



work2future Snapshot of The Construction Sector in Santa Clara County



The Construction Sector in Santa Clara County



Recovery and Growth

In a sign the recovery has broadened beyond high tech, Santa Clara County added 5,500 Construction jobs from December 2012-December 2013, bolstered by gains in specialty trade contractors, up by 4,800 jobs, or 18.0 percent over the year.

The biggest construction project (BART) in Silicon Valley is under way along a 16-mile corridor that straddles three cities. The work involves hundreds of construction workers, dozens of trades and billions of dollars. Getting from the existing Fremont station to the new Warm Springs station in Fremont -- the first leg -- will cost \$890 million. The next phase to open, from Warm Springs to San Jose's Berryessa district, is slated to cost \$2.3 billion creating hundreds of more jobs.

“New construction is projected to exceed 10.0 million square feet in the next several years. Markets such as Silicon Valley, San Francisco Peninsula, Portland, New Jersey and Denver are each targeting the completion of 1.0 million square feet or more of projects. Silicon Valley alone will account for more than 24% of the total new developments in the next four years”. Cushman-Wakefield Industrial Real Estate Forecast 2013

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In the News

Downtown San Jose picked up, two high-profile towers selling in the final weeks of the year.

Bass Pro Shops agrees to huge, 145K sq. ft. San Jose lease.

Nvidia Corp.'s striking campus plans in Santa Clara,

Apple Campus 2, aka the spaceship, approved; early construction starts

Growing Google: Google accounted for three of the top 10 leases this year.

Samsung Semiconductor, Facebook Inc. have projects under construction.

Google airport landing in San Jose: Signature Flight Support, a major fixed-base operator (aka private plane storage and gas supplier) will build the \$82 million facility on 29 acres. Signature hopes to begin construction next month.

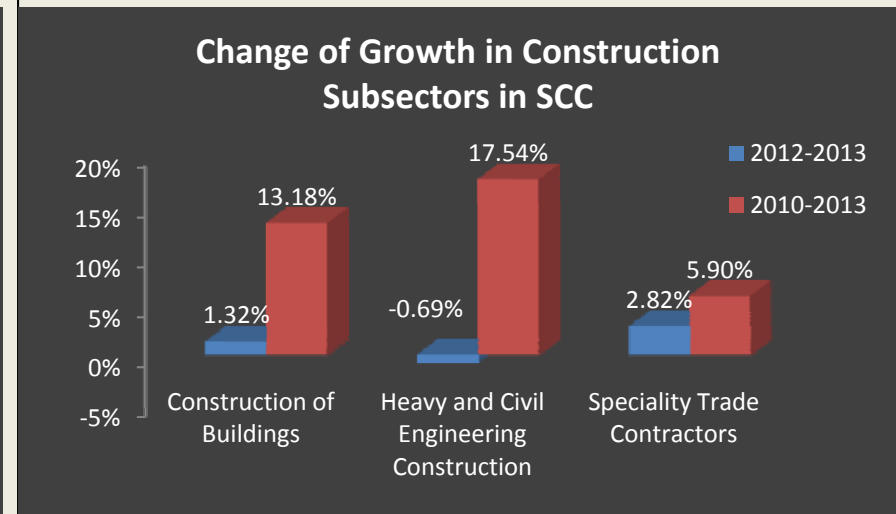
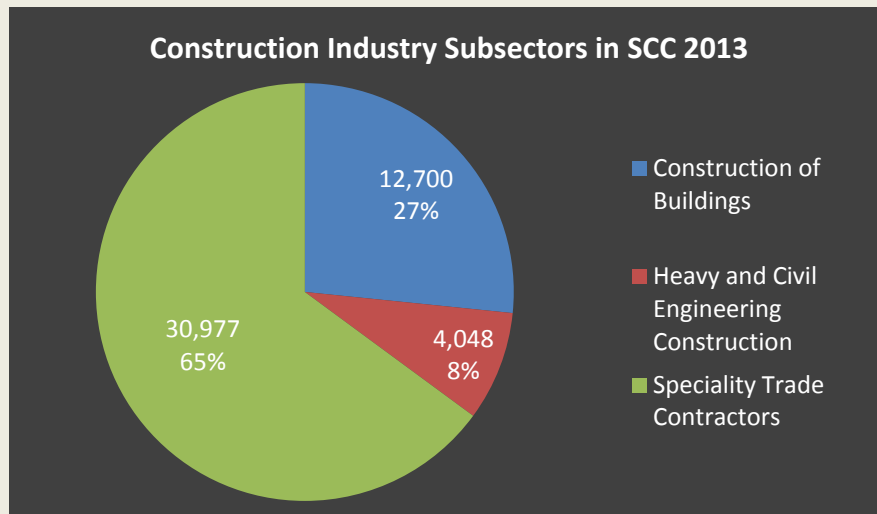
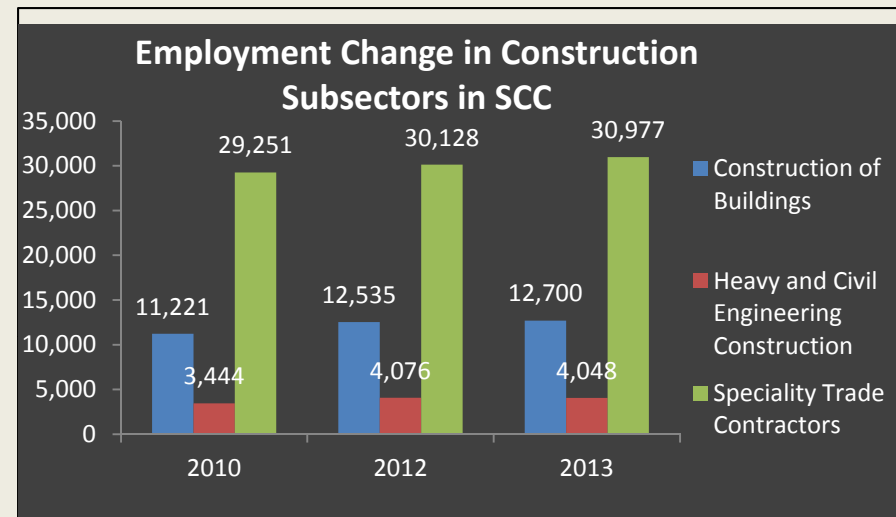
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Santa Clara County: Construction

