



### *“PENCIL READY” PROJECTS CREATE SHOVEL READY JOBS RESTORE DESIGN FUNDING IN THE CAPITAL BUDGET*

#### KEY POINTS

- *Pencil Ready Projects create Shovel Ready Jobs*
- *Without design, there is no construction.*
- *Design is a wise investment. Every dollar spent on design supports 10-15 dollars in construction.*
- *Every \$10 million spent on construction results in 285 full-time, family wage jobs.*
- *Funding design now, means that construction projects will be ready in the next biennium, when the more money will be available.*
- *Diversions from the capital budget kills design and construction jobs.*

#### **Past Capital Diversions Hurt our State’s Recovery**

The 2009-2011 Capital Budget dramatically cut spending on design projects compared to previous years. This was due in part to nearly \$1 billion being diverted from creating design and construction jobs to general fund programs. Even with these cuts, design funding was cut disproportionately deep. These transfers and resulting project cuts resulted in job losses in design and construction.

Since July of 2008, Washington has lost over 5,500 design jobs. Even more design professionals have taken significant wage cuts to help keep their firms afloat.

It is time for the state to plan for the future and support “Pencil Ready” projects. The lack of adequate design projects will negatively impact future construction projects.

#### **When Architects Work...The Whole Construction Industry Works**

It begins with the pencil (predesign and design) phase of projects and ends with a healthy economy.

*Put simply, if a project is not designed it cannot be built.* A lack of design projects in the current biennium would threaten to lengthen the recession for design and construction professionals.

#### **Design Projects are Wise Investments.**

Every dollar spent on design supports 10 to 15 dollars in construction. Design costs are generally only about 6-10% of a project’s overall cost. A small investment in design will ensure that there are construction projects ready when state revenues recover; and, we need construction jobs to bring us out of this economic recession and boost state revenues.

The design and construction industry is responsible for \$1 in \$10 of US GDP. Every \$10 million dollars spent on building construction typically requires 160,000 labor hours and creates 285 full-time, family wage jobs. With private sector construction at a standstill, we need the state to protect its public construction dollars and invest them in design and construction jobs.

It takes two to four years to design a new building. If design projects are not funded now, then construction projects will not be ready when revenues rebound. This puts the state at risk for leaving thousands of construction workers idle while projects are in the design phase – resulting in as much as a six year delay in the recovery of the construction industry.

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