

INTRODUCTION: BUILDING CAPACITY FOR THE NEXT GENERATION OF CONSTRUCTION

- Message From the Author
- Acknowledgements
- The Opportunity Ahead
- The Workforce Challenge
- The Untapped Capacity

MESSAGE FROM THE AUTHOR

What initially began as a project to shine light on MWBE certification quickly evolved into something much larger. Early in my research, I discovered that while there was an abundance of information about certification, financing, workforce development, and contracting, there was not a single St. Louis-based resource that brought these pieces together. Very quickly, through conversations with leaders across the St. Louis construction industry, it became clear to me that this resource is necessary.

Throughout the development of this toolkit, I had the privilege of interviewing developers, general contractors, bankers, insurers, economic development leaders, and community advocates who work in this space every day. While each perspective was unique, a common theme consistently emerged: St. Louis lacks the capacity to meet the emerging construction opportunities. Luckily for St. Louis, there is an overwhelming number of businesses that go underutilized every year.

The Minority and Women Business Enterprise (MWBE) program was established to address longstanding disparities in access to development opportunities and create a more equitable marketplace. Yet, decades later, disparities still exist. The 2024 City of St. Louis Disparity Study found that although qualified MWBE firms represent a significant portion of the available construction market, they continue to receive a disproportionately smaller share of construction work. Moreover, the construction workforce does not reflect the diversity of the St. Louis region.

The timing for this work could not be more important. Despite current federal and state governments threatening the status of the MWBE program, the truth remains that over the next decade, the St. Louis region is expected to see more than \$100 billion in construction investment yet does not currently engage the appropriate amount of labor to meet such demand. The industry faces an aging workforce and labor shortages. By expanding contractor capacity and investing in small MWBE businesses, St. Louis can strengthen its construction ecosystem while ensuring that more businesses are prepared to compete successfully.

This toolkit was created to serve as a practical guide for navigating the convoluted construction process. My hope is that the following pages offer practical guidance, resources, and a starting point for a stronger, more vibrant St. Louis. The goal is not to increase participation through imposed checkboxes, but rather, to advocate for an inclusive, more competitive construction industry that benefits businesses, communities, and the future of the St. Louis region.

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ACKNOWLEDGEMENTS

This toolkit would not have been possible without the time, expertise, and generosity of the many professionals who shared their experiences and perspectives throughout its development. Their willingness to discuss the challenges, opportunities, and future of commercial construction in St. Louis helped shape the recommendations and best practices presented in this guide.

Thank you for your commitment to strengthening our region's construction industry and for investing in the next generation of contractors and businesses.

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- Stephen Westbrooks – St. Louis Development Corporation (SLDC)

This toolkit reflects the collective insight of professionals representing economic development, commercial construction, banking, insurance, workforce development, and community leadership across the St. Louis region.

THE OPPORTUNITY AHEAD

UNPRECEDENTED TIME FOR GROWTH IN ST. LOUIS CONSTRUCTION

St. Louis is entering one of the most **significant** periods of commercial construction investment in its history. Over the next five to ten years, more than \$100 billion is expected to be invested in major projects across the region, including the expansion of St. Louis Lambert International Airport, data centers, healthcare facilities, housing, mixed-use developments, and commercial redevelopment.

Meeting this demand requires a committed investment in strengthening and expanding the St. Louis construction industry

