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### Pennsylvania Real-Time News

# Coronavirus brings Pennsylvania's construction industry to a near standstill



The Flats at Factory Square at the former Carlisle Tire and Wheel plant. April 1, 2020. Dan Gleiter | dgleiter@pennlive.com

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The sudden shutdown of the construction industry has led to layoffs across Pennsylvania. Some projects have been halted in the middle of construction and some future projects are being put on hold.

Construction companies are losing income and municipalities are bracing for a delay of future tax money. And the pandemic has generated discussions about how to keep workers safe and whether they should even be working at all.





# Package Tracking



For most construction projects in central Pennsylvania, work has stopped.

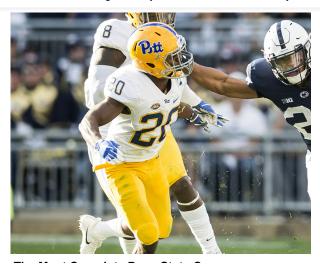
• **READ MORE:** These construction projects in central Pa. have been affected by the coronavirus shutdown

On March 20, Gov. Tom Wolf ordered all non-life sustaining businesses to close physical locations in Pennsylvania, and construction was banned in virtually every category. That order was later modified. Construction is now able to continue only for emergency repairs as well as for the construction of health care facilities and for a select few companies that have been able to obtain a waiver.

"Pennsylvania is the only state to shut down all active public and private construction sites," Pennsylvania Speaker of the House Mike Turzai (R-Allegheny County) said in a memo to House members last week. He's pushing legislation to get construction companies working.

There are thousands of workers in the construction industry, both in Pennsylvania and also in the Harrisburg-Carlisle region. More than 230,000 people in Pennsylvania work in the construction industry, including 11,050 managers, according to the U.S. Bureau of Labor Statistics.





In the Harrisburg-Carlisle region about 8,790 workers, including 490 managers, work in the construction industry, which is a little less than three percent of workers in this area.

• READ MORE: These construction projects in central Pa. have been affected by the coronavirus shutdown



Construction in Legacy Park in Mechanicsburg has been halted due to coronavirus fears. April 1, 2020. Joe Hermitt | ihermitt@pennlive.com



Jon O'Brien, the executive director of the Keystone Contractors Association in Lemoyne, which represents commercial construction companies, said when Wolf ordered construction companies to cease activity on March 19 until March 22, companies and trade organizations were lobbying Wolf to make construction a life-sustaining industry.

"The plan was to bombard state government," he said.

But last Sunday night into Monday, those plans changed as industry leaders and representatives from both management and labor took a step back to ask if they should really be lobbying for a reversal, O'Brien said. He added it is definitely a struggle in the industry on whether to immediately go back to work or not.

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In the meantime, O'Brien said that the General Contractors Association of Pennsylvania and other groups have created guidelines designed to assist construction projects with implementing an effective coronavirus response plan for their job sites.

And while some companies are able to work on heath-related construction projects, that doesn't mean that all those projects are continuing. O'Brien said not everyone is in favor of going back to work near a hospital, adding that he had heard of an incident where an entire team of subcontractors didn't show up, causing the project to shut down.

In other cases, where inspectors are needed, they aren't always showing up either, O'Brien said.

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A Homewood Suites by Hilton hotel is being constructed on Carlisle Springs Road at the former IAC/Masland plant site in Carlisle. April 1, 2020. Dan Gleiter | dgleiter@pennlive.com

## What have construction companies decided to do?

One construction company in Susquehanna Township that is able to work took a step back to look at the big picture.

Paul Williams, president of A.P. Williams, said his company shut down all field operations after Wolf's order.

"We got the same order everyone else did," he said. "When we got that order -basically all construction needed to shut down."

But a day later, the administration gave a green light to construction companies working on health-related projects, meaning A.P. Williams could go back to work on some specific projects.

But it wasn't that easy, Williams said.

First they were concerned about the health and safety of their workers. Also, field jobs are dependent on subcontractors and others. So even if they were able to continue working on job sites – many of them quite a distance from their headquarters - would they be able to actually get anything done anyway? Would they be able to get inspections? Would they be able to get materials delivered? Would subcontractors even show up?



In the end, the company decided not to move forward on most projects.

"There's a lot of other hurdles by us just sending our guys out there," he said, adding that even though most of their field people are at home, they're continuing to get paid.

"We have continued to pay our people in full, kept them on the payroll and continued their benefits," he said.

One midstate homebuilder that did get a waiver was Landmark Homes, which is based in Clay Township, Lancaster County. But the waiver doesn't mean it's business as usual.

The company's leader said that every current project has been impacted, with some projects on hold and the company forced to layoff employees.

"We keep monitoring things very closely on an hourly basis to understand what's changing," Cliff Weaver, Landmark Homes president said. "We're using extreme caution."

Weaver said that the company has some clients that have sold their homes and are planning to move into a new home nearing completion. In other cases, where construction hasn't started yet, some clients are reconsidering.



"Obviously our first concern is the health of our employees and the people who work in the construction industry," Weaver said.

