



Goal 6: Economic Vitality

Desired Community Condition: The economy is vital, prosperous and consistent with local and regional resources.



Indicator: Value of New Commercial Building Permits

Progress Rating: Local Trend: POSITIVE National Comparison: NOT APPLICABLE

Indicator Description

This indicator tracks the value of new commercial building construction in the City of Albuquerque. Building permits are required for most construction within the City. State of New Mexico, Federal government projects, and road construction are excluded. The commercial building construction values indicate how much new commercial construction is occurring. Since the indicator does not take into account buildings that are vacated or demolished, some of this construction could be replacement rather than growth. The numbers are shown in total dollars (nominal) and in dollars adjusted by the consumer price index for all urban consumers (CPI-U) to offset the effects of inflation/deflation over time.

Why is this indicator important?

New commercial construction indicates the infrastructure/facilities being built for business and as such gives an indication of growth in businesses and the expansion of the economy. It also provides an indirect measure of job creation since construction activity creates jobs. It does not take into account vacancy rates or the movement from an older building into a newer building which creates unused capacity in the economy.

Data Sources

City of Albuquerque Planning Department

What can we tell from the data?

- The value of new commercial construction has decreased since 2000, but remains above levels in the early 1990s, reflecting that the mid 1990s was a boom period that was not sustainable. Still, there is a positive trend line in nominal and constant dollars.
- Commercial construction peaked in the mid 1990s. At this time there were a number of large projects including a large mall, and large office and industrial development in the north I-25 corridor.

New Commercial Building Permit Values

Year	CPI-U	Value of New Construction	Value Deflated by CPI-U
1990	130.7	53,816,023	41,175,228
1991	136.2	52,622,778	38,636,401
1992	140.3	37,265,595	26,561,365
1993	144.5	53,336,759	36,911,252
1994	148.2	70,568,139	47,616,828
1995	152.4	142,951,772	93,800,375
1996	156.9	114,339,764	72,874,292
1997	160.5	118,163,223	73,621,946
1998	163.0	113,526,149	69,647,944
1999	166.6	88,001,238	52,821,872
2000	172.2	133,827,520	77,720,091
2001	177.1	113,624,767	64,170,614
2002	179.9	91,737,800	51,005,588
2003	183.9	95,001,967	51,648,856

New Commercial Construction Permit Values in City of Albuquerque

