

IN THE NEWS

EDITED BY TED CUSHMAN

Along With Home Building, Theft Is Booming

Busy, chaotic job sites are an easy mark for crooks of all stripes

If news reports from around the country are any indication, there's one growth sector in the economy that's every bit as hot as home building: stealing from job sites. Examples are everywhere. "Construction thefts jumped 84% between 2002 and 2003 west of Delray Beach," reports the *South Florida Sun-Sentinel*. The *Houston Chronicle* says, "Hardiplank siding is the hot commodity on burglar wish lists." Near Phoenix, a builder told the *Arizona Republic*, thieves are scoring "everything and the kitchen sink." And the *Providence Journal* described a Rhode Island police chief wondering how a thief planned to pawn a stolen hot tub.

The crooks don't make exceptions for charities: The St.

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In a typical episode, police in Loudon and Belmont, N.H., are trying to find the rightful owners of hundreds of tools allegedly stolen by four local men who raided unguarded job sites at night.

Lumber Trade Deadlock Drags On As Wood Prices Surge

An international trade panel reviewing U.S. penalties and duties assessed on imported Canadian lumber ruled at the end of April that they violate the North American Free Trade Agreement (NAFTA). The panel concluded that the U.S. Commerce Department's International Trade Commission failed to follow U.S. law and acted without substantial justification. The panel gave the U.S. side 21 days to respond.

U.S. authorities could continue to collect money at the border until February 2005 while they drag out the appeals process further. But there's no strong reason to hope for a reversal, and some U.S. and Canadian lumber companies immediately urged both sides to break the logjam

and cut a deal.

Enough already, says NAHB. U.S. builders have long opposed the import fees and are losing patience with a government policy that limits lumber supplies, adds to costs, and is thought by many to be driven by small-time congressional politics. National Association of Home Builders (NAHB) president Bobby Rayburn called on the administration "not to engage in legal delays and to allow the implementation of this decision. It's high time to roll back the hidden tax imposed on American home buyers." Lumber distributor and home center groups echoed NAHB's call.

Trade warriors hang tough. But no rollback or deal looked likely by early May. Unofficially, the U.S. side stuck to

its stubborn stance, apparently hoping that Canada may still tire of the game first. But Canada turned down a deal in January, and observers say the latest ruling gives Canadians even more reason to avoid bargaining and push for a clear NAFTA win.

As tribunals consistently fail to buy the U.S. rationale, U.S. intransigence is adding to resentment among some Canadians of their rich and powerful neighbor to the south. "Can someone remind me why we're even in the NAFTA with these crooks?" asked one post to the vivecanada.ca website.

U.S. side gambits have added to Canadian irritation. In February, the Commerce Department questioned Canadian aid programs for laid-off mill

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Theft Is Booming

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Louis chapter of Habitat for Humanity lost \$20,000 worth of tools when thieves chopped through storage trailer roofs in March. Police recovered only a few items, but an outpouring of community support, including in-kind donations from local Lowe's and Home Depot stores, has put the Habitat chapter back in business for its June blitz-build and more determined than ever. "This simply renews our understanding for the need to be in this neighborhood," said executive director Kimberley McKinney.

Who's doing it? Police say construction workers do much of the stealing. "They know what's sitting out in the open, free for the taking," Texas investigator Kim Franklin told the *Houston Chronicle*. Drugs also play a role, said Indianola, Iowa, police detective Don Duke — especially the cheap, and highly addictive, methamphetamine.



After thieves wiped out seven trailer-loads of tools stored at a planned 20-unit Habitat for Humanity blitz-build, St. Louis businesses stepped up to keep the Habitat project on track. Above, Habitat workers pick up tools at Lowe's.

"In six months, people can go from casual amphetamine users to serious addicts who will spend all day looking for things to steal and trade for drugs," says Duke. "Some of them, that's their only job."

Security strategies. Police often recover stolen tools, and they try to identify owners and return the items. If your tools are marked, quick reporting can help: "A lot of times the thief won't try to scrape off a name," says Don Duke. "Whoever they sell it to will, but the thief usually doesn't."

