Coastal Carolina University CCU Digital Commons

Goal 8: Decent Work and Economic Growth

Georgetown RISE UN Youth Corps

2021

IMPACT OF CUSTOM CONSTRUCTION IN GEORGETOWN

Ariana Smith Coastal Carolina University, aasmith6@coastal.edu

Follow this and additional works at: https://digitalcommons.coastal.edu/goal-8-decent-work

Part of the Sustainability Commons

Recommended Citation

Smith, Ariana, "IMPACT OF CUSTOM CONSTRUCTION IN GEORGETOWN" (2021). *Goal 8: Decent Work and Economic Growth*. 3.

https://digitalcommons.coastal.edu/goal-8-decent-work/3

This Article is brought to you for free and open access by the Georgetown RISE UN Youth Corps at CCU Digital Commons. It has been accepted for inclusion in Goal 8: Decent Work and Economic Growth by an authorized administrator of CCU Digital Commons. For more information, please contact commons@coastal.edu.

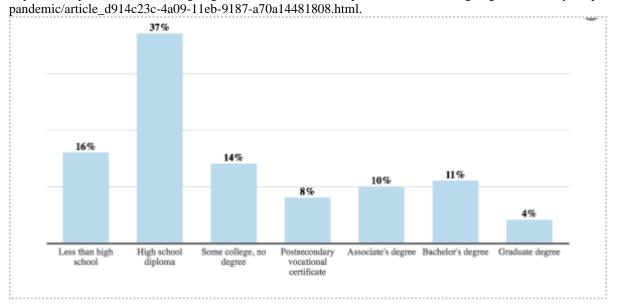
IMPACT OF CUSTOM CONSTRUCTION IN GEORGETOWN

Ariana Smith 14 June 2021

IMPACT OF CUSTOM CONSTRUCTION IN GEORGETOWN

Throughout the Grand Strand area of South Carolina, the construction market has been thriving even through the Coronavirus pandemic. "New construction permits increased by more than 200 in 2020 despite the COVID-19 pandemic putting a strain on the economy and jobs along the Hammock Coast. Georgetown County issued 561 new construction permits in between the start of the year through Dec. 22 — up from the 333 issued during that time in 2019."¹ At SGA Narmour Wright Design, I was able to observe just how many people are interested in either renovating or custom building their dream home within this area. Both SGA|NW and Paragon Custom Construction are bringing economic growth, sustainable development, and new infrastructure to their communities. This group of design and planning professionals pride themselves on building resilient and sustainable homes or buildings that enhance their community. This relates to the UN Youth Corps goals #8 (Decent Work and Economic Growth) and #9 (Industries, Innovation, and Infrastructure). It is important to study the positive

¹ Hannah Strong hstrong postand courier.com, "New Construction Permits Increased in Georgetown County despite Pandemic," Post and Courier (The Post and Courier, January 14, 2021), https://www.postandcourier.com/georgetown/new-construction-permits-increased-in-georgetown-county-despite-



Source: Georgetown University Center on Education and the Workforce analysis of data from US Census Bureau, American Community Survey (ACS), 2019. and negative effects that custom construction can have on a specific area and what we as a company are doing/can do to reduce the damages done.

Due to COVID-19 the world faced the worst economic recession since the Great Depression. In the United States alone there were over 20 million jobs lost during 2020. "Home building creates jobs and depends on job creation. N.A.H.B estimates that building 100 singlefamily homes generates 300 yearlong jobs. More jobs mean more worker income, allowing for more household formation requiring more homes. The two-way street is one reason why housing usually leads the economy out of a recession."² This relates to the UN Youth Goal #8. Custom Building homes brings employment for all. It gives jobs to not only architects and engineers but builders, retail workers, and truck drivers as well. "A \$2 trillion jobs plan (of which \$1.5 trillion will go to infrastructure) from the Biden-Harris administration would be good medicine to nurse the economic wounds inflicted by the COVID-19 pandemic. The infrastructure plan would create or save 15 million jobs over 10 years and would increase the share of infrastructure jobs from 11% to 14% of all jobs in this country, temporarily reviving the blue-collar economy."³ With the current boost of construction due to new homes and buildings being built, this could help the infrastructure program bring even more jobs to people at every education level. This not only helps job growth in Georgetown County but across the country. Infrastructure jobs often only require less than 6 months training and could produce 8 million jobs for workers with a high school diploma or less. The ongoing effect from this allows the wages from the worker's salaries to be then spent in local businesses in the community. Overall, the effect then leads to everything increasing from the economic activity to jobs and tax receipts.

