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<http://rew-online.com/2017/11/21/report-new-york-city-sees-five-year-surge-institutional-construction/>

## Report: New York City sees five-year surge in institutional construction



By Kyle Campbell

New York's institutional sector has been on a five-year building tear.

Schools, hospitals, cultural centers and houses of worship broke ground on \$20 billion worth of construction and renovation projects in the city between October 2012 and September 2017, according to a report compiled by the New York Building Congress.

More than \$4 billion of institutional sector construction projects were started during the first nine months of this year, alone, the report shows. This surpasses last year's total of \$3.6 billion as well as the combined works of 2010 through 2014. This year is also on track to beat the voracious building of 2015 when the city's institutions shelled out \$4.6 billion.

New York Building Congress president and chief executive Carlo A. Scissura attributed this surge to growing demand for services, a commitment to education at city hall and Gov. Andrew Cuomo's commitment to spend \$100 billion in infrastructural improvements.

“Population growth, record levels of tourism, and the extraordinary popularity of New York City as a home for education and culture are requiring institutions to rapidly modernize and enhance their facilities,” Scissura said.

### **Building breakdown**

Key projects in 2017 include the \$1.2 billion expansion of the Jacob K. Javits Convention Center, a \$200 million renovation of the Mid-Manhattan Library, NYU’s groundbreaking at 181 Mercer Street, Columbia University’s new two-building business school as well as its new Manhattanville campus. Also, the all-girls private Brearley School constructed a second building on the Upper East Side.

Thanks to the Javits Center project, more than 70 percent of institutional spending in 2017 has gone toward ground-up construction, according to the report.

Public schools have spent \$6.3 billion on construction costs since 2012, making up roughly 32 percent of the institutional sector’s five-year spending as well as a quarter of the starts through the first nine months of 2017. Top projects include a \$95 million addition to PS19 in Corona, Queens and a \$92 million school in Sunset Park, Brooklyn.

Private schools spent \$1.6 billion on construction during the past five years while colleges and universities plunked down \$3.2 billion. Cultural facilities accounted for \$2 billion in spending.

Health care spending is down in 2017, accounting for a mere 12 percent of sector spending. However, the city’s private and public hospitals have accounted for \$6.3 billion in spending during the past five years, with new facilities going up in all five boroughs.

### **Starting from scratch**

More than half of the institutional construction projects that have started in the past five years were ground-up builds, while a little more than 40 percent were renovations.

Scissura said the amount of public spending on school-related projects is commendable but he would like to see the city spread the wealth around to areas such as health care and the arts.

“The de Blasio administration and the School Construction Authority have done a terrific job of investing in public schools throughout the five boroughs – as have our institutions of higher education,” Scissura said. “However, as a city, we will have to encourage sustained investments in critical parts of our institutional market, particularly our vital healthcare network and cultural venues, to meet the needs of our still-growing economy.”