

# CRAIN'S

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## REPORT 2015 ECONOMIC OUTLOOK

# Construction firms build on big year

As luxury condos proliferate, industry reaps gains in employment

BY GWYNNE HOGAN

Spurred by the building of luxury condominiums, construction spending in the city topped an estimated \$32 billion in 2014 and is likely to continue to grow in the years ahead as Mayor Bill de Blasio's affordable-

housing program gets off the ground.

Residential construction last year increased by 60%, according to a recent report from the New York City Building Congress, to \$11 billion, or about a third of the total, according to the report. That figure was more than the construction spending for offices, hotels and other facilities.

The impact of new luxury high-rises is clear because the 60% increase in work has translated to only a 22% rise in the number of units.

Increased spending translates, of course, into employment. After

adding 2,000 jobs in 2014, the Building Congress predicts continued gains this year and next. By the end of 2016, the city will have about 127,300 construction jobs, about 10,000 shy of the prerecession peak, when the construction industry employed 138,000 New Yorkers. With an average wage of \$54,000 a year, construction provides much-needed middle-class jobs, especially for people with less education.

Although the big impact from Mr. de Blasio's plan to build 80,000 new affordable units will be seen in future years, the slightly more mod-

est Bloomberg housing plan is helping now.

### Busier than ever

Dunn Development Corp. currently has 820 units under construction. This time last year, the company had just 561 units in the works. "We're by far the busiest we've ever been," said President Martin Dunn.

Many working in construction feel an optimism they haven't experienced in years.

Armando Juarez has worked in construction for six years and is currently employed as a foreman at a

**GOING UP:** "There are jobs everywhere in construction," one worker said.



BUCK ENNIS

midtown site where a Hampton Inn hotel is being built.

"There are jobs everywhere in construction," he said in Spanish. "It's in one of its best moments." ■