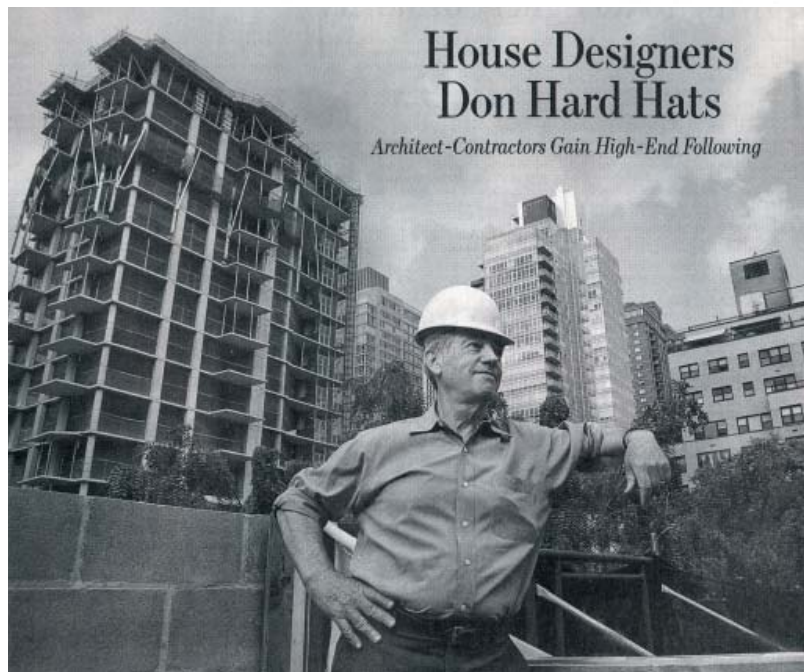


# THE HOME FRONT

## House Designers Don Hard Hats

Architect-Contractors Gain High-End Following



**Architect Peter Gluck** (above) stands on the unfinished roof terrace of a Manhattan townhouse he designed and is building for \$550 per square foot, nearly half of what builders say it would cost to tear down and rebuild a townhouse with a traditional general contractor. **At left**, architect Ron Radziner of Marmol Radziner + Associates designed and built his home (left) in 2007.

BY SARA LIN

**D**ESPITE THE FINANCIAL CRISIS and the housing slump, the phone is still ringing in Peter Gluck's office. "We're OK for now," says Mr. Gluck, whose office of 50 architects specializes in high-end residences costing \$5 million and up.

That may be explained by the fact that Mr. Gluck and his associates aren't just the architects for their homes. They're the general contractors as well, unlocking gates in the morning and stepping onto scaffolds to direct construction.

This architect-as-contractor model, called design-build, had already been gaining new traction at the highest echelons of the housing market, as clients seek ways to execute cutting-edge designs without the headaches often associated with such construction. Membership in the American Institute of Architects' design-build community has nearly tripled over the past five years, and teachers at several architecture programs across the Midwest report that enrollment in design-build classes has doubled.

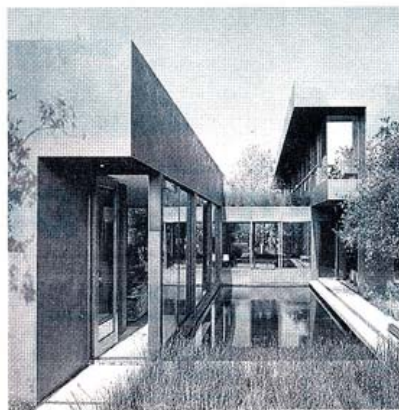
And while critics argue that allowing one firm to handle both design and construction duties could result in out-of-control costs, advocates argue the opposite, saying double-duty firms are faring better in tough times because it's easier for them to keep costs in check. "The design-build process may be as close to a fixed cost contract that an owner can expect in today's construction world," writes Barry B. LePatner, a prominent construction lawyer, in his "Broken Buildings, Busted Budgets: How to Fix America's Trillion-Dollar Construction Industry."

In some cases, the savings have been significant. In midtown Manhattan, a client hired Mr. Gluck's firm to tear down an old brownstone and replace it with one with a loft-like interior. Four months away from completion, the townhouse boasts stone counters, a four-story bookcase, glass stair railings, an elevator, a double-height dining room, a roof deck and an all-glass back façade. The cost: \$1.95 million. At \$550 per square foot, the townhouse costs nearly half of what experienced builders say it would cost to tear down and rebuild a townhouse with lesser-quality finishes.