The global buildings construction market is expected to grow from \$5878.86 billion in 2020 to \$6454.05 billion in 2021 at a compound annual growth rate (CAGR) of 9.8%. The growth is mainly due to the companies rearranging their operations and recovering from the COVID-19 impact, which had earlier led to restrictive containment measures involving social

²/author/david-Crowe, "Home Building Creates Jobs, Depends on Job Creation," Builder, May 20, 2013, https://www.builderonline.com/builder-100/strategy/home-building-creates-jobs-depends-on-job-creation_o.

³ "15 Million Infrastructure Jobs: An Economic Shot in the Arm to the COVID-19 Recession," CEW Georgetown, April 30, 2021, https://cew.georgetown.edu/cew-reports/infrastructure/.

distancing, remote working, and the closure of commercial activities that resulted in operational challenges.⁴ Overall, the growth in construction globally, will lead to increases in jobs and economic growth. The chart below shows the differences of current workload between Canada and USA.



Chart 1: Construction workloads

This publication has been produced by RICS.

"For the USA, the feedback shows that at the present time workloads (in net balance terms) are showing strongest momentum in the private residential area which is consistent with official data that indicates housing starts to be close to a 15-year high. For Canada, the results are a little different with the infrastructure spend already showing considerable momentum;

⁴ "World Buildings Construction Market REPORT 2021: COVID-19 Impact and Recovery to 2030," Yahoo! (Yahoo!), accessed August 10, 2021, https://www.yahoo.com/now/world-buildings-construction-market-report-090800763.html.

this is viewed as being sustained through the course of 2021 with private residential and non-residential workloads also picking-up speed as the macro picture strengthens."⁵

Due to the high demand in building in Georgetown County, they are considering increasing building and permit fees as they have not increased them since 2007. "As part of the current budget process, city staff members recommended an increase since fees currently only cover around 40% of the Building and Permit division's budget. That leaves the city at a deficit of around \$140,000 that has to be filled by money from the general fund."⁶ This increased funding could bring a 13% increase in revenue for the county to spend on other projects. This is another reason why custom home building helps economic growth in a community.

During the summer of 2021, I have been working on a lot of marketing packet materials for Paragon Custom Construction. These market materials are given out to potential clients to help guide and help them understand the type of work Paragon does as the construction build company for SGA|NW. They also are used to potentially motivate the clients to go through with working with our company to give them their dream home that will be built above code to enhance the community. It is important that we bring in clients willing to build a home that is sustainable and will not harm the area that it is placed because of lack of quality material or work.

It is important that when you are looking at the economic growth that custom construction brings to a community that you are also looking at the environmental and social impacts. Construction contributes to environmental damage locally and globally. Many fail to take in account the damage to the soil, natural habitats, air and water, and natural resources. The construction and renovation of buildings are responsible for a lot of our carbon emissions. When looking at the Grand Strand, it is good to research the damage that the large houses being built on the beach could possible cause in the future. SGA|NW design makes it a top priority to consider the natural resources and environment when working on a project. This is why

⁵ "Q1: Global Construction Monitor: Construction Market Recovery," www.rics.org, accessed August 9, 2021, https://www.rics.org/globalassets/rics-website/media/knowledge/research/market-surveys/construction-monitor/q1-2021-global-construction-monitor-final1.pdf.

