



Executive of the Month: Racanelli, president of Racanelli Construction; Groomed from infancy to serve in the business

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The NYREJ recently sat down with Nicholas Racanelli, president of Racanelli Construction Co., Inc. for a question and answer session.

Q. Since you joined the company in 1992, what have been the most marked changes in the building and construction industry?

A. On the plus side, we've seen a shift in project work to more corporate and institutional accounts. Property owners still look for competency in construction and, if you provide high quality work, you can earn a lot of repeat business from loyal clients. On the negative side, the municipal review process has been more difficult and on the project side, there's much more paperwork required. Further, profit margins have become more compressed, thereby increasing the risks. It also has become more difficult to find qualified field and office personnel.

Q. How has Racanelli Construction evolved under your leadership? What do you believe have been the hallmarks of your leadership?

A. During the course of the past economic downturns, we've taken a conservative approach, containing our costs and keeping cash in the business. Additionally, we have diversified into more segments and are now very active in a wide range of markets from corporate, industrial and healthcare/assisted living, to retail, hospitality/restaurants, education, residential, houses of worship and public storage. We entered the pre-engineered metal building market, established a presence in the Carolinas, created ConRac Construction, a Women Business Enterprise (WBE) which my sister, Connie, oversees, and have built several large residential complexes. We kept the family unit intact overseeing operations and ensuring our continued high quality workmanship.

Q. What are two projects built by Racanelli Construction of which you are most proud and why?

A. One that comes to mind is the Brookhaven-Roe YMCA. The project was built on a four-acre site in Patchogue, formerly known as the Lace Mill Factory site. The land was donated to the YMCA by a wonderful family, the Swezey's, for the purpose of building a new, state-of-the-art facility. The building was a very unique design and the site presented many challenges. In the end, the two and half story, 64,929 s/f building featuring classrooms, multi-purpose rooms, teen center, gymnasium, swimming pool, running track, rock climbing wall and children's playground, was a great addition to the community. The YMCA board members and Village officials were very pleased with the new recreational resources for their residents.

I am also especially proud of Cedar Crest Village, a residential retirement and lifestyle community in Pompton Plains, N.J. which we were awarded by Erickson Development. We served as the construction manager on the project valued at over \$100 million. It includes a two-story community center with commercial kitchen, mechanical and electrical systems; 8,100 s/f chapel building; new 95,000 s/f, two-story parking deck structure, three-story assisted living building with 86 units; three

seven-level residence buildings with 120 units each; one five-story residence building with 96 units; and parking lots, access road and underground utilities.

Q. Your company is a third-generation family business with over six decades of service. How do you believe being a family business has helped your company sustain its growth and strong reputation through several significant downturns in the economy?

A. The company has been built on a foundation of integrity and honesty. My brothers, sister and I have maintained those standards set by my grandfather and continued by our father and uncles. It's easy to trust your partners when they are family. We all work together to solve problems and maintain a family atmosphere in our workplace. Consequently, we have longstanding, loyal employees; one who goes back to when our grandfather ran the company.

Q. Did you always know you wanted to work in the construction industry?

A. I was groomed from infancy to serve in the business. I worked summers in the company from high school through college and started the day after I graduated from Boston College. My father was very instrumental in helping me learn the business; spending a lot of time with me and getting me excited about the construction industry.

Q. Racanelli Construction has been involved in several high profile LEED certified projects. How important is the green building movement to your company?

A. It's very important. We have two LEED team members, one of whom is a member of the board of directors of the U.S. Green Building Council, Long Island Chapter. Our office and field personnel are trained in LEED and we have been involved in several prestigious LEED projects. We served as the general contractor on one of the first U.S. Green Building Council (USGBC) LEED Platinum-Rated community centers in New York on behalf of the Town of North Hempstead. To achieve LEED Platinum certification for the 52,420 s/f building in Westbury, we implemented a sustainable site development plan including alternative transportation parking stalls with electric vehicle recharging stations, energy-efficient exterior lighting, a special storm water design, water conserving plumbing, closed-loop geothermal system, solar water heating and photovoltaic panels. 75% of the construction and demolition debris was recycled and we reduced the demand for natural resources by using products with a high-recycled content and regionally-sourced and manufactured materials.

Q. What's a current Racanelli project you are excited about?

A. We're serving as the construction manager on the \$35 million renovation of the Bulova Watch Tower in Sag Harbor, dating back to 1881. The 178,000 s/f building consists of four floors which will be converted into high-end townhomes. We are restoring the building to near original condition which was in serious disrepair. The residential complex will also include a pool, recreation building and 58,000 s/f underground parking garage. The challenges have been stabilizing the existing structure and determining how to utilize many of the details of the existing structure to assure that the project's aesthetic design is consistent with the architectural integrity of this East End community. The project is scheduled for May 2014 completion.

Q. You are very active in the community and have been honored by different organizations. The American Heart Association, honored you previously at a New York Yankees Game for your longstanding support and efforts and your various roles including serving as Long Island chairman of the board, chairman of the board for the northeast region of the American Heart Association and American Stroke Association, and co-founder of the American Heart & Stroke Century Ride. You and other members of the Racanelli team helped raise over \$300,000 in one year alone for the organization. Why is the American Heart Association especially important to you?

A. Giving back to the community was instilled in each of us by our parents. My first construction project was for the American Heart Association. I was just 25 years old and was asked to join its board. I moved up through the organization and now serve in various roles. When I first became involved, we had no immediate family members with heart problems, but over the past 28 years, we have had many family members require life-saving procedures including a heart transplant. The American Heart Association was one of the first organizations I joined, but it has done more for me than I could ever do for it; helping with my own personal growth, from learning how a nonprofit organization functions to meeting new people and giving presentations. I am very proud of my relationship with this organization. This year marks the 5th American Heart Ride. Our (Racanelli's) goal is to raise \$300,000.

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