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## Q&A: Lou Coletti on inflation, regulation and the kind of project the city needs most

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**WHO HE IS** President and CEO of the Building Trades Employers Association

**AGE** 70

**GREW UP** The Bronx and Elizabeth, New Jersey

**RESIDES** Warren Township, New Jersey

**EDUCATION** Bachelor's of Arts in English from Rutgers University, Master's in Public Administration from NYU

**FAMILY MAN** Coletti is married with two sons and five grandchildren—three boys and two girls

**BOOKWORM** Coletti enjoys reading and particularly likes the spy novels by Robert Ludlum, best known for his Jason Bourne series, and historians like Doris Kearns Goodwin. "There are so many valuable lessons to learn from history," he said. "That's one of the things I don't think we're doing enough of in this country."

Lou Coletti is celebrating his 25th year serving as president of the Building Trades Employers Association. The organization dates back to 1903, and Coletti maintains that it plays an essential role in keeping good blue-collar jobs in the city—a role that has only grown in importance as many of the other industries that provided such jobs have left town. "The only blue-collar industry left that is going to sustain and grow the middle class to rent these apartments, where they can raise their families in New York, is the union construction industry," he said.

**What has changed the most about construction in the city during your 25 years leading the BTEA?**

The dramatic increase in costs. The cost of liability insurance has increased to the point where it's really difficult and expensive to build in the city. The cost of insurance to build in the city is about \$41 per square foot, compared to \$5 in New Jersey and \$3 in Connecticut.

**What do you make of the recent report showing more projects were filed during the first quarter of 2022 than in any quarter since the end of 2014?**

It's a clear indicator that, despite the impact of Covid, people still want to live and work in New York. I see a lot of office renovations because people are adjusting their workspaces to the new workplace environment. You'll continue to have selective new commercial developments as well, but perhaps there won't be as many as before Covid. The construction industry has always been sensitive to market forces.

**Why did BTEA push the legislature to pass a bill—which it did—to let state contractors lobby for new budgets on public construction projects?**

The cost of materials and the breakdown of the supply chain have dramatically increased the price of construction. Private owners have been more understanding of how they have to adjust their prices. The government has not. That legislation was based on what the government did in 1974 when we had the fuel crisis, where they allowed for adjustments in prices for contracts already bid because fuel costs went through the roof. We're in that same position now.

**Why have major construction projects faced so much community pushback recently?**

It's been cyclical. I've lived through cycles where that community opposition had an impact, and projects were delayed or never moved forward. Then, there was a period where that seemed to wane, and now we seem to be in an era where it's back, but the pressures are a little different.

They're looking for you to hire community residents. They're looking for you to do business with local businesses. They want to grow small and minority- and women-owned businesses.

**Is there a type of project the city needs more of?**

The city really has to take a look at the older commercial building stock. To turn around those buildings with the new technology that offices now require would be enormously expensive. What the city should do is allow those spaces to be converted to residential space. You have to change the zoning laws. It's often costlier to renovate those older buildings rather than just come in clean and build new.

<https://www.crainsnewyork.com/asked-answered/lou-coletti-inflation-regulation-and-kind-project-nyc-needs-most>