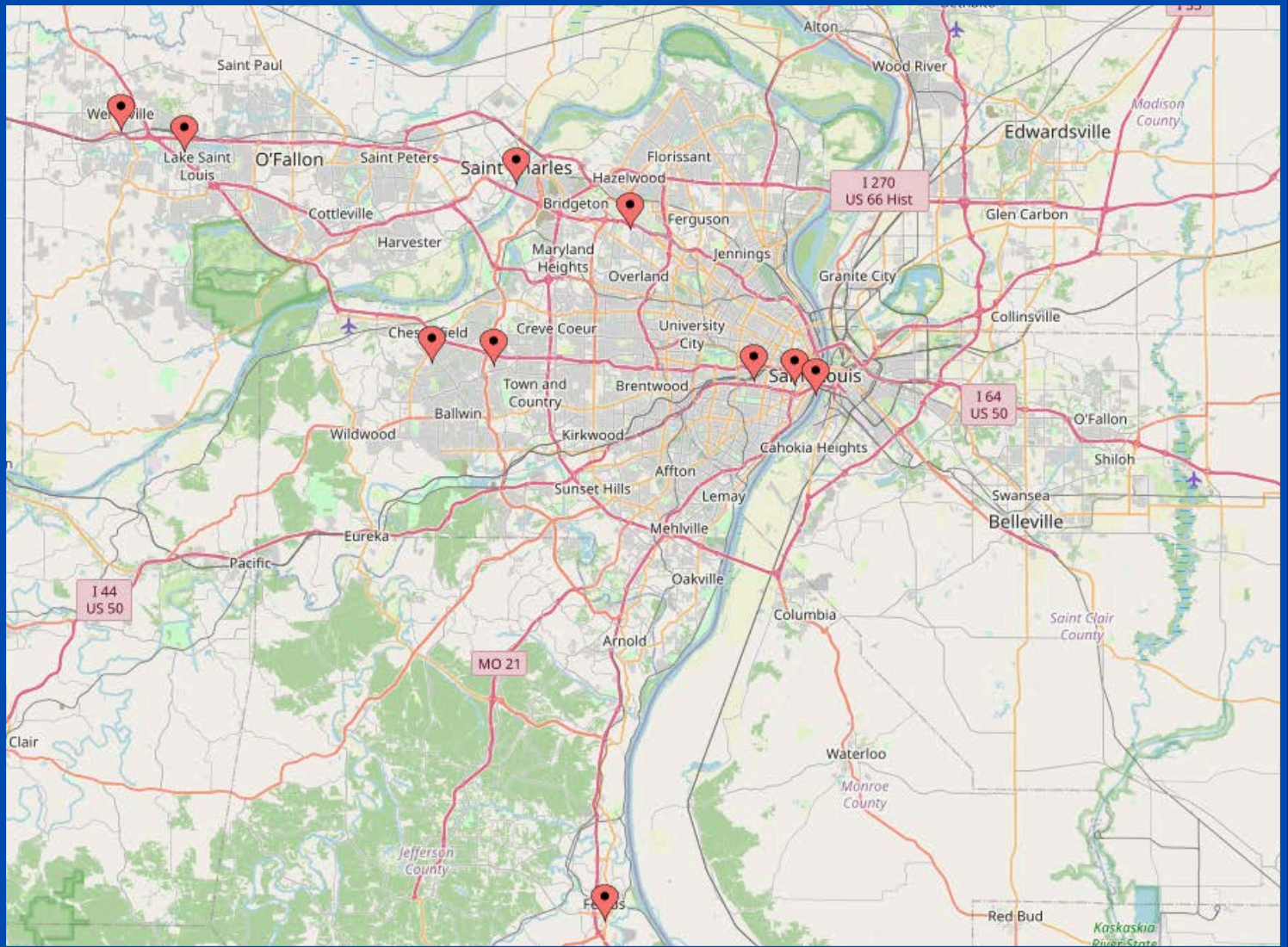
**\$100+
BILLION**

**PLANNED
CONSTRUCTION
INVESTMENT ACROSS
THE STL REGION**

**BUT DOES ST. LOUIS HAVE
THE WORKFORCE
CAPACITY TO MEET THE
DEMAND?**



THE OPPORTUNITY AHEAD



All project locations are approximate. Investment values are estimates based on publicly available information and industry reports



