

THE PITTSBURG MICROPOLITAN AREA ECONOMIC REPORT

A Healthy Downtown Pittsburg Is Vital For Local Economic Growth

The role of downtown in quality of life and economic growth is very important. In small cities, downtowns are centers for entertainment, culture, retail and other commercial activities which create a critical mass that is conducive to local economic growth and which provides a platform for economic development such as business incubators and support for entrepreneurs. Prospective employers always go downtown to check out the quality of life, and if it is dilapidated or dead, they run for the hills.

Therefore, the revitalization of downtown areas is important, and its value is well documented in economic literature. Pittsburg's leaders know this, and the city has served as catalyst for 44 revitalization projects in downtown Pittsburg that are either recently finished or still in the

pipeline. Pittsburg's downtown is vibrant and growing, with several new businesses opening on Broadway (the major downtown thoroughfare) recently, including Opie's Pizza Poolroom and Pub, Southwind Cycle, Pippi Mae's Boutique, the Rainbow Clinic, Mai Thai Massage, Kynlee's Corner Boutique, Restaurante Salvadoreño, the Corner Patio, Arck Construction, 3 Degrees Limited, White Elephant Emporium, the Blue Spoon, Fun Depot, Pueblo Mio, Kazoku Sushi and Hibachi, Panda Express, Smokey Racks, and Salsa Burrito.

A vibrant downtown is indicative of a high quality of life and growing per capita income. The local per capita income has been growing at a relatively healthy rate, up 33.6 percent in the 2016-2022 period. Pittsburg's downtown area is also host to several events and festivals during the summer,

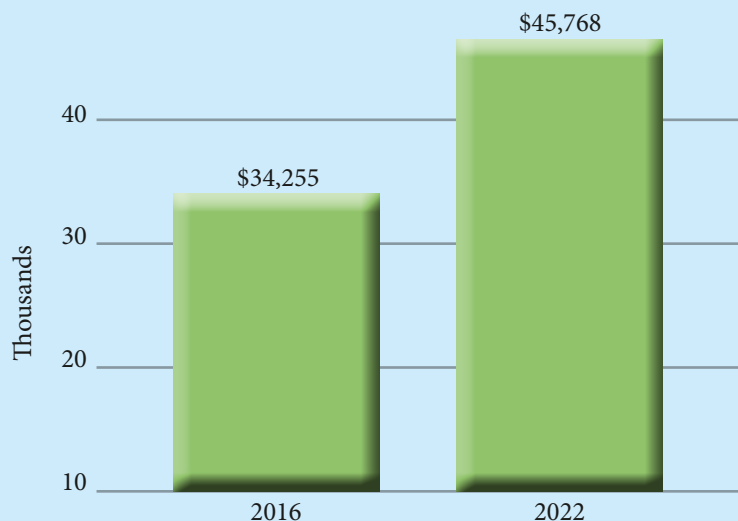
including a farmers market every Saturday in the spring, summer, and early fall, Festival of the Arts (two concerts downtown every day for a week), Little Balkans Days, which celebrates Pittsburg's historic roots and regional identity, Paint the Town Red, which celebrates Pittsburg's role as home to Pittsburg State University, Children Advocacy Center's Cornhole Tournament & Block Party, Artwalk, Earth Day, 620 Day Downtown Block Party, and more (see event calendar at <https://explore Crawford-county.com/events>).

Other local urban amenities include the Memorial Auditorium, the Bicknell Family Center for the Arts, an 11,910-seat NCAA Division II football stadium, three golf courses, the Southeast Kansas symphony orchestra, and the Pittsburg State University opera theatre.

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Per Capita Income Pittsburg Micropolitan Area



Source: Woods & Poole



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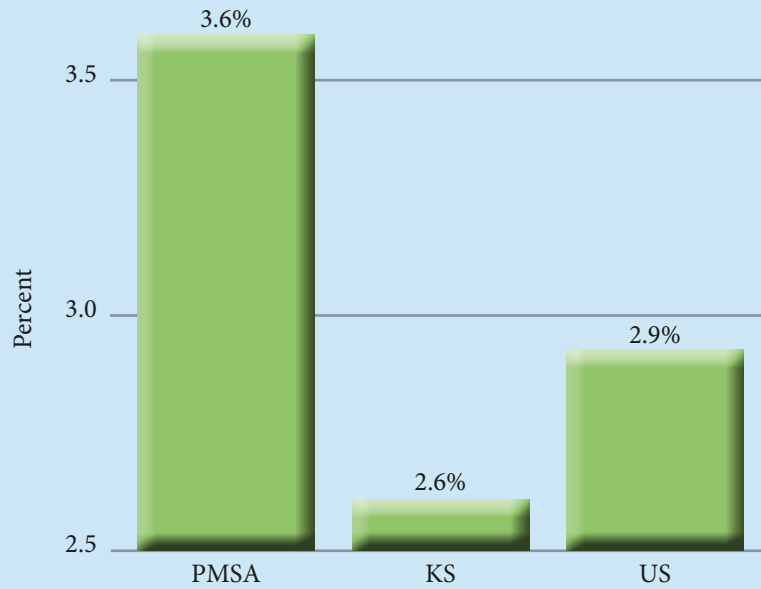


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LOCAL ECONOMY

Business is booming locally, with 2022 showing the highest job growth rate of this century. Furthermore, the March 2023 issue of Site Selection Magazine (a national authority on business site selections) is currently ranking Pittsburg in the top sixteen percent of all micropolitan areas nationwide as a business location. The average number of monthly jobs in the Pittsburg micropolitan area increased to 17,891 during the fourth quarter of 2022 (the latest information available from BLS), up 3.6 percent (up 623 jobs) from the fourth quarter of 2021, which is well above the 2.6 percent job growth statewide and 2.9 percent nationwide. Jobs increased to 3,928 in the goods-producing industries, up a significant 7.2 percent (up 264 jobs), and to 9,719 in the service-producing industries, up 4.5 percent (up 420 jobs). Government lost jobs at all levels, with the federal government posting 87 jobs, down 1.1 percent (down one job); state government posting 1,103 jobs, down 5.1 percent (down 59 jobs), and local governments posting 3,054 jobs, down slightly (down one job). Small businesses make up a significant proportion of local economic activity in the Pittsburg micropolitan area, with approximately 94.5 percent of all businesses having fewer than 50 jobs, accounting for 41.3 percent of all local employment.

Job Growth Q4 '21 - Q4 '22



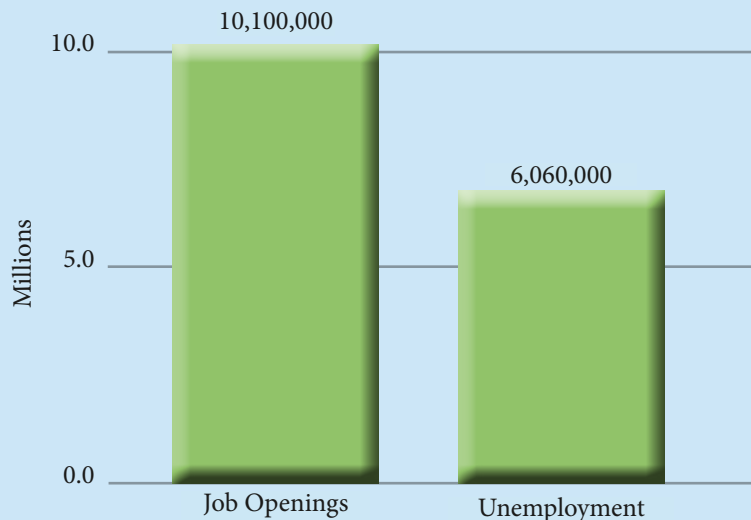
Source: Bureau of Labor Statistics

UNEMPLOYMENT

The Bureau of Labor Statistics reports that the unemployment rate during the first five months of 2023 was 3 percent in the Pittsburg micropolitan area (down from 2.6 percent during the same period last year), 2.9 percent statewide (up from 2.5 percent), and 3.6 percent nationwide (down from 3.8 percent). According to the ADP Research Institute, businesses with fewer than 20 employees have been struggling in the first five months of 2023. However, businesses with 20-49 employees added 22.2 percent of all jobs during the first five months, businesses with 50-249 employees added 62.9 percent, businesses with 250-499 employees added 10.1 percent and businesses with 500 or more employees adding 18.0 percent.