Construction Highlights

Construction employment in Santa Clara County has increased from 3.8% of all jobs in 2000 to 5.0% in 2010 and 4.9% in 2013. The sector experienced a -7.2% decrease between 2008 and 2013 but the recovery is in process. Since 2010, the sector has experienced a 8.7% increase in employment. Between December 2012 and December 2013 the County added 5,500 new jobs.

There were 7,214 businesses and 43,916 people employed in the construction industry in Santa Clara County in 2010. These numbers increased to 8,489 businesses and 47,725 people in March 2013.



Santa Clara County: Construction

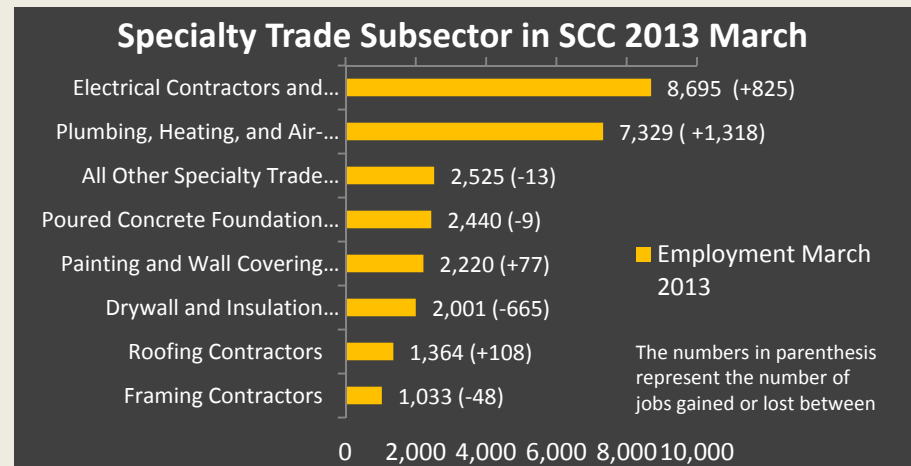
Construction Highlights

Construction industry comprises 5.1 % of all jobs in Santa Clara County. Within the construction industry, Santa Clara County had the highest employment concentration in specialty trade contractors (30,977); followed by construction of buildings (12,700) and heavy and civil engineering construction (4,048) sectors. These sectors constitute 64.9%; 26.6% and 8.5% of construction jobs respectively.