\$1.8B

BOEING
EXPANSION



\$3B

STL LAMBERT AIRPORT
TERMINAL EXPANSION



\$2B

CHESTERFIELD MALL
EXPANSION

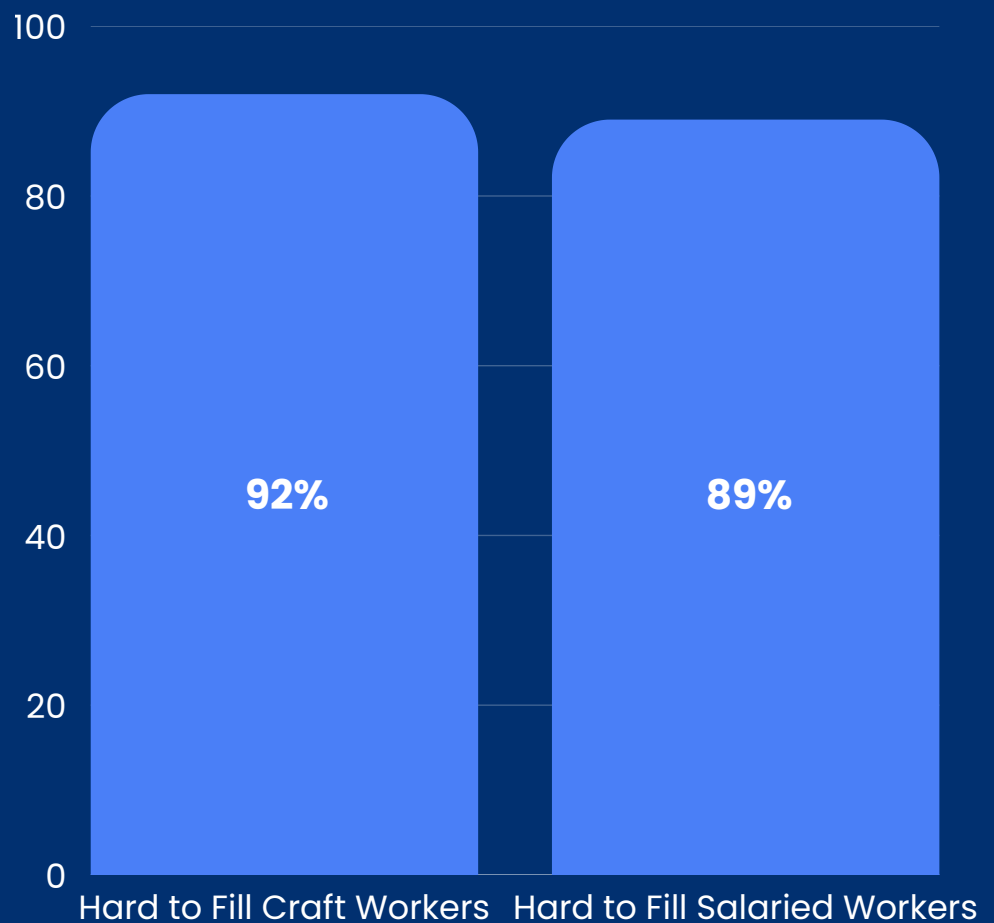
STL 2030 PROGRESS

THE WORKFORCE CHALLENGE

St. Louis' growing construction pipeline will require a larger and more skilled workforce, yet the industry is already facing labor shortages, an aging workforce, and difficulty attracting younger workers into the trades. Nationally, the construction industry is estimated to need at least **349,000** additional workers in 2026 simply to keep labor supply aligned with demand.

% of Firms in MO Surveyed by the AGCMO

In Missouri, 92% of firms surveyed by the Associated General Contractors of America, say they are having a hard time filling positions



"Missouri contractors are ready to build and many plan to hire, but workforce shortages are still the biggest constraint on growth"

*-Len Toenjes,
President of the Associated General
Contractors of Missouri, AGCMO.org*

THE UNTAPPED CAPACITY

UNTAPPED CAPACITY: INTRODUCTION

The purpose of this document, which we refer to as a “toolkit,” is to provide owners, developers, general contractors, municipalities, and Minority and Women-Owned Business Enterprises (MWBEs) with a practical guide for increasing capacity in the construction industry throughout the St. Louis region. While many organizations and public agencies have established participation goals and certification programs for Minority and Women-Owned Business Enterprises, navigating the development process is challenging for firms that are unfamiliar with the industry norms, terminology, and requirements.

