

January 10, 2017

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BRIEF

Turner named construction manager for \$480M NY hospital



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Dive Brief:

- The Mohawk Valley Health System announced it will move forward with Turner Construction as the construction manager for a new \$480 million hospital in Utica, NY, according to the Observer-Dispatch.
- The new 750,000-square-foot facility, which will be designed by Seattle-based NBBJ Architects, will include 400 beds.
- MVHS must still secure \$300 million in funding from the New York Department of Health, which should make its decision on financing by the end of this month.

Dive Insight:

Project officials said that the new hospital should benefit from the \$2.6 billion in previous developments Turner and NBBJ have worked on together, as MVHS attempts to consolidate services offered by two existing facilities into the new one. Turner and NBBJ will reportedly solicit input from the community before finalizing a design.

More than 200 miles to the south of Utica in New York City, hospital construction is [expected to hit \\$8.2 billion](#) for the interval from 2016 through 2018, according to the New York Building Congress. City residents can expect 2 million more square feet of medical space from 2016 through 2020, primarily through the renovations that typically occur after system buyouts and an increase in outpatient facility construction. The NYBC has advised healthcare providers to explore the [integrated project delivery method](#) or other modern management styles in order to keep up with the coming work boom in a cost-effective and timely manner.

While the renovation industry benefits from healthcare system mergers, Dodge Data & Analytics Chief Economist [Robert Murray has said](#) that these consolidations were a drag on new construction. In addition, Murray said the fate of the Affordable Care Act under a new administration is up in the air and has stalled, to some degree, planning for new medical facilities. Under the existing healthcare policy, [construction of smaller, community-based clinics has thrived](#) in order to meet the ACA goals of increased patient monitoring. However, if President-elect Donald Trump follows through on his promise to repeal the ACA, that could all change. Nevertheless, Dodge predicted an uptick of 5% in hospital construction starts for 2017.