A second, hidden marking ups the odds of getting a tool back. "Fences can burn paint off a tool with a torch," explains Concord, Calif., detective Don Lawson. "We tell people to scratch some small but identifiable symbol on the power cords. Our detectives know to look for that."

Lawson has learned other tips from thieves turned informant: "When contractors unlock their tool boxes every morning, they may hook the open lock back onto the box. Thieves will put on a tool belt, walk onto the site, and switch their own lock for the owner's lock. The owner locks it up at 5 p.m. and goes home — and the criminal comes back that night with the key." The obvious solution, says Lawson, is to snap your lock shut when you hang it on your box.

Experts say thieves avoid sites where they can't score in ten minutes or less. "They can break the lock on a shed with a torch," says Lawson, "but if you park a big piece of equipment where it blocks the door, that may be enough to discourage them." If there's power in the building, leave the lights on to deter passing crooks from stopping, he advises — and inform police that if the lights are off, you'd like them to investigate.

Frustration mounts. Some officers say budget cuts have hampered their efforts. Indianola's Detective Duke made news this spring by nabbing a

thief who had been hitting jobs all over the Des Moines metro area for more than 18 months, scoring tools and materials worth more than \$250,000. "He delivered materials for a company that also made all the master keys for several large developments," explains Duke, "so he knew all the schedules, knew where valuable materials had been delivered, and was able to walk through homes and identify valuable stuff. At night he could unlock the door, take just a few high-value items, and be out of there in five minutes."

An alert foreman spotted the man's truck parked at a house and reported it, and Duke and a partner nabbed him. Des Moines police then identified and arrested the fence who was buying the stolen goods. But most of the tools, windows, cabinets, and appliances were never recovered.

Duke says in frustration, "He should have been caught months earlier." Police in several towns had descriptions of the man and his truck, and some even knew his name, but none of them knew that other departments also suspected the same man.

"All the forces have laid off a lot of the staff people who file those reports," explains Duke. "They say the office staff cuts won't hurt enforcement, but it does hurt — the detectives can't do paperwork and also be out on the street catching criminals. The people whose job it was to share the intel — we don't have them anymore." Citizens assume that when they report a theft, the information gets passed to other communities and to state police, says Duke, but that may not be true: "If you even want police in the next town to know about it, you may have to go tell them yourself."

OFFCUTS

Denver mayor John Hickenlooper says that streamlining the city's bureaucratic review and approval process could cut the cost of new housing by 5%, according to a *Rocky Mountain News* report. Merely adopting the *International Building Code* so builders wouldn't have to adapt to the city's unique requirements could cut 1% to 2% off costs, said Hickenlooper. He also suggested creating cross-departmental teams to work on applications together, avoiding the lengthy back-and-forth between agencies that slows down the current system. "Sometimes city workers don't recognize that if they keep asking for more information and postponing meetings and getting cross-wired with people in other city departments, it costs builders money," said Hickenlooper, who is himself a former developer. The new mayor said that red tape on one 32-unit loft project he codeveloped took 18 months, instead of the expected 10 months.

Wisconsin governor Jim Doyle has signed legislation to streamline the state's air and water permitting process, according to press reports. Builders in the state supported the measure, which the governor said would help hold down the cost of housing. Some environmental activists had opposed the measure, saying it would reduce protection for natural resources, but the bill passed the state assembly by a margin of 80 to 14 and the senate by 27 to 3. At a signing ceremony, Governor Doyle said that his administration has cut the waiting time for a water permit in Wisconsin from 110 days down to a month or less.

New Jersey governor James McGreevey's 2004 budget proposal includes a 1% fee on the sales price of homes selling for \$1 million or more, according to the *Newark Star-Ledger*. The money raised by the "McMansion tax" and other fee increases targeting high-end real estate transactions would be used for property tax relief for towns, in order to help defray costs of development, including the cost of meeting tough new stormwater management rules, said Bradley Campbell, commissioner of the state's Department of Environmental Management.

LVL and Sawn Wood Sandwich Makes Strong "Hybrid" Glulam

For long headers or girders, a builder's choices include sawn lumber built-up beams, laminated veneer lumber (LVL) members, and glulams. A relatively new glulam product out of the northwest U.S. combines the three. Called a "hybrid" glulam, the innovative beam is a typical glulam beam made of stacked and glued dimensional lumber, but with a difference: LVL material is used for the top and bottom laminations, where the greatest stress concentrations are found.

