assets

Jan '17-Sept '17 to Jan '18-Sept '18



* Credit Unions with headquarters in the Pittsburgh Micropolitan Area

Source: National Credit Union Administration

CREDIT UNIONS

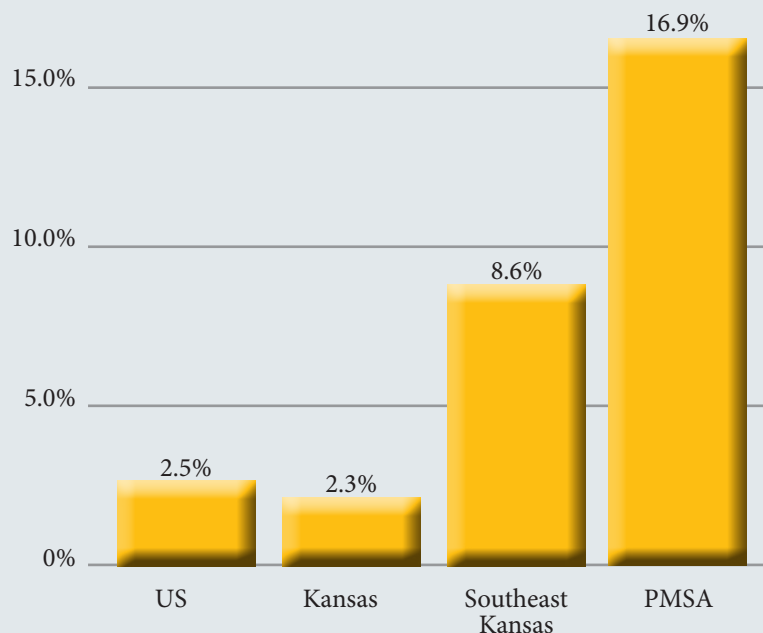
The Federal Reserve has begun to aggressively raise the federal funds rate, raising interest rate margins (the difference between the interest paid on deposits and interest charged on loans) for the credit union industry to 3.12 percent of average assets during the third quarter 2018 (up from 2.97 during the third quarter 2017). The 5,436 federally insured credit unions posted \$1.5 trillion in total assets during the third quarter of 2018 (up 5.6 percent), \$1.0 trillion in net loans and leases (up 9.5 percent), \$10.3 billion in net operating income (up 29.7 percent), and \$7.0 billion in non-current loans and leases (down 6.4 percent). The statewide credit union industry reported total assets of \$10.1 billion (up 2.8 percent), \$7.6 billion in net loans and leases (up 7.6 percent), \$51.1 million in net income (up 14.1 percent), and \$53.2 million in non-current loans and leases (down 9.2 percent). The Pittsburgh Micropolitan Area credit union industry (credit unions with local headquarters) posted \$95.0 million in total assets (up 4.0 percent), \$72.4 million in net loans and leases (up 4.5 percent), \$588,706 in net income (down 20.7 percent), and \$392,327 in non-current loans and leases (up 35.2 percent).