During the period, the national unemployment rate was highest for African Americans at 5.3 percent, followed by Hispanics at 4.8 percent, whites at 3.2 percent, and Asians at 2.9 percent. The unemployment rate was 6 percent for people with less than a high school diploma, 4.0 percent for high school graduates with no college, 3.1 percent for people with some college or an associate degree, and 2.0 percent for people with a bachelor's degree.

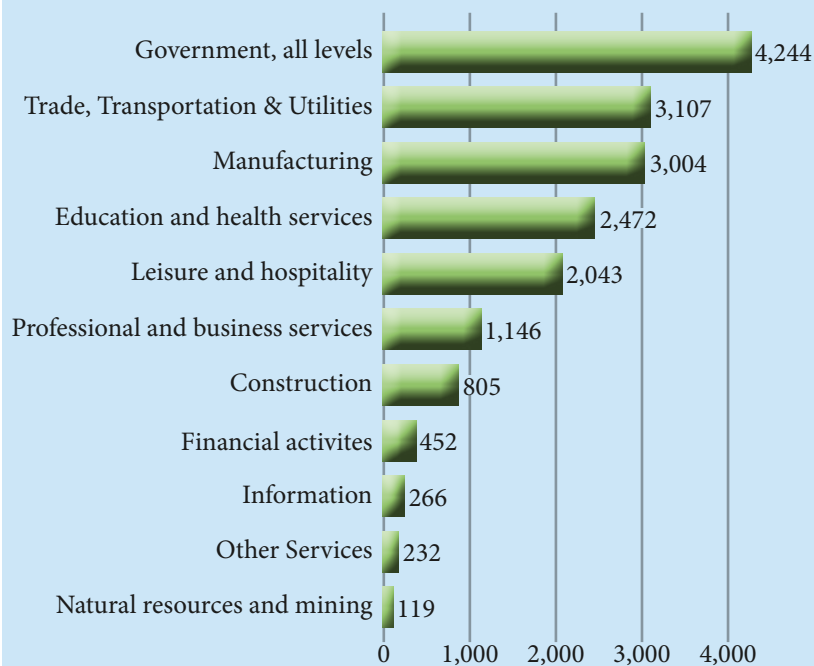
Job Openings And Unemployment Nationwide, April 2023*



*There are 0.6 unemployed people per one job opening.

Source: Bureau of Labor Statistics

Jobs By Industry Pittsburg Micropolitan Area Q4 - 2022



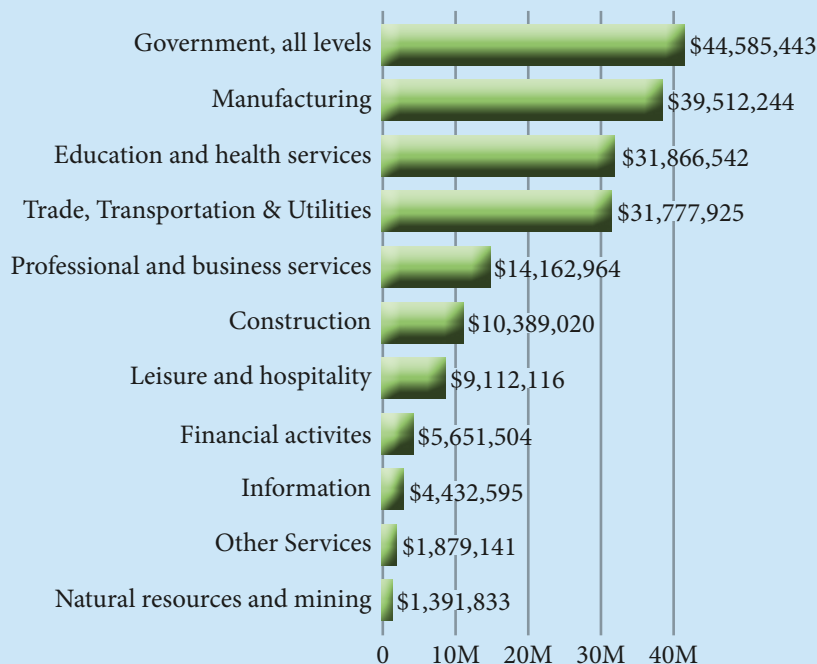
Source: Bureau of Labor Statistics

JOBS BY INDUSTRY

Most local industries are doing well. The latest information from the Bureau of Labor Statistics shows that seven industries added jobs in the Pittsburg Micropolitan Area during the fourth quarter of 2022 and three industries lost jobs.

Total Government (all levels: state, county, city and sub city) was the largest local employer with 4,244 jobs, down 61 jobs from the fourth quarter of 2021 (down 1.4 percent), followed by Trade, Transportation, and Utilities, with 3,107 jobs, up 185 jobs (up 6.3 percent); Manufacturing with 3,004 jobs, up 193 jobs (up 6.9 percent); Education and Health Services, with 2,472 jobs, up 182 jobs (up 7.9 percent); Leisure and Hospitality Services, with 2,043 jobs, up 90 jobs (up 4.6 percent); Professional and Business Services, with 1,146 jobs, down 33 jobs (down 2.8 percent); Construction, with 805 jobs, up 49 jobs (up 6.5 percent); Financial Activities, with 452 jobs, down one job (down 0.2 percent); Information Services, with 266 jobs, up eight jobs (up 3.0 percent); Other Services (Internet services, broadcasting, clergy, automotive repair, etc.), with 232 jobs, down 11 jobs (down 4.4 percent); and Natural Resources and Mining, with 119 jobs, up 22 jobs (up 22.3 percent).

Payroll By Industry Pittsburg Micropolitan Area Q4 - 2022



Source: Bureau of Labor Statistics

PAYROLL & WAGES BY INDUSTRY

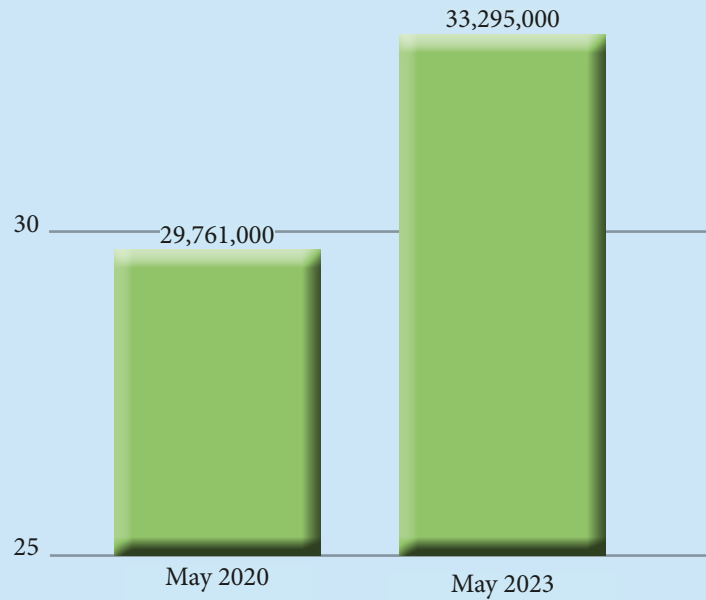
Government (all levels) contributed most to total payroll during the fourth quarter of 2022 (latest information available), posting \$44.6 million in payroll (down 1.5 percent from the fourth quarter of 2021) and average monthly wages of \$3,502; followed by manufacturing, posting \$39.5 million in payroll (up 7.9 percent) and wages of \$4,384; education and health services, posting \$31.9 million in payroll (up 9.8 percent) and wages of \$4,296; trade, transportation, and utilities, posting \$31.8 million in payroll (up 6.5 percent) and wages of \$3,409; professional and business services, posting \$14.2 million in payroll (down 11.0 percent) and wages of \$4,118; construction, posting \$10.4 million in payroll (down 1.8 percent) and wages of \$4,300; leisure and hospitality, posting \$9.1 million in payroll (up 6.7 percent) and wages of \$1,486; financial activities, posting \$5.7 million in payroll (up 7.8 percent) and wages of \$4,168; information services, posting \$4.4 million in payroll (up 2.0 percent) and wages of \$5,562; other services (internet services, broadcasting, clergy, automotive repair, etc.), posting \$1.9 million in payroll (down 9.6 percent) and wages of \$2,704; and natural resources and mining, posting \$1.4 million in payroll (up 14.4 percent) and wages of \$3,910.

