

Fiscal 2009 Preliminary Budget Hearings

Committee on Education

March 2008

Scheduled To Testify:

- *Department of Education & School
Construction Authority (Capital)*

*Hon. Christine C. Quinn
Speaker of the Council*

*Hon. David I. Weprin, Chair
Committee on Finance*

*Hon. Robert Jackson, Chair
Committee on Education*

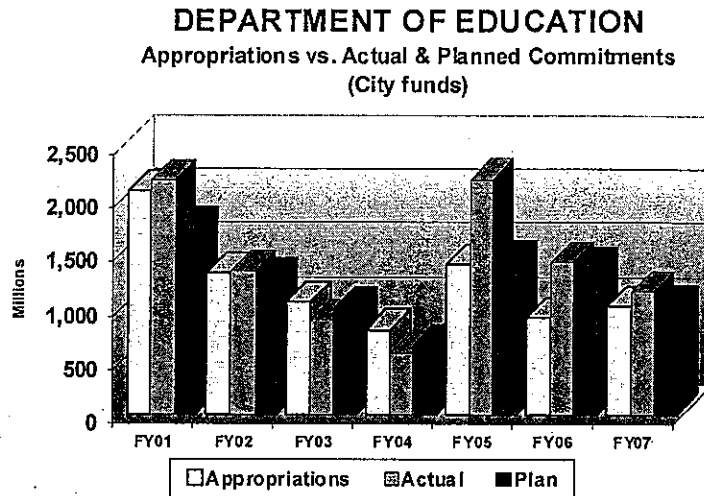
*James Caras, Acting Director
Finance Division*

Agency Overview

Created by the State Legislature as an independent body in 1988, the School Construction Authority's (SCA) mandate is to rehabilitate and reconstruct the disrepair and deteriorating conditions of the City's public schools. The SCA is responsible for the Department of Education's (DOE) Capital Plan, which includes acquiring new school sites, and for the design and construction of capital projects within the public school system. The

legislation that established the SCA exempted the DOE and the Authority from the City's line-by-line annual Capital Budget. Instead, the City provides a five-year lump-sum allocation for education capital expenditures, and the DOE determines how the funds will actually be used, subject to scope approval by the City. The DOE operates pursuant to a Five-Year Capital Plan that authorizes the Department to determine the number, size and location of schools to be built and renovated by the SCA.

The new school governance legislation passed by the State in 2002 gives the City Council the authority to approve the Five-Year Capital Plan and any amendments to the Plan. The New York City public school system manages approximately 1,500 school buildings and support facilities including transportables and leased facilities for a school population of almost one million in pre-kindergarten through grade 12.



Current Budget Summary

The January 2008 Capital Commitment Plan includes \$11.58 billion in Fiscal 2008-2011 for the Department of Education (including City and Non-City funds). This represents 22.1 percent of the City's total \$52.5 billion January Plan for Fiscal 2008-2011. The Department of Education's January Commitment Plan for Fiscal 2008 - 2011 is less than one percent more than the \$11.57 billion in the September Commitment Plan, an increase of \$17 million.

In its 2006-07 budget, the State finally agreed to provide its 50 percent share of the DOE's \$13.1 billion Five-Year Capital Plan for Fiscal 2005-2009. The City will now receive \$1.8 billion in State aid and an additional \$9.4 billion in Transitional Finance Authority (TFA) borrowing authority, half of which will be paid for by State Building Aid. These two new sources of capital support represent the State's full \$6.5 billion share of the City's Five-Year Plan for capital construction.

Unfortunately, the Governor's Executive Budget for 2008-2009 virtually ignores this agreement and counts \$100 million of incremental State Building Aid as operating aid. Making matters worse, the Executive Budget also includes a provision delaying the payment of all incremental building aid to the City by 18 months. This action would reduce State support for debt issued to finance the City's education capital program. Greater details about the fiscal impact of these proposals are included in the Preliminary Budget Issues section.

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The Department of Education's capital commitments for the last five years are shown below:

FIVE YEAR HISTORY – CAPITAL BUDGET (\$ in millions)					
	FY03	FY04	FY05	FY06	FY07
CITY	880	571	2,188	1,409	1,143
NON-CITY	73	22	0	579	2,074
TOTAL	953	593	2,188	1,988	3,217

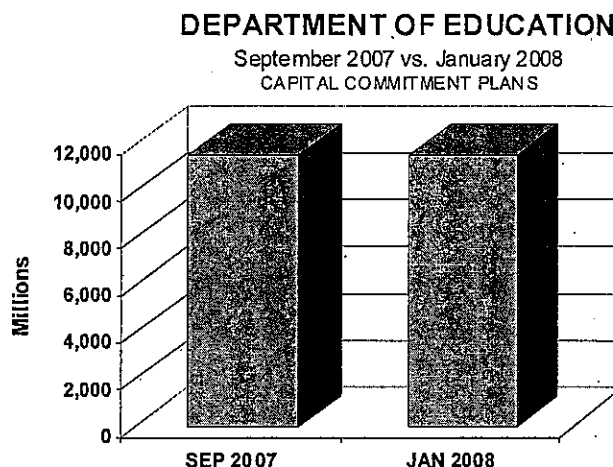
ADOPTED FOUR-YEAR CAPITAL PLAN – SEPTEMBER 2007 (\$ in millions)					
	FY08	FY09	FY10	FY11	FY's 08-11
CITY	1,162	1,252	1,241	1,283	4,938
NON-CITY	2,079	2,033	1,241	1,283	6,635
TOTAL	3,241	3,285	2,481	2,565	11,572