⁶ "Georgetown Considers Increasing Building Permit Fees," https://www.live5news.com, accessed June 12, 2021, https://www.live5news.com/2021/04/27/georgetown-considers-increasing-building-permit-fees/.

landscape architecture is one of the professional design services offered by SGA|NW. Landscape architecture consists of blending several disciplines, including but not limited to architecture, planning and civil engineering. After receiving a degree, several years of training and completion of a comprehensive set of tests, landscape architects may be licensed on a state-by-state level. Advantages to including a landscape architect on a project team include knowledge of local plant material and how/where to use it in the most effective and sustainable ways, "outside the box" thinking as it relates to how people experience outdoor spaces (gathering spots, pools, sidewalks/trails, etc.). The SGA|NW landscape architecture division has several professionals on staff, both in the Pawleys Island and Charleston offices, and has been involved with a variety of projects over the years.

One aspect of landscape architecture is development of a planting design, plant materials list and irrigation plan. For this effort, SGA|NW works with consultants to understand the local zoning code requirements, overall project site layout, building elevations, etc. and with the client to understand how he/she intends to use the site, as well as any specific plant material likes/dislikes. SGA|NW will then develop a conceptual planting plan, showing the general layout of trees, shrubs, groundcover, and other elements. Consideration will be given to site access points, directional orientation; sun vs shade needs, any sensitive areas such as wetlands or protected wildlife habitat, etc. After a client review, SGA|NW will refine the plan and apply specific plant material species. Eventually the plan will be compiled into construction documents, which the client and/or a landscape contractor can use for bidding and installation of the plan.

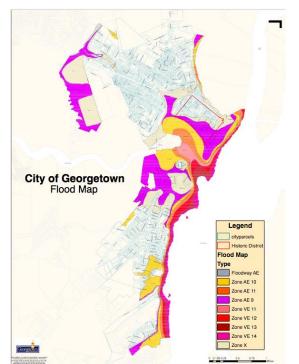
A substantial portion of projects that the SGA|NW landscape architecture division is involved with includes this kind of work. One specific example is a new-build multi-family project located in Horry County. SGA|NW teamed with a civil engineering firm, that developed the site layout (building location, parking, utilities, location, etc.). SGA|NW was responsible for the planting design, which addressed issues such as utilizing native plant material, protecting and preserving an existing wetland on-site and arranging plant material around the building foundations in a way to help the buildings stay as energy efficient as possible.

Another aspect of landscape architecture is development of a hardscape and site features plan. Hardscape consists of the pervious and impervious outdoor surfaces that make up a site –

driveways, parking lots, sidewalks, walls, patios, decking, etc. – and can greatly affect the look/feel and function of a project. When designing a site, the SGA|NW landscape architecture division has to pick materials that work best for the project, while also not exceeding allowable impervious areas (per local zoning codes) or creating a hazard (i.e.: a slippery surface around a pool, a dark-colored material in areas of direct sun / extreme heat or a loose surface where traction is important).

Some hardscape elements are not allowed within the setbacks of a site or, in coastal areas, seaward of the OCRM setback line. Many times, SGA|NW must submit a hardscape and site features plan to community boards, local and federal regulatory agencies for review and approval. Because many SGA|NW projects involve renovations to existing beachfront homes, as well as new construction of beachfront homes, these submissions and reviews are common. Both the SGA|NW landscape architecture and architecture divisions must be aware of additional requirements.

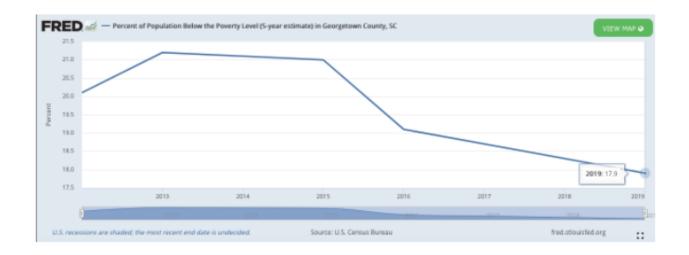
SGA|NW also makes sure to comply with other regulations that are specific to our coastal environment like using addition hardware and strapping for extremely high wind zones due to hurricanes; they must understand the flood zones of the specific site they are working on, as defined by FEMA – this includes AE zones (rising flood waters) and VW zones (high velocity waters, like waves) so that the structures do not fail or cause damage to surround structures. Because the natural movement of sea turtles can be disrupted or altered by artificial lights on beachfront homes, the architect must be careful to select fixtures that screen the visibility of light from the beach and/or dunes.