LABOR FORCE

There are plenty of workers in the Pittsburgh region, according to Demographics Now, which states that there are 330,244 people living within 70 miles of downtown Pittsburgh. The Pittsburgh micropolitan area labor force is 55.4 percent white collar and 44.6 percent blue collar. During the first five months of 2023, the average labor force stood at 19,238 in the micropolitan area (up 1.8 percent from the same period last year), at 1.5 million statewide (up 1.1 percent), and at 166.2 billion nationwide (up 1.5 percent).

There is a problem with the labor force, the Bureau of Labor Statistics reports that disability in the adult population increased 11.9 percent from May 2020 to May 2023. Nationwide, the average labor force participation rate was 62.4 percent during the first five months of 2023, up from 62.2 percent. The labor force participation rate was 66.7 percent for Hispanics, 64.7 percent for Asians, 62.1 percent for whites, and 63.1 percent for African Americans. The labor force participation rate was 73.1 percent for people with at least a bachelor's degree, 63.2 percent for people with some college or an associate degree, 56.4 percent for people with only a high school diploma, and 46.6 percent for people with less than a high school diploma.

Adult Population On Disability Nationwide



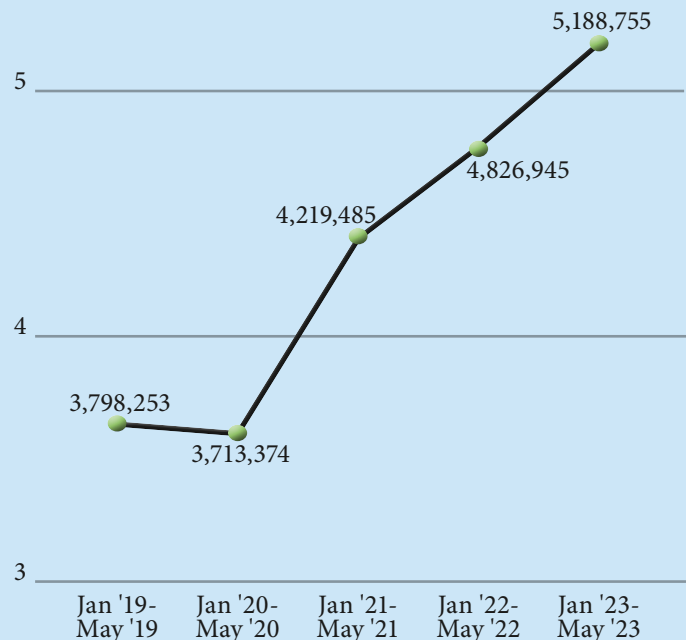
Source: St. Louis FED

TAXABLE SALES

Inflation is beginning to take its toll on retailers nationwide, according to Coresight, with operating margins (revenue minus goods sold) declining significantly in 2022, from 6.9 percent in June 2021, to a low of 1.9 percent during the third quarter of 2022 but increasing slightly since then. Average retail net profit margins declined to only 1.0 percent during the third quarter of 2022 and have not changed much since then, primarily due to increasing interest rates and increasing labor costs. Inflation has also eroded purchasing power for households, with real average hourly earnings down 0.6 percent during the first five months of 2023 compared to first five months of 2022. The Kansas Department of Revenue (KDOR) reports that during the first quarter of 2023 taxable sales (retail sales plus taxable service sales, mainly tourism) increased to \$103.8 million in the City of Pittsburgh (up 1.7 percent from first quarter of 2022), to \$137.1 million in the Pittsburgh micropolitan area (down 2.7 percent), and to \$12.8 billion statewide (up 8.1 percent).

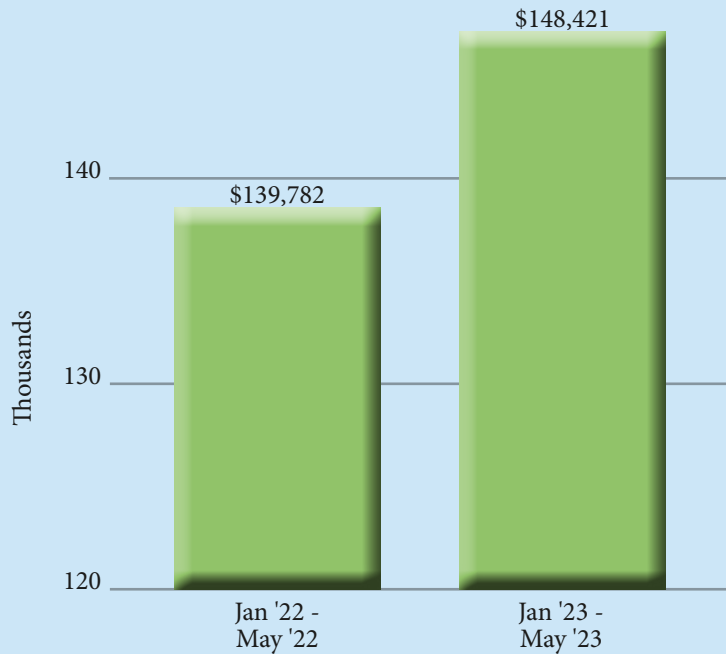
A good indicator of future local retail sales are sales tax collections returned to the city; during the first five months of 2023, sales tax collections are up 7.5 percent compared to the same period in 2022.

Sales Tax Collections City Of Pittsburgh



Source: Kansas Department of Revenue

Average Sale Price Of Homes Sold Pittsburg Micropolitan Area



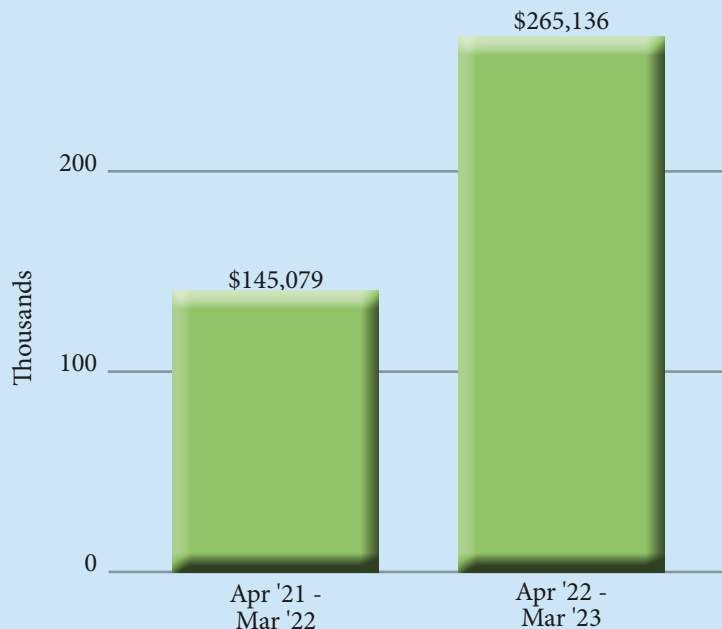
Source: Kansas Association of Realtors

RESIDENTIAL HOUSING MARKETS

In the housing market, tightening credit standards, higher interest rates, inflation, and low housing inventory all translate to lower affordability and are affecting housing sales nationwide. Nationwide, residential housing inventory in May was 51 percent below pre-COVID levels. The Kansas Association of Realtors reports that 141 homes were sold during the first five months of 2023 (down 20.8 percent from the first five months of 2022) with 74.3 percent of the homes sold for \$150,000 or less and 25.7 percent sold for a higher price.