Specialty trade contractors has grown by 5.9% over the last three years and 2.8% over the last year. The sector had the highest employment concentration in the subsectors of electrical contractors and other wiring installation contractors (8,695; 18.2%) and plumbing, heating, and air-conditioning contractors (7,329; 15.3%) in march 2013. Over the last three years, these subsectors have gained +825 and +1,318 new jobs respectively.

Construction of buildings sector has grown by 13.2% over the last three years and 1.3 % over the last year. New single-family housing construction constitutes majority of the jobs in this sector (6,297) and it is followed by commercial and institutional building construction (2,947). Over the last three years, the biggest employment change has happened in the new single-family housing construction subsector (+1,512 new jobs) in the construction industry.

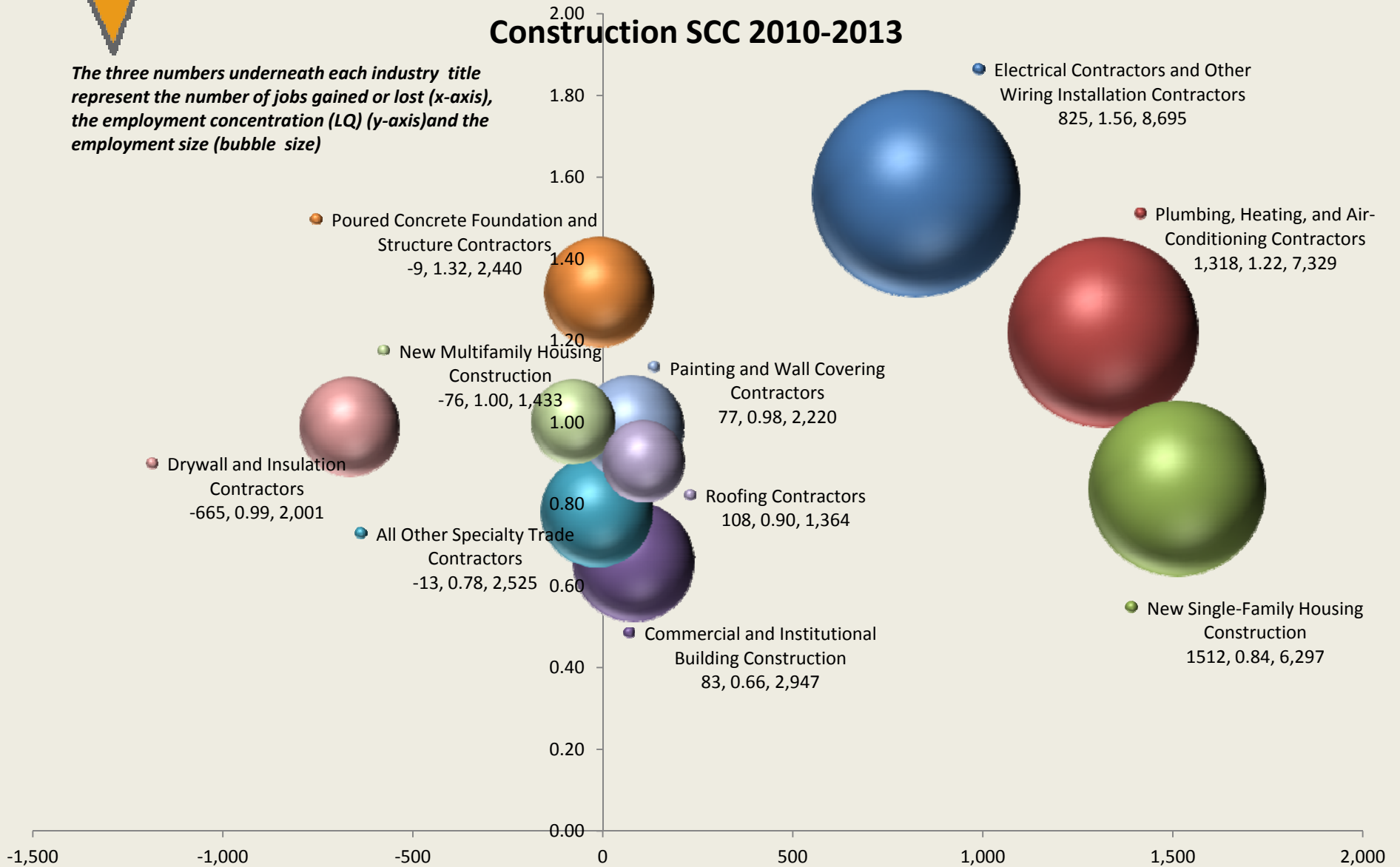
Heavy and civil engineering construction sector has grown by 17.5% over the last three years and has shown almost no change over the last year. Highway, street, and bridge construction (1,288) and water and sewer line and related structures construction (1,186) comprise the highest employment concentration in this sector. Over the last three years, these subsectors have gained +279 and +184 new jobs respectively.



