

Economic & Demographic Snapshot



Kansas City Metropolitan Statistical Area

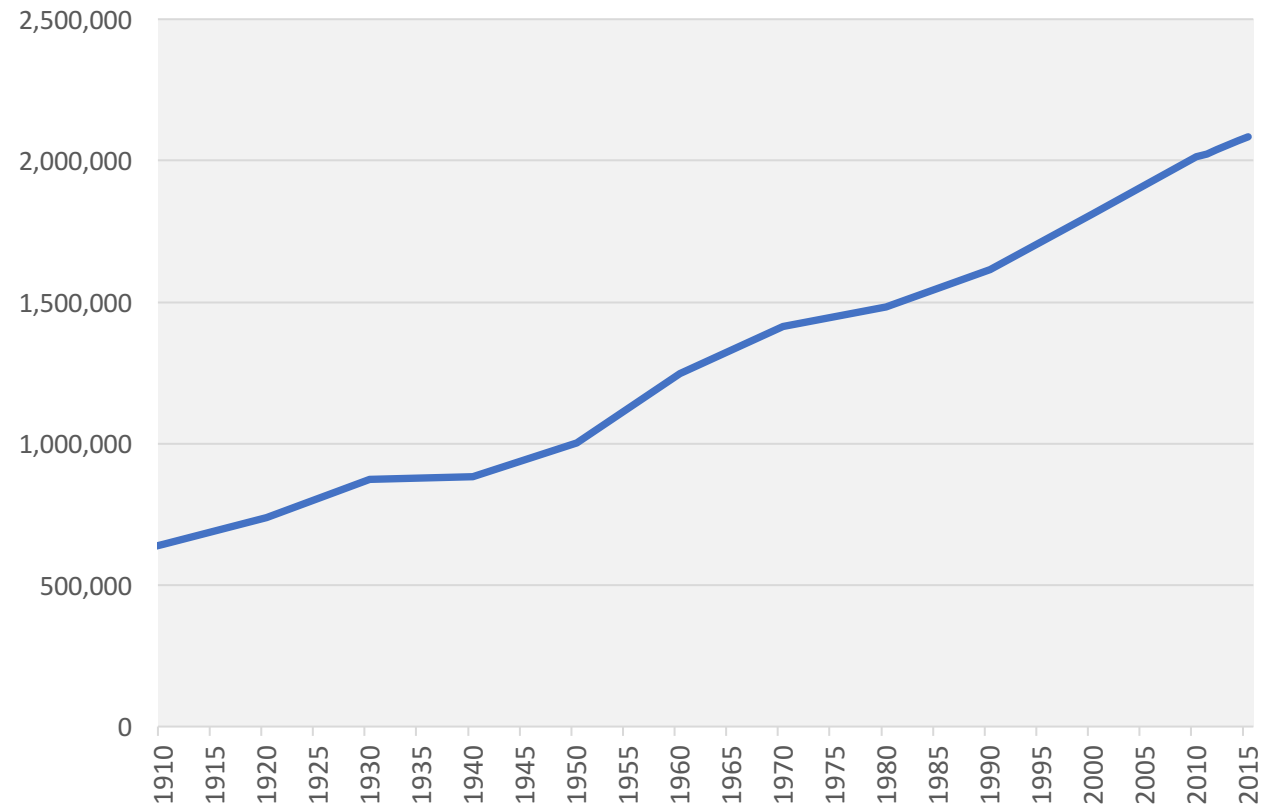
June, 2017



Population Trend

The Kansas City MSA population sits at 2,069,314 as of 2016. The region has experienced mostly steady population growth and is currently the 30th largest metro area in the country.

Population Trend - Kansas City, MO-KS





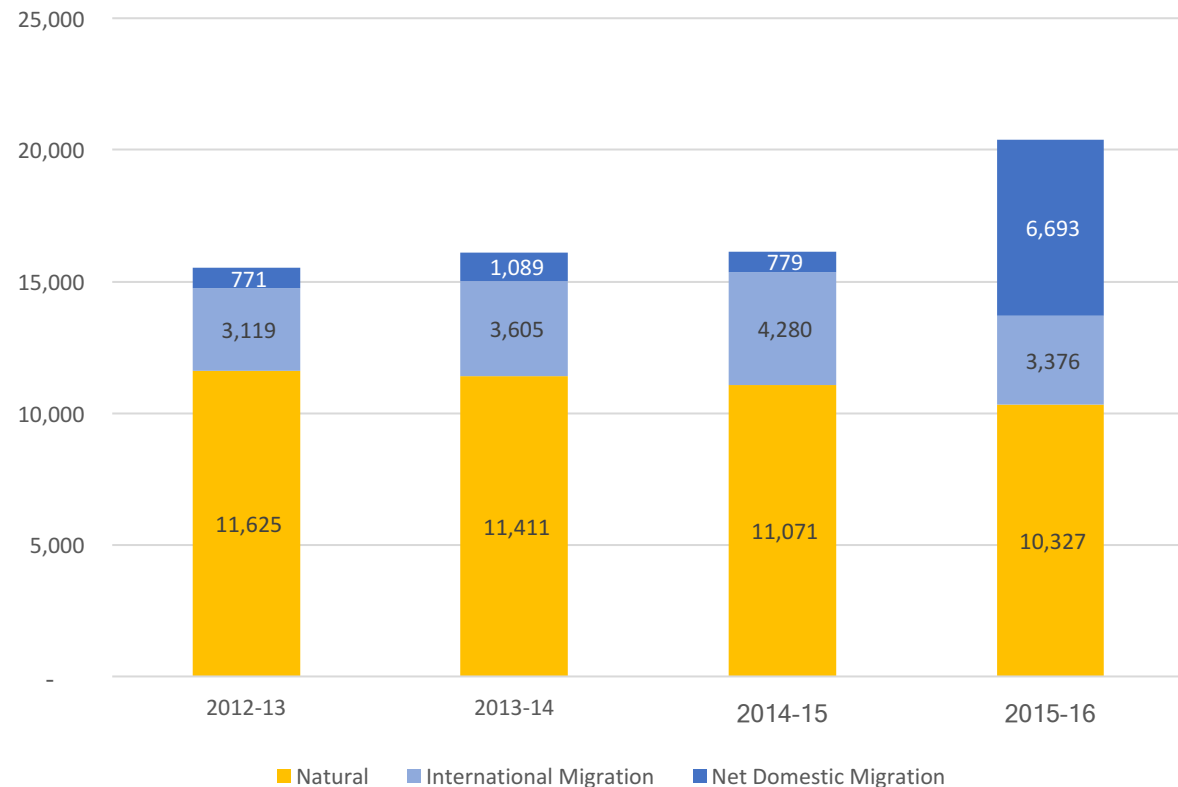
Components of Population Change

Most of Kansas City's recent population growth has been due to natural growth (more births than deaths).

A key population variable to look at is net domestic migration. This measures the difference between those who move into the metro from somewhere else in the country minus those who move away. Domestic migration is often driven by people looking for better economic opportunity and therefore can be seen as a good barometer for economic strength.

Domestic migration had been barely positive in recent years before jumping to 6,693 between 2015 and 2016.

Components of Population Change - Kansas City





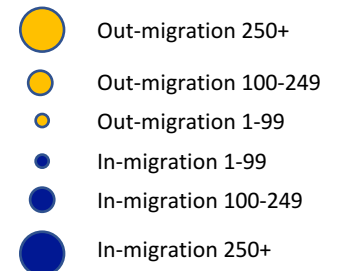
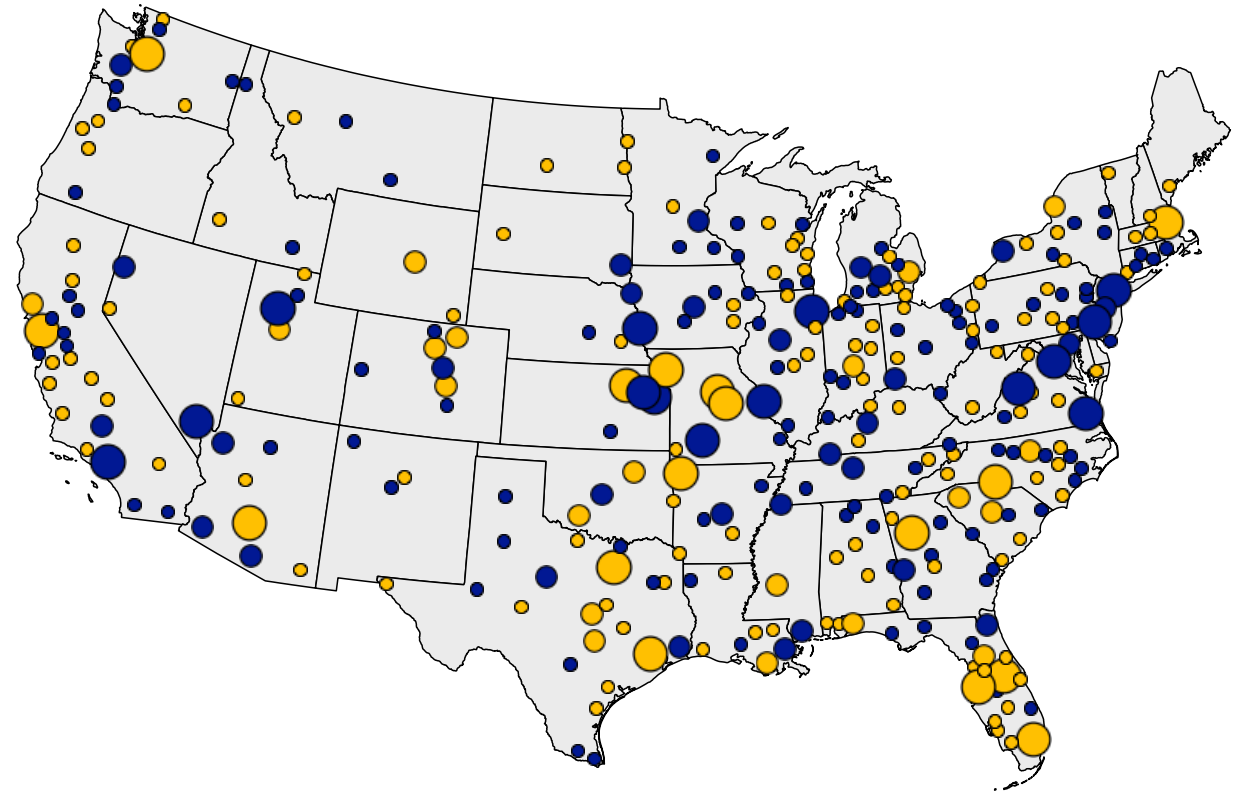
Net Migration 2010-2014

(Data represents movement over a 1 year period. The data was collected over a 5-year period)

Net migration patterns can tell us where new residents are coming from and where former residents are moving to. The gold bubbles show net outflow (more people moved away than moved in) and the blue bubbles show net inflow (more people moved in than out).

Kansas City appears to be a regional hub drawing from regional metros like Omaha, Topeka, St. Louis and Springfield, Mo. But Kansas City also draws well from some major East-Coast metros like New York, D.C., and Philadelphia.

Kansas City loses population to Sun Belt cities like Dallas, Houston, Atlanta and Charlotte.





