



A single point of care: Architect-led residential design-build offers an alternative approach

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When undertaking the renovation of a residential apartment in New York City there are numerous considerations that must be understood to guarantee an optimal project team to serve the client and the building. The traditional Design-Bid-Build paradigm frequently leads to inconsistencies associated with the building management, city agency compliance, inspections, sign-offs, lapses in quality control assurance, compromise of the design intent, budgetary disconnects, overruns, and schedule conflicts. The bidding process in general is fraught with numerous pitfalls, liabilities, potential for serious errors, and the specter of miss-conduct.

There is a growing momentum in our industry to deliver projects using design-build methods as a result and substantial focus is given to constructor-led design-build. This arrangement is clearly the dominant relationship within the design-build delivery method but brings with it several key weaknesses; the most serious of which is that the design-builder becomes liable for design outcomes. When this liability is combined with pressures applied to the architect from both the client and the constructor issues of professional integrity can become murky. As industry professionals we should never assume responsibility for something we cannot control and a non-architect constructor should not be placed in control of architectural design outcomes. Within constructor-led design-build the relationship between the architect and the owner is frequently not as direct and design outcomes are sometimes compromised either intentionally or through simple misunderstandings associated with the design process on the part of the constructor.

Architect-led design-build offers an alternative approach that avoids many of the weaknesses associated with both cases above. In the architect-led model the architect has the ability to serve the client as the single "point of care." This allows the designer an intimate connection to the owner, the interior designer if one is involved in the project, and the building management. Additionally, it places the licensed professional in a position to properly oversee a project, maintain quality, ensure smooth coordination, satisfy the owner's desires, ensure good relations with building management, and inspections fulfillment therefore preventing encumbrances upon the overall building. Through the privileges of licensure the architect may act as either the designer who then hires a constructor or as the final constructor/construction-manager-at-risk but this option is not common for a variety of reasons associated with contracts and liability. Ultimately, the advantage of an owner to retain architects competent and qualified enough to fulfill the complexities of a construction project are significant: continuity, efficiency, accountability, and thoughtful consideration of the project intent.

For an architect to consider this course of action presents numerous difficulties that must be overcome. First and foremost is management of professional versus general liability. For the most part, architect's errors and omissions insurance will not cover the types of liability that go along with operating a construction site. Furthermore, if an architect chooses not to be the constructor-at-risk

there is still the matter of the construction management aspect being a policy add-on to their errors and omissions that may force them to renegotiate their agreement with the carrier. Additionally there are a host of certifications, licenses, bond applications and the incorporation of additional business entities and their financial, insurances, tax liabilities, and regulatory compliance that require management to carry out a completed project. The barriers to market entry are high enough that most architects are not sufficiently qualified or lack the motivation to undertake them. It generally requires an architect to have significant past experience in construction as well as architecture. However, the rewards associated with taking these steps can be significant to the firm: higher profit margins per project, higher client satisfaction, improved staff satisfaction and design fulfillment, greater exposure, and the cache of being market leaders.

The Syndicate Companies is a consortium of solely owned business entities practicing real estate development consulting, architecture, and construction. They have completed a range of projects throughout the New York metropolitan area over several years' time in different roles toward project delivery and frequently act as construction manager advisor on retail projects in the city when the demand for these services emerges. Key to the identity of a design-builder is the ability to set aside personal or corporate egos in order to act in the best interests of the project team regardless of assigned roles.

The Syndicate Companies recently fulfilled the market entry requirements with the launch of a general contracting company and the completion of their first architect-led design-build project as the constructor-at-risk in a residential building located on Gramercy Park North. The project was a success and led to a client who is extremely satisfied with the end product that was delivered at a very low cost to end value as a result of the management and schedule efficiency associated within a streamlined process. The renovation of a 900 s/f luxury apartment at a cost of \$130,000 or \$145 per s/f during a three-month summer window with final sign off and Letter of Completion issued within 30 days of completion. An important factor in the clients' satisfaction was that they had one single phone number assuring them of success. Upcoming design-build projects for the firm now include a townhouse gut renovation, a restaurant in Greenpoint, rehabilitation of a 25-unit multifamily tenement, and several residential condo/co-op apartments throughout the city.

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