Santa Clara County: Construction

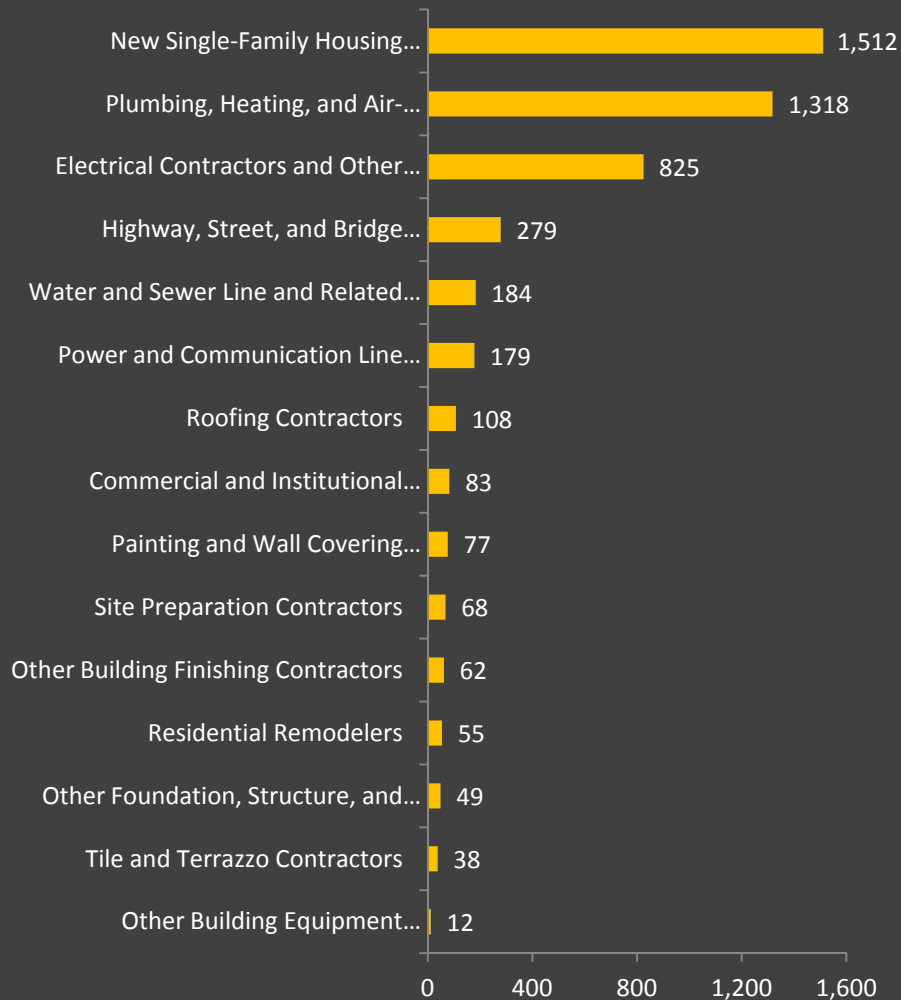
Construction SCC 2010-2013

The three numbers underneath each industry title represent the number of jobs gained or lost (x-axis), the employment concentration (LQ) (y-axis) and the employment size (bubble size)

