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With new president bullish on building, opportunity and challenge lie ahead



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Several key construction industry trends from 2016 are likely to continue in 2017, and as they progress, present new opportunities and new challenges. In the months to come, these trends will influence and shape New York City's built environment.

Increasing Complexity of construction projects

The proliferation of sophisticated architectural designs, as well as the continuing popularity of sustainable design and the desire to collaborate to save time and money, have made construction projects increasingly complex. We see this in the use of design delegation for specialty products and systems. As these complex projects blur the traditional roles and relationships between owners, developers, construction managers, contractors and design professionals, a deeper look into the contracts between these parties is needed. Relying on contract provisions from yesteryear can adversely affect expectations and result in coordination gaps. Attorneys with specialized construction knowledge have seen a marked increase in the demand for highly nuanced contracts to meet the challenges of the more technically oriented projects. Contract terms need to be thoughtfully negotiated to insure that they account for departures from traditional concepts and to accommodate new technologies and complicated relationships. As roles in construction are redefined, collaboration is critical. One way to enhance communication and streamline this process is to bring in all of the stakeholders as early in the process as possible, allowing everyone to use their expertise in a way that will maximize efficiency. In fact, this is the underlying concept of most of the new developments in project delivery systems.

Construction Safety

Construction safety will continue to be at the forefront of the industry's concerns. After a spate of accidents, New York City Council members have called for oversight hearings to consider what, if any, legislative changes should be made to improve worksite safety with the likelihood that additional regulations will be introduced in 2017. One law that is prime for reevaluation is New York City's Scaffolding Law (Labor Law §240). With changes in the composition of the State legislature, some are hopeful that there will be an opening for the repeal or revision of this century-old law, which can impose absolute liability on owners and general contractors when workers sustain gravity related injuries, regardless of who is at fault. Those who oppose the law are not opponents of worksite safety; rather, they are advocates for greater personal accountability when it comes to accidents. They argue that the current law is unfair, and that no other state has an equivalent statute relating to construction site accidents.

Emphasis on Infrastructure

With the President-elect's proposed \$1 trillion infrastructure plan, 2017 may see expanded opportunities to combine private development with public works to assist in paying for sought after upgrades. Senator Chuck Schumer (D-NY) has already noted that he believes Congress could pass an infrastructure-spending bill. The public-private-partnership (P3) model may be the financing solution that ultimately enables these projects. It is likely that the P3 model, along with other similar type of financing models, will be used to accomplish infrastructure work that otherwise would not happen. New York has already experimented with the P3 model, with the LaGuardia redevelopment project being a prime example. The P3 between the Port Authority and LaGuardia Gateway Partners is one of the largest, most complex projects of its kind in progress in the United States. With the airport remaining open during construction, speed and efficiency are paramount. While any project will have to deal with bureaucratic issues, a partnership between the private and public interests should help facilitate a quicker and more efficient permitting and approval process. Design-build is another project delivery system that may see greater use. Design-build has been on the rise due to its cost effectiveness, recent successful, high-profile projects and an increase in legislative activity encouraging its use. This trend is only likely to continue.



Builders are making smarter, more efficient buildings using new technologies.



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Greater Utilization of Technology in Construction

The construction industry will continue to institute greater utilization of technology, driven by the demand for information and smart solutions and the fact that the construction sector productivity gains are dragging behind those of the manufacturing sector. One area growing rapidly is the Internet of Things (IoT), as the construction industry begins to capitalize on the benefits of new innovation. By gathering data from technology within buildings and roadways, design and construction teams can apply this information to help them build smarter and more efficient buildings. The technologies remain for the lifecycle of the project, providing more efficient means of operation and maintenance. Lastly, as we come up on three decades since the creation of LEED, the industry is now better understanding the performance characteristics of certified buildings and can fine-tune design and construction strategies for more sustainable performance. New green technologies will permit further refinement of the data collected and achievement of sustainable goals.

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