

Economy at a Glance

Prepared by Alex Carrick, ConstructConnect® Chief Economist

2020 U.S. mega construction projects & carryover of work into 2021

Due to the blows to the economy last year from coronavirus impacts, undertaking mega-sized construction projects presented owners with riskier decision-making.

The number of big-dollar projects (i.e., of a billion or more each) fell dramatically, to only 11 from 70 in 2019. The number of big footprint projects (i.e., of a million square feet or more), however, stayed about even in 2020 with the year before, at 26.

In this article, we'll look at the nature of 2020's mega projects according to the two definitions and discuss some interesting contrasts. For example, billion-dollar projects, especially when they're in the energy or transit fields, don't necessarily have enclosed flooring of a million square feet.

Nor is it the case that million-square-footage projects run up a billion dollars in capital expenditures. Many ultra-large low-rise structures are fulfilment or data centers that are assembled in the same manner as light industrial or commercial buildings, at a low cost per square footage.

There's a good reason it's important to know about the projects enumerated in accompanying Table 1. They are so massive in scope that while ground may have been broken on them last year, work will be proceeding onsite well into this year, and possibly into 2022 as well. 'Megs' provide a base for jobs, material supply and ancillary services.

2020's mega-sized undertakings according to the billion-dollar definition were dominated by transit, steel mill and



Alex Carrick

motor vehicle projects. In transit, there were high-speed rail systems in Los Angeles and Washington state; in steelmaking, new mills in Texas and Kentucky; and in automotive, a GM electric battery plant in Ohio and a Tesla 'giga-factory for cyber-trucks' in Texas.

The steel capacity expansions are welcome as they'll relieve some of the supply shortages and pricing pressures that have concerned builders recently.

2020's mega-sized 'go-aheads' according to the million-square-footage definition were heavily weighted towards distribution centers, data centers, car plants and stadium projects (the latter being in Missouri and California).

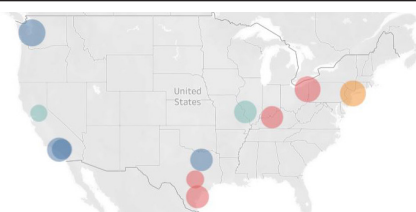
While so many other companies, caught up in the pandemic, have taken a wait and see approach to capital spending commitments, the high-tech giants, with their coffers full of cash, have been considerably bolder.

Amazon in 2020 'green-lighted' vast square-footage projects in Mississippi, Texas and New York.

Google in Nebraska and Facebook in Tennessee launched new data center work.

Wegmans hopped aboard the distribution center shopping cart in Virginia.

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To view the U.S. Mega Starts Tableau Interactive Visual, visit: <https://tabsoft.co/30NKFZp>



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Table 1: U.S. Mega Starts Defined in 2 Ways:

(1) \$1 Billion or More Each = 11 Projects; (2) 1 Million Square Feet or More Each = 26 Projects

11 Projects of \$1 Billion or More Each

Start Date	State	City	Type of Structure	Project Name	\$ Billions
Jan-20	California	Los Angeles	Engineering/Civil	Automated People Mover (APM) Landside Access Modernization Prog, at LAX	\$2.00
★ Apr-20	Missouri	Saint Louis	Institutional	Next NGA West (New Western Headquarters/National Geospatial Intelligence Agency)	\$1.75
★ May-20	Texas	Taft	Industrial	Steel Dynamics Steel Mill / Sinton	\$1.00
★ May-20	Washington	Federal Way	Engineering/Civil	Federal Way Link Extension (FWLE) Design Build	\$2.50
★ Jul-20	California	San Dimas (east L.A.)	Engineering/Civil	Foothill Gold Line Light Rail Extension - Glendora to Montclair	\$1.40
★ Aug-20	Ohio	Warren (near Akron)	Industrial	Ultium Cells Manufacturing Campus (batteries for electric vehicles) GM	\$2.30
★ Sep-20	Texas	Austin	Industrial	Tesla Cybertruck Gigafactory - Austin	\$1.10
★ Sep-20	California	Sacramento	Institutional	Richards Boulevard State of California Office Complex	\$1.00
★ Oct-20	Kentucky	Brandenburg	Industrial	Nucor Corporation Manufacturing Mill (Steel)	\$1.70
★ Nov-20	New York	New York	Commercial	One Madison Avenue Office Addition	\$2.30
Nov-20	Texas	Dallas	Engineering/Civil	I-635 LBJ East Section	\$1.74