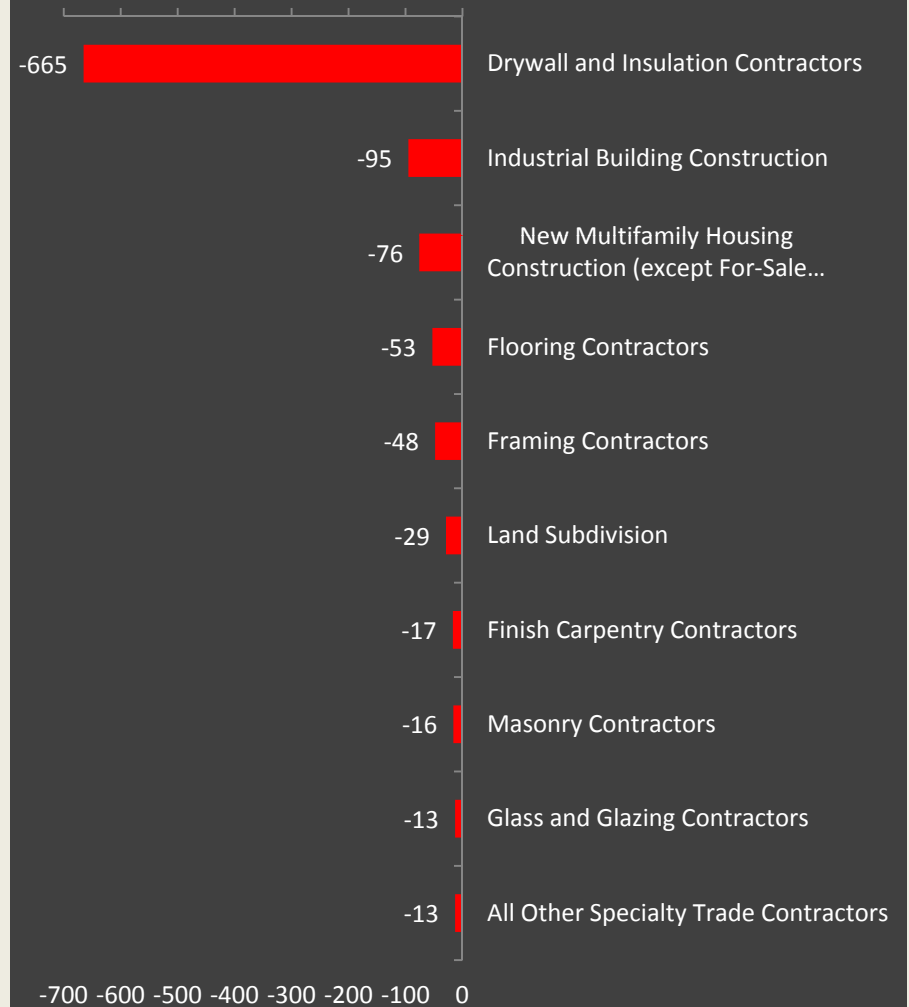


Santa Clara County: Construction