The average selling price during the period was \$148,421 (up 6.2 percent from the first five months of 2022), and the median selling price was for \$111,823 (up 4.0 percent). Housing starts are important for economic growth, and it is estimated that local construction for new housing supports 329 direct jobs that pay \$15.1 million in labor income and contribute \$18.1 million to the local gross domestic product. When you consider how much local suppliers to the construction industry and local employees spend on goods and services, home construction swells the economic impact to 440 local jobs that pay \$19.9 million in labor income and contribute \$27.7 million to the local gross domestic product.

Commercial Sales Average Sales Price, Pittsburg Area



Source: Jones Heritage Realtors

COMMERCIAL REAL ESTATE

Nationwide, commercial real estate markets are not doing well, with vacancy rates increasing to 12.9 percent (which is greater vacancy rate than during the 2008-2009 recession). However, the commercial market in the Pittsburg area is doing relatively well, according to Jones Heritage Realtors. There were 22 sales of commercial real estate during the 12 months ending in March of 2023, total volume was \$5.8 million, and the average sales price was \$265,136 (up 82.7 percent from the 12-month period ending in March 2022). The commercial construction industry is important for economic growth, and it is estimated that local private commercial construction for new structures and expansions (excludes public and manufacturing) supports 257 jobs direct jobs that pay \$11.7 million in labor income and contribute \$13.8 million to the local gross domestic product.

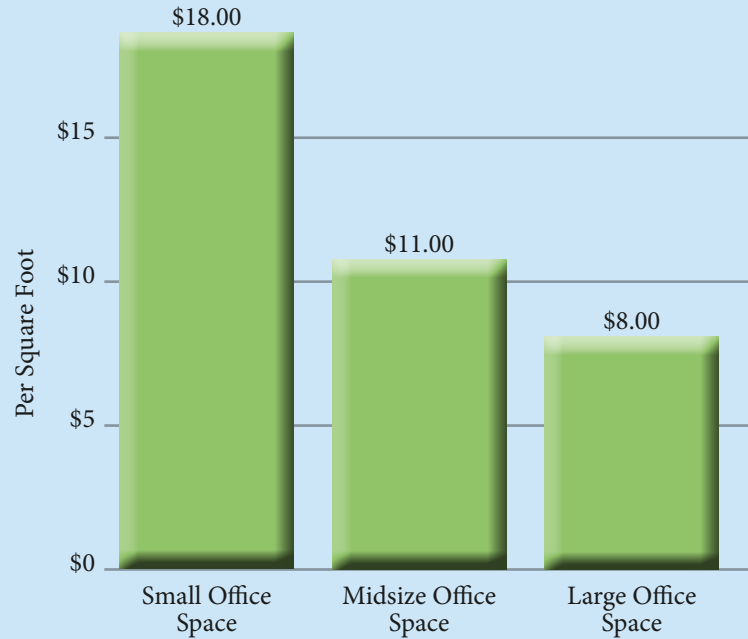
When you consider what local suppliers to the commercial construction industry and local employees spend on goods and services, the total economic impact of construction is 347 local jobs that pay \$16.1 million in labor income and contribute \$22.1 million to the local gross domestic product. The value of new commercial building permits increasing significantly in 2022, up 529.5 percent.

OFFICE SPACE MARKET

As a regional center, Pittsburg caters to many businesses in Southeast Kansas. There are 688 office establishments in Pittsburg, including 130 health service establishments, employing 1,901 people; 88 membership organizations establishments, employing 289 people; 52 business services establishments, employing 578 people; 51 educational service establishments, employing 1,567 people; 46 personal service establishments, employing 116 people; 45 social services establishments, employing 851 people; 43 real estate establishments, employing 165 people; 38 engineering, accounting, and related establishments employing 158 people; 43 automotive repair and related services establishments, employing 132 people; 28 insurance agents, brokers, and insurance carrier establishments, employing 74 people; 29 depository institutions and non-depository credit institution establishments, employing 204 people; and 95 other establishments, employing 420 people.

Jones Heritage Realtors (a local authority on retail and commercial space), reports that average gross rental rates (the owner pays basic taxes, insurance, and exterior and all major maintenance) started at \$18.00 per square foot for small spaces, \$11.00 per square foot for mid-size space, and \$8.00 per square foot for large spaces.

Average Gross Office Space Rent Pittsburg Area, March 2023



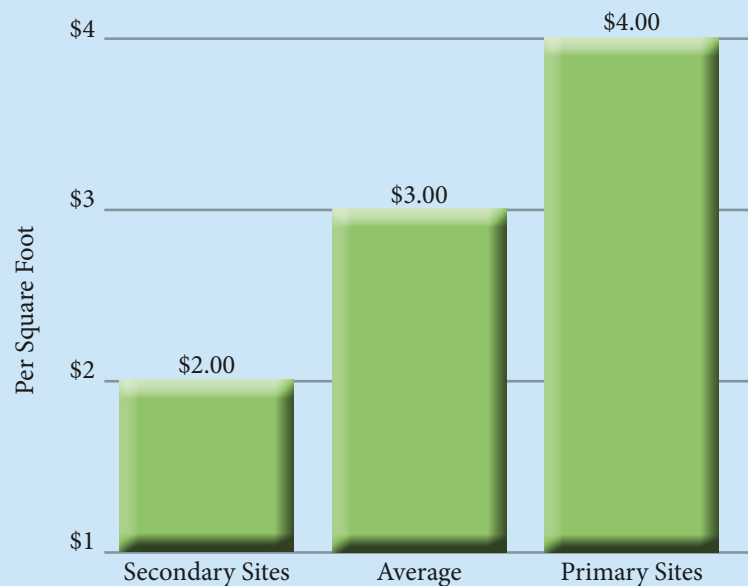
Source: Jones Heritage Realtors

COMMERCIAL SPACE MARKETS

Two factors should have a positive future impact on local commercial markets. First, there is substantial optimism in the local business community about the future of the commercial market, and approximately \$130.8 million has been invested in the city of Pittsburg, just since 2019. Secondly, the ongoing widening of US-69 from Fort Scott to Arma will provide a four-lane, high-speed corridor all the way from Kansas City to Pittsburg, which then ties into the US-400 east-west corridor a few miles south of Pittsburg and continues south to I-44. This expansion creates the opportunity for Pittsburg to become a local-regional-national transportation hub and offers significant opportunities for the future in manufacturing, warehousing, and other industries. The improved local-regional transportation infrastructure has already benefited Pittsburg by attracting a new 250,000 square foot FedEx distribution center and a transload facility for Watco Railroad to handle lumber, steel, palletized goods, and crates.

