



Fairfield
UNIVERSITY

Office of the Executive Vice President

Testimony for Public Hearing
Planning and Development Committee
11 a.m. March 21, 2014

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H.B. 5583 (Planning and Development) – An Act Concerning the Payment of Real Property Taxes by Certain Institutions of Higher Learning and Hospital Facilities:

Good morning , Planning and Development Committee members. My name is Kevin Lawlor, and I am the Executive Vice President and Chief Operating Officer of Fairfield University, which is located in the heart of the town of Fairfield, Conn.

I am here to express our deep concerns and strong opposition to House Bill 5583, "An Act Concerning the Payment of Real Property Taxes by Certain Institutions of Higher Learning and Hospital Facilities."

Our concerns center on three factors: 1) the bill as drafted does not sufficiently take into account the degree of economic impact that a University like Fairfield has on the local community. 2) the bill would in these difficult financial times, raise the cost of a college education and put such education outside the reach of more and more average students and finally 3)we are concerned that the bill would undermine the strong, mutually beneficial and cooperative relationships that our University enjoys with the town of Fairfield — a relationship that we submit has significant economic value to the town, the region and to the state of Connecticut.

Fairfield is a Jesuit university, founded in 1942, with the expressed purpose at that time of providing a college education to young persons from the surrounding towns in Connecticut — like Fairfield, Waterbury, Bridgeport, and so on — who would otherwise not have access to higher education — either because of their socioeconomic background, or because of their ability to pay.

Fairfield has grown to become a comprehensive, four-year residential institution with a student population of approximately 5,000 offering bachelor's, master's and doctoral degrees from five schools, including the Charles Dolan School of Business, School of Engineering, School of Nursing, Graduate School of Education and Allied Professions and the College of Arts and Sciences.

The tradition of extending property tax exemptions to universities and colleges as well as other non-profit institutions has been a dimension of civic life in our country since the adoption of the U.S. Constitution — and indeed all colleges and universities in all of the states in the union are granted this exemption.

We do this because the state has traditionally recognized that colleges and universities provide an essential social, economic and cultural function — they educate our citizens and prepare them to be citizens in the fullest sense: responsible, reasonable, productive, and inclined to participate in civic institutions.

Universities also provide jobs, conduct research that benefits the wellbeing and enhances the wealth of our communities, and provide expertise to businesses and the state that enhance the economic well-being and quality of life for all of our citizens. Our university also provides a cultural hub for the arts in Fairfield County.

In other words, universities and colleges perform a necessary civic function and therefore are both an extension of the state's obligations to educate and prepare people to participate as citizens, and provide complementary benefits that work hand in hand with civil authorities in the promotion of the wellbeing of our communities.

The proposed bill is contrary to the spirit and understanding of this long-standing tradition.

In Connecticut, we have been fortunate to date to have the payment-in-lieu of taxes PILOT program that provides some state funds to towns that host colleges and hospitals. We think this is an exemplary program and one that is a source of pride.

Our concern about bill 5583 is that abandons hundreds of years of precedent and fails to recognize just how integral a University like Fairfield is to the surrounding community, and the extent to which a University like ours considers itself a civic institution and actively works to support and enhance the life of our community — as an extension of our obligation as a Jesuit institution to work toward the higher good of our fellow men and women.

Bill 5583 would serve to threaten the harmony of town and gown relations at a time when institutions like ours — which are major employers as well as institutions that directly and indirectly make a significant economic impact — are in fact trying to work close than ever with the towns that we serve, creating new partnerships, and cooperating to promote business activity and to enhance our shared community.

Briefly, I'd like to share with you some economic impact statistics as well as some of the ways that Fairfield University works cooperatively and integrally with the Town of Fairfield and other communities.

Based on the most recent figures we have, the PILOT program transfers about \$1.9 million to the town of Fairfield for hosting our University.

According to a study compiled in 2012 by the Connecticut Conference of Independent Colleges, the overall figure for the impact that Fairfield University has in terms of sales of goods and services in the state is estimated at just over \$250 million. This includes the roughly \$121 million in spending by the University itself, and approximately \$13 million spent by students and clothes, food, travel, entertainment, and so on. The study estimates there is \$116 million in additional or induced economic activity generated by the University.

The Employment impact is a total of 3,215 jobs in Connecticut including 926 full-time equivalent positions in the sector and out-sourced operations and 2,289 full time equivalent positions in the rest of Connecticut's economy.

Further, we have about 19,000 alumni who reside in Connecticut, with a total combined annual income of \$1.3 billion — who pay approximately \$161 million in taxes as well as purchase goods and services in our state.

While we have a big economic footprint, it is the other ways in which we serve the community that I think are of special note, and I mention just a few:

The University served as the backup Emergency Operations Center for the town during Hurricane Sandy, and would serve in that capacity in any future emergencies. When the town lost it's only major downtown bookstore a few years ago, Fairfield opened a full service community bookstore in the same flagship retail location that also attracted a major coffeehouse retailer.

In a cooperative venture with the town of Fairfield, we recently launched a business incubator program in the center of town. Our faculty are providing expertise and mentoring to clients who are seeking to open new area businesses. Through the program, we are working to help build the local business community and expand the local tax base.

Through Fairfield's Community Partner Scholarship program in Bridgeport and the Bridgeport Tuition grant program a total of 310 Bridgeport students have been granted close to \$20 million in university aid.

The University provides a tuition discount program for teachers in the Bridgeport Diocesan schools, which gives a 50% discount to those enrolled in certification programs.

Our student teachers are involved as interns in the local schools, and we support the local teachers through ongoing workshops at our Connecticut Writing Project. We have a Marriage and Family Therapy Center on our campus where our students and faculty are actively engaged in supporting local families. Our Library is open to town residents, as a place to read and study, but also as a lending library. Town residents can take out books, CDs, DVD's and other materials. We have a museum and two art galleries as well as a performing arts Center — The Regina A. Quick Center for the Arts. The quality of performers that we bring to the

Quick are world class, and are greatly appreciated by the town, who embrace our programming as their own. We present the programming at the Quick Center for the purpose of enhancing the cultural life of the town of Fairfield and surrounding communities.

We also host public lectures, readings, and other opportunities for intellectual engagement through our Center for Faith and Public Life, the Carl and Dorothy Bennett Center for Judaic Studies, our programs in Irish Studies, and so on. These lectures and events are open and free to the public.

In short, the identity and mission of Fairfield University is integrally linked to the life and vitality of the town of Fairfield. Our faculty and employees and graduates live in the town, and conduct their economic activity in the town. As the town prospers, so will the University — and vice versa.

As we move forward, we anticipate that we will be working even more closely with the town on cooperative ventures to support the town's economic strength and cultural vitality — it is very much a mutually beneficial, mutually enhancing relationship.

My concern is that Bill 5583 as currently drafted will serve to destabilize what is currently a strong and mutually beneficial relationship.

And I would also note that the bill would put even greater pressure on the costs of higher education, which are already at an untenably high level. We are working very hard to contain our costs so that we may remain true to our founding mission and make a Fairfield education accessible to as many worthy students as possible.

With these thoughts in mind, we ask you not to support Bill 5583.

I'd like to thank the committee for the opportunity to speak with you all this morning and I would be happy to address your questions.