"Nationally, nearly 20,000 homes have been built since 2010 in coastal areas that will become increasingly prone to flooding by the middle of the century, according to Climate Central and Zillow's report. In North Carolina, 1,910 homes have been built since 2010 that face increased flood risks in the future. Both Carolinas rank in the top 10 in new home construction in high-risk areas. ⁷ Even though SGA|NW takes the time to understand flood zones and knows how to make sure the structure will not fail, it is extremely important to research how many homes on the coast is too many. The South Carolina coast is one of the fastest growing hot spots. It is important that Georgetown and surrounding counties are tightening the controls on development in flood-threatened areas.

Interior Designers and Architects also consider all of the finishes and fixtures that go inside of their buildings, to ensure that the building does not have "Sick Building Syndrome" due to off gassing of VOC and other chemicals from floor materials and upholstery. It is also in the Architect's care to make sure that the Mechanical HVAC system is efficient do that the proper air quality is maintained for the health of the building user. During COVID, more buildings have become equipped with a higher rated filter or even UV lights in the duct system to combat viruses. Although there are many negative impacts on the environment from construction SGA|NW does everything above or in code to ensure that the homes or buildings we are building minimize the damages that could potential be caused. There is always more research to be done on how to make construction safer and less harmful to the environment.

⁷ Sammy Fretwell, the Greenville News. (2019, August 2). SC built 1,200 houses in flood-prone coastal areas. And sea levels keep rising. The State (Columbia, S.C.). https://eu.greenvilleonline.com/story/news/2019/08/02/sc-built-1-200-houses-flood-prone-coastal-areas-sea-levels-rise/1899892001/



One social impact I noticed in Georgetown is the number of affordable houses being built. In a smaller county like Georgetown, it is important to consider the poverty level. A large amount of the homes being built are well over \$300,000. This is an issue because Georgetown County is not a high-income area and when you are building homes that people cannot afford this leads to people not being able to find some where to live. So, it is important that when there is a boost in home building, the county is also taking in account the poverty rates in the area. This can lead to the gentrification of a community. Gentrification is the arrival of wealthier people to an existing neighborhood and cause changes in the community. The changes usually lead to an increase in prices of rent and homes. When the families of lower-income households can no longer afford to live and maintain the higher rents, it causes them to move out of the area. Therefore, while home building can be a huge boost to the economy, it is important that we research how to build new homes but still not cause gentrification. There needs to be an even playing field of houses below and above \$300,000.

"Among the more than 100 Sea Islands that stretch from Georgetown County, S.C., to Amelia Island, Fla., and about 30 miles inland, is the home of the Gullah Geechee people. As climate change continues to ravage these coastal areas — and gentrification infringes upon their ancestral birthplace — these descendants of African slaves are fighting to maintain the traditions and cultural heritage that are in danger of being forgotten."⁸ It is important that when you have a

⁸ Zenger.news, "Gullah Geechee Nation Strives To Survive," Heart & amp; Soul, March 26, 2021, https://www.heartandsoul.com/culture/gullah-geechee-nation-strives-to-survive/.

hot area that everyone is moving to, you prioritize preserving the culture. The idea is to promote the culture globally but to preserve it locally. Often when you have a large amount of people moving and building brand new construction on the area, the culture is not a priority anymore. "In addition, toxic run-off from golf courses and resort properties leads to ocean acidification, which disrupts the delicate ecosystem that Gullah fishermen rely on: healthy bacteria to break down dead plant life, which feeds the algae that attracts snails, clams, oysters and crabs. "What's being built on these coasts is causing massive negative impacts on the environment, and that lends itself back to the economic impact because counties have to increase taxes on the natives, when we have nothing to do [with creating the problem in the first place].⁶

Currently at my internship, SGA|NW is starting up a renovation project for Brook Green's Gullah Garden that highlights their traditions and culture within their museum. It is important that the traditions of the natives are highlighted and appreciated. SGA|NW recognizes that and wants to help renovate and enlarge the Gullah Garden. Currently the program they have is free with general admission to the park and it presents an entertaining and informative program about the culture, food, language, and history of the Gullah Geechee people. The goal of the project is to expand and revive the garden so that more people can appreciate and learn about the Gullah culture. SGA|NW is currently just getting started on the project so there is no further details on what exactly the design will entail.