Pittsburg Micropolitan Area Business Summary

	2018* Employees	Percent	2018* Establishment	Percent	Average Employee size
MAJOR INDUSTRIES					
Forestry, and Fishing	216	1.3%	54	4.2%	4.0
Mining	27	0.2%	4	0.3%	6.8
Construction	566	3.4%	70	5.4%	8.1
Manufacturing	1,886	11.3%	60	4.6%	31.4
Transportation, Communications, Electric, Gas, & Sanitary Services	1,426	8.5%	70	5.4%	20.4
Wholesale Trade	644	3.9%	59	4.6%	10.9
Retail Trade	3,501	21.0%	249	19.3%	14.1
Finance, Insurance, & Real Estate	505	3.0%	109	8.4%	4.6
Services	6,785	40.6%	559	43.3%	12.1
Public Administration	1,148	6.9%	57	4.4%	20.1
TOTAL	16,704	100.0%	1,291	100.0%	13
SUB INDUSTRIES					
Food and Kindred Products	215	1.3%	4	0.3%	53.8
Tobacco Products	0	0.0%	0	0.0%	N/A
Textile Mill Products	0	0.0%	0	0.0%	N/A
Apparel, Finished Prdcts from Fabrics and Similar Materials	19	0.1%	4	0.3%	4.8
Lumber and Wood Products, Except Furniture	8	0.1%	3	0.2%	2.7
Furniture and Fixtures	5	0.0%	1	0.1%	5.0
Paper and Allied Products	472	2.8%	3	0.2%	157.3
Printing, Publishing and Allied Industries	426	2.6%	6	0.5%	71.0
Chemicals and Allied Products	106	0.6%	3	0.2%	35.3
Petroleum Refining and Related Industries	0	0.0%	0	0.0%	N/A
Rubber and Miscellaneous Plastic Products	79	0.5%	2	0.2%	39.5
Leather and Leather Products	0	0.0%	0	0.0%	N/A
Stone, Clay, Glass, and Concrete Products	60	0.4%	3	0.2%	20.0
Primary Metal Industries	15	0.1%	2	0.2%	7.5
Fabricated Metal Prdcts, Except Machinery & Transport Eqpmnt	101	0.6%	5	0.4%	20.2
Industrial and Commercial Machinery and Computer Equipment	227	1.4%	14	1.1%	16.2
Electronic, Elctrc Eqpmnt & Cmpnts, Excpt Computer Eqpmnt	76	0.5%	4	0.3%	19.0
Transportation Equipment	5	0.0%	1	0.1%	5.0
Mesr/Anlyz/Cntrl Instrmnts; Photo/Med/Opt Gds; Watches/Clocks	4	0.0%	1	0.1%	4.0
Miscellaneous Manufacturing Industries	68	0.4%	4	0.3%	17.0

Source: Demographics Now
* Estimate

Growth In The Number Of Rooms Sold Jan'17-Aug'17 to Jan'18-Aug'18

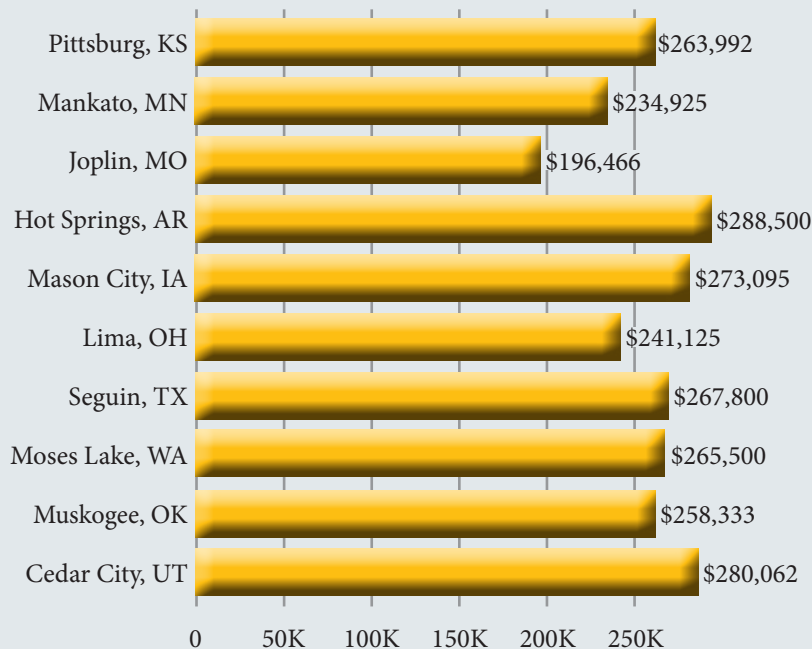


Source: STR

LODGING INDUSTRY

Nationwide, luxury properties currently have the highest occupancy rate at 57.5 percent, according to a recently released travel industry report by Smith Travel Research (STR), followed by upscale properties (54.2 percent), economy properties (50.6 percent) and midscale properties (49.5 percent). The average occupancy in the lodging industry nationwide during the first ten months of 2018 was 67.9 percent (up from 67.5 percent during the same period in 2017), the total number of rooms sold increased to 1.1 billion, and total room revenue increased to \$140.6 billion (up 5.2 percent). The statewide lodging industry posted an average occupancy of 57.7 percent (up from 57.3 percent), with 8.1 million rooms sold (up 2.3 percent) and \$711 million in total room revenue (up 1.7 percent). The Southeast Kansas industry posted an average occupancy of 47.5 percent (down from 49.6 percent), with 175,049 rooms sold (up 8.6 percent) and total room revenue of \$12.6 million (up 10.7 percent). The Pittsburg Micropolitan Area lodging industry posted an average occupancy rate of 50.6 percent (down from 53.6 percent), with 90,546 rooms sold (up 16.9 percent) and a total room revenue of \$7.7 million (up 20.0 percent).