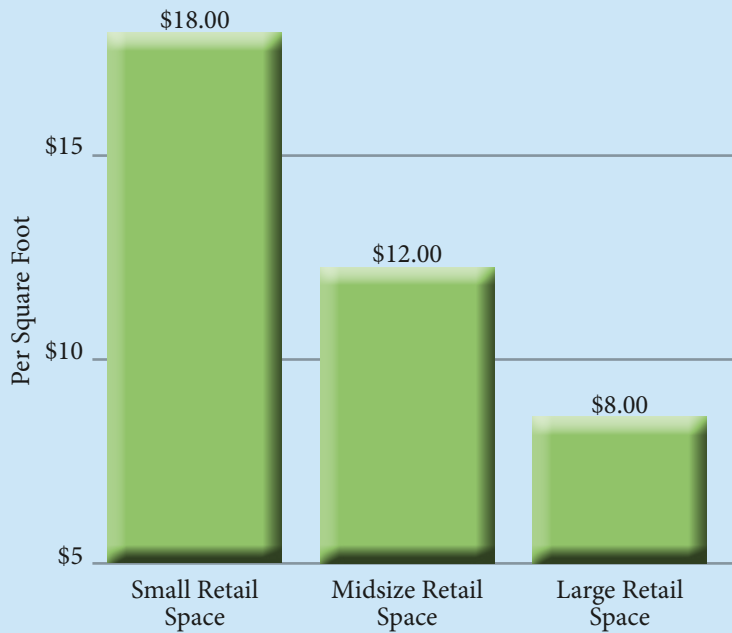
Jones Heritage Realtors reports that rental rates for local light industrial and warehouse space start at an average low of \$2.00 per square foot for secondary sites, an overall average rate of \$3.00 per square foot, and an average high of \$4.00 per square foot for primary sites.

Warehouse And Light Industrial Space Average Rent, Pittsburg Area, March 2023



Source: Jones Heritage Realtors

Average Net Retail Space Rent Pittsburg Area, March 2023



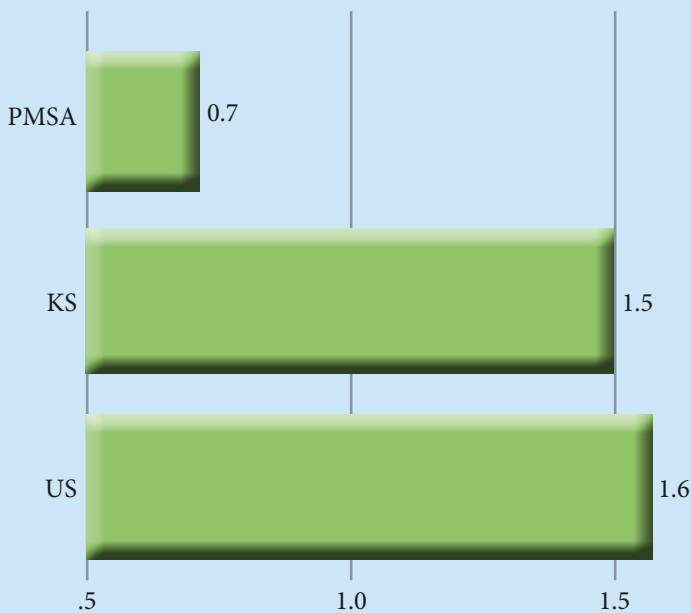
Source: Jones Heritage Realtors

RETAIL SPACE MARKET

Pittsburg is a regional commercial center for goods and services, and the Kansas Department of Revenue states that Pittsburg has an income-adjusted retail trade pull factor of 1.86, meaning the population in Pittsburg would have to be 86 percent larger if all retail sales were to people living in Pittsburg.

There are a total of 594 retail establishments, employing 5,301 people in the Pittsburg micropolitan area, including 65 miscellaneous retail establishments, employing 226 people; 64 wholesale trade establishments, employing 883 people; 35 automotive dealers and gasoline service stations, employing 213 people; 27 food stores, employing 244 people; 15 building materials, hardware, garden supply, and mobile home sales establishments, employing 183 people; 16 apparel and accessory establishments, employing 78 people; 10 home furniture, furnishings, and equipment establishments, employing 105 people; and 9 general merchandise establishments, employing 153 people. Overall, the Pittsburg area retail space market is doing relatively well, with Jones Heritage Realtors reporting that in the Pittsburg area the average net retail rent is \$18.00 per square foot for small retail space, \$12.00 for mid-size retail space, and \$8.00 for large retail space.

Personal Bankruptcies Per Capita Apr '21 - May '22 to Apr '22 - May '23



Source: US Bankruptcy Courts

BANKRUPTCIES

Local households seem to be on sound financial footing. The bankruptcy rate per capita is a good indicator of a community's financial health. During the first quarter of 2023, the personal per capita bankruptcy rate in the Pittsburg micropolitan area was 0.7 per 1,000 adults, well below the statewide and nationwide rates of 1.5 and 1.6. Local bankruptcies are also declining significantly with a total of 21 bankruptcies filed in the Pittsburg micropolitan area during the 12 months ending in March 2023, down 22.2 percent from the 12-month period ending in March 2022. Of those, 19 were personal bankruptcies (down 29.6 percent), with 12 Chapter 7 bankruptcies (straight bankruptcy, debt wiped out), down 47.8 percent, and 7 were Chapter 13 bankruptcies (some debt wiped out and some repayment), up 75 percent.

There were also two local business bankruptcies (down 29.6 percent), including one Chapter 7 business bankruptcy (total liquidation with no repayments), up from zero last year, and one Chapter 12 business bankruptcy (reorganization of debt for family farms), up from zero last year. Furthermore, a total of 3,349 bankruptcies were filed statewide during the period (down 0.2 percent) and 403,273 bankruptcies nationwide (up 2.0 percent).

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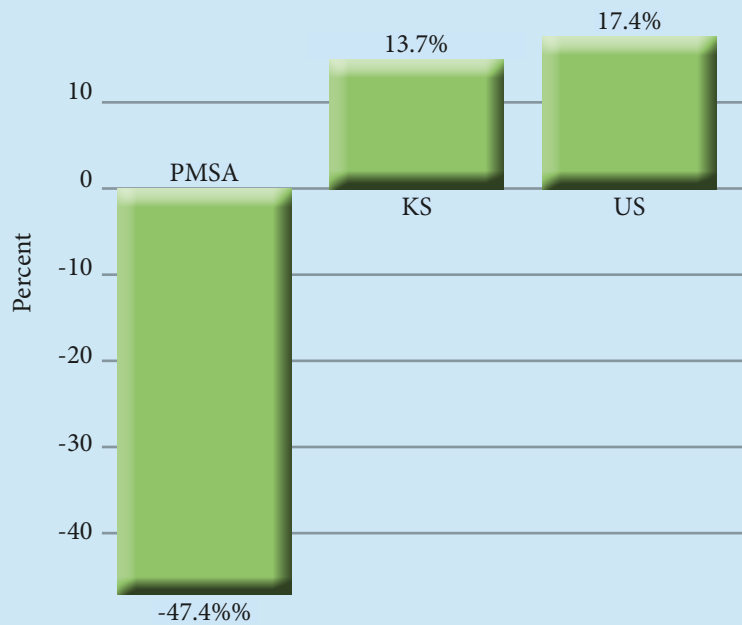
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Growth In Assets Past Due 30 - 89 Days Banking Industry Q1 '22 - Q1 '23



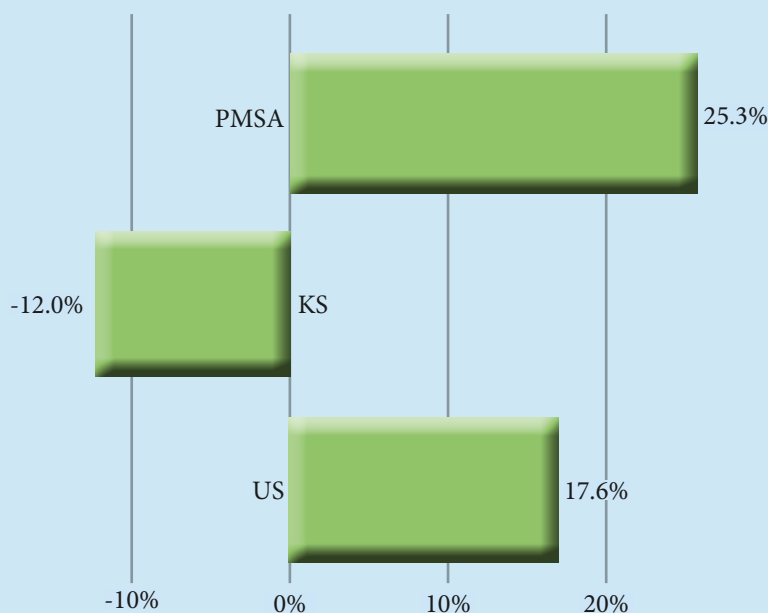
Source: Federal Deposit Insurance Corporation