In conclusion, building and renovating homes can be great for an area's economy. While it is a great boost, it is important to keep in mind the environmental and social impact as well. As a community, you do not want to drive out the people that not only carry all the rich historic culture, but also have built the area to what it is now. I think it would be good to research how to build homes that boost the economy but also at the same time prioritize building affordable homes that do not drive out the less fortunate. The goal should not be to drive out the poor but to uplift and give them better jobs and opportunities to evolve with the community. Another important research topic would be how to minimize the environmental damages that custom construction brings.

Work Cited

Emrath, Ph. D. (2020, April 1). The Basics of Sustainable Housing Construction. HousingEcomonics.Com. https://www.nashvillesmls.com/blog/the-basics-of-sustainablehousing-construction.html

Burger, R. (2016, April 21). The Community Impact of New Construction. Capterra. https://blog.capterra.com/the-community-impact-of-new-construction/

Sammy Fretwell, The Greenville News. (2019, August 2). SC built 1,200 houses in floodprone coastal areas. And sea levels keep rising. The State (Columbia, S.C.). https://eu.greenvilleonline.com/story/news/2019/08/02/sc-built-1-200-houses-flood-pronecoastal-areas-sea-levels-rise/1899892001/

Zafar, S. (2020, August 2). How Home Building Impacts Our Environment. EcoMENA. https://www.ecomena.org/how-home-building-impacts-our-environment/

Trisdale, J. (2019, January 3). Why Construction and Land Development are Important in Your Community. AR Brouwer. https://www.arbrouwer.com/commercial_construction_land_development/

Koutsogiannis. (2018, May 22). Ten Benefits of Sustainable Construction. Construction Executive. https://www.constructionexec.com/article/ten-benefits-of-sustainable-construction

Patel, A. (2019, October 29). SC's booming housing industry is putting people to workespecially real estate agents. WPDE. https://wpde.com/news/local/scs-booming-housingindustry-is-putting-people-to-work-especially-real-estate-agents

Henderson. (2016, August 30). A Building Boom is Driving Economic Growth in Most States. The Pew Charitable Trusts. https://www.pewtrusts.org/en/research-andanalysis/blogs/stateline/2016/08/30/a-building-boom-is-driving-economic-growth-in-most-states

The Local Economic Impact of Home Building - NAHB. (n.d.). NAHB. Retrieved May 26, 2021, from https://www.nahb.org/news-and-economics/housing-economics/housings-economic-impact/The-Local-Economic-Impact-of-Home-Building

The Construction Sector in the U.S. Economy. (2011, May 3). CRS Reports. https://www.everycrsreport.com/reports/R41806.html

"15 Million Infrastructure Jobs: An Economic Shot in the Arm to the COVID-19 Recession." CEW Georgetown, April 30, 2021. https://cew.georgetown.edu/cew-reports/infrastructure/.

hstrong@postandcourier.com, Hannah Strong. "New Construction Permits Increased in Georgetown County despite Pandemic." Post and Courier. The Post and Courier, January 14, 2021. <u>https://www.postandcourier.com/georgetown/new-construction-permits-increased-in-georgetown-county-despite-pandemic/article_d914c23c-4a09-11eb-9187-a70a14481808.html</u>.

Zenger.news. "Gullah Geechee Nation Strives To Survive." Heart & amp; Soul, March 26, 2021. <u>https://www.heartandsoul.com/culture/gullah-geechee-nation-strives-to-survive/</u>.

"World Buildings Construction Market REPORT 2021: COVID-19 Impact and Recovery to 2030." Yahoo! Yahoo! Accessed August 10, 2021. <u>https://www.yahoo.com/now/worldbuildings-construction-market-report-090800763.html</u>.

"Q1: Global Construction Monitor: Construction Market Recovery." www.rics.org. Accessed August 9, 2021. https://www.rics.org/globalassets/ricswebsite/media/knowledge/research/market-surveys/construction-monitor/q1-2021-globalconstruction-monitor-final1.pdf.