By placing the stronger but more expensive LVL material



where it can do the most work, the hybrid beams optimize the tradeoff between strength and economy. The result, says Jim Enright of Rosboro Lumber Co. in Springfield, Ore. (www.rosboro.com), is a beam that's both stronger and lighter than LVL or sawn lumber alone.

Rosboro developed the new glulam system, a version of which is also marketed by Vancouver, Washington's Calvert Company. Made in depths to match either wood I-beams or sawn joists and thicknesses to match 2x4 or 2x6 wall framing, Rosboro's trademarked Big Beam is intended to fit easily into the framing process on site, Enright says. Residential spans are typically not long enough to require beams to have a "camber" or crown, he says; with LVL top and bottom laminations of equal strength, Rosboro's hybrid beam has no designated "top" side, avoiding the risk that the beam may be installed upside down.

Losing Court Case, DOE Brings Back SEER-13 Air-Conditioner Rule

Shortly after taking office, the Bush administration changed a Clinton ruling that would have made all new air conditioners meet a SEER-13 efficiency minimum by 2006; the Bush administration lowered the minimum to SEER-12. But a consumer lawsuit, joined by several states, has forced a reversal of the change: In January of 2006, says DOE, SEER-13 minimums will take effect, after all.

"With a 12-SEER unit, you get 12 Btus per watt of power consumption. A 13-SEER unit gives you 13 Btus per watt," explains North Carolina hvac contractor Dwayne Akers. "Over a year, it adds up, and it reduces the strain on the electric grid." But Akers says the 2006 switch will "drastically raise the cost to the consumer." In mild climates, energy savings may never pay back that added cost.

SEER-13 units currently make up a small fraction of units sold. Hundreds of SEER-13 models are available, but virtually all are sold as the deluxe choice, with core components wholesaling for double or triple the cost of a "builder's basic" SEER-10 unit.

With the rules changing, suppliers are sure to introduce "baseline" SEER-13 units, says Akers. But the efficiency upgrade involves some unavoidable costs for things such as bigger coils and bigger air handlers. And that's just the beginning. Units can't reach SEER-13 without system improvements, like variable-speed fan motors and more sophisticated controls. Also, to work properly at the required lower operating pressures, systems will need additions such as thermal expansion valves.

Changeouts, no longer a simple swap, will be unpredictably expensive: "You can't put a high-SEER unit on an old evaporator coil and expect it to work," says Akers. Fans and coils must



DWAYNE AKERS

SEER-13 air conditioners like the unit above have larger coils and need advanced fans and controls.

match the new appliance, which usually means a new cabinet to fit the bigger parts and may mean new ductwork, too.

If everything's not done right, adds Akers, the house may suffer from "dirty sock syndrome," a musty smell caused by mold growth on damp ducts and warm coils. Good results, he says, are about craftsmanship more than equipment: "You can install a SEER-8 system that is properly sized and properly matched, with good ductwork, and it will use less energy and give better comfort than a SEER-13 system where those things are not done well."

OFFCUTS

The Building Industry Association of Washington may back a ballot initiative to make the director of the state's Department of Labor and Industries an elected rather than appointed official, reports the *Puget Sound Business Journal*. One key responsibility of the department is the workers' compensation insurance system, which has seen premium increases of 29% in 2003 and 9.8% this year. BIAW has had success with the ballot initiative strategy in recent years, scoring wins on measures affecting ergonomics regulations and unemployment compensation.

