TESTIMONY

Of

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Before

New York Planning Commission

In Support of

New York University’s Core Project

April 25, 2012
Good Afternoon Madam Chair and Commissioners. I'm Joe McShane, the President of Fordham University, and I am here to testify on behalf of NYU’s application for expanding and redeveloping their campus in the Village and beyond.

WHAT, might you ask, is a competitor doing supporting the advancement of another institution of higher education? That sentiment would surely evidence a very narrow understanding, both of the world of higher education and the spirit of New York City. We are all engaged in the same endeavor, though our specific academic missions, programs, cultures and sensibilities might be quite different and distinctive. But isn’t that what New York is all about, difference, diversity and competition within the overarching enchantment and grittiness that is New York, and which makes us one City? --- A more cynical person might claim that I am here merely to repay John Sexton -- a three time Fordham graduate if you don’t count the honorary doctorate— for his unsolicited and gracious remark when he assumed the presidency of NYU, to the effect that one of his principal hopes was to make the educational experience at NYU more like Fordham – but here I digress.

New York is one of the five or six intellectual capitals of the world, a status that rests upon its high concentration of colleges and universities. NYU is one of the core components of that New York City higher-education infrastructure. It energetically acts as an incubator and magnet for new talent and ideas. NYU students increasingly and overwhelmingly come from all over the country and the world, and a high percentage of them stay in the city when they graduate and contribute to its constant re-shaping. These NYU graduates, along with faculty, staff and students, pump and inject a tremendous amount of intellectual capital into the city’s cultural, media, financial, fashion, educational and arts institutions and industries.

In March 2009 a report documented that the not-for-profit higher education industry is the fastest growing economic sector of New York City over the prior decade. Since 1990, educational services have experienced a 55% growth in employment, followed by the arts, entertainment and recreation at 50% growth levels. The education sector has remained undaunted by the great recession in terms of the growth of students and degrees awarded. Over 660,000 students attend college and university in New York and New York has truly become “the pre-eminent college town” dwarfing even such college towns like Boston, Washington D.C., Chicago, San Francisco or even South Bend.

Conversely, the city's financial, insurance and real estate industries combined have fallen 11%, and manufacturing industries have plummeted by nearly 65% in the same period, due largely to the centrifugal forces of globalization. This economic transition has been framed as the shift from FIRE (Finance, Insurance and Real Estate) to ICE (Intellectual, Cultural and Educational).
It was none other than John Sexton, the President of NYU, who coined this new “turn of phrase” in his 2007 paper “Fire and Ice: The Knowledge Century and the University. Asserting the 21st century will be known as the “knowledge century”, “one in which the driving forces in the economy are ideas. This is a call for New York to reinvent itself as the “idea capital”.

Universities fit comfortably into this version of the emerging world. Daniel Patrick Moynihan said nearly 50 years ago: “if you want to build a world class city, build a great university and wait 200 years.” His insight is true today – except yesterday’s 200 years has become twenty.” That in essence is what NYU’s plan is all about, as universities have become a prime economic engine in the emerging “knowledge-based” economy.

It is reported that this ICE sector already contributes about $26 billion to New York City’s economy, up from $21.8 Billion in 2005. And it employs approximately 180,000 individuals even at a time of economic stress. While the FIRE Sector still remains a significant part of the NY City economic landscape, most of the growth in New York City is coming out of the knowledge economy—the ICE Sector.

Why has NYU proposed this specific plan? It is confronted by the reality that it is dwarfed in terms of its overall space per student, both academic (learning and research spaces) as well as needed support facility space, by its peer institutions that compete nationally with it for students. By way of clear comparison, with respect to academic space alone NYU’s space is dwarfed by its peer institutions’ average of 328 gsf/student compared with 144 gsf/student for NYU. Greater academic program and support space is simply essential to operate a major cutting edge research university.

NYU’s proposed plan has taken a city-wide approach. Of the total proposed 6 million square foot increase by location, about 1/3rd will be located within NYU’s Washington Square Core, where it already owns the land on two superblocks. Another 3 million will be developed in remote locations -- especially in Downtown Brooklyn and the eastside health corridor -- and less than 1.5 million square feet within the broader local neighborhood. Out of respect for its surrounding community and following a mandate that NYU took on to be sensitive to its impact on the neighborhood, NYU, has chosen to seek approval to develop on its own property.

This is analogous in spirit to our own decision at Fordham, where expansion and development was restricted to our own land and campus at our Lincoln Center Campus on the Upper West Side. Here, NYU’s decision will impact two super Blocks, where a significant percentage of its own faculty lives, and this has understandably led to the discomfort of some with the plan. But, it reflects willingness on the part of NYU to make difficult decisions -- and aim for a proper sort of balance between the interests of a major institution and its surrounding
community -- that is the only way to operate in a dense urban environment where space is scarce. This plan requires: No residential displacement, NO up-zoning, OR ANY eminent domain. In addition the project will create 18,200 construction jobs and 2,600 long-term employment opportunities.

NYU has listened to the concerns of the community. Manhattan Borough President Scott M. Stringer's has played a role in helping craft a compromise plan that recognizes the importance of NYU to the economic and cultural well being of the city. Thus the Draft Plan being considered by the City Planning Commission is already a compromise plan that incorporates those major changes, which dramatically reduces the overall size of the project while making it more amenable to public considerations.

This ultimately is for the good not merely of NYU, but also for the city in which it engages in its authentic public service. NYU of course is part of the very fabric of this city and its institutions. It would be difficult if not impossible to find a sector of the City's intellectual economy to which NYU is not a significant contributor. The central shift toward an idea-laden, creativity-based economy in New York will be significantly strengthened by NYU's Plan. I endorse it and I urge you to approve the proposal.

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