



November 13, 2009

AIA Minnesota Converges Viewpoints from the Minnesota State Economist with the 2010 AIA National President to Present an Outlook for the Architecture Profession in Minnesota

Tom Stinson, Minnesota's Economist, spoke first at the AIA Minnesota's Member Congress address on Tuesday, November 10 to a crowd of 250 AIA Minnesota members. There were charts, graphs, analyses, historical perspectives, all aimed at painting an accurate picture of the past and a realistic projection for the future. "It is sure to be a long, slow recovery," said Stinson. "It will take us through 2011 to get back to 2008."

The membership was appreciative of the analysis, even if the charts and Stinson's comments reflected more hardship ahead. "By 2010, Minnesota will have lost 130,000 jobs," Stinson noted. He cited the obvious reasons for a slower recovery in terms of employment including fuller use of existing workforce prior to hiring new workers, discouraged workers returning to their job search and companies hiring more temporary workers and taking longer to staff them up to full time. He also noted that interest rates will increase, past excess in production capacity will limit need for new business equipment, exports demands are unlikely to surge in the short-term, and loss of wealth and retirement will slow pent-up demands, all leading toward a longer recovery.

In terms of housing, Stinson said that the housing decline has been worse in Minnesota than nationally thus far, although Minnesota is hoping for a little faster recovery. The U.S. housing starts numbers for 2009 are the lowest since WWII, and those for 2010 are expected to be the second worst. When trying to compare how Minnesota might fare Stinson said, "We don't have data going that far back for Minnesota. But, we believe that while on a percentage basis the numbers will look better, when compared to 2004 or 2005, housing activity will appear pretty anemic."

The message Stinson left the audience with was that the recession is almost certainly over, stating, "When the recession is all said and done more than 8 million job will have been lost. To recover, 150,000 jobs will need to be added nationally per month just to stay even with the unemployment rate." Currently the number of jobs lost per month is declining however, Minnesota has 2.5% less jobs compared to a national average of 1%. Citing also that construction employment has been weak since 2006 and Minnesota manufacturing has fallen to less than the U.S. average, there are challenges specific to Minnesota that must be addressed in our own state's recovery.

Next to address the members was George Miller, FAIA, incoming AIA National President. He built on Stinson's message about the state and the economy by adding a national perspective on the profession and encouraged members to tighten their belts, "this is a most serious and difficult time for practicing architects."

His message stressed the importance of continuing to attract and educate amazingly talented architects and working with other professions and systems to improve our outlook. Some sobering



facts included the nearly 5,000 architecture graduate students all looking for work with little success. Miller noted, "It's so unfortunate that students with great talent can't find opportunities anywhere." He also said that the national leadership is doing everything they can and that architects alone can't make it happen. He suggested looking to influence and connect with building, banking and loaning industries and their systems and policies to better the situation.

Miller specifically stated AIA national efforts in these areas:

Rebuild and Renew program with the national government

Connecting to government agencies, specifically with the U.S. Department of Housing and Urban Development and the Environmental Protection Agency

Helping small businesses by loosening credit markets to help architects keep their offices

Member help through dues payment plan

Increasing the effort to connect members virtually (Job Bank)

He highlighted a few AIA Minnesota efforts he was aware of that could be shared nationally: creating a task force for recovery, and the Members in Transition group activities.

On the heels of the AIA National Strategic Plan with 2010 goals now in place, Miller said that unlike the past, this plan asked members for input and incorporated their feedback. A few key points he mentioned about the plan included its flexibility in allowing for state and local components to tie into national initiatives and its focus on Design Matters. He further described Design Matters as talking about how design can impact and effect everyone's lives and architects as problem seekers and solvers, are at the heart of it bringing beauty and functionality to design. Some ideas for this outreach where bringing a public interest story like America's Favorite Architecture back and creating "Architecture Now" as a national display of non-juried work by architects.

The plan's goals are to increase the value of the organization to the member, advocate on behalf of the member, strengthen community knowledge and create One AIA for a dialogue of sharing information for all walks of life and practices. Miller said they are currently developing an operating plan for the strategic plan that responds to the issues of the downturn, developing technology to increase virtual face-to-face communications, considering alternatives to contract documents (currently one third of AIA's income) and maintaining the quality of continuing education programs (responding to NCARB's claim that HSW is not as valid as it should be).

Miller also touched on Thought Leadership as a means to support emerging architects, pair AIA with experts outside of AIA, citing Dick Jackson with the Blandin Foundation as a model pairing of architecture and health; and teach school-age kids about architecture - not only to become architects, but get them thinking about hiring one in the future. Setting these ideas in motion will help "elevate the voice of architects across the country," Miller said.

In summarizing, Miller referred to the AIA's roots and that coming together is born in challenging times, much like those experienced by AIA's 12 founders, and noting that the group's first president, Richard Upjohn, FAIA, advised not to waste a good crisis. And on a futuristic, optimistic note, Miller closed by encouraging members to create a new client base and inspiring them with, "It may not seem this way today, but we will need more architects in the future."