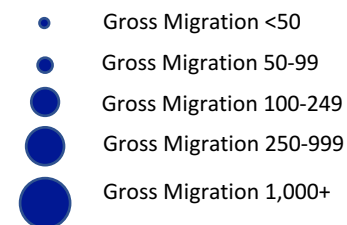
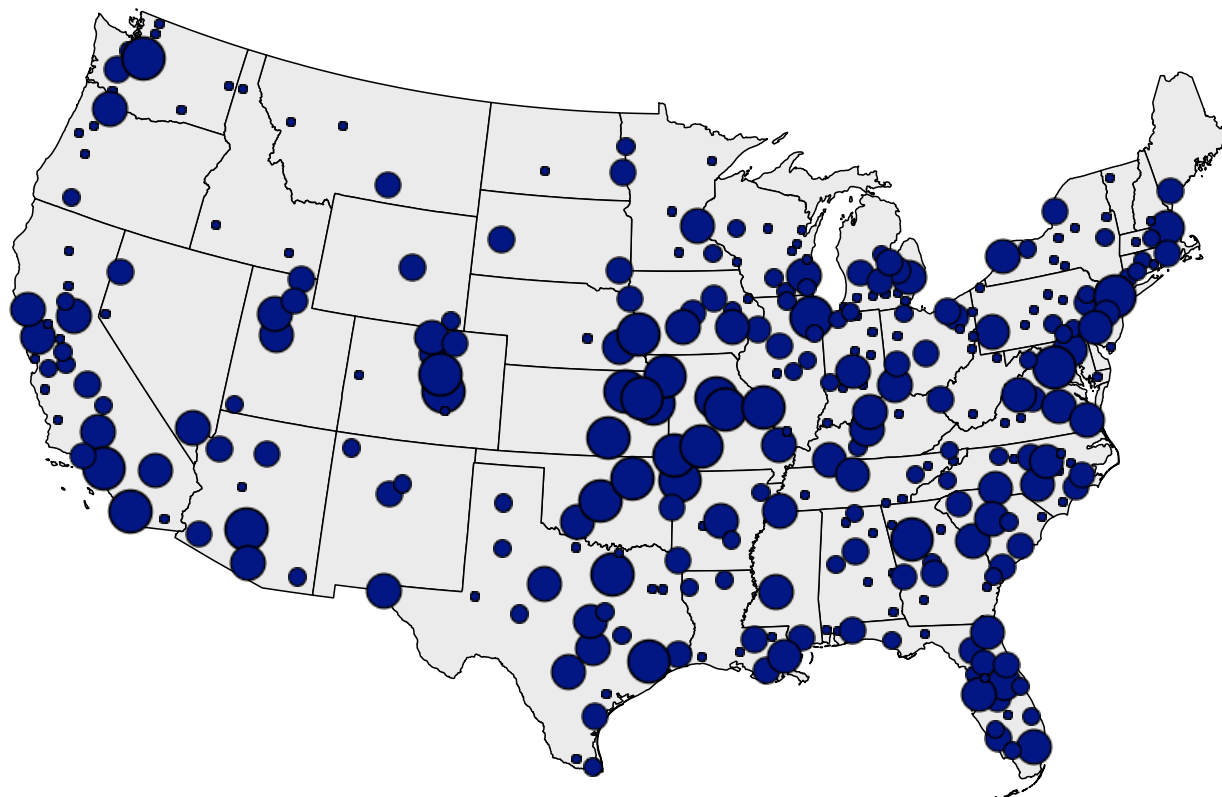
Gross Migration

2010-2014

(Data represents movement over a 1 year period. The data was collected over a 5-year period)

Gross migration measures the total migration (both in and out) between two metros. This measure could indicate stronger business ties as metros exchange residents looking for better work opportunities. The net migration measure (previous map) can mask strong relations between metros. For instance, Kansas City had a lot of migration activity with Wichita, but the flow was nearly equal on both sides and the net migration was very small.

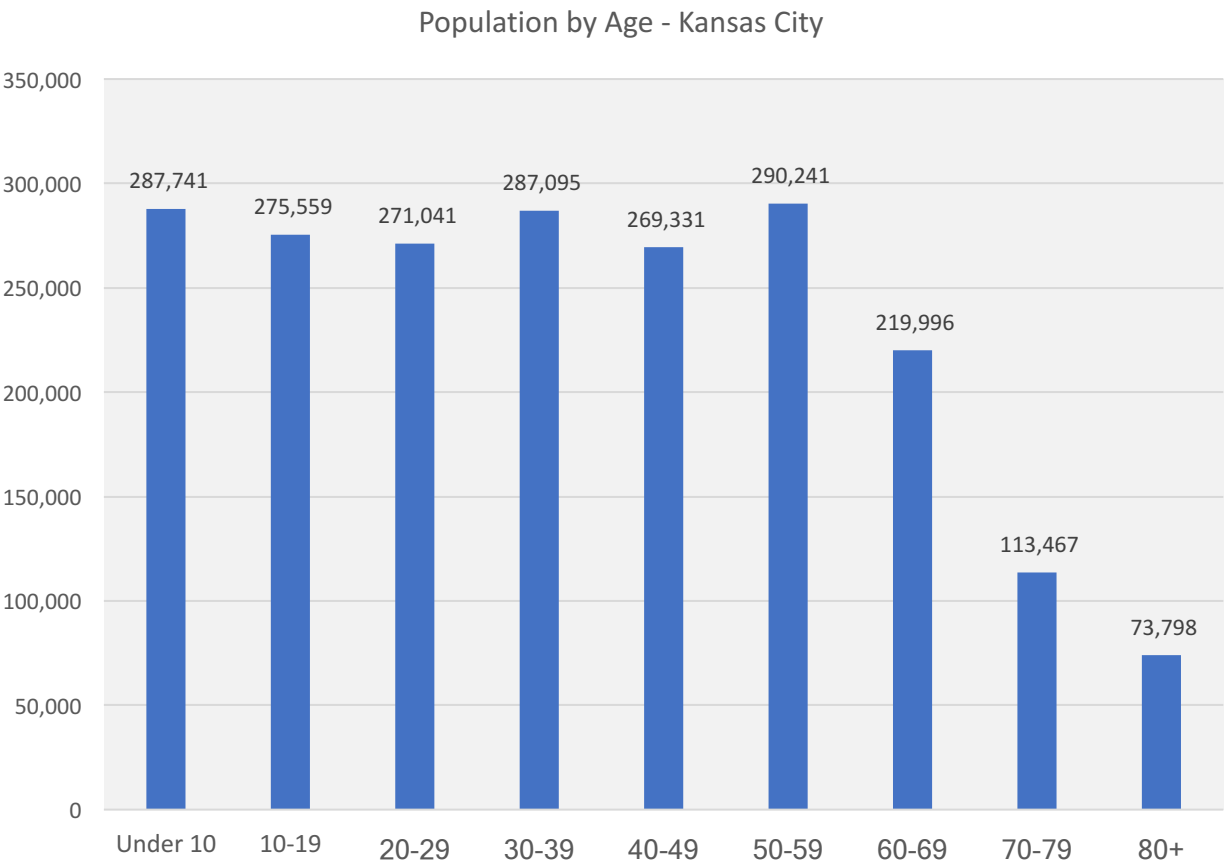
Kansas City's role as a regional hub is evident here with a lot of migration activity between regional metros like Denver, St. Louis and Omaha.





Population by Age Comparison

Kansas City's population by age breakdown is balanced.





Population

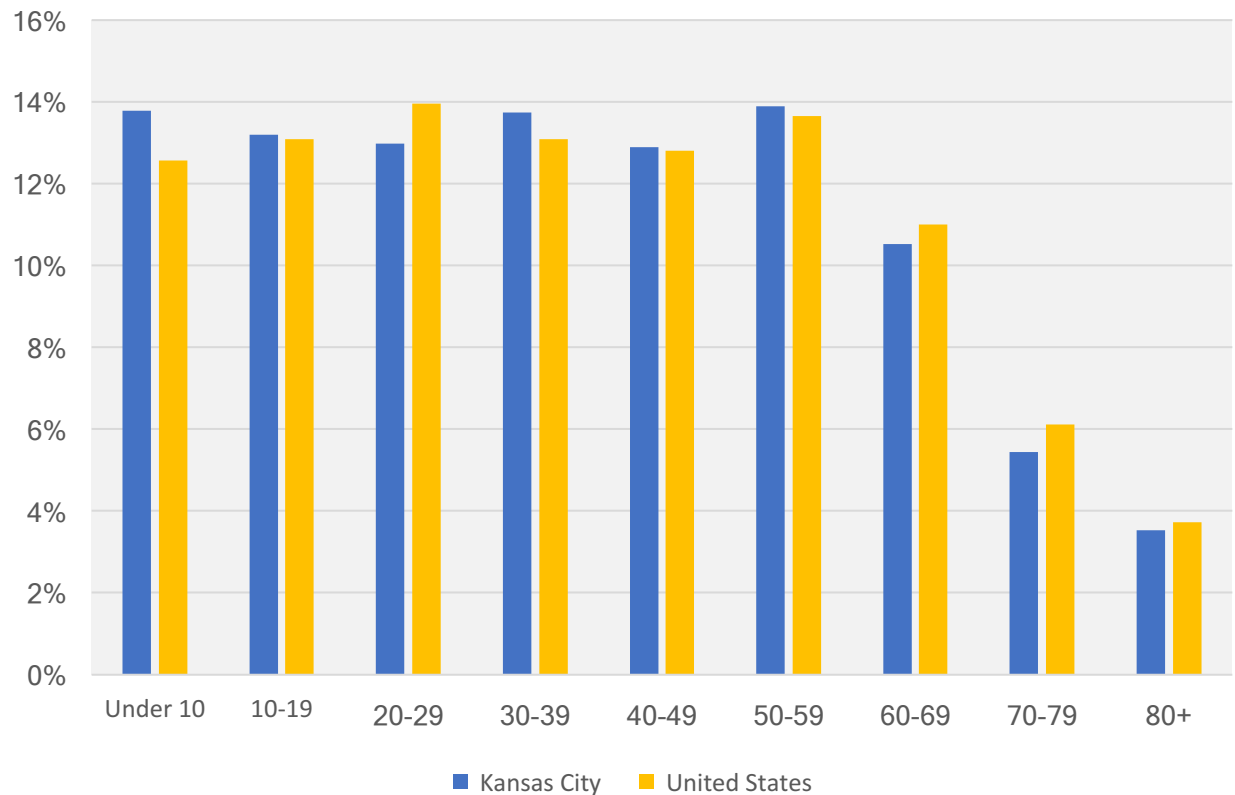
Population by Age Comparison

With a median age of 37.1, Kansas City is slightly younger than the nation as a whole (37.8). Kansas City's population by age share closely mirrors the nation's. Although, Kansas City does have slightly higher shares of young people (under 20).

The dip in the population 20-29 is likely related to the fact that many major colleges and universities are located just outside the MSA and Kansas City students that attend school there technically move out of the metro.

Kansas City has smaller shares of the population over age 60.

Population by Age Comparison - 2015



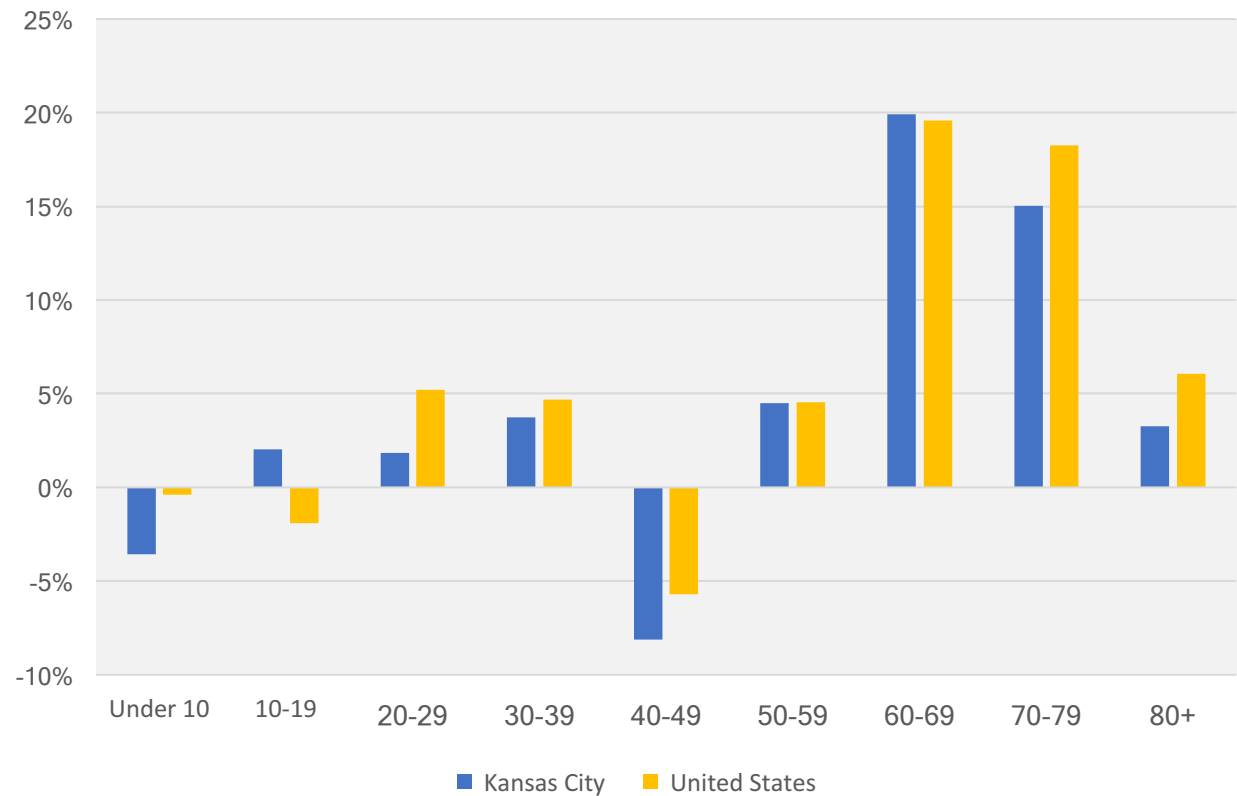


Population

Change in Population by Age (2010-15)

Even though the population 60 and up make up a smaller share of Kansas City's population, they are the fastest growing segment of the population.