26 Projects of a Million Square Feet or More Each

Start Date	State	City	Type of Structure	Project Name	Sq Ft Millions
Jan-20	Maryland	Bethesda	Institutional	P114 Medical Center Addition/Alterations at Naval Support Activity, Bethesda	1.0
Jan-20	Tennessee	Memphis	Industrial	Project Iris, Seefried Industrial Properties	4.2
Jan-20	Mississippi	Olive Branch	Industrial	Amazon Fulfillment Center, Legacy Park, Hillwood Investments	1.0
Feb-20	Nebraska	Omaha	Commercial	Project Wizard - Google Data Center / Omaha	2.5
Feb-20	Washington	Bellevue	Commercial	555 108th Avenue Office Tower	1.0
Apr-20	New York	Bayberry	Industrial	Project Eagle Distribution Facility / Clay (thought to be for Amazon)	3.8
Apr-20	Illinois	Chicago	Commercial	Salesforce Tower Chicago (Wolf Point South Tower)	1.5
★ Apr-20	Missouri	Saint Louis	Institutional	Next NGA West (New Western Headquarters/National Geospatial Intelligence Agency)	1.9
★ Apr-20	Texas	Pflugerville	Industrial	Amazon Fulfillment Center - Project Charm / Pflugerville	3.8
★ May-20	Texas	Taft	Industrial	Steel Dynamics Steel Mill / Sinton	1.0
Jun-20	New York	Liverpool	Industrial	Amazon Distribution Center - Liverpool	3.7
Jun-20	Texas	Richmond	Industrial	Project Miriam - Amazon Fulfillment Center	3.4
Jul-20	North Carolina	Durham	Residential	Alta Davis	1.1
Jul-20	Indiana	Lafayette	Industrial	Subaru of Indiana Automotive Expansion / Lafayette	1.0
Jul-20	Missouri	Saint Louis	Commercial	Major League Soccer Stadium / Saint Louis	1.0
★ Aug-20	Ohio	Warren (near Akron)	Industrial	Ultium Cells Manufacturing Campus (batteries for electric vehicles) GM	2.8
★ Aug-20	Tennessee	Gallatin (NE of Nashville)	Commercial	Project Woolhawk / Facebook Data Center	1.0
★ Aug-20	California	San Diego	Commercial	San Diego State University (SDSU) Aztec Stadium	1.0
★ Sep-20	Texas	Austin	Industrial	Tesla Cybertruck Gigafactory - Austin	4.0
★ Sep-20	California	Sacramento	Institutional	Richards Boulevard State of California Office Complex	1.5
★ Oct-20	Virginia	Beaverdam	Industrial	Wegmans Virginia Headquarters & Distribution Center	1.1
★ Oct-20	Kentucky	Brandenburg	Industrial	Nucor Corporation Manufacturing Mill (Steel)	1.5
★ Oct-20	Texas	San Antonio	Industrial	Project Star / Fulfillment Center, Seefried Industrial Properties	3.8
Nov-20	Tennessee	Gallatin (NE of Nashville)	Commercial	Gallatin Industrial Data Center	1.0
Nov-20	California	Visalia	Industrial	Visalia Logistics Center / Warehouse	1.3
Dec-20	New York	Brooklyn	Residential	625 Fulton Street Mixed-use	1.8

Indicates project appears in both listings. The importance of these projects is that while they may have been initiated last year, onsite work will be continuing in 2021 and perhaps beyond.

Data source and table: ConstructConnect — CanaData.