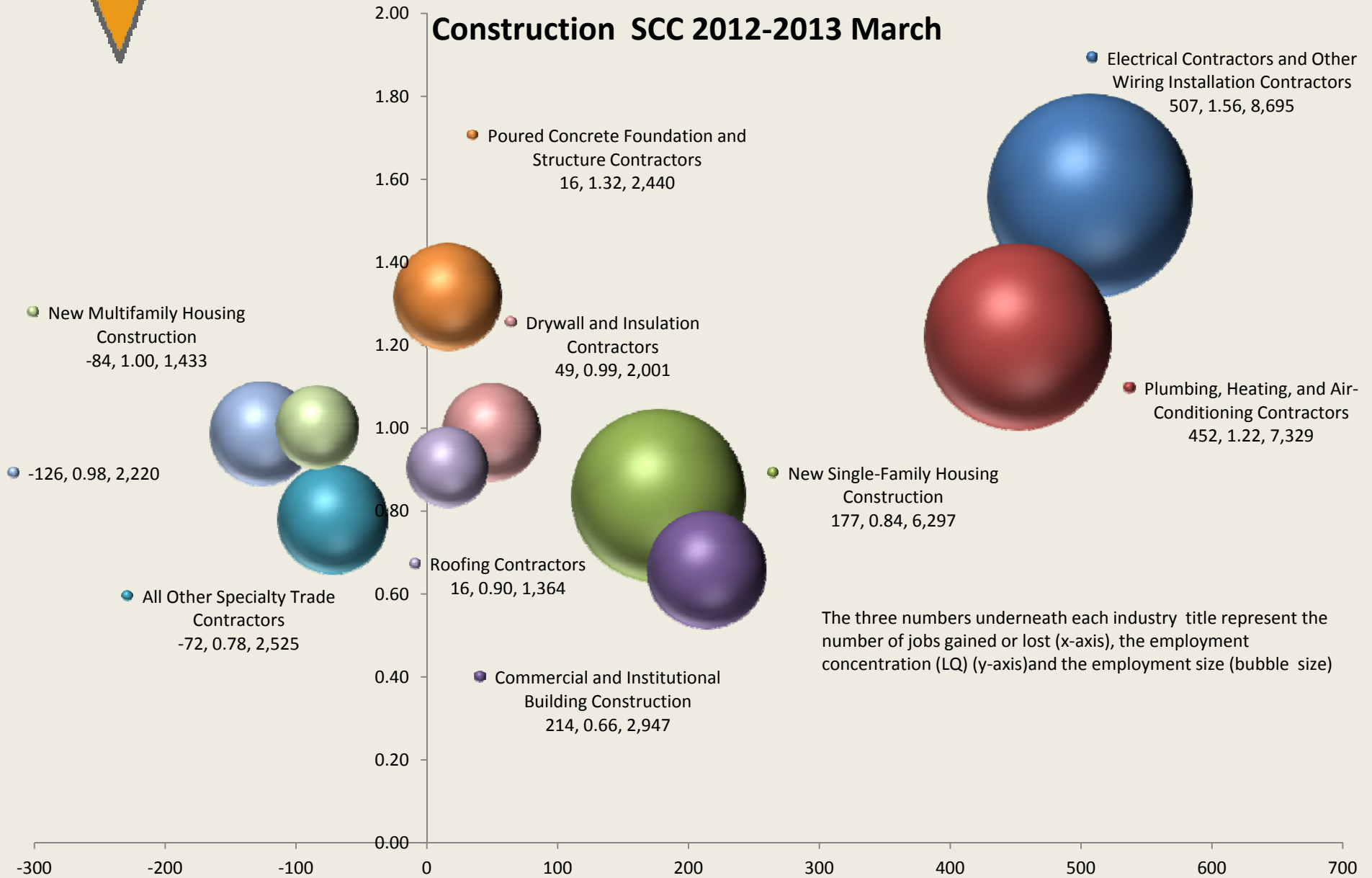
Construction Highest Employment Gain in 2010-2013