Change in Population by Age Comparison



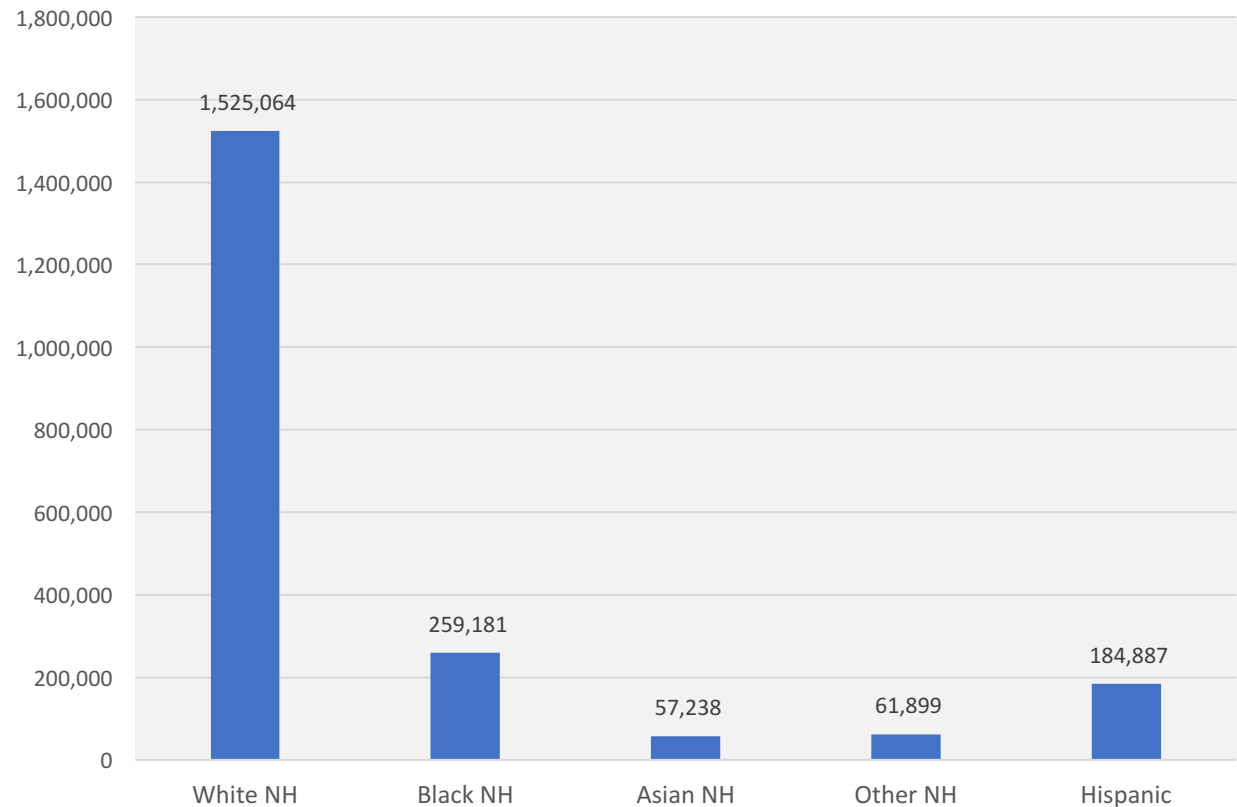


Population

Population by Race/Ethnicity

Nearly three-fourths of metro Kansas City's population is White, Non-Hispanic. Black, Non-Hispanic make up 12 percent while the Hispanic population account for 9 percent.

Population by Race/Ethnicity - Kansas City



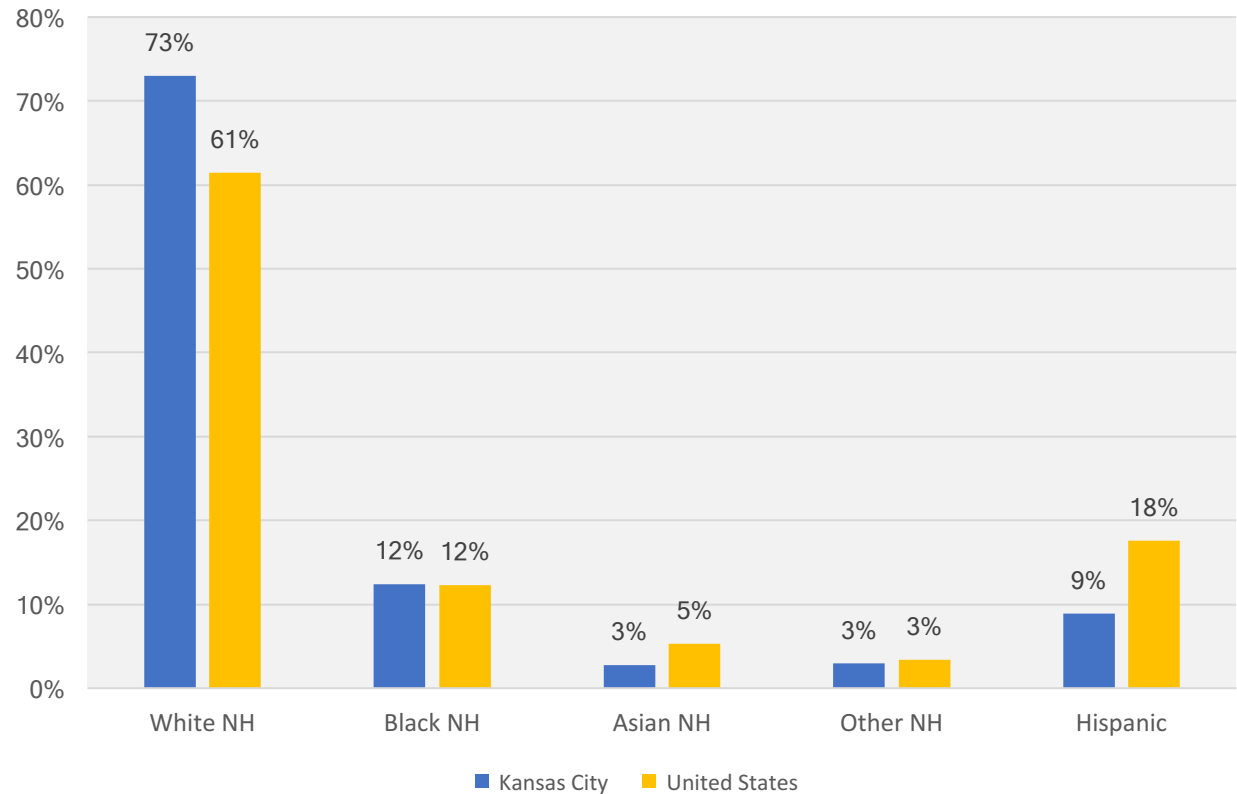


Population

Population by Race/Ethnicity Comparison

The White, Non-Hispanic population is proportionally larger in Kansas City than in the nation as a whole. Kansas City lags in Hispanic and Asian share.

Population by Race/Ethnicity - Kansas City

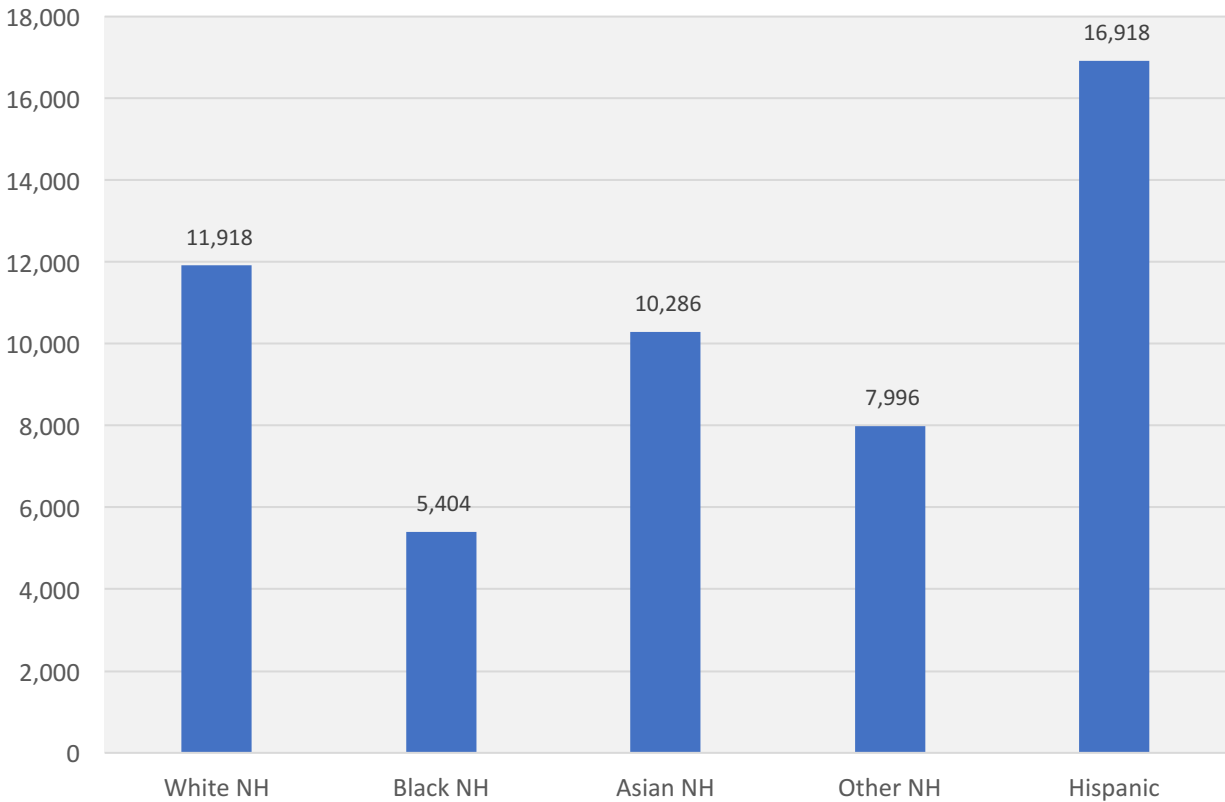




Change in Population
by Race/Ethnicity
Comparison

While its population is currently less diverse than the nation, Kansas City is changing. Between 2010 and 2015 the Hispanic population was Kansas City's fastest growing demographic, accounting for nearly a third of the metro total. Asian population growth accounted for an additional 20 percent over the same period.