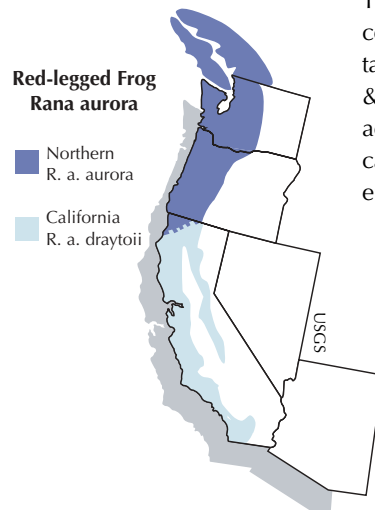
Dog owners will share in a new "upscale urban amenity" if they buy a condo unit in Cristalla, a 22-story Seattle project under construction, reports the *Puget Sound Business Journal*. Architects have reserved part of the building's rooftop garden for a dog park, complete with hardy shrubs and a hose-rinsable, lid-covered "doggy potty." Street-level turf is scarce in densely packed Seattle, and the lure of a high-altitude private lawn with plumbing has drawn enough dog owners to account for a third of the project's presold units. No word yet on how cats may be accommodated in the green roofscape.

Unwilling Feds Launch Red-Tape Remedy for Red-Legged Frog

Its hand forced by a citizen lawsuit, the Fish & Wildlife Service in April proposed to designate a 4.1-million-acre portion of California as critical habitat for the California red-legged frog. Listed as a threatened species, the frog has been squeezed into a fraction of its former range by mining, farming, and development. But a Fish & Wildlife spokesperson said the critical habitat designation "provides little additional protection." The main effect is to create long paperwork delays for projects involving federal agencies or federal land.

The frog's furtive ways make counts uncertain, notes Fish & Wildlife: "Frogs hide in heavy vegetation and under banks, in holes, in cracks, and under objects. A researcher may be able to locate a collared frog by radio to within one square meter and still not be able to see it."

Pushed into a habitat delineation that's hard to substantiate, the Service complained that "designating critical habitat is driven by litigation rather than biology, limits our ability to fully



The California red-legged frog and its northern cousin range over broad areas between the mountains and the shore. A lawsuit has forced the U.S. Fish & Wildlife Service to propose designating 4.1 million acres of the frog's range as "critical habitat," complicating any land-use decisions involving federal property or agencies.



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evaluate the science involved, consumes enormous agency resources, and imposes huge social and economic costs."

Fish & Wildlife has lost lawsuits from both sides in the frog's case: once to a cluster of environmental groups, and once to a coalition led by the California Building Industry Association. Officials said in April that complying with court orders and set-

tlement agreements now consumes most of the listing program's budget.

Congressional hearings are coming up on proposals to reform the Endangered Species Act, which critics say is "broken." But in an election year, said a committee staffer, reformers aren't expecting much action. For the time being, he said, all they want is attention.

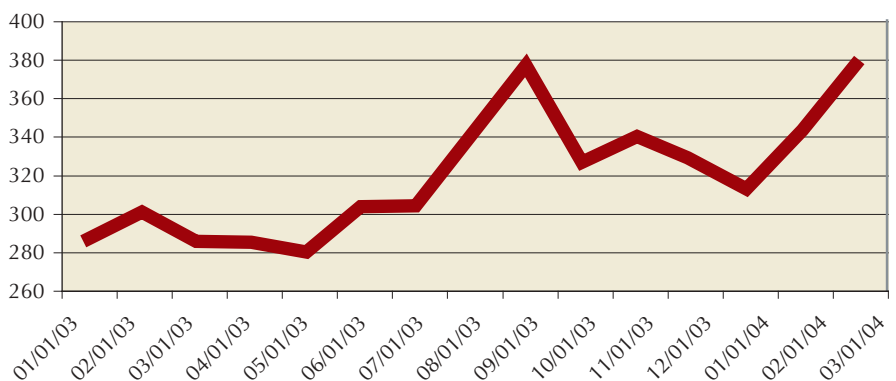
Lumber Trade Deadlock

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workers and loggers, and even suggested that Canadian ads on U.S. television, which ask Americans to remember the two nations' historic friendship, amount to another illegal subsidy.

And just before the NAFTA ruling was released, the U.S. timber lobby filed an ethics complaint against American panel member Louis Mastriani, alleging that his law firm might gain from precedents set by the decision. Calling the challenge "improper," Mastriani issued a detailed rebuttal and refused to step down.

Random Lengths Framing Lumber Composite Price - by Month (\$/1,000 bd ft)



Spiking lumber prices undercut the argument for penalizing imports.