Price Of 2,400 Sq. Ft. Home on 8,000 Sq. Ft. Lot Third Quarter 2018



Source: The Center for Regional Economic Competitiveness

COST OF LIVING & QUALITY OF LIFE

Buying a home is the biggest lifetime expenditure for most households, and housing costs (or rental costs) are a very important indicator of quality of life for any city. The Bureau of Labor Statistics (BLS) in a 2017 survey found that housing costs account for 33.1 percent of the average household spending, far more than any other category. As the biggest expenditure in the average household's budget, housing costs (home prices or rental costs) are therefore the item that householders watch the most. Housing costs in the Pittsburg Micropolitan Area are only 68.6 percent of the national average, below most cities of similar size. A new 2,400 square foot single-family home (four bedroom, two full baths in a middle to upper-middle income neighborhood in Pittsburg on an 8,000 square foot lot cost \$263,992 during the third quarter of 2018, according to the Council for Community and Economic Research (C2ER), and a 950 square foot unfurnished two bedroom, one and a half or two bath dwelling in a middle income neighborhood rents for \$950 per month (excluding utilities except for water and sewer).

BUSINESS HIGHLIGHTS

IMPROVEMENTS UNDERWAY AT PITTSBURG AIRPORT

Infrastructure improvements are underway at the City of Pittsburg Atkinson Municipal Airport, including a partial-parallel taxiway project and a sealcoat and remark project. Funding for these improvements comes from the Federal Aviation Administration (FAA), Kansas Department of Transportation (KDOT) and City of Pittsburg. The Atkinson Municipal Airport is a publicly owned, public-use general aviation facility operated by the City of Pittsburg and is an important part of the transportation system in the region. Located west of US 69 Highway on Atkinson Road, the airport houses six corporate jets, many private fixed-wing aircraft and two helicopters, all stored in City-provided hangars.

The Pittsburg Morning Sun

RECORD BREAKING NUMBERS CONTINUE FOR CRAWFORD COUNTY LODGING

Crawford County Convention and Visitors Bureau reports an increase in the demand for hotel rooms in the county, despite a slight drop in occupancy percentage. According to a release, through three quarters in 2018, more than 80,000 hotel rooms have been filled in the county, exceeding 2017's year-to-date numbers by more than 10,000.

"Tourism in Crawford County during 2018 has been tremendous," Crawford County Convention and Visitors Bureau Executive Director Devin Gorman said in the release. "We have hosted an incredible amount of events in Crawford County this year, and we are looking forward to a great final quarter filled with events as well."

Events such as the 2018 Kansas Shrine Bowl, and the 2018 NCAA Division II Men's Indoor Track & Field National Championship, that was held at the Robert W. Plaster Center, have brought tourism to the area. These events also allow for larger events to continue to be hosted in Crawford County, Gorman said. He said the events showcase Crawford County and Pittsburg, and all money reinvested back into the bureau goes towards more events, meetings and conventions to the area.

Stephanie Potter, Pittsburg Morning Sun

BLOCK22 RECEIVES NATIONAL AWARD

Block22 was recognized as one of the

top university-based projects in the United States at this week's University Economic Development Association annual summit in Milwaukee, Wisc. An innovative, collaborative living-learning community in Downtown Pittsburg, Block22 was selected as a recipient of the 2018 UEDA Award of Excellence in the Place + Innovation category. Pittsburg State's Chief Strategy Officer Shawn Naccarato accepted the award on behalf of Block22. "This award is a testament to the power of ideas, the power of hope and the power of partnership," Naccarato said. "This would not have been possible without the unique partnership between Pittsburg State and the City of Pittsburg. When we work together toward a common goal for the future of Pittsburg, anything is possible."