Growth by Race (2010-15)

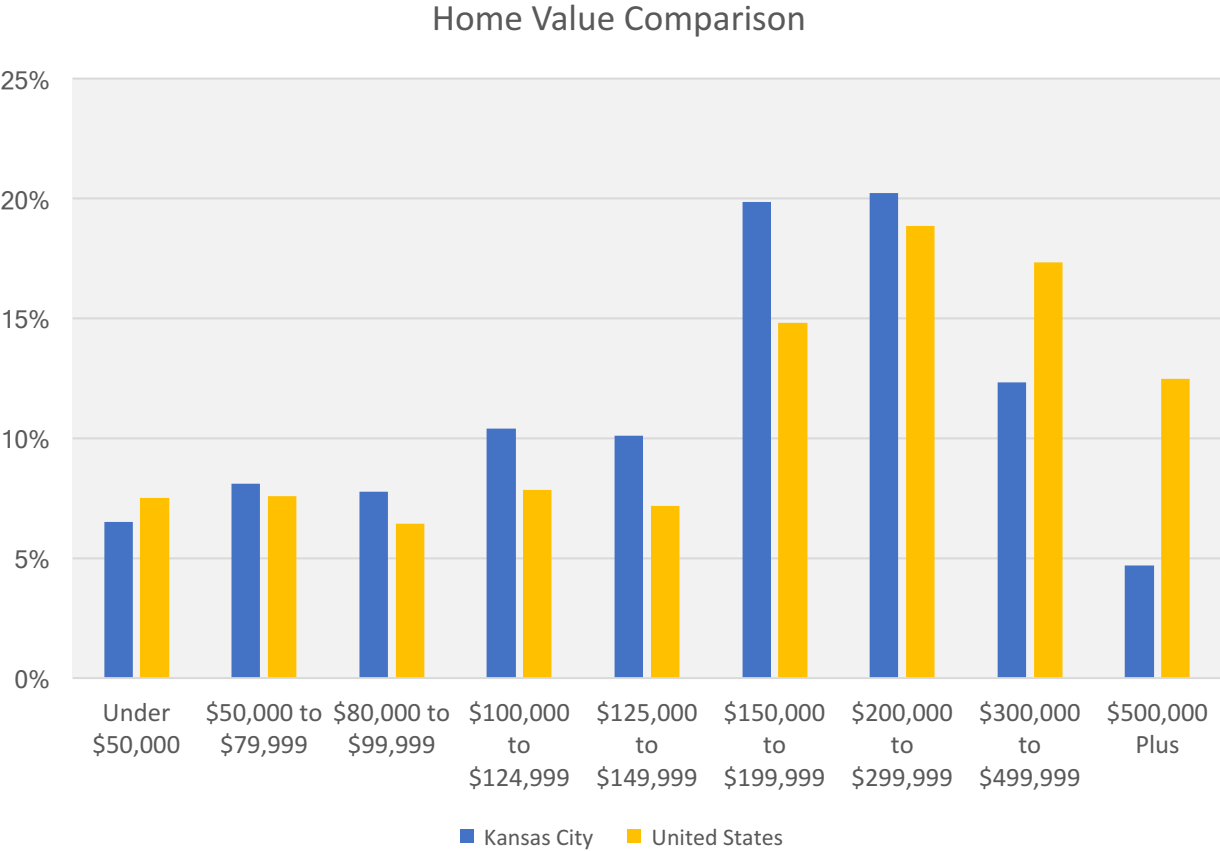




Home Value Comparison

Housing in the metro Kansas City tends to be less expensive than the nation as a whole.

40 percent of Kansas City's housing stock is valued in the \$100,000 to \$199,999 range, while just 30 percent of US housing is so valued. Conversely, 30 percent of US housing is valued at over \$300,000. In Kansas City just 17 percent is.

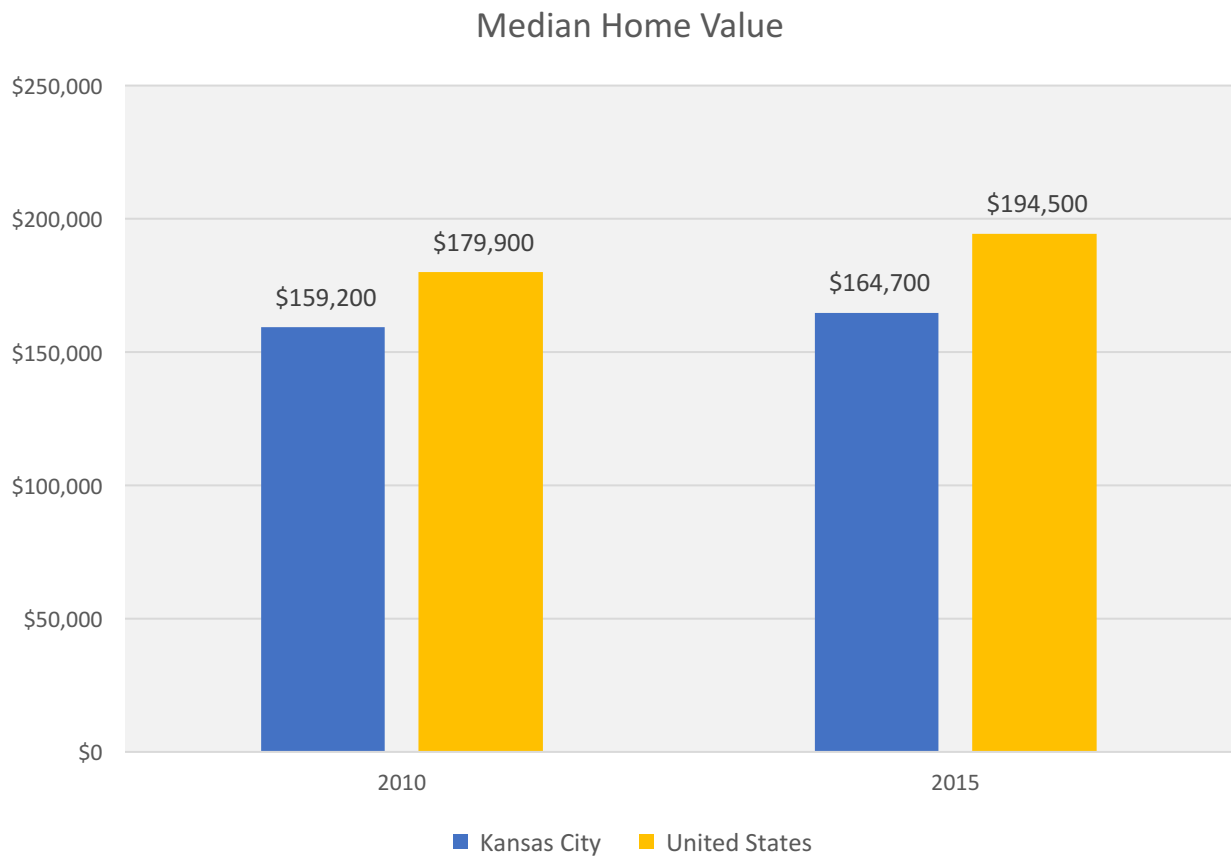




Median Home Value Comparison

The median home value in greater Kansas City was \$164,700, below the national median of \$194,500.

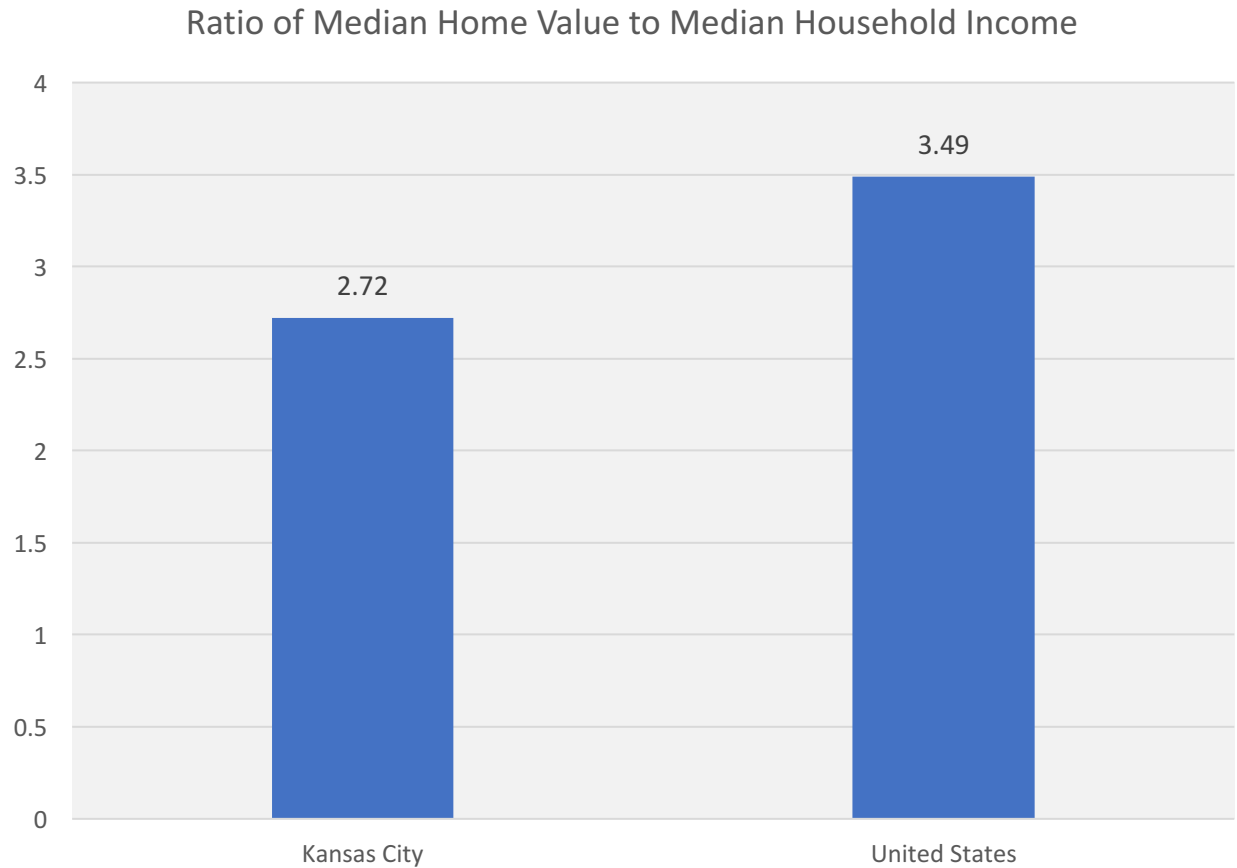
Since 2010, Kansas City's median value increased 3 percent, while the national median increased 8 percent.





Housing to Income Ratio

When you combine incomes and home values you can get a sense of affordability. This chart divides the median home value by the median household income. It could be read as the number of years it would take for the median income to purchase the median valued home. With a higher median income and lower median home value, housing is quite affordable in Kansas City.





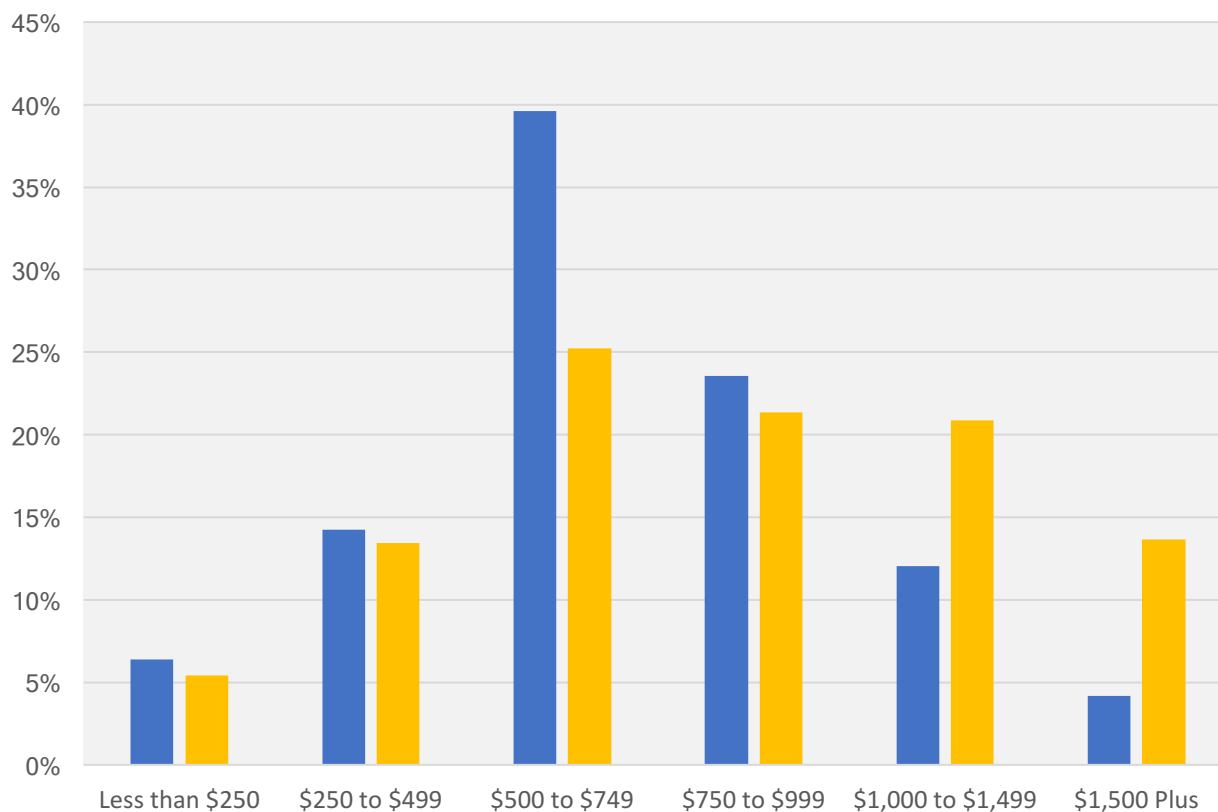
Housing

Rent

Like homeowners, Kansas City renters will find the metro relatively affordable. Nearly 40 percent of Kansas City rental units rent in the \$500 to \$740 a month range. Nationally, just 25 percent do.