Of course, the vast majority of buildings are still built the conventional way, with an architect drawing up plans that the client bids out to general contractors. And for many years, the idea of marrying architects to contractors was viewed with deep suspicion. The American Institute of Architects banned its members from doing design-build from its founding in 1857 until 1979.

Some skeptics still believe the practice is unethical, saying it is a conflict of interest for designers to determine a building's budget. "In theory clients like it because it sort of simplifies their life. But they're paying with one less level of protection and oversight," says New York architect Richard Dattner. "There's either a conflict or an appearance of a conflict."

And not all architects are anxious to change their roles. Taking out a second insurance policy to cover architects as general contractors isn't cheap. Some architects dislike the less glamorous parts of the job:



scaling ladders, negotiating labor contracts, dealing with inclement weather and occasionally hauling trash to a dump.

But design-build advocates argue the conventional method is problematic. When builders run into situations that aren't explained in the drawings, they wait for the architects' office to resolve the issue or they engineer a solution themselves, even if their fix doesn't mesh with the architect's original design. In either case, the homeowner is saddled with change orders, delays or a compromised design. And when things go wrong, as they often will, architects and general contractors often blame each other.

"People hire an architect they don't know and hire builders who gave them the lowest bid and they sit there and pray," says New York developer Jeffrey M. Brown.

When Richard Yulman hired an architect to design a copper-clad guesthouse next to his vacation home in Lake George, N.Y., he steered himself for months of headache. After all, his experience with an architect 15 years earlier had been fraught with disagreements between the designer and contractor and finger-pointing afterward when his new glass roof leaked. "It was a terrible experience," recalls Mr. Yulman, the 63-year-old retired chairman of mattress maker Serta International.

Mr. Yulman hired Mr. Gluck in 2005. "When I'm not happy, there's one phone call I make," he says.

Skip Paul remodeled and restored three architectural homes, each time hiring separate designers and builders. Last year, the entertainment executive hired Marmol Radziner + Associates to design a Modernist home in Beverly Hills, Calif., with terrazzo flooring, stack-space fireplaces and an open kitchen-living-dining space enclosed by a glass facade offering views of Los Angeles. Although the firm usually builds its own projects, Mr. Paul still wanted a general contractor. "I didn't want a bunch of architects to build my house," he says.

But over time, Mr. Paul became impressed with

how the architects used their construction knowledge to push the design, so he asked them to bid or the entire project. The firm came up with an amount similar to general contractors, and after watching the contractors leaf through the drawings and puzzle over complex features like the three different roofs that appear to float atop the house, Mr. Paul decided to stick with the architects. "I will end up with the house I wanted for less money," says Mr. Paul.

Many architects became their own contractors out of frustration. After doing architectural restorations of several leaky houses designed by Frank Gehry, Leo Marmol and Ron Radziner became convinced that traditional building methods wouldn't work on daring architecture. About a dozen of their former staffers have left over the years to start up their own firms, building their own designs. (Mr. Gehry could not be reached to comment on these projects.)

In Omaha, Neb., architect Randy Brown was tired of spending extra hours helping his clients' general contractors find subcontractors willing to build the warped walls or custom millwork he had designed. "We were doing all the work of the general contractor and not getting paid for it," recalls Mr. Brown, who took on his first house as an architect-contractor in 1998.

To keep subcontractors' estimates on budget early on, Mr. Gluck uses extremely detailed drawings. Rather than giving the subcontractors one giant roll of drawings to thumb through to determine their estimates, Mr. Gluck puts together an individual set of drawings for each trade. It's a lot of extra work—as many as 30 different sets of drawings for one project—but it eliminates guesswork and costly change orders. The drawings get into such mundane details as where to place screws and caulking.

To assure his clients that they're not being taken for a ride, Mr. Gluck keeps his payrolls transparent. His clients have online access to his ledgers through a secure server. Subcontractors' bids, payments, daily work orders and pictures from the jobsite are uploaded daily.

Beyond homeowners, Mr. Gluck says the architect-as-contractor model goes a long way towards making architecture affordable for nonprofits and schools, which make up about half of his portfolio. That said, Mr. Gluck doesn't expect to be entirely immune from the current economic climate. "Nobody's canceling projects, but that's probably because lot of ours are in construction. We can't just stop those," he says.

He hopes that he'll have enough work to keep his office busy through the downturn, but he does note he hasn't signed any new residential clients in the last month.