

CONSTRUCTION UPDATE

Codding Enterprises builds steel-framing factory

GOAL IS TO USE PANELS ON SONOMA MOUNTAIN VILLAGE RENOVATIONS, 1,900 HOMES, COMMERCIAL BUILDINGS

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ROHNERT PARK – Codding Enterprises is bringing manufacturing back to the former Agilent Technologies campus in Rohnert Park. But instead of electronic equipment, Codding's new venture will produce light-steel structural panels for building homes, offices, schools and other structures.

Steel framing has long been used in construction of buildings taller than a few stories. However, light-steel framing has been finding its way into residential projects, thanks to worries about environmental sustainability and mold growth, pest attacks, fire and warping in some natural lumber.

Codding has invested \$5 million in licensing most of the Northern California sales territory from Canada-based GenesisTP Inc. for making, selling and installing light-steel panels, according to Codding CEO Brad Baker.

Genesis Worldwide, started 10 years ago, launched GenesisTP in 2002 to license the software package, manufacturing process and installation procedure. Six other licenses have been sold in Canada, Alabama, Spain, Iran, Afghanistan and the East Bay city of Walnut Creek.

In Rohnert Park, a new venture called Codding Steel Frame Technologies will manufacture the steel-stud panels and sell them to builders. Another Codding company, Codding Construction Co., will assemble the panels on site.

To gain market acceptance, Codding Steel Frame Technologies is pricing the panels so construction costs initially are 5 percent to 10 percent lower than for wood-frame construction, according to Mr. Baker.

Prefabricated light-steel framing has challenges architects, engineers and contractors are learning to surmount. First, steel is a great conductor of heat, so panel edges facing the outside need to be well-insulated to prevent heat transfer out of the structure.

Second, changes to building design at the job site can be costly. So the manufacturing design process is more time-consuming than with traditional construction, but the framing process can proceed more quickly.

A key goal for factory will be production of panels for the 1,900 homes plus commercial buildings planned for Codding's 65-acre Sonoma Mountain Village environmentally sensitive redevelopment of the Agilent campus, according to Mr. Baker.

"Nineteen hundred homes is 76,000 trees," he said. "We'd rather recycle cars than cut down trees."

Steel recovered from eight recycled automobiles is about enough to frame a 2,000-square-foot house, according to GenesisTP. However, critics such as Kevin Brooks of Harbison-Mahony-Higgins Builders in San Francisco argue that resources and chemicals used in making steel outweigh the benefit of fewer trees felled for lumber.

Another goal is to provide an expansion market for Codding Construction, Mr. Baker said. That company has experience with steel framing as the in-house contractor for tenant improvements at Codding properties such as Coddingtown regional mall in Santa Rosa.

Manufacturing equipment for the factory is set to be installed in 65,000 square feet of the former Agilent assembly building by the end of May, and the assembly line is scheduled to turn out the first panels by July, according to Mr. Baker.

A single shift of 18 workers is supposed to have the capacity to produce 1 million square feet of panels a year, according to GenesisTP CEO Vince Mifsud.

The panels will first go toward the renovation work in the existing office buildings at Sonoma Mountain Village, which Codding has been installing metal studs for one at a time.

While pre-engineered metal buildings are becoming popular in the wine business and smaller commercial and institutional buildings in the North Bay, some already have been making inroads into residential steel framing.

Bob Massaro made the choice in 1999 to shift his Napa-based Healthy Buildings USA to steel-frame construction to improve indoor air quality and use material made with 40 percent to 60 percent recycled steel.

Three years ago, he shifted to panel assemblies because little sizing needs to be done on-site, allowing for labor savings of 5 percent to 12 percent.

Currently, he receives panels from San Diego-based FrameMax, which makes its panels in Mexico. Because the panels have to come such a great distance and have high transportation costs, Mr. Massaro has been looking for a local manufacturer.

Healthy Buildings currently has several projects in planning, including Santa Rosa's Jennings Court, a \$12 million, 55-unit apartment building for very-low-income seniors by Burbank Development Corp. and Episcopal Homes Foundation.

Burbank project consultant and former Executive Director Craig Meltzner said Burbank has been interested in framing in steel for a few years because of the "green" benefits. A fortunate moment came 18 months ago, during design, when lumber prices were higher than steel prices. The situation now is reversed.

"The affordable housing industry has a strong desire for green housing, but price is always an issue," he said.

Another issue that made Burbank reluctant to actively pursue steel framing is the potential for resistance from key funding sources, such as the U.S. Housing and Urban Development Department, Mr. Meltzner said. As it turned out, HUD didn't have a problem with the framing system.