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New York City construction spending to hit \$150B by 2019



By Kim Slowey

Dive Brief:

- Construction spending in New York City is on track to reach \$150 billion by the end of 2019, according to the [New York Building Congress](#) (NYBC). The growth represents a continuation of the building boom the city has seen during the past four years.
- Construction spending is expected to reach \$45.3 billion by the end of this year, the second-highest value in the city's history. Nonresidential spending from 2017 to 2019 is projected to be about double that of residential, with a projected increase in outlays for public works and infrastructure as well.
- The NYBC also expects construction employment to increase in 2017 and 2018. Predictions hold that the industry would add 3,600 jobs this year and another 1,400 in 2018, peaking at 151,200 positions before decreasing in 2019.

Dive Insight:

As the NYBC's latest report indicates, spending has seen the greatest volume in New York City's commercial construction.

One project that is expected to get underway soon is the \$3.2 billion Hudson Yards office tower dubbed [The Spiral](#) because of the landscaped terraces that will wind up the building's exterior when complete. Earlier, this month, Tishman Speyer [secured the last of the air rights](#) needed to move forward with development of the Bjarke Ingels-designed skyscraper. Pfizer has already agreed to lease 800,000 square feet, making it the building's anchor tenant.

Already in the works is the city's \$3 billion mixed-use [One Vanderbilt](#) tower. That project, which is under construction next to New York's Grand Central Station, has garnered interest from Germany-based DZ Bank and DVB Bank, according to the [New York Post](#). The two banks have agreed to lease the 35,500-square-foot 26th-floor space. TD Bank will also occupy 200,000 square feet in the building. Though the project still has a long way to go before completion, other firms, including the Carlyle Group and McKinsey & Co. have also shown interest in leasing space in the development.

Construction crews finally came out of the ground with the building's steel structure at the beginning of October, [Curbed New York reported](#). Three years from now when the structure is completed, the tower will be New York City's second-tallest building at 1,401 feet.