Block22 is a unique, mixed-use living-learning community in Downtown Pittsburg that features residential, commercial, dining, and entertainment spaces. It combines nearly 100 units of student housing for PSU students with more than 16,000 square feet of innovation space for students to explore their own entrepreneurial ventures, while also contributing to the success of local entrepreneurs.

The Pittsburg Morning Sun

SILVERBACK HOUSING PLAN MOVES FORWARD

The City of Pittsburg has experienced substantial economic growth over the past few years. In order to meet the need for more and better housing, several new housing developments are in the works. The Silverback Landing project is part of the city's efforts to provide adequate housing options to the growing population and keep commuters in the city. "This is a great new housing development that addresses an area of our city's current needs," Quentin Holmes, Community Development & Housing Director, said. Silverback Landing is Pittsburg's largest housing development project to date. Located east of Rouse Street, between Quincy St. and Pittsburg State University's Baja track, the subdivision is expected to provide more than 130 single-family homes to the Pittsburg area.

Shawn Bostwick, The Collegio

HALL ELECTED KANSAS LEAGUE OF MUNICIPALITIES PRESIDENT

Pittsburg City Manager Daron Hall will serve as the new president of the Kansas League of Municipalities. Hall has been a member of the league since 2012. Hall said

he went in with a vision. "The reason I got on was to represent Pittsburg's interests," he said. "The league is one voice that represents communities' interests across the state, usually through lobbying."

One way he said he hopes to be of service is to keep communities active in the affairs of the Kansas state government. "It's my job to help with advocacy so we don't only find out things that happen in Topeka after the fact," Hall said.

Hall will enter his new position as Kansas inaugurates its new governor, Laura Kelly. Hall has been in public administration for 27 years and previously serves as the league's vice president. He will serve as president for one year.

The League of Kansas Municipalities was established in 1920 and is a voluntary, nonpartisan organization of over 500 Kansas cities, and advocates on behalf of cities, and offers training and guidance to appointed and elected municipal officials. *Dawson White, Pittsburg Morning Sun.*

Pittsburg Micropolitan Area Economic Report

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PITTSBURG MICROPOLITAN AREA EMPLOYMENT TRENDS

	Average Monthly Employees Q2 18	Average Monthly Wages Q2 18	Average Monthly Employees Q2 17	Average Monthly Wages Q2 17	Average Job Growth	Average Wage Growth
Offices of real estate agents and brokers	13	\$1,886	12	\$1,790	8.33%	5.41%
Clothing stores	46	\$1,020	50	\$1,090	-7.95%	-6.40%
Tire dealers	40	\$2,656	38	\$2,805	4.35%	-5.29%
Fuel dealers	23	\$2,817	23	\$2,766	0.00%	1.84%
Pharmacies and drug stores	54	\$2,774	56	\$3,045	-2.98%	-8.90%
Grocery stores	314	\$1,910	322	\$1,862	-2.48%	2.54%
Building material and supplies dealers	164	\$1,690	167	\$1,633	-1.80%	3.49%
Furniture stores	26	\$2,353	23	\$2,403	12.86%	-2.09%
Waste collection	39	\$1,841	32	\$1,950	19.59%	-5.58%
Lessors of real estate	57	\$2,833	54	\$1,992	4.94%	42.24%
Postal service	68	\$4,106	67	\$3,773	0.50%	8.84%
Legal services	91	\$3,290	89	\$3,108	1.87%	5.86%
Real estate	101	\$2,368	85	\$1,906	18.43%	24.25%
Janitorial services	110	\$2,161	108	\$2,053	1.23%	5.27%
Child day care services	116	\$1,780	116	\$1,597	0.29%	11.48%
Automobile dealers	131	\$3,329	113	\$3,107	15.29%	7.17%
Wood product manufacturing	150	\$3,973	162	\$3,355	-7.01%	18.43%
Gasoline stations	154	\$1,435	170	\$1,352	-9.59%	6.14%
Public administration	170	\$3,536	182	\$3,614	-6.95%	-2.16%
Building material and garden supply stores	208	\$1,617	209	\$1,552	-0.48%	4.20%
Office administrative services	245	\$3,304	218	\$3,560	12.39%	-7.18%
Finance and insurance	329	\$3,633	336	\$3,470	-2.18%	4.70%
Food and beverage stores	371	\$1,914	395	\$1,834	-6.16%	4.39%
Printing	452	\$3,781	451	\$3,770	0.15%	0.30%
Architectural and structural metals mfg.	320	\$3,494	315	\$3,488	1.48%	0.18%
Commercial banking	200	\$3,399	201	\$3,519	-0.50%	-3.42%
Offices of dentists	102	\$5,200	108	\$4,777	-6.15%	8.85%
Truck transportation	86	\$3,158	112	\$3,692	-23.28%	-14.47%
Accounting and bookkeeping services	61	\$3,100	59	\$2,968	2.25%	4.45%
Grain and field bean merchant wholesalers	57	\$3,825	58	\$3,905	-2.30%	-2.04%
General freight trucking	56	\$3,479	98	\$3,868	-42.32%	-10.05%
Nursery, garden, and farm supply stores	44	\$1,348	42	\$1,233	4.72%	9.31%
Masonry contractors	46	\$3,261	65	\$2,855	-29.38%	14.22%
Landscaping services	35	\$1,746	35	\$1,762	-1.89%	-0.93%
Plumbing and hvac contractors	37	\$2,501	42	\$2,560	-13.39%	-2.32%
Educational services	21	\$890	36	\$1,970	-41.28%	-54.83%
Utilities	14	\$2,890	16	\$2,621	-10.64%	10.25%
Residential building construction	12	\$2,082	22	\$1,617	-45.45%	28.77%
Business associations	8	\$4,918	8	\$4,213	0.00%	16.75%
Offices of chiropractors	9	\$1,616	9	\$1,873	-7.14%	-13.71%
Offices of optometrists	38	\$2,296	37	\$2,063	1.79%	11.28%
Death care services	39	\$2,300	38	\$2,408	2.63%	-4.49%
Crop production	53	\$3,186	42	\$3,283	26.40%	-2.96%
Commercial building construction	66	\$2,799	64	\$3,057	3.13%	-8.43%
Personal and laundry services	81	\$1,950	80	\$2,072	1.25%	-5.88%
Home health care services	113	\$2,452	90	\$2,785	25.46%	-11.96%

