



Dr. Phillips Institute for the Study of American Business Activity  
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## NEWS NEWS NEWS NEWS NEWS

Date: May 26, 2001  
Release: Immediate  
Subject: Phillips Institute Index of Private Construction Intensity--Largest U.S. Metro Areas

### THE TOP 20--2000 ROUNDUP

# Phillips Institute Index of Private Construction Intensity Metro Orlando Finishes 6th

Metro Orlando's *index of private construction intensity* placed it a respectable **6th** in the nation for all of calendar year 2000, but this was a drop from the more-healthy **2nd** place finish that greater Orlando enjoyed during 1999. For the 1998 year, Orlando ranked **3rd**. The local pull-back in construction intensity has been magnified over 2001's initial two months; this latter development will be expanded upon shortly. The *index* involves 60 metropolitan statistical areas (MSAs) having nonfarm payroll workforces of at least 500,000 jobs.

For the 12-month period ended December 2000, metro Orlando generated 26.42 authorized building permits for single and multifamily dwellings when scaled per 1000 nonfarm jobs within the local metro area. Las Vegas maintained its **1st** place ranking among the **TOP 20** by turning 36.78 permits per 1000 payroll jobs.

Importantly, Orlando's *index* contracted by a harsh 19.7 percent across the 2000 year when compared to 1999. The "Orlando vs. Las Vegas gap" moved in favor of Las Vegas as its *index* contracted by a lesser 7.8 percent relative to one year earlier.

Metro Charlotte, N.C., replaced Orlando at the **2nd** place slot within the 2000 rankings, having moved up from **5th** place in the 1999 rankings. Atlanta, Phoenix-Mesa, and Raleigh-Durham-Chapel Hill rounded out the top 5 MSAs as ranked by the *intensity index*.

Preliminary data for the initial two months of 2001, put Orlando's *index* further down at **10th** place among the **TOP 20**, with Las Vegas still in the **1st** place position. This quick look at performance for 2001 placed the greater Raleigh, N.C., area in the **2nd** spot.

The *index of private construction intensity* relates the sheer number of authorized permits to the payroll jobs base in each metro area. This procedure provides both a locally-oriented measure of construction vigor and serves as a leading indicator of confidence by local building contractors in the economic strength of the region. A higher *index* suggests greater vigor and confidence.

The **TOP 20** listing for the *index* is displayed on the following page. It is followed by a chart indicating the *index* for the seven most-vigorous U.S. metro areas. The *index* was devised by and is maintained by the Dr. Phillips Institute for the Study of American Business Activity at the University of Central Florida's College of Business Administration.

The complete *index* listing for all 60 metro areas can be obtained by contacting the Dr. Phillips Institute.

**Note:** For more information contact Dr. David F. Scott, Jr., Executive Director, Dr. Phillips Institute for the Study of American Business Activity, and Phillips-Schenck Chairholder, University of Central Florida, Orlando, FL 32816-1400. Phone: 407-823-5903.