On the high end, 35 percent of rented units in the country rent for more than \$1,000 a month. In Kansas City, just 16 percent of units are in this category.

Share of Rented Units by Monthly Contract Rent Comparison

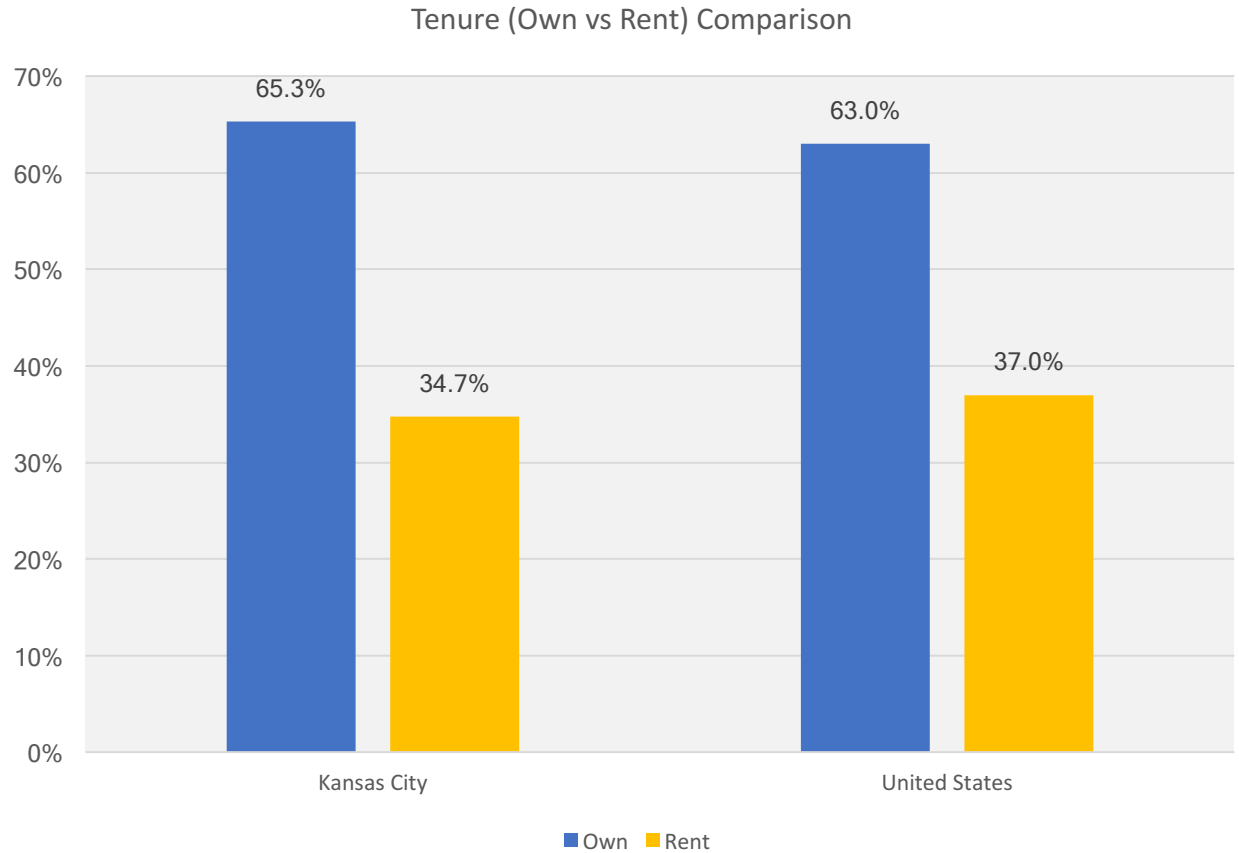




Housing

Own vs. Rent Comparison

Home-ownership is slightly more prevalent in Kansas City relative to the US. Undoubtedly, the affordable housing contributes to this.



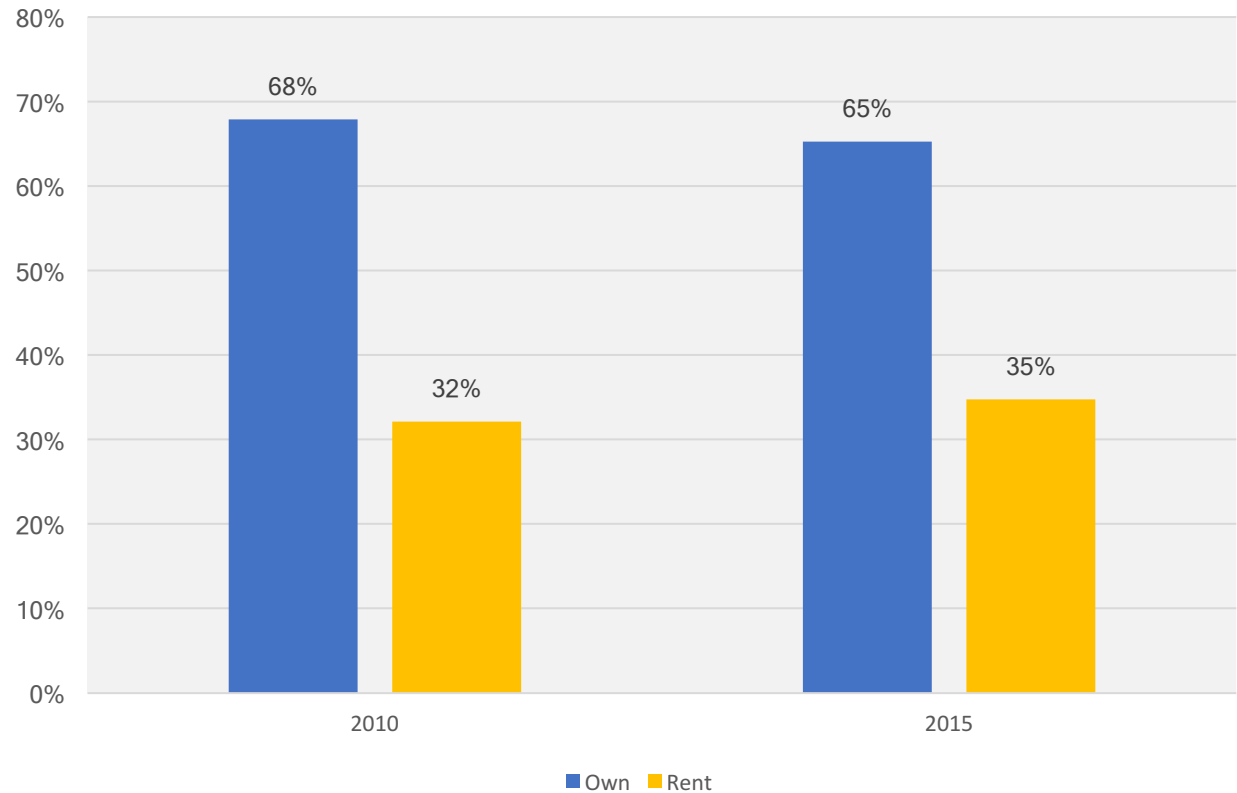


Own vs. Rent

Renting has become a more popular option in recent years. In 2010, 32 percent of housing units in Kansas City were rented. In 2015, 35 percent were.

This is reflecting a national trend as more household are choosing rental options. It remains to be seen if this will be a long term trend, or if this is still a temporary setback from the housing crisis.

Kansas City Tenure (Own vs Rent) Change

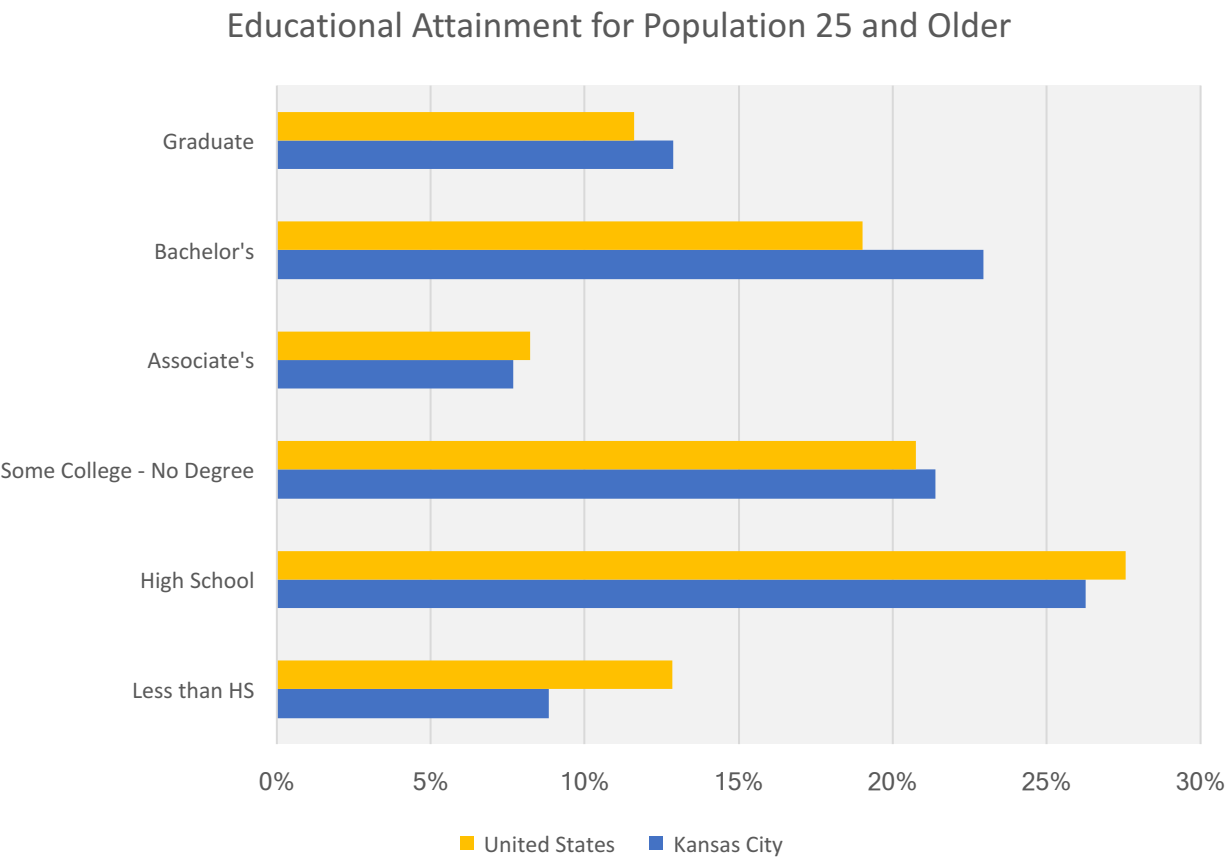




Educational Attainment

Kansa City has a higher overall level of educational attainment relative to the US.

Nationally, 31 percent of the adult population have at least a Bachelor’s degree. In Kansas City, 36 percent do.

