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Institutional construction hits \$2.9B in first half of 2015

By Ariel Stulberg

Schools, hospital, and others spent only \$796M during the same period last year



From left: Richard Anderson and a rendering of the new Sloan Kettering facility on the Upper East Side

The city's development titans get all the acclaim (and most of the money), but New York's educational, health and cultural institutions know something about building too. The city's schools, hospitals, courts, libraries, and religious and cultural institutions spent \$2.9 billion on new construction projects between January and June of 2015, according to a new report by the New York Building Congress.

The comparable figure in 2014 was just \$796 million, though the second half of 2014 saw a comparable \$3 billion in new institutional construction.

"Institutions in New York City have independent sources of financing, which are somewhat recession proof," Building Congress president Richard Anderson told the Wall Street Journal, "Wealthy people don't get affected by recessions the way normal people do."

Construction of schools, colleges and universities led the way, with 56 percent of institutional investments in the period. Hospital building accounted for 32 percent.

Institutional construction accounts for about 12 to 14 percent of projects in the city, according to the Building Congress. The report did not include such expenses as buying development sites, paying architects or finishing.

The 750,000-square-foot, 23-story Memorial Sloan Kettering Cancer Center's David H. Koch Center on FDR drive at East 74th Street on the Upper East Side was by far the largest project so far this year, at around \$750 million.