

**YOUR COLLEGIATE SPORT EXPERTS**

**RIDER LEVETT BUCKNALL**

*At Rider Levett Bucknall (RLB), our approach allows us to deliver successful outcomes to property and construction projects by tailoring our services to match client goals and needs. Our team specializes in creating, evaluating, and managing project controls that address the critical issues of time, cost, scope, and quality in the built environment.*

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**COLLEGIATE SPORT OUTLOOK THINGS TO WATCH OUT FOR**



**LABOR & MATERIALS**

With the construction unemployment rate at 3.4%<sup>1</sup> many contractors are struggling to find enough workers in a market where demand for construction outpaces the availability of the workforce. In one of the most challenging work environments, sports construction demands experienced skilled labor, and finding the right team is vital to project success. Finding that right team requires an understanding of your local market, including knowing how 'hot' or slow the local construction market is and thoroughly vetting your contractor and subcontractor pools.

Lead times continue to be a moving target, particularly for site selection and those trades that are driving collegiate sport facility schedules and costs (pre-cast concrete, major mechanical and electrical equipment, structural steel) and thought needs to be given to alternative procurement approaches such as bulk-buying, pre-purchasing and early-release packages.



**STATE OF THE MARKET**

The latest Architectural Billings Index<sup>2</sup> is 53.3, having bounced back from a three-month decline. A score above 50 still indicates moderately strong conditions overall. The ABC Construction Backlog Indicator<sup>3</sup> showed a slight decline following its peak in May 2022. There is waning confidence in the industry amid fears of a recession and rising borrowing costs, which may lead to a slowing of construction activity generally. This could mean further improvement in supply chain bottlenecks and an easing of commodity prices and materials escalation. While we expect inflation rates to level off from their all-time highs, we anticipate a slow process. With the current state of collegiate sports and many universities choosing to realign their conferences, current facilities may not align or compare with their new competition.

<sup>1</sup> Bureau of Labor Statistics  
<sup>2</sup> American Institute of Architects  
<sup>3</sup> Associated Builders and Contractors



**TRENDING**

With declining attendance it may be time to think about right-sizing facilities, creating flexible multipurpose venues, and incorporating new-age amenities to maximize the fan and student athlete experience alike. Often, collegiate sports facilities are competing for the spotlight as they see conflicting interests in terms of need, want, cost, schedule, and return on investment. Stakeholder management is key: those who may not want to pay for it, advocates who may not be able to afford it, and public perception – among others. Strategies need to be priced and analyzed in detail to provide a full lifecycle picture to inform decision making.

Smaller, more flexible sports facilities are becoming a trend, as they lend themselves well to multipurpose use, allowing the owner or institution to maximize the potential of their investment, and enhance public perception as a greater benefit to the community.





**350**

Member Schools  
in the NCAA



**-6.5%**

YOY change in average  
NCAA Football  
Subdivision Attendance



**\$3.5B**

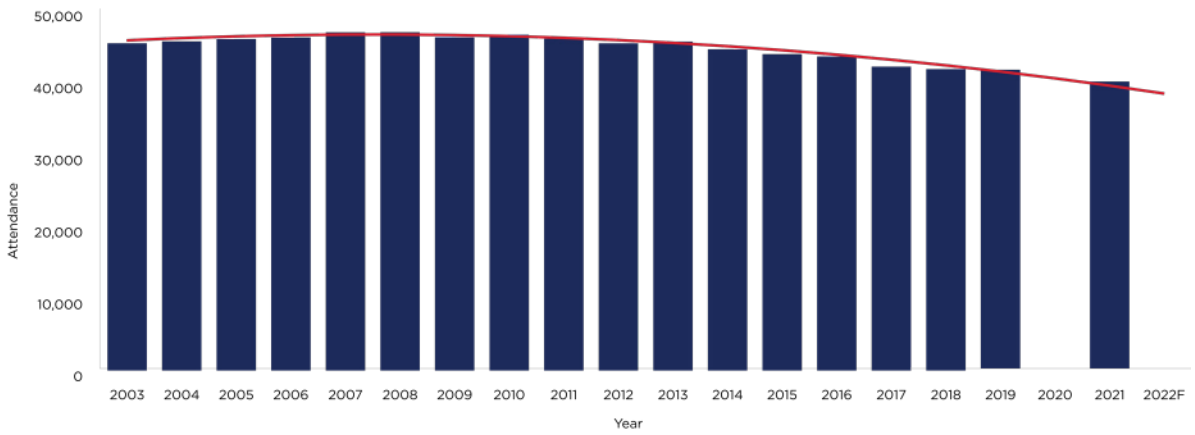
The annual shared  
revenues of  
Division I institutions

## NCAA GAME ATTENDANCE



### ABOUT THE CHART

This chart represents the average from all schools of football game attendance of NCAA games since 2003.



### WHAT THIS MEANS FOR COLLEGIATE SPORTS

If NCAA game attendance continues on its current downward trend, then facility owners and institutions will need to move forward with the understanding that it is vital to the success of their facilities to tailor or right-size their facilities, aligning them with their goals and aspirations, and - most importantly - optimizing them for fan experience.

The condition of the facilities has a direct correlation to a student's desire to play for your school or attend your college. What amenities does your facility have that invites the next generation to attend? How can you value engineer your budgets to align with those goals? What small parts of your project - that may contribute to its ultimate success - are being overlooked?

### SPORTS CONSTRUCTION COST DRIVERS

**8.28%**

National YOY Escalation Rate

SELECT MATERIALS	APPROX. YOY FROM Q3 2022
Structural Steel	▲ 3.2%
Aluminum	▼ -1.7%
Glass	▲ 11.3%
Pre-cast Concrete	▲ 15.7%
Copper	▼ -5.6%
Diesel	▲ 53.8%