Construction in Legacy Park in Mechanicsburg has been halted due to coronavirus fears. April 1, 2020. Joe Hermitt | jhermitt@pennlive.com

One of Landmark Homes' projects in the Harrisburg area is Legacy Park, a 185acre, mixed-use project that will eventually include more than 700 residential units in Mechanicsburg. And although the company has a waiver, it doesn't mean the project will go on as usual.



The borough of Mechanicsburg declared a "State of Emergency" on March 21, which included an order that new building permit applications not be accepted, including land development plan submissions. Since the borough issued permits to Landmark Homes before the declaration, the township agreed to continue the inspections associated with the building codes but the builder was notified that the borough would not be accepting any new applications from them, according to Roger Ciecierski, Mechanicsburg borough manager.

For a home builder based in Upper Allen Township, construction remains at a standstill.

Brent Roland, president of Roland Builder, which builds and remodels homes, said that all of his company's projects have been put on hold.

"We followed the government mandate when it came out last Thursday," he said. "So we closed off our offices and secured our job sites."

Roland said he didn't pursue a waiver because he assumed he wouldn't receive one. He said all of his employees were home last week and paid. But in the meantime he is worried about two of the company's houses that are in the middle of construction, including one that has an open foundation.

He said the potential impact on his business will depend on how long the company goes without being able to work.

"My whole approach in this is to trust God and take this one day at a time," Roland said.

#### What about PennDOT?

If you lived in Pennsylvania long enough, you've probably heard the joke: What are the three seasons in Pennsylvania?



Answer: Summer, winter and construction.

There always seems like there is construction going on, on the state's highways but with the shutdown in effect, all of that construction as well has come to a halt. But this week PennDOT, announced that it will continue work on only 61 emergency and critical highway and bridge projects.

A Homewood Suites by Hilton hotel is being constructed on Carlisle Springs Road at the former IAC/Masland plant site in Carlisle. April 1, 2020. Dan Gleiter | dgleiter@pennlive.com

#### **Protecting the workers**

There has always been an awareness when it comes to safety in the construction industry, but with the coronavirus pandemic among us, the industry has a new set of safety concerns for those currently working and for when the rest of the industry goes back into the field -- whenever that might be.



The steps involve simple measures such as making sure there is soap and single-use paper towels and mandating hand-washing before and after eating. Beyond that, the association recommends staging the job site to stagger work and limiting the number of workers, having separate work areas when possible and restricting access to visitors. And the group recommends providing appropriate personal protective equipment and preventing the sharing tools and equipment.

Williams says that until the coronavirus is completely behind us, there will be adjustments that will need to be made.

"There's all kinds of new training that we're going to have to do when we do go back to the jobs," he said. "It's going to really affect how you man a job."

With jobs that have hundreds and sometimes thousands of workers, Williams said that the company will have to have more shifts to spread workers apart.

"It's going to be a whole new world on how we're going to man a job here in the future until this virus is completely behind us," he said.



that are sitting idle.

John Doherty, the communications director for the International Union of Painters and Allied Trades, said that the union is worried that construction workers currently on the job might not have the proper protective equipment and also that at the moment the unemployment system is overwhelmed.

The union has argued that while the U.S. Congress is helping bailout the airline industry, it isn't doing anything to help construction workers. The union is urging the federal government to do several things: provide immediate unemployment to laid off construction workers at 100 percent lost wages; provide continued health coverage; secure retirement plans affected by the crisis; and invest in American infrastructure to quickly put people back to work.

"Millions of construction workers and their families are getting totally wiped out, and Congress is doing very little about it," Ken Rigmaiden, general president of the International Union said in a press release. "If construction workers don't work, they don't get paid. They can't work remotely. They don't receive furloughs, or paid leave."



Turzai plans to introduce legislation this week - House Bill 2400 - which would allow all construction projects in Pennsylvania to move forward.

The bill would require the Secretary of the Department of Community and Economic Development to issue a waiver to the governor's COVID-19 Business Closure Order to all public and private construction activities that can adhere to social distancing practices and other mitigation measures defined by the Centers for Disease Control to protect workers and mitigate the spread of the virus.

State Sen. Dave Arnold (R-Lebanon County) also plans to introduce legislation in the Senate that would allow for waivers for construction activities that use "appropriate mitigation measures to prevent exposure to the virus."

The Flats at Factory Square at the former Carlisle Tire and Wheel plant. April 1, 2020. Dan Gleiter | dgleiter@pennlive.com It's not just large projects

The construction stoppage also affects local government.

In Carlisle, its comprehensive plan centers around the properties of three former manufacturing operations -- International Automotive Components (IAC)/Masland, Tyco and Carlisle Tire & Wheel.

Construction has come to a standstill on two large projects. Three residential buildings and a clubhouse being built at the former Carlisle Tire and Wheel properties are 60 to 90 percent completed, according to Mike Skelly, community



Construction has also stopped at the former IAC property, where a Homewood Suites by Hilton is being built, according to Harold Brandt, CFO of Carlisle Events, which owns most of the former IAC property. Another project that will include 280 apartment units and 48 townhomes at that property will also be delayed.

But Skelly says the construction stoppage doesn't just affect large projects. He also points to the affect on small independent contractors that are working on home renovation projects.

"Across the board it's an unfortunate dilemma for the big builders and the small ones," he said.

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