Construction Highest Employment Loss in SCC 2010-2013

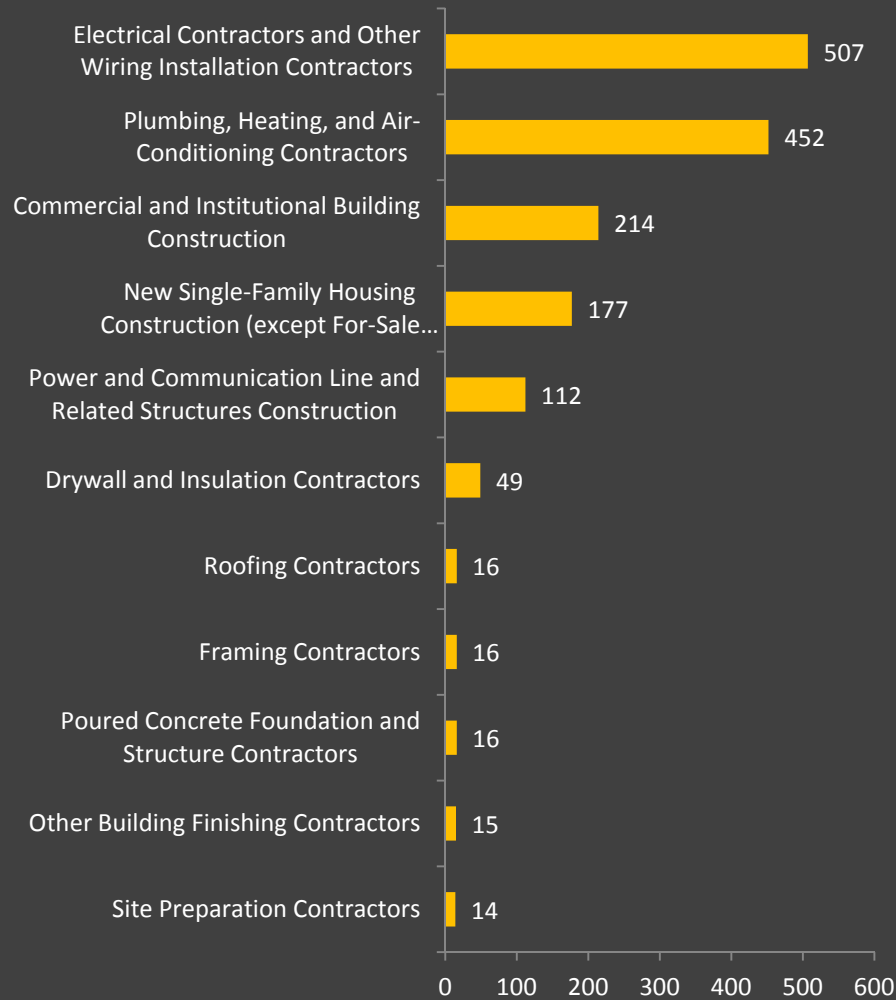


Santa Clara County: Construction

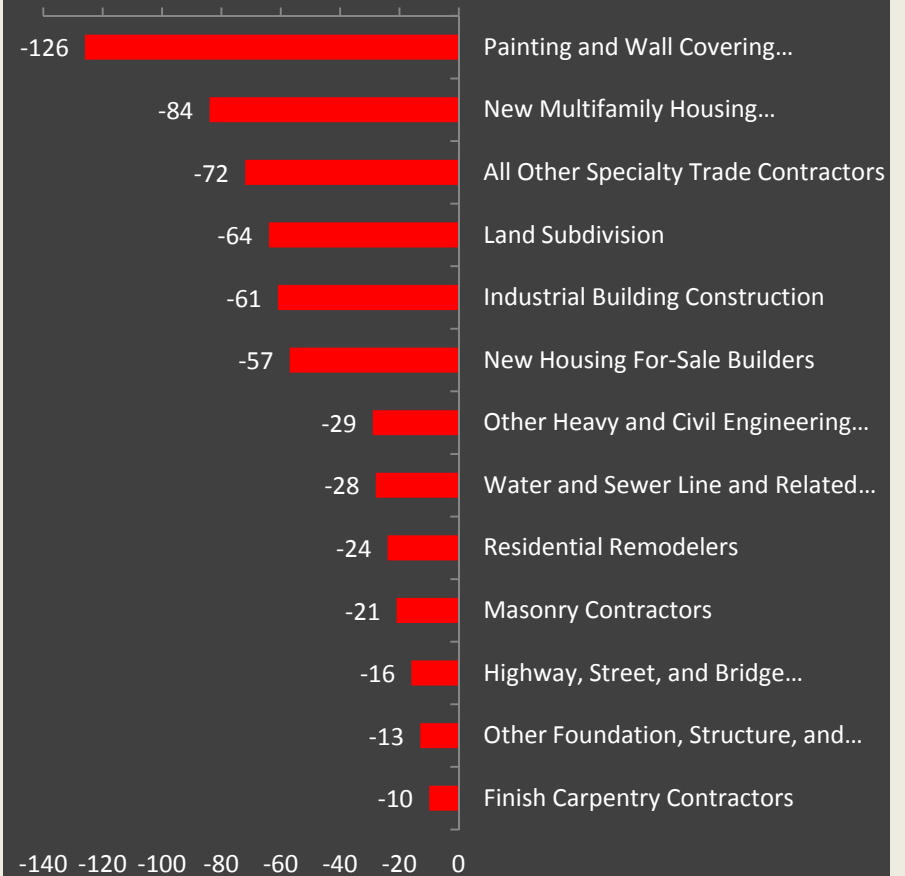


Santa Clara County: Construction

Construction Highest Employment Gain in SCC 2012-2013

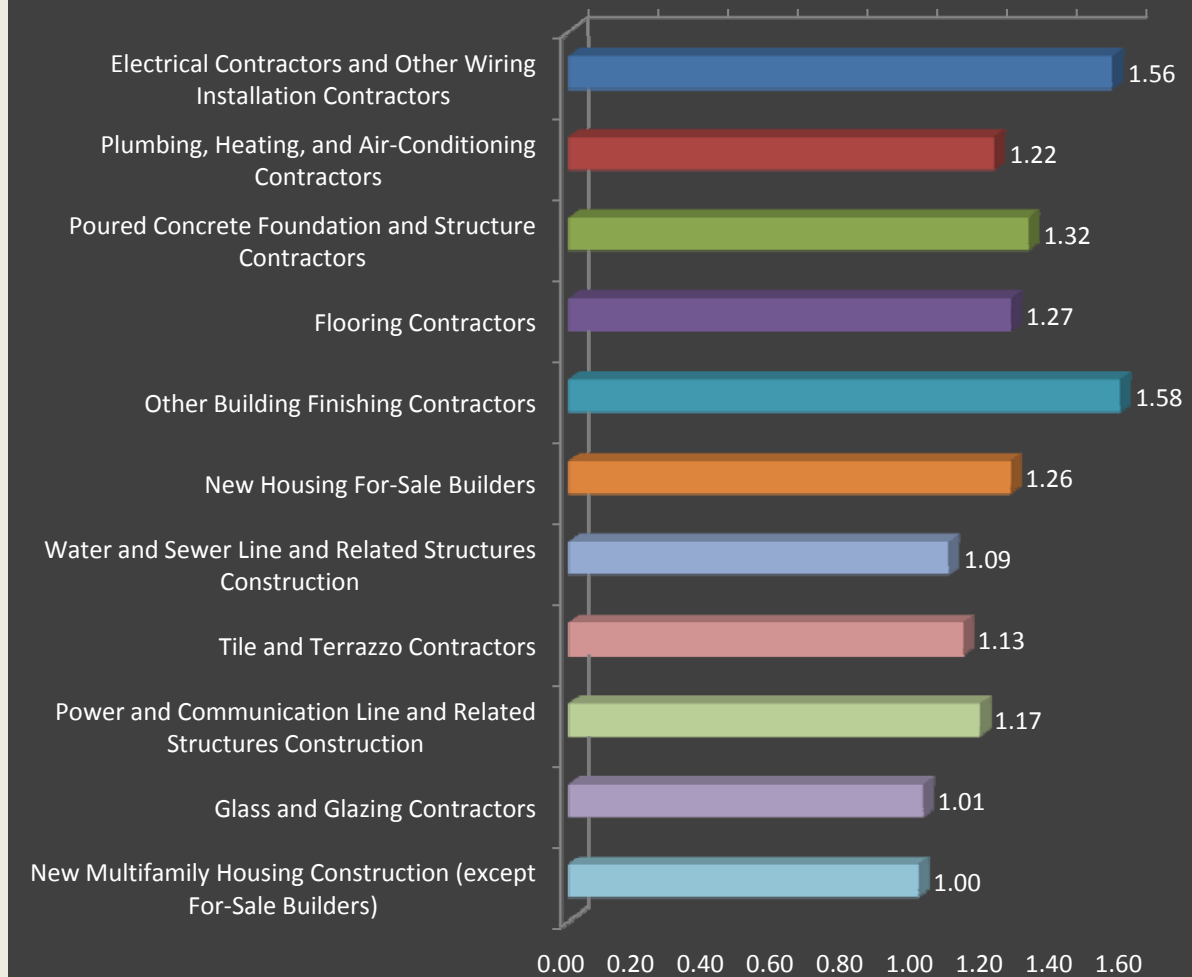


Construction Highest Employment Loss in SCC 2012-2013



Santa Clara County: Construction

Construction Industry Employment Concentration SCC 2013
March



The accompanying figures reveal which construction subsectors are strong in Santa Clara County relative to California. These sectors, if lost, would constitute the greatest impact on the local construction economy.

Drywall and insulation contractors subsector has lost the highest amount of jobs within the industry (-665 jobs) over the last three years.

Santa Clara County: Construction

For your questions, please contact:

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work2future Special Projects

Thanks!

Data Sources include EconoVue Services, InfoUSA, Dun and Bradstreet, Bureau of Labor Statistics and California Economic Development Department