BANKING INDUSTRY

The financial industries have enjoyed zero percent federal funds loan rates since March 16, 2020, when the Federal Reserve Board cut the federal funds rate by 100 basis points, reducing the federal funds rate to zero, resulting in low interest rates on business and consumer loans. This was a boon to the nationwide business community and many businesses nationwide took out large loans at these low rates, which they have to refinance soon at much higher rates. That could affect their financial health significantly and slow down the economy. The Fed began to increase the federal funds rate in March 2022 and has increased it 10 times since then.

Many banks with headquarters in the Pittsburgh micropolitan area are community banks, and they seem to be doing well, with the local industry posting \$957.1 million in assets during the first quarter of 2023 (up 0.3 percent from the first quarter of 2022), \$530.3 million in net loans and leases (up 16.7 percent), \$2.3 million in net income (up from \$199,000 in losses) \$1.6 million in loans past due (down 47.4 percent, which compares well to the 13.7 percent increase statewide and 17.4 percent increase nationwide) and 0.36 percent of all loans not current (down from 1.49 percent).

Growth In Net Loans And Leases Credit Union Industry Q1 '22 - Q1 '23



Source: National Credit Union Administration

CREDIT UNIONS

The national credit union industry did relatively well during the first quarter of 2023, despite increasing interest rates and uncertainty about the future of the economy. Credit unions tend to specialize in consumer loans, but also do all other types of loans. Credit unions don't pay income taxes, which gives them an advantage. Credit unions with headquarters in the Pittsburgh micropolitan area are also doing well, posting \$131.8 million in total assets during the first three months of 2023 (down 3.7 percent from the first three months in 2022), \$80.5 million in net loans and leases (up 25.3 percent), \$766,704 in non-current loans and leases (up 104.7 percent), and \$242,945 in net operating income (up 69.4 percent).

Credit unions with headquarters in Kansas posted \$11.9 billion in total assets (down 20.7 percent), \$8.4 billion in net loans and leases (down 12.0 percent), \$45.4 million in non-current loans and leases (up 25.2 percent), and \$12.9 million in net operating income (down 59.8 percent). The national industry posted \$2.2 trillion in total assets (up 4.4 percent), \$1.5 trillion in net loans and leases (up 17.6 percent), \$8.0 billion in non-current loans and leases (up 46.5 percent), and \$4.4 billion in net income (down 2.5 percent).

Pittsburg Micropolitan Area Snapshot 2022

	Pittsburg Micropolitan Area	70 Miles Radius Pittsburg, Kansas	100 Miles Radius Pittsburg, Kansas
Labor Force	20,276	330,244	1,250,883
Total Population	38,596	656,857	2,309,406
Population Density (per Sq. Mi.)	64.87	42.63	73.45
Total Households	15,934	261,680	903,311

Population By Gender

Male Population	19,237	325,319	1,143,299
Female Population	19,359	331,538	1,166,107

Population Percentage By Race and Ethnicity

White	88.7%	86.4%	83.9%
Black	2.2%	1.6%	2.3%
American Indian or Alaska Native	1.1%	3.9%	3.5%
Asian/Native Hawaiian/Other Pacific Islander	2.2%	1.4%	2.6%
Some Other Race	2.6%	2.7%	3.8%
Two or More Races	3.2%	3.9%	4.0%
Hispanic Ethnicity	6.4%	6.0%	8.0%
Not of Hispanic Ethnicity	93.6%	94.0%	92.0%

Households By Income

Average Household Income	\$60,260	\$63,024	\$76,801
Median Household Income	\$43,611	\$47,433	\$55,316
Per Capita Income	\$25,407	\$25,357	\$30,280

Employment

Total Population 16+	31,125	521,548	1,829,713
% Blue Collar	44.6%	48.8%	42.5%
% White Collar	55.4%	51.2%	57.5%

Educational Attainment

Total Population Age 25+	23,308	446,725	1,545,384
% Grade K - 8	2.1%	3.1%	3.0%
% Grade 9 - 11	5.6%	8.4%	7.1%
% High School Graduate	28.7%	35.6%	32.2%
% Some College, No Degree	25.4%	23.9%	23.0%
% Associates Degree	8.8%	8.7%	7.8%
% Bachelor's Degree	17.8%	12.8%	17.0%
% Graduate Degree	10.8%	6.5%	9.1%
% No Schooling Completed	0.8%	1.0%	0.9%

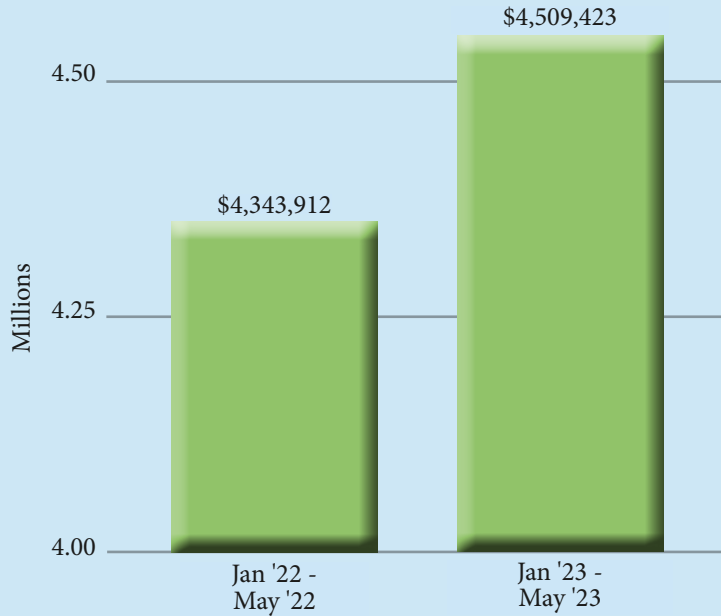
Source: Demographics Now

Annual Wages For The Pittsburg Micropolitan Area 2022

Management Occupations	\$96,686	Public Relations Specialists	\$45,941
Chief Executives	\$196,191	Healthcare Practitioners and Technical Occupations	\$73,781
General and Operations Managers	\$90,179	Pharmacists	\$129,410
Marketing Managers	\$111,434	Healthcare Support Occupations	\$27,799
Sales Managers	\$127,457	Medical Assistants	\$29,097
Financial Managers	\$119,086	Firefighters	\$31,949
Industrial Production Managers	\$114,456	Police and Sheriff's Patrol Officers	\$42,116
Market Research Analysts and Marketing Specialists	\$57,325	Food Preparation and Serving Related Occupations	\$23,596
Accountants and Auditors	\$62,654	Cooks, Institution and Cafeteria	\$27,674
Loan Officers	\$80,819	Waiters and Waitresses	\$20,203
Computer User Support Specialists	\$39,727	Cashiers	\$21,993
Computer Programmers	\$73,005	Retail Salespersons	\$28,644
Software Developers	\$84,757	Office and Administrative Support Occupations	\$35,664
Architecture and Engineering Occupations	\$63,127	Customer Service Representatives	\$32,808
Electrical Engineers	\$60,589	Receptionists and Information Clerks	\$27,742
Engineers, All Other	\$69,177	Postal Service Mail Carriers	\$53,917
Educational, Guidance, and Career Counselors and Advisors	\$46,186	Secretaries, Admin Assistants, Except Legal, Medical, & Executive	\$32,870
Child, Family, and School Social Workers	\$43,668	Industrial Machinery Mechanics	\$50,769
Educational Instruction and Library Occupations	\$43,389	Woodworking Mach Setters, Operators, & Tenders, Except Sawing	\$33,912
Graphic Designers	\$41,448	Transportation and Material Moving Occupations	\$33,541
Coaches and Scouts	\$30,325	Laborers and Freight, Stock, and Material Movers, Hand	\$31,119