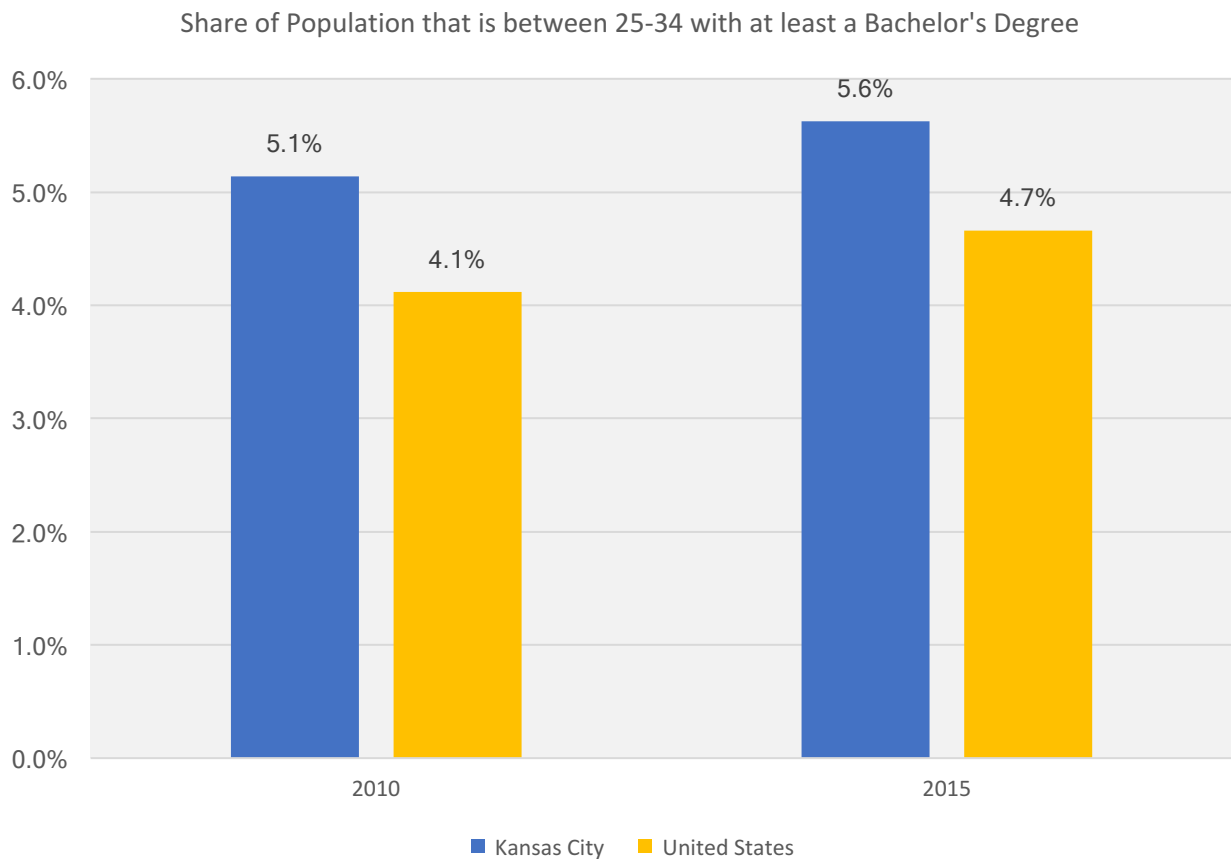




Young and Educated

In today's competitive economy, it is important for metros to grow and attract workforce talent. By looking at the population aged 25-34 with at least a Bachelor's degree we can get an idea of how effective a metro is at supplying a talented workforce.

Kansas City does well in this measure. 5.6 percent of its population fits into this "young and educated" category. Nationally, just 4.7 percent do.



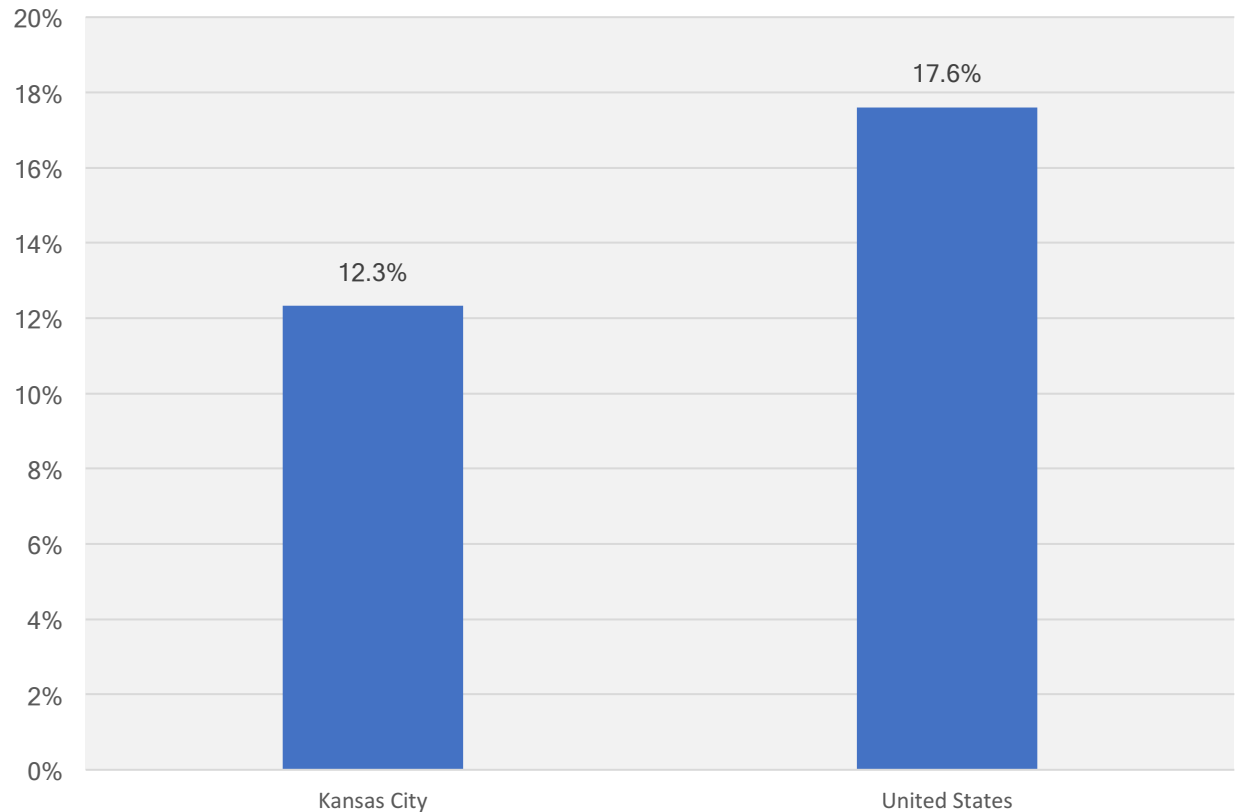


Young and Educated Change

While Kansas City has a higher share of the “young and educated” population, it is not seeing this population grow as fast as the nation as a whole.

Between 2010 and 2015, the population 25 to 34 with at least a Bachelor’s degree grew 12.3 percent. Nationwide, this population grew 17.6 percent.

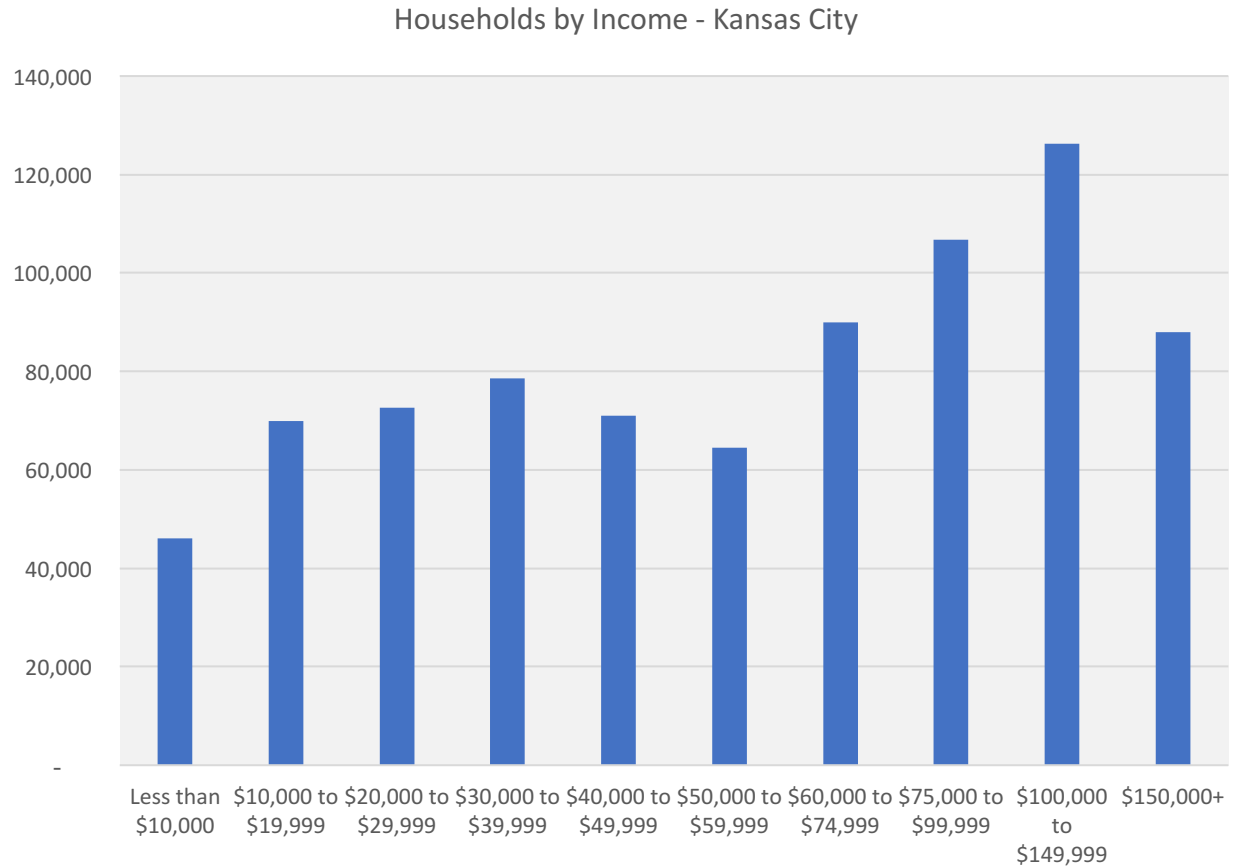
Percent Increase in Population 25-34 with at least a Bachelor's Degree (2010-2015)





Household Income

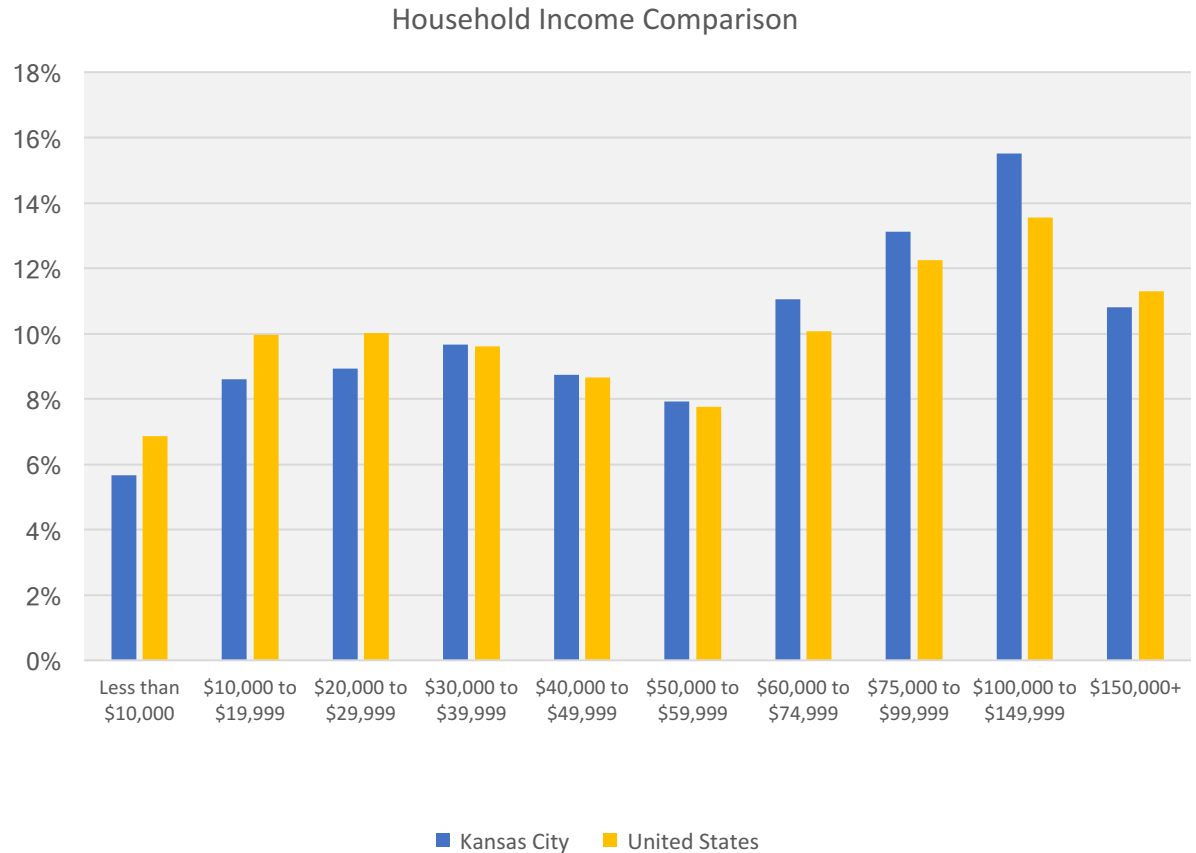
Kansas City's median household income (\$60,502) is higher than the national median (\$55,775). The distribution of households by income is fairly balanced.