## Private Construction Intensity Index

### The Top 20

#### Major U.S. Metro Areas

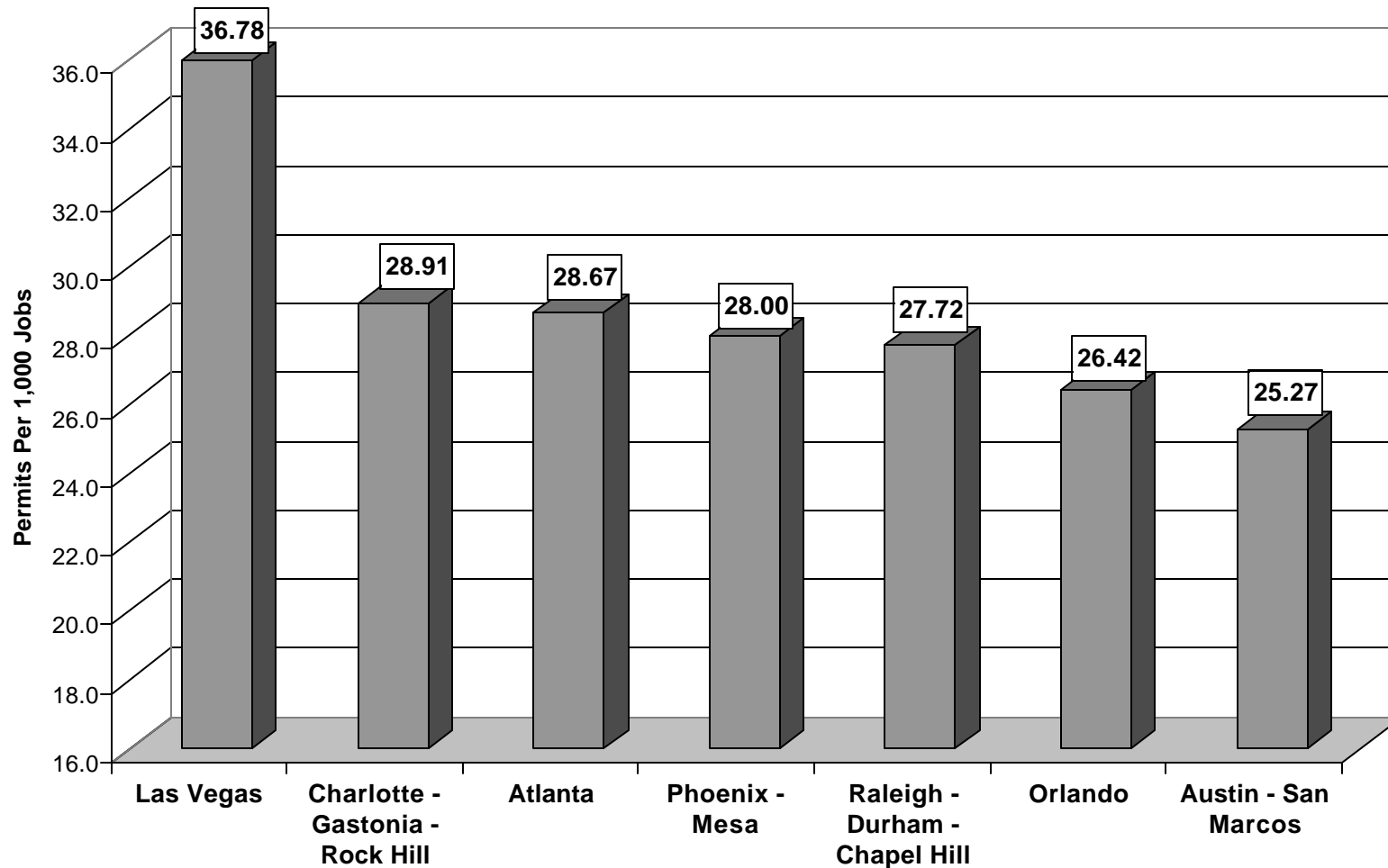
Twelve Months

January 2000 - December 2000

	<u>Metro Area</u>	<u>Permits per 1,000 Nonag. Jobs</u>
1.	Las Vegas	36.78
2.	Charlotte - Gastonia - Rock Hill	28.91
3.	Atlanta	28.67
4.	Phoenix - Mesa	28.00
5.	Raleigh - Durham - Chapel Hill	27.72
6.	Orlando	26.42
7.	Austin - San Marcos	25.27
8.	Denver	21.85
9.	Sacramento	21.83
10.	Riverside - San Bernardino	21.52
11.	Jacksonville	18.61
12.	Indianapolis	17.25
13.	Ft. Lauderdale - Hollywood	16.97
14.	Memphis	16.88
15.	Columbus	16.36
16.	Ft. Worth - Arlington	15.97
17.	Dallas	15.89
18.	Nashville	15.69
19.	Tampa - St. Petersburg	15.45
20.	Houston	14.56

Source: Analysis, presentation, and creation by the Dr. Phillips Institute for the Study of American Business Activity, College of Business Administration, University of Central Florida. Raw data from the U.S. Department of Labor and the U.S. Bureau of Census, (3/22/01)

**Private Construction Intensity Index**  
**-- Twelve Months Through December 2000**  
**Permits Per 1,000 Nonagricultural Jobs**



Source: Raw data from the U.S. Department of Labor and the U.S. Bureau of the Census. Analysis and presentation by the Dr. Phillips Institute for the Study of the American Business Activity, University of Central Florida, Orlando, (3/22/01).