



Construction industry is bullish on New York City's post-pandemic growth - by Andrew Pearl

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As New York City begins its reopening phase from the more than a year-long economic shutdown caused by the pandemic, Swinerton, as well as other major construction companies and real estate veterans, are bullish on the city's growth potential for building services—particularly in the corporate offices sector—and therefore, have recently opened our first New York City office to meet the new challenges.

Despite the uncertainty due to the pandemic that adversely impacted New York City, particularly in the office market sector, we see opportunity in crisis. We build nationally and will connect with our long-standing clients to serve them best in one of the hardest hit areas of the country.

The future of workplace environments in urban cities like New York is uncertain, but change is coming. Some predictions lean towards more hard-wall offices over the open space model seen in recent years with high-density furniture systems. Others indicate technology may be the answer with thermal imaging to develop heat maps used to identify “hot-zones” and limit large gatherings.

Over the last decade, workplace has shifted from conventional layouts to a collaborative environment with ever smaller workstations and walled offices reducing in numbers. That trend may be coming to an end as employers are grappling with how to bring their workforce back to the office while ensuring that proper health and safety measures are implemented.

In place of open floorplans, new designs might include larger collaboration areas where employees can socially distance themselves and still feel comfortable working in groups. More hard walls are likely to surface as small workstations transition back towards private offices, no longer reserved for senior management or executives.

Technology may play a vital role in the safe return of workers to the workplace environment as thermal imaging may be used to mitigate large gatherings or bottlenecks that could raise fears of jeopardizing social distancing protocols. Prior to the pandemic, heat mapping was used by landlords and large-scale tenants as a way to study workplace utilization and to optimize square footage in leasing activity. Now, those instruments could result in tenants opting for larger footprints as employers respond to a need to increase square footage for social distancing.

We see a building boom taking place with the growing need for new and changing corporate office footprints with flexible designs to adjust to future conditions and trends. New York is slated for major infrastructure plans, hotel conversions to meet the demand for affordable housing, the issuing of new casino licenses, and a growing interest in sound stages as streaming services took front stage during the pandemic.

Swinerton is not your typical construction services company. It not only brings to New York its 133-year-old legacy in building expertise, but also its self-performing capability in key trades such as drywall, concrete, doors/frames/hardware; with Timberlab, mass timber delivery and integration; SAK Builders Division 3 concrete services; Swinerton Renewable Energy; and Perq, a first-of-its kind product in collaboration with Walker Consultants that is an innovation to design, build, and deliver pre-designed and pre-engineered parking solutions in 13 months.

We are betting on bringing our expertise and national reputation in building affordable housing, aviation, education, corporate and critical facilities, gaming, healthcare, hospitality, interiors, residential, retail, life sciences, and renewable energy to New York as it builds back stronger and better.

We obviously don't see New York City at the end of its glory days in construction and real estate growth, and one would just need to look to Facebook's 730,000 s/f lease at Farley Post Office this summer as proof and Apple's expansion at 11 Penn Plaza. As others may see a decline in urban centers, in a post-COVID climate, we are targeting urban centers as a sector presenting for change with many more hard-walled offices as opposed to open spaces. As people return to the city, the spaces in which they live, work, and learn will need to be re-configured.

Swinerton has thrived and survived the test of time by emerging into a \$5 billion national commercial construction company with great financial strength, national clients, project diversity, and a company culture that is proud of its 100% employee ownership. It currently has 20 offices in nine states across the country and is ranked #18 on the ENR 2020 list of top contractors in the country. The company adapted its construction strategies and pivoted to survive two world wars, a great depression and a great recession, two global pandemics, as well as many crises and national disasters, and now pivots to see opportunity in crisis in a post-COVID world.

In staying true to Swinerton's DNA by expanding the markets we explore allows us to target opportunities to build in locations where our clients have needs, where we bring our hands-on approach as we earn our stripes and answer the call to build back New York City better and stronger.

As a native New Yorker and life-long NY Yankees fan, I am very excited about returning to my New York City roots to head up our new office.

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