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<http://www.wnyc.org/story/construction-nears-pre-recession-peak/>

## Construction Nears Pre-Recession Heights

By Julia Longoria and Jessica Gould



New York City's construction industry is booming with spending and jobs close to pre-recession heights, according to a new report from the New York Building Congress.

Richard T. Anderson, president of the New York Building Congress, said residential real estate and new offices are driving construction activity, which is expected to reach \$39 billion this year and more than \$40 billion next year.

But Anderson said public funding for infrastructure isn't keeping up with growing demand.

"There's so much private investment that's generating greater demands on the infrastructure, the street system, the mass transit system, water, sewer and utilities we're falling farther behind."

He said five years ago infrastructure accounted for 58 percent of all city construction. Now it's 32 percent.

Residential construction, on the other hand, is booming. Anderson said this year's new apartments are mostly in the outer boroughs and in luxury buildings, though luxury prices are becoming more modest.

"I think the ultra luxury market is topping out, for a lot of reasons," he said. "There are just so many people in this world who can afford 80 million dollar apartments."

The report notes much of the residential permits were issued in the summer, when a key tax incentive, 421-a, was in danger of expiring.