Household Income Comparison

The household income distribution in Kansas City closely matches the nation's. Kansas City has a higher share of households between \$60,000 and \$149,999 and a slightly lower share at the \$150,000+ range.



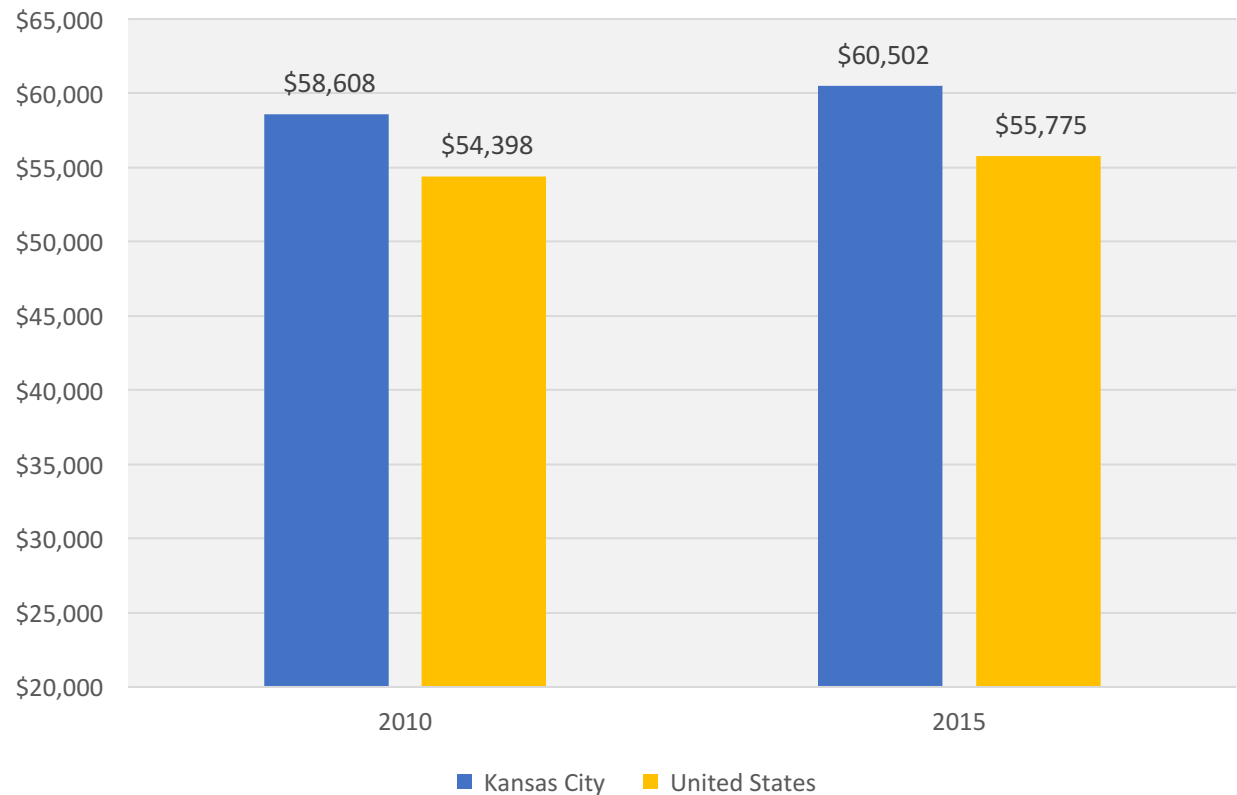


Median Household Income Comparison

Real median household income growth in Kansas City outpaced the nation. In real, inflation adjusted dollars, Kansas City's median household income increased 3.2 percent (\$58,608 to \$60,502).

The national median increased just 2.5 percent.

Median Household Income Comparison in Real (2015) Dollars





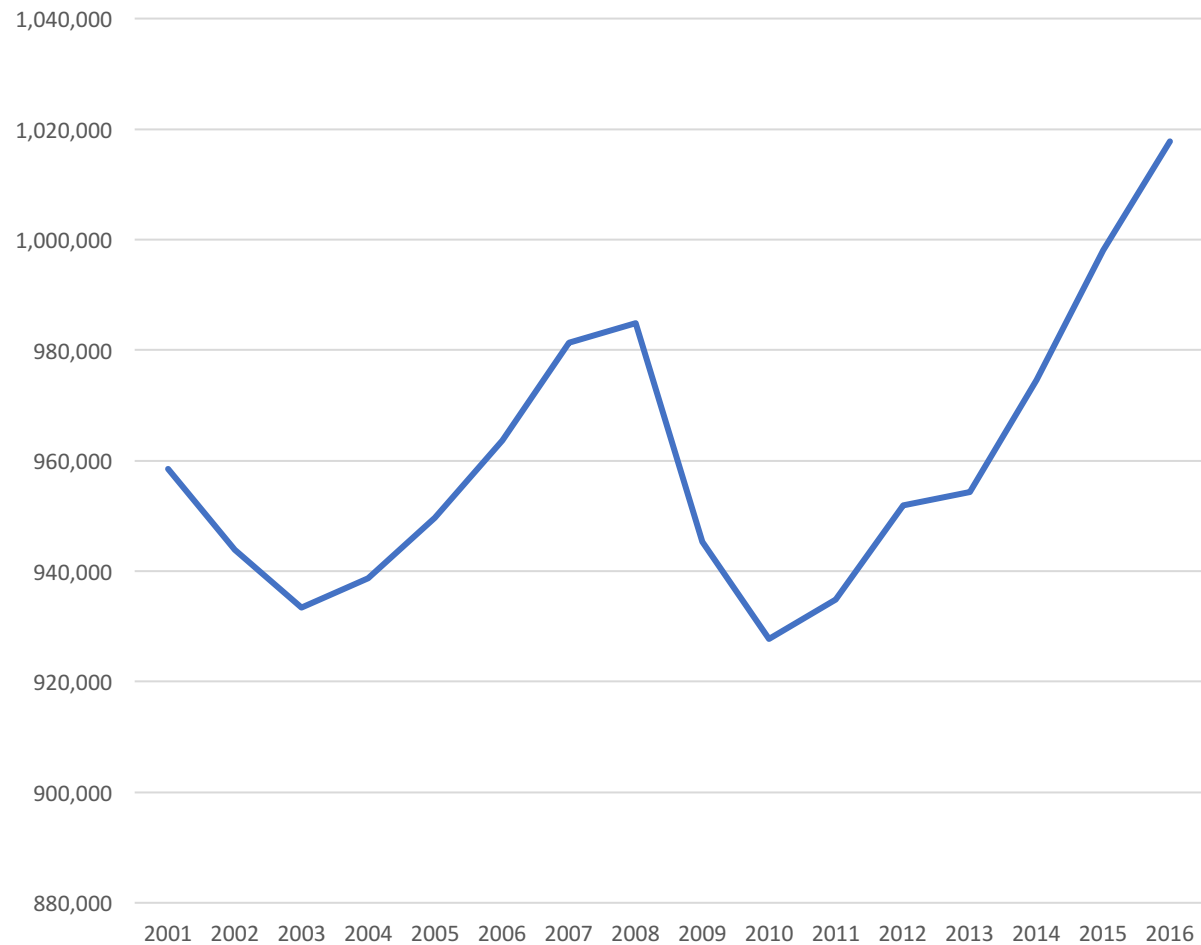
Employment

Metro Kansas City employment stands at 1,017,777.

The effect of the 2001 and 2008 recessions are evident on Kansas City's employment levels.

Kansas City did struggle to add jobs coming out of the Great Recession but employment growth has been solid the last three years.

Total Employment Trend



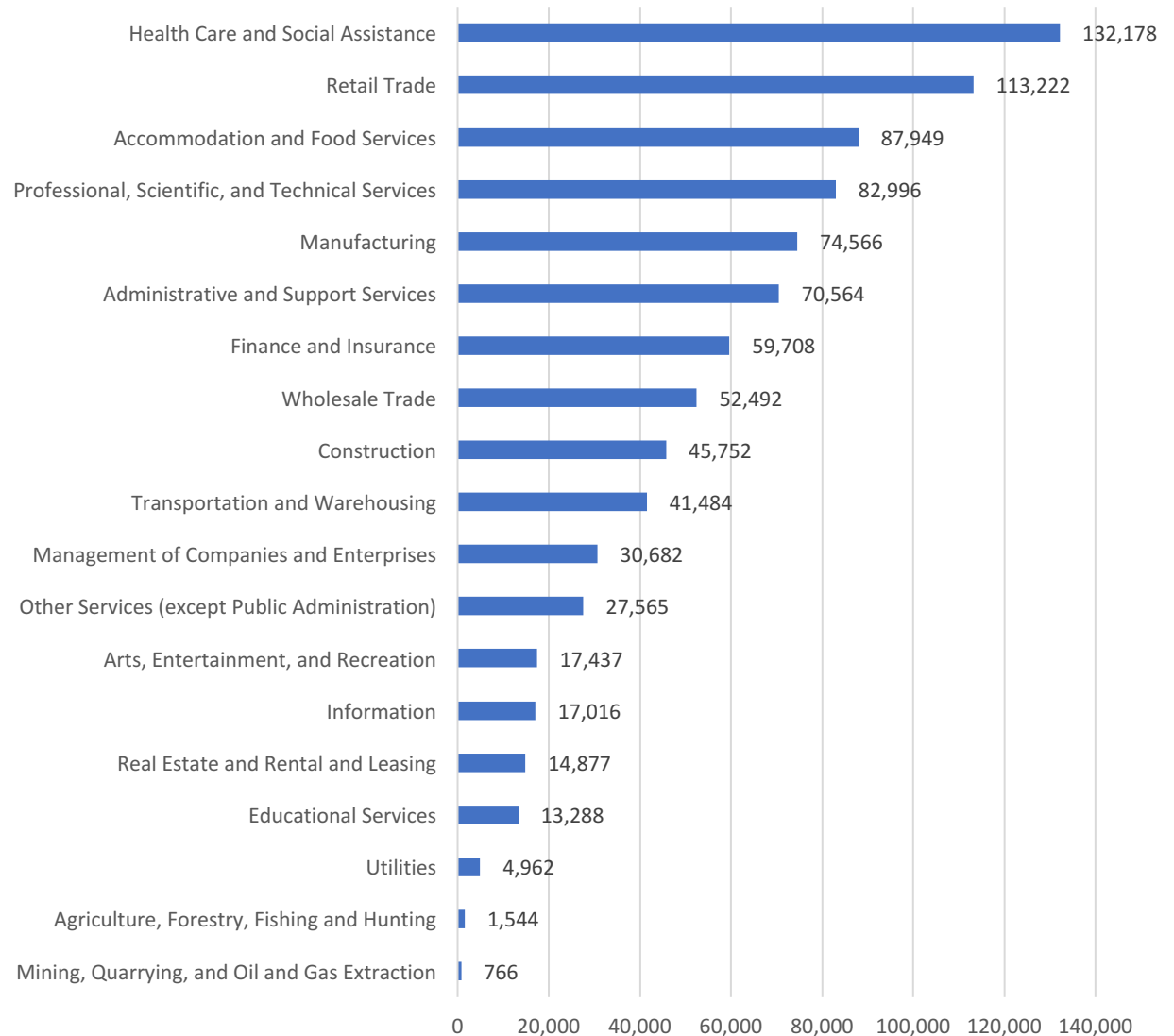


Employment by Industry

Health Care is Kansas City's largest employer with over 130,000 employees.