Source: Kansas Labor Market Information Center

Total Room Revenue Lodging Industry - PMSA



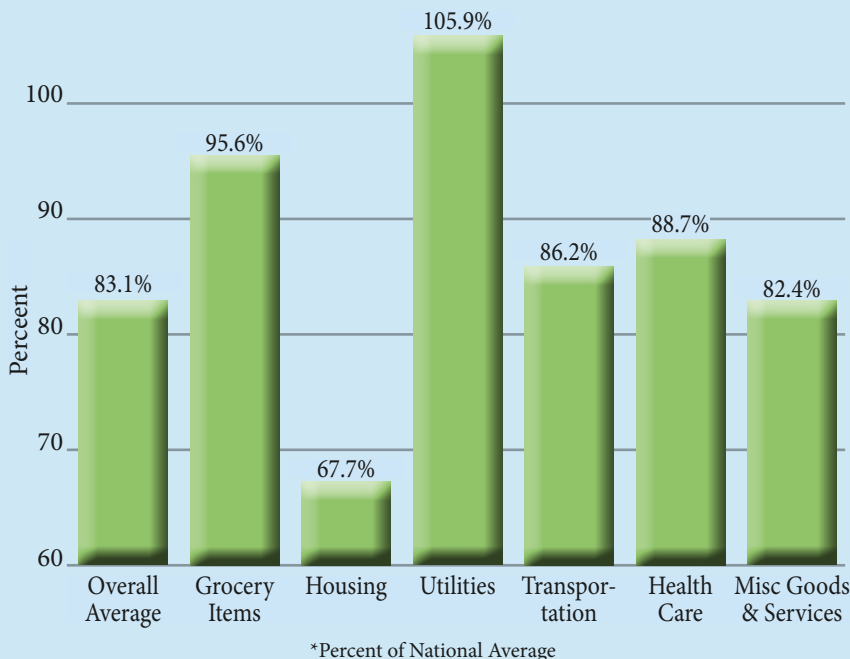
Source: Smith Travel Research

LODGING INDUSTRY

The local lodging industry currently consists of eight properties with 585 rooms, according to Smith Travel Research. Average occupancy in the Pittsburg micropolitan area lodging industry was 49.7 percent during the first five months of 2023 (down from 50.2 percent during the first five months of 2022), the average daily room rate was \$102.50 (up 5.4 percent), room supply declined 0.4 percent, room demand declined 1.5 percent, and overall lodging revenues increased 3.8 percent.

Average occupancy in the Southeast Kansas lodging industry was 45.2 percent (down from 45.7 percent), the average daily room rate was \$86 (down 5.0 percent), room supply declined 0.2 percent, room demand declined 1.3 percent, and overall lodging revenues increased 4.8 percent. Statewide, the average occupancy rate was 55.9 percent (up from 52.0 percent), the average daily room rate was \$99.80 (up 6.9 percent), room supply declined 1.4 percent, room demand declined 5.9 percent and overall lodging revenue increased 13.7 percent. Nationwide, the average occupancy rate was 61.5 percent (up from 59.7 percent), the average daily room rate \$153.50 (up 10.3 percent), room supply increased 0.3 percent, room demand increased 3.2 percent and overall lodging revenue increased 10.7 percent.

Cost of Living PMSA, Q1 '23*



*Percent of National Average

Source: The Center for Regional Economic Competitiveness

COST OF LIVING AND QUALITY OF LIFE

Inflation reduces the standard of living (*ceteris paribus*), and the cost of living is an important determinant of quality of life. The cost of living in the Pittsburg micropolitan area is relatively affordable, according to the Council of Community and Economic Research, which states that the cost of living in the micropolitan area was 83.1 percent of the national average during the first quarter of 2023. The cost of groceries was 95.6 percent of the national average, the cost of housing was 67.7 percent of the national average, the cost of utilities was 105.9 percent of the national average, the cost of transportation was 86.2 percent of the national average, the cost of health care was 88.7 percent of the national average, and the cost of miscellaneous goods and services was 82.4 percent of the national average.

The largest single expenditure category for households nationwide is housing, accounting for 33.8 percent of the average household budget (up from 32.8 in 2019 due to rising housing costs), followed by transportation, 16.4 percent; groceries and food away from home, 12.4 percent; personal insurance and pensions, 11.8 percent; health care, 8.1 percent; entertainment, 5.3 percent; and all other categories, 12.2 percent.

BUSINESS HIGHLIGHTS

HOW ECONOMIC DEVELOPMENT WORKS

Pittsburg has grown over the last eight years, with more than \$600 million dollars has been spent on improving the town - about 93% of which came from private investment. There are four steps in economic development. First, keep the businesses you have. Second, try to grow your local businesses. Third, look for ways to promote regional startups. Finally, attract new businesses to the area.

Pittsburg is a micropolitan area, meaning it's not tied to another larger city, and thus a riskier place to invest in. So, what is to be done? In short, the best approach is to create an attractive and welcoming environment. Build an inviting community that people want to be in and that responds to the needs of businesses. Eight major local businesses have expanded in the last few years alone. The city also has resources to support the creation of new businesses with planning, site selection and preparation, and infrastructure. There have been 216 new businesses started in the last five years. *Jay Byers, Deputy City Manager*

HUNDREDS ATTEND 17TH ANNUAL PITTSBURG ARTWALK

People browsed various pieces of fine art, sampled a wide variety of foods, and enjoyed a mild spring evening Friday at the 17th annual Pittsburg ArtWalk. ArtWalk President Crista Cunningham, estimated 1,000 people flocked to downtown to attend the event over the course of the evening. Cunningham said it means a lot that the city and community as a whole supports an event that celebrates the arts. *Hailey Phillips, The Morning Sun*

ME-WOW! NEW CAT CAFE COMES TO DOWNTOWN PITT

Jennifer Mowdy, a former ESL teacher at Frontenac, had a dream for the community. Now, her passion for literacy and rescuing cats is about to make that dream a reality. Her background in education has prepared her for the next chapter in her life: a cat and bookstore café in the downtown area called The Literary Cat Co. Bookstore & Cat Lounge. Mowdy has many visions for Pittsburg's college town community and how her cat café can be a positive force for many people. Mowdy would like students to eventually volunteer at her cat café. She would encourage them to read to the cats to help foster bonding and social skills. Patrons will be able to drink coffee in her shop, read, and socialize with cats ... and other people. Cats can be adopted at the store. She has partnered with Paw Prints on the Heartland, where the cats will be coming from.

Mowdy said that they will be spaying, neutering, vaccinating, and certifying the health of the cats. "They will be fully adoptable. I can have ten cats in the store," she said. Customers can special order books from The Literary Cat

Co. through a link on her Facebook page or the website Bookshop.org. She also has an audio site libro.fm for audio books. Mowdy is hoping to open her new store by the end of June. Business hours will be 10 a.m. to 6 p.m., Tuesday through Saturday. The store will be closed on Sunday and Monday to correspond with most businesses downtown. Mowdy said she will have merchandise available for purchase upon opening.

There will be a coffee bar, t-shirts, and tea. Cat and book lovers alike can look forward to this unique business coming soon to downtown Pitt. It is located next to The Corner Patio at 915 N. Broadway.