Source: Bureau of Labor Statistics



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THE MORNING SUN

READERS' CHOICE 2018
Best of Southeast Kansas

Via Christie Home Medical
1st Home Medical Supply Co.
Mall Deli
1st - All Around Restaurant
1st - Place to have a Business Lunch
1st - Restaurant/Deli • 1st - Sandwich
3rd - Carry Out 3rd - Dining Experience

Gusano's
1st - Bloody Marry
1st - Pizza
1st - Sports Bar

Café Del Rio Restaurant
2nd - Appetizer
3rd - Mexican Restaurant

Pittsburg 8 Theater
1st - Movie Theater

J.C. Penney
1st Department Store

Westco
2nd - Furniture Store
2nd - Mattress Store

Comeau Jewelry Co.
1st - Jewelry Store



MEADOWBROOK MALL

JCPenney	231-2300	GNC	231-1008
Goody's	235-0147	Regis Hairstylist	231-0100
Pittsburg 8 Theater	232-2256	Claire's Accessories	231-1522
Theater Arcade	232-2256	Fashion Nails	231-9141
Maurices	231-1940	KS Drivers License	231-0711
The Buckle	231-0210	University Bank ATM	231-4200
The Mall Deli	231-7590	Game Recycle	308-6855
Café Del Rio	232-5895	Horizon Accessories	687-3100
Hibbett Sports	232-6760	HOURS: MON-SAT 10AM TO 9PM SUN 12-5PM	
Bath & Body Works	232-6589		
Brewed Ambrosia	381-0730		



WESTCO HOME FURNISHINGS

231-8950



MEADOWBROOK COMMONS

Gusano's Pizzeria	308-5461	Advance America	231-4477
Comeau Jewelry Co.	231-2530	Mag-Lab	232-1900
Sally Beauty Supply	235-0417	Via Christi Home Med	235-0327
OneMain Financial	235-0425	Via Christi Beh. Health	231-1068
U.S. Recruiting Ofc	231-3600	SEK Urgent Care	231-8003
Hospices Compassus	232-9898		



MEADOWBROOK ANNEX

Edward Jones	231-8604
Herron Regional Dental	231-6400
Cryo & Chiropractic	308-6576

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