This toolkit is intended for current or aspiring MWBE contractors, subcontractors, suppliers, consultants, and business owners seeking to understand how development projects progress from inception to completion and how to participate in the construction of upcoming projects. It also serves as a resource for owners, developers and general contractors committed to supporting MWBE participation.

GOAL

Rather than focusing on a single element, this guide outlines the broader development process. It identifies the major stakeholders at each stage and highlights opportunities for growing and strengthening the broader construction industry

The goal is to shine a light on the complex nature of development. Additionally, it is intended to equip St. Louis firms with the resources and knowledge needed to sustain successful businesses in the construction industry.



MISSION

To promote meaningful participation of Minority and Women Owned Business Enterprises in the construction industry by fostering relationships, expanding knowledge, and promoting access to opportunities that strengthen a diverse construction and economic ecosystem in the St. Louis Region.

VISION

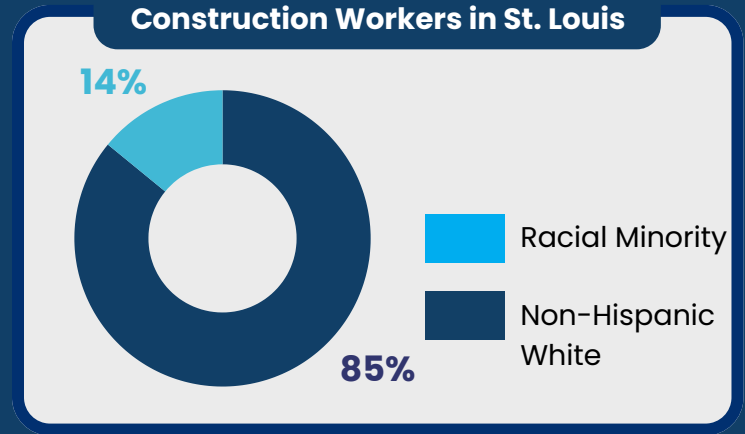
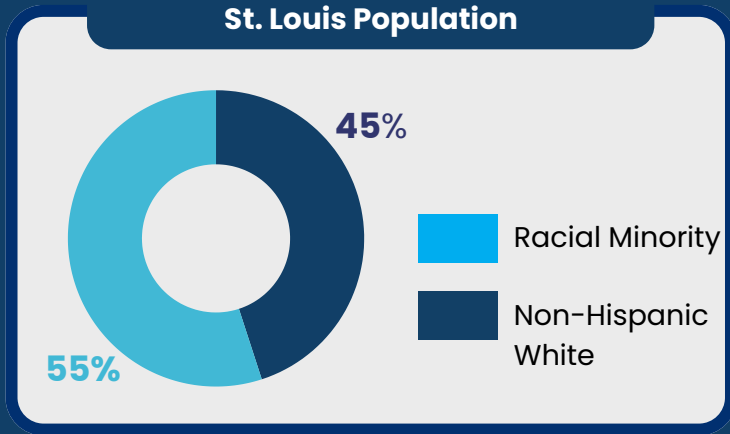
A strong St. Louis construction industry where qualified businesses of all sizes and backgrounds have equitable opportunities to compete and contribute to the region's economic development



THE OPPORTUNITY GAP

BY THE NUMBERS

The workforce does not reflect the diversity of the St. Louis region



Qualified MWBE firms represent nearly 1/3 of available firms but received only 1/5 of available construction contract dollars

MWBE UTILIZATION

30%

Qualified MWBE Firms Available

20%

Only Awarded Contract \$

Room for increasing minority workforce utilization

19.4%

Current Minority Workforce
Hours on City Projects

25%

Typical Utilization Goal Per
City Availability