Retail, Accommodations-Food Service, Professional-Scientific and Technical Services and Manufacturing round out the top 5.

Metro Kansas City Employment by Industry





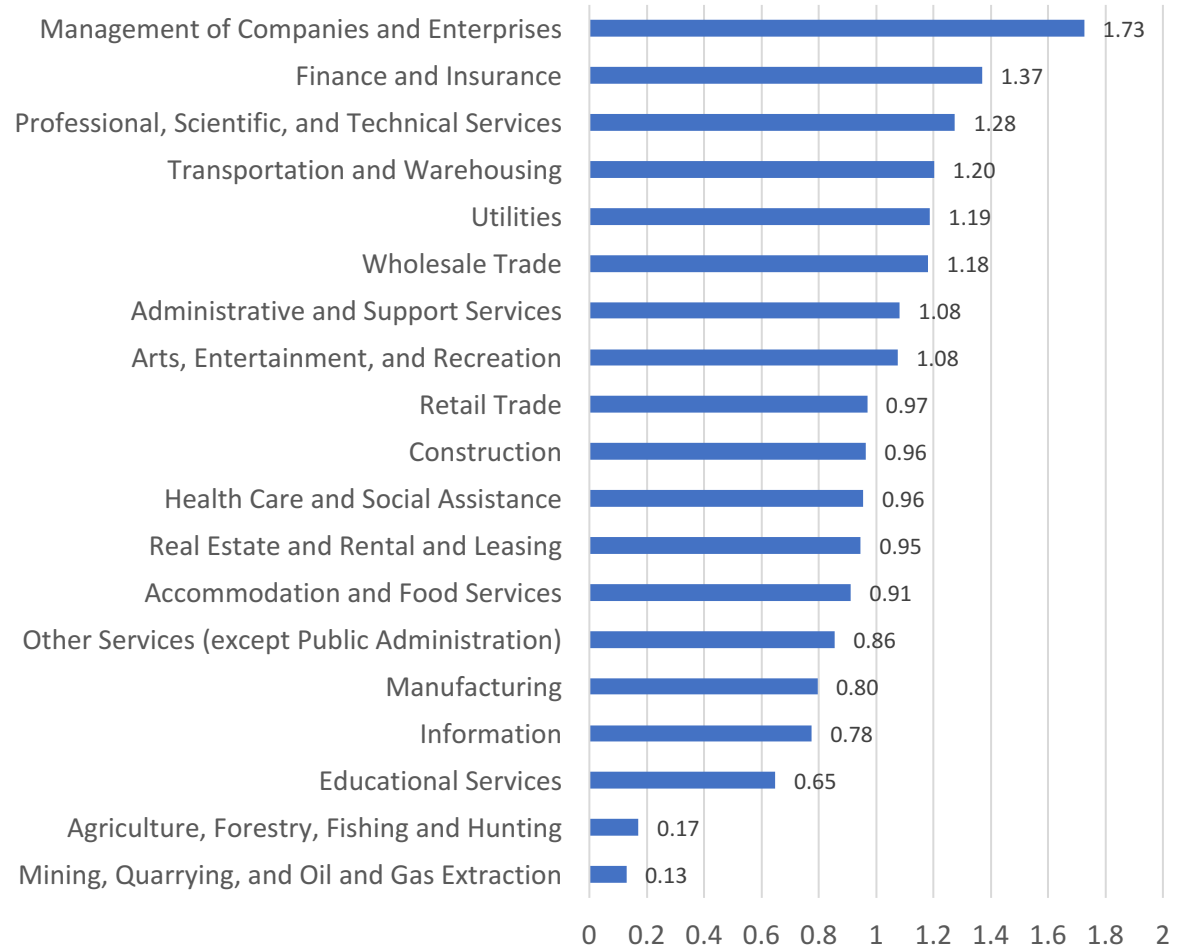
Industry Specializations (Location Quotient)

The location quotient measures the level of specialization a region has in a particular industry. A location quotient around one is normal (the share of employees in this industry is the same locally and nationally). A location well over one indicates an industry the region specializes in.

The Management of Companies and Enterprises industry is mostly holding companies. Kansas City has a high location quotient here, but it is a relatively small industry employment-wise.

Finance and insurance as well as professional-scientific-technical services are key industry strengths for Kansas City. Within professional-scientific-technical services Kansas City really excels at engineering and architecture as well as computer system design.

Kansas City Location Quotient





Employment Trends by Industry

The chart to the right is actually a combination of employment trends in several key industries between 1996 and 2015.

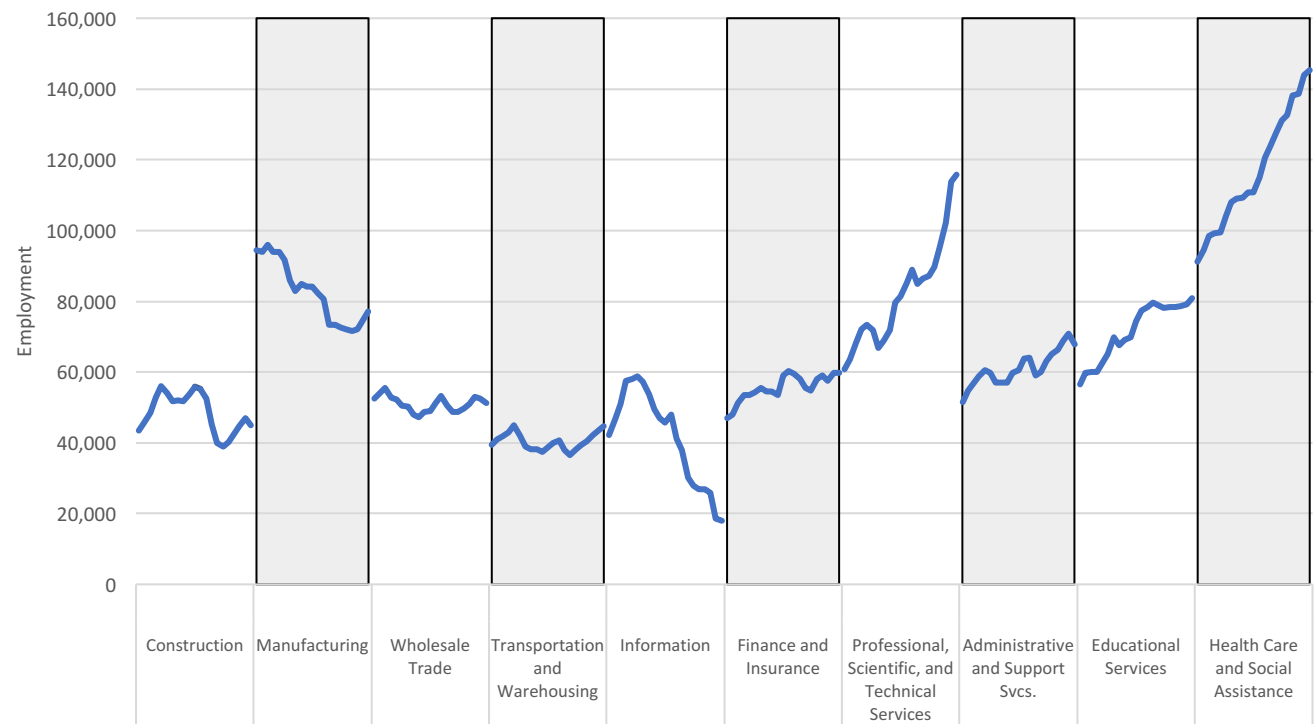
These trends tell an interesting story about the Kansas City economy in recent years.

Towards the middle of the graph we see the employment trend in the information industry. In the late 1990's this industry employed nearly 60,000, but it has declined to less than 20,000 jobs today. This industry, which includes telecommunications and publishing, has struggled due to competition and technology.

Making up for this decline is the professional-scientific-technical services industry. It was roughly the same size as the information industry in the year 2000, but instead of declining, this industry nearly doubled in size.

Health care's rapid growth also stands out, but that is following national trends.

Kansas City MSA Employment by Industry Trends 1996-2016

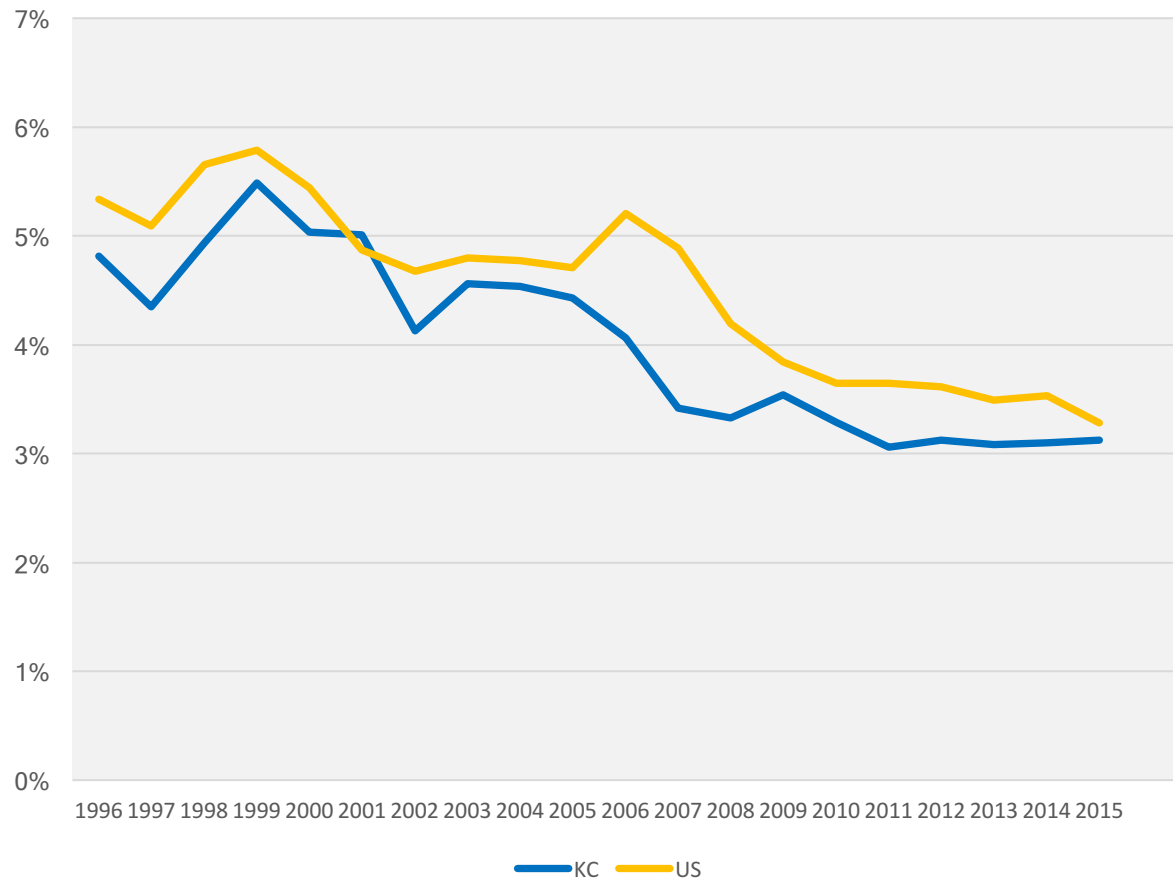




Entrepreneurship

Entrepreneurship is often cited as key to growing a local economy. A way to measure entrepreneurial activity is the number of workers who work at a firm that is less than 1 year old. Somewhat surprisingly, the national trend has been downward from over 5 percent of all workers in the 1990's to nearly 3 percent today. Kansas City has followed this trend.

Share of Employment in Firms Less Than 1 Year Old





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