Char Strong, The Morning Sun

PARTNERSHIPS KEY TO PITTSBURG'S ECONOMIC DEVELOPMENT MODEL

When attempting to cultivate growth in a region like Southeast Kansas, the size of our market, the available workforce, our demographics and other factors place us in a weaker competitive position as a business site. Pittsburg has two advantages. One, is having a State University in town. Two, is having a sales tax allocated to economic development. Often towns are at odds with their local colleges and Chambers of Commerce. Pittsburg embraces them and works with them. The Chamber takes the lead on retention, expansion and new businesses, as well as coordinates with the city on business incentives. PSU has taken the lead on providing technical support to startups and businesses that are considering expansion. PSU also is attracting technical resources capable of spinning off new ventures, and the university continues to invest its own funds in the community.

PSU's Kelce College of Business provides a quarterly microeconomic report that objectively analyzes the local economy. Pittsburg approaches our economic development with mutual respect and an understanding of the motivations and goals of our partners.

Jay Byers, Deputy City Manager

PITTSBURG TO CELEBRATE ANNUAL 620 DAY

The City of Pittsburg's Downtown Advisory Board (DAB) is inviting the community to celebrate 620 Day with an All-Day City-wide Celebration and a Downtown Block Party. The purpose of the annual event is to cultivate pride and celebrate the Pittsburg community, with the chosen date of 6/20 — or June 20 — coming from Pittsburg's area code. As part of the city-wide celebration, all businesses and organizations in the community — not just in downtown — are encouraged to participate in 620 Day all day long with activities, promotions, discounts, and special offers, or by showcasing their organization in a fun or unique way.

To wrap up the city-wide day of celebration, the DAB is hosting a 620 Day Block Party at 2nd Street and Broadway from 5 p.m. to 8

p.m., complete with food, music, vendors and much more along the street and inside the Pritchett Pavilion. 620 Day is hosted as part of the Downtown Advisory Board's mission to coordinate and significantly increase downtown events and activities, and improve and protect the character, charm, and integrity of the downtown infrastructure.

Staff, The Morning Sun

PITT STATE KICKS OFF A WEEKLONG OF FREE CONCERTS WITH ITS FESTIVAL OF ARTS

The Pittsburg Festival of Arts is an event with a weeklong series of free concerts in nearby venues and at Pittsburg State University. Organized by Associate Professor Raul Munguia in collaboration with the Pitt State Department of Music, local businesses, and the Bicknell Family Center for the Arts, the festival will showcase the following genres of music: Jazz, Brass, Latin, Chamber Music, and more.

Additionally, there will be an exhibit at the Bicknell Center featuring portraits of renowned entertainers from the collection of the Jim Halsey Company.

Andre Loungue

Pittsburg Micropolitan Area Economic Report

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Pittsburg Micropolitan Area Employment Trends

Occupation	Average Monthly Jobs Q4-2022	Average Monthly Wages Q4-2022	Average Monthly Jobs Q4-2021	Average Monthly Wages Q4-2021	Average Job Growth	Average Wage Growth
Heavy and civil engineering construction	143	\$4,436	153	\$4,694	-6.5%	-5.5%
Specialty trade contractors	553	\$4,319	511	\$4,759	8.2%	-9.2%
Fabricated metal product manufacturing	520	\$4,495	429	\$4,702	21.3%	-4.4%
Machinery manufacturing	102	\$3,458	108	\$3,462	-5.2%	-0.1%
Merchant wholesalers, nondurable goods	418	\$4,807	320	\$4,244	30.6%	13.3%
Motor vehicle and parts dealers	214	\$3,710	298	\$3,354	-28.2%	10.6%
Truck transportation	70	\$4,696	76	\$4,411	-7.5%	6.5%
Credit intermediation and related activities	237	\$4,384	238	\$4,036	-0.4%	8.6%
Insurance carriers and related activities	42	\$3,500	41	\$3,752	1.6%	-6.7%
Rental and leasing services	24	\$3,699	18	\$4,169	32.7%	-11.3%
Administrative and support services	584	\$3,594	547	\$3,614	6.6%	-0.5%
Waste management and remediation services	80	\$3,736	90	\$3,377	-10.8%	10.6%
Nursing and residential care facilities	497	\$3,154	480	\$3,099	3.5%	1.8%
Repair and maintenance	93	\$3,486	102	\$3,018	-8.5%	15.5%
Personal and laundry services	108	\$2,147	94	\$3,103	14.9%	-30.8%
Oilseed and grain farming	40	\$3,526	33	\$4,085	19.0%	-13.7%
Nonresidential building construction	82	\$4,541	70	\$4,526	17.2%	0.3%
Utility system construction	83	\$4,328	100	\$4,499	-16.9%	-3.8%
Building foundation and exterior contractors	118	\$3,360	102	\$3,444	16.0%	-2.5%
Building finishing contractors	41	\$3,517	36	\$3,286	13.8%	7.0%
Other specialty trade contractors	53	\$2,899	38	\$2,835	39.5%	2.2%
Other wood product manufacturing	172	\$5,166	177	\$4,717	-2.8%	9.5%
Automobile dealers	108	\$4,465	123	\$3,350	-12.5%	33.3%
Building material and supplies dealers	190	\$2,287	203	\$2,137	-6.4%	7.0%
General freight trucking	54	\$5,038	57	\$4,761	-5.8%	5.8%
Specialized freight trucking	17	\$3,597	19	\$3,360	-12.3%	7.0%
Depository credit intermediation	222	\$4,371	226	\$4,068	-1.8%	7.5%
Activities related to real estate	43	\$3,290	37	\$2,420	17.3%	36.0%
Legal services	84	\$4,221	78	\$4,770	7.3%	-11.5%
Business support services	97	\$1,925	81	\$2,001	20.7%	-3.8%
Services to buildings and dwellings	122	\$2,673	147	\$2,300	-16.8%	16.2%
Other schools and instruction	29	\$866	30	\$1,148	-3.3%	-24.6%
Offices of other health practitioners	129	\$2,866	103	\$3,235	24.9%	-11.4%
Individual and family services	252	\$3,126	215	\$2,525	17.2%	23.8%
Traveler accommodation	59	\$1,671	257	\$2,602	-76.9%	-35.8%
Automotive repair and maintenance	82	\$3,635	90	\$3,122	-9.6%	16.4%
Personal care services	38	\$1,832	37	\$2,029	2.7%	-9.7%
Death care services	44	\$3,026	39	\$3,208	11.9%	-5.7%
Justice, public order, and safety activities	39	\$4,205	38	\$4,368	2.7%	-3.7%
Administration of economic programs	13	\$5,114	13	\$5,416	0.0%	-5.6%
Residential building construction	27	\$2,478	22	\$2,758	24.2%	-10.1%
Poured concrete structure contractors	36	\$3,793	25	\$3,990	44.0%	-4.9%
Masonry contractors	44	\$3,262	45	\$3,401	-0.7%	-4.1%
Roofing contractors	22	\$3,879	22	\$3,503	1.5%	10.7%
Site preparation contractors	33	\$3,077	24	\$2,733	39.4%	12.6%
All other specialty trade contractors	20	\$2,604	14	\$3,005	39.5%	-13.3%
Printing	607	\$4,340	594	\$4,121	2.2%	5.3%
Computer systems design and related services	28	\$7,773	19	\$6,485	47.4%	19.8%
Management of companies and enterprises	145	\$5,353	214	\$7,424	-32.2%	-27.9%
Oilseed and grain combination farming	36	\$3,344	29	\$3,941	21.6%	-15.1%
Beef cattle ranching and farming	24	\$4,762	17	\$5,647	38.5%	-15.7%
Water supply and irrigation systems	14	\$3,297	13	\$3,200	2.5%	3.0%
Residential remodelers	8	\$2,959	9	\$2,769	-11.1%	6.9%

Source: Bureau of Labor Statistics

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