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Plows and productivity: Assessing snow's economic impact on Philadelphia region

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This week's major snow storms will have a major impact on the Philadelphia area's economy, an economist said Thursday.

Stephen P. Mullin, senior vice president and principal at **Econsult Corp.** in Philadelphia, said retailers and government are feeling the crunch from the heavy weather, which dropped some four feet of snow on the region in five days.

"Retailers [are] getting clobbered, but some rebound when the weather clears will mitigate a downside. Of course, if people decide to shop online to stave off going crazy being cooped up, then money will flow out of our economy," Mullin said. "Lunch [spots] and other places that rely on commuters and work people traffic are hit hard too, without the mitigating rebound."

With many office workers telecommuting midweek, production drops may have been mitigated, he said.

"Overall, I would see the net impact as being a moderate negative, slimming to a minor negative when all of the revisions are made," Mullin said.

Cash-strapped local governments will be "spending a ton" on snow removal, without much help from the federal government, he said.

Pennsylvania Department of Transportation spokesman Steve Chizmar said "it's been an expensive winter" but no one at the department can put a number on just how expensive yet. "We're still focusing on clearing the roadways," he said. Through the end of January, though, he said, PennDOT had spent \$131 million of the \$245 million that had been budgeted for snow removal.

That was before the storms that struck over the weekend and Tuesday through Wednesday.

Chizmar said PennDOT had 5,400 employees driving 2,200 vehicles to clear snow. They are working 12- to 16-hour shifts to clear the roads. "Obviously we're tapping into overtime," he said.

Joe Dee, a spokesman for the New Jersey Department of Transportation, said that state does not yet have snow removal costs figures tabulated for the latest storm, either.

Dee noted NJDOT gets a \$10 million appropriation each budget, along with the ability to access an additional \$10 million without approval from the state legislature.

"Clearly between the last two storms we're beyond that \$20 million and we are asking the state for additional funding beyond what we are authorized to spend," he said.

The storm was certainly taking a heavy toll on one major aspect of the region's economy: tourism. Many museums and attractions were closed for the second straight day Thursday.

The Liberty Bell Pavilion, Independence Hall and other sites under the jurisdiction of the National Park Service were closed, as was the Independence Visitor Center and National Constitution Center.

Other museums closed on Thursday included the Independence Seaport Museum, Pennsylvania Academy of the Fine Arts, the Academy of Natural Sciences, Philadelphia Museum of Art and Franklin Institute.

A planned press conference to announce details for this 4th of July's Welcome America! festival was canceled.

As for storm damage, in New Jersey, Gov. Chris Christie had declared a state of emergency for the state's southern counties — including Camden, Gloucester and Burlington.

The designation will allow the state to apply for federal funds for costs associated with damages caused by the snow storm.