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<http://www.globest.com/sites/johnjordan/2017/11/21/2017-public-private-institutional-construction-already-outpaces-last-years-total/?channel=sectors§ion=office>

2017 Public, Private Institutional Construction Already Outpaces Last Year's Total

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Carlo A. Scissura, president, CEO of the New York Building Congress

By John Jordan

NEW YORK CITY—Public and private institutional construction starts through September of this year totaled approximately \$4.2 billion, or about \$500 million more than this sector produced all of last year.

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totals from 2010 through 2014 and is on track to surpass the **\$4.6 billion in construction starts initiated in 2015**, according to a report released today by the New York Building Congress.

From October 2012 through September 2017 the public and private institutional construction sector in New York City has totaled approximately \$20 billion. The New York Building Congress report was based on analysis of construction data from Dodge Data & Analytics.

“These investments reflect an across-the-board increase in demand for services in New York City,” says New York Building Congress President and CEO Carlo A. Scissura. “Population growth, record levels of tourism, and the extraordinary popularity of New York City as a home for education and culture are requiring institutions to rapidly modernize and enhance their facilities.”

The Building Congress noted a number of other major projects in this sector including 181 Mercer St., the first major component of the Greenwich Village expansion plan; a \$200-million renovation of the Mid-Manhattan Library; a new two-building Columbia Business School, located at Columbia’s new Manhattanville campus and a second school building for The Brearley School on the Upper East Side.

Together, these five Manhattan projects account for nearly half of the value of all construction starts during the first nine months of 2017. The Javits expansion and the other four aforementioned projects account for nearly half of the value of all public and private institutional construction starts during the first nine months of 2017.

Two other key submarkets in this sector that have also contributed greatly to this year’s robust activity levels are public school and health care construction. Through the first nine months of this year, New York City public schools accounted for 25% of all construction starts and four of the top five institutional construction starts outside Manhattan, including two projects valued at nearly \$200 million—the new \$95-million addition to PS19 in Corona, Queens and a new \$92-million elementary and intermediate school in the Sunset Park section of Brooklyn.

New York City’s public and private hospitals and other healthcare providers invested \$6.2 billion, or 31% of all institutional construction starts over the five-year period, including major new facilities in all five boroughs. Through the first nine months of 2017, however, healthcare accounted for just 12% of all initiated projects and none of the top 10 projects by value.

Over the same five-year span, colleges and universities accounted for \$3.2 billion (16%) of construction starts. Cultural facilities initiated \$2.0 billion (10%) in construction projects, while private schools were responsible for \$1.6 billion (8%).

Approximately 58% of the projects, as measured by total value over the five-year period, were ground-up construction of new facilities with the remaining 42% being renovations and alterations to existing structures.