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New York Building Congress Predicts Continued NYC Construction Boom

The NYBC five borough report forecasts \$45.3 billion will be spent in New York City construction in 2017.



Carlo A. Scissura presents NYBC report.

BY [BETSY KIM](#)

NEW YORK CITY—“New York City’s construction industry continues to fire on all cylinders,” says New York Building Congress president and CEO, Carlo A. Scissura. “After an epic 2016, which saw New York City shatter recent highs for construction spending and employment, the three-year outlook remains white hot.” At a NYBC breakfast and panel, Scissura presented the coalition’s *New York City Construction Outlook 2017-2019* report.

The analysis forecasts \$45.3 billion will be spent in New York City construction in 2017, and nearly \$150 billion through the three-year span of the assessment. Although the 2017 projection is down 13% from last year, when \$52.2 billion was spent in construction, the amount still represents the second highest total spent in New York City’s history, after 2016, when adjusted for inflation, according to the NYBC.

The Building Congress predicts an increase to 149,800 construction jobs throughout the five boroughs in 2017. It further forecasts construction employment to peak at 151,200 for 2018, then decline to 144,100 jobs in 2019.

The report notes non-residential construction including office, institution, government, sports and entertainment and hotel spaces will slide down to \$17.4 billion in 2017, compared with the past year's total of \$21.6 billion. It predicts non-residential construction to reach \$22.1 billion in 2018, then drop to \$20.3 billion in 2019. It tracks office construction to be at its highest level in three decades, and leading the charge in non-residential sector.

The Building Congress predicts residential construction will experience a slowdown. It forecasts \$11 billion in residential construction spent by the end of this year, down from \$16 billion in 2016, rising slightly to \$11.6 billion in 2018, then dropping to \$10.6 billion in 2019.

A projected 26,700 new housing units are forecast to be completed by the end of 2017, a drop from 37,700 in 2016. For 2018 and 2019, the Building Congress projects 24,000 new units, then 22,000 new units, respectively.

“Government infrastructure spending is back on the rise and not a moment too soon,” says Scissura. “After years of declining investment, our transportation and infrastructure networks are currently straining to keep pace with the additional demands imposed by a growing economy and robust private investment.”

Public works, such as mass transit, road and bridges are anticipated to hit \$16.9 billion for New York City in 2017, up from \$14.6 billion spent in the prior year. The projected expenses will increase to \$18.8 billion in 2018 and continue to climb to \$19.1 billion in 2019. This includes funds from New York City, the Metropolitan Transportation Authority, the Port Authority of New York & New Jersey, and state and federal agencies.

NYBC prepared the construction outlook report with the Urbanomics, an economics consulting firm.

In addition to Scissura's presentation of this report, you can read about the NYBC panel discussion on what's behind the industry's boom and its effects on investment and growth in New York's five boroughs. Find out what panelists, Bronx Borough president, Ruben Diaz Jr.; Staten Island Economic Development Corporation president, Cesar J. Claro; Silvercup Properties principal, Alan Suna; and moderator, Downtown Brooklyn Partnership president, Regina Myer, say about construction and CRE, in [GlobeSt.com's Monday's morning New York market newsletter](#).