

The Columbus Dispatch

Springfield a bright spot in bleak construction year

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You know it was a rough year for the construction industry when an increase of 100 jobs made a city one of the greatest gainers in the country.

That is where Springfield, Ohio, finds itself. It was one of only four metro areas in the country with a net increase in construction jobs last year, according to an analysis by the Associated General Contractors of America.

METRO AREA	DEC. '08	DEC. '09	CHANGE	PCT. CHANGE
Akron	12,500	11,800	-700	-6%
Canton	7,200	6,700	-500	-7%
Cincinnati	45,000	44,000	-1,000	-2%
Cleveland	30,200	23,600	-6,600	-22%
Columbus	32,200	31,400	-800	-2%
Dayton	12,600	11,800	-800	-6%
Lima	2,000	1,800	-200	-10%
Mansfield	1,900	1,700	-200	-11%
Sandusky	1,000	1,000	0	NO CHANGE
Springfield	1,300	1,400	+100	8%
Toledo	11,900	11,200	-700	-6%
Starkville	3,300	3,200	-100	-3%
Youngstown	8,800	8,300	-500	-6%
Statewide	201,700	185,200	-16,500	-8%

Source: Associated General Contractors of America

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The Springfield region had a work force numbering 1,400 in the construction, mining and logging category, up 100, or 8 percent, from the previous year. Some major initiatives, including a \$235 million hospital project, helped cancel out the losses elsewhere in the local economy.

"It means we're a community on the rise, even in difficult economic times," said David Zak, vice president for economic development at the Greater Springfield Chamber.

This is in dramatic contrast to the massive layoffs in Springfield from about 2000 to 2007. Construction at that time was at a virtual standstill, he said.

Ohio lost 16,500 jobs in the construction sector last year; that was 8 percent of its total.

"We don't see any growth," said Richard Hobbs, executive vice president of the Associated General Contractors of Ohio. "We see a continuation of trading water. We see a continuation of losing jobs."

After Springfield, the next-best region in Ohio for the construction sector was the Sandusky region, which had no change, remaining at 1,000 jobs.

Two regions had losses of 2 percent each: Columbus, which had 31,400 jobs, and Cincinnati, which had 44,000 jobs.

Cleveland, which had 23,600 jobs in the construction sector, had the highest percentage loss in the state, 22 percent; that also was among the biggest losses in the country.

The Associated General Contractors of America, a trade group, used U.S. Census Bureau data as the basis for the report.

Columbus' results are another sign that the region has avoided the worst of the state's economic turmoil.

"We didn't inflate as much as the average metro area did in the mid-2000s, and so we don't have as far to fall now," said Bill LaFayette, the Columbus Chamber's vice president for economic analysis.

Ohio's construction sector is taking several big hits, said the trade group's Hobbs. Manufacturers have almost no money to build, which is particularly bad for the Cleveland area. And there is almost no demand for commercial buildings.

"We have a glut of office space and a glut of retail space," he said. "It's bad, man. It's bad."

The closest thing to a bright spot is public construction, which includes government buildings and health-care facilities. Columbus, with the presence of state government and Ohio State University, has a disproportionately large share of public projects, Hobbs said.

Of 337 U.S. metro areas, the three in addition to Springfield that gained construction jobs were: Harrisburg-Carlisle, Pa., up 13 percent; Tulsa, Okla., up 3 percent; and Columbus, Ind., up 5 percent.

The worst percentage decline was in Leominster-Fitchburg, Mass.: 38 percent.

The job losses occurred despite the federal stimulus package, which has increased spending on infrastructure projects.

"Outside of highway work, very little stimulus money got to contractors in 2009," said Ken Simonson, chief economist for the Associated General Contractors of America.

Many stimulus-funded projects will not begin until this year or later, he said.

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