PRELIMINARY FOUR-YEAR CAPITAL PLAN – JANUARY 2008 (\$ in millions)					
	FY08	FY09	FY10	FY11	FY's 08-11
CITY	1,175	1,254	1,241	1,283	4,951
NON-CITY	2,079	2,033	1,241	1,283	6,635
TOTAL	3,253	3,287	2,482	2,566	11,586

PRELIMINARY BUDGET ISSUES:

The Proposed February 2008 Amendment to the 2005-2009 Five-Year Capital Plan

The Department of Education released its proposed Amendment to the 2005-2009 Five-Year educational capital Amendment in February 2008. This Amendment is based on the original \$13.1 billion funding level adopted in May 2006 and includes \$690 million in other sources including funds added by the City Council and the Borough Presidents. The February 2008 Amendment is supported with \$6.5 billion in State funding secured through the Campaign for Fiscal Equity Agreement reached between the State and City on April 24, 2006. With this State funding in place the Department of Education resumed site acquisition, design, procurement and award of new school construction projects, as well as rehabilitation, restructuring and enhancement projects previously put on hold.



The Governor's Executive Budget for FY08-09 does not support the Campaign for Fiscal Equity Agreement mentioned above. The Executive Budget counts \$100 million of incremental building aid as operating aid. This breaks the State's promise not to commingle operating and capital funds. If the schools use this \$100 million for operations, the DOE might have to reduce the current Five-Year Plan by \$1.5 billion because the City uses building aid to securitize education bonding. This would result in the loss of approximately 20,000 seats in the City, which is almost one-third of the planned expansion in new capacity. In addition, the Executive Budget includes a provision that delays the payment of all incremental building aid to the City by 18 months. This proposal would reduce State support for debt issued to finance the City's educational capital program by over \$100 million for the foreseeable future. If changes are not made to the Executive Budget, the DOE will review the remainder of the current Five-Year Plan with the real possibility of eliminating many projects.

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There is currently a 1.03 percent increase in FY08 in the Proposed February 2008 Amendment over the 2007 Adopted Plan. Some of the major changes for Fiscal Year 2008 are:

- A 153.7 percent increase, or \$800 million in State of Good Repair projects, from \$521 million to \$1,321 million.
- A 34.9 percent decrease, or \$499 million in Capacity Expansion projects, from \$1,432 million to \$933 million.
- A 20.8 percent decrease, or \$145 million in Educational Enhancement projects, from \$696 million to \$551 million.
- A 1 percent increase or \$1 million in Safety and Security projects, from \$146 million to \$147 million.
- A 67.3 percent increase, or \$175 million in Ancillary, Emergency and Miscellaneous projects, from \$259 million to \$434 million.

The Proposed February 2008 Amendment is not significantly different from the Plan adopted in June 2007, there is a 1.9 percent increase over the five years. The change to Fiscal Year 2008 is 1 percent due largely to the escalation of construction costs.

The main function for the School Improvement and Restructuring Allocations (SIRA) program is to restructure larger campuses into smaller more efficient schools, and this effort will continue at 22 large campuses currently undergoing redesign. The redesign of these campuses will result in the creation of 100 small schools. A new pilot program to alleviate overcrowding when the addition of seats at the district level is not sufficient was introduced in the November 2007 Amendment and is included in the February Amendment. The pilot program is called the Individual Overcrowding Reduction Plan and the Department of Education intends to create Individual Reduction Plans (IRPs) for each identified school. SIRA funding for Partnership and Charter Schools (\$359) million, and Safety Enhancements (\$157.2) have remained constant in the February Amendment while Technology and General Enhancements were reduced by \$200 million (21.4%) and \$141 million (14%) respectively.

The Capacity Program has gained \$122 million or 2.5% over the remaining two fiscal years in the current Five Year Plan. The capacity plan intends to produce over 63,000 new seats Citywide over the five years. The 63,000 seats are broken down into 22 small primary schools, 54 primary /intermediate schools, 33 Intermediate/High Schools and 9 Education Construction Fund (ECF), Charter/Partnership developments and room conversion projects. Of the 63,000 seats in the plan 51,874 are in process (11,086 are completed) and 11,431 seats are waiting to be sited.

The third major component of the Five-Year Plan is the Capital Improvement Program (CIP). Capital Improvement Program projects consist of a wide range of construction

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projects, including building repairs, system replacements, and reconstruction of existing school buildings. The Proposed February 2008 Five-Year Plan for CIP projects has been increased by 11.8% or \$424 million. The emphasis of the last Five-Year Plan (Fiscal 2000-2005) was on exteriors. Because of the size and age of the buildings, the exterior work continues in this plan. In addition, the Plan includes interior improvements necessary to bring designated buildings up to a state of good repair. DOE addresses the most critical building issues first and uses a Building Condition Assessment Survey (BCAS) to determine which projects are the most significant.

The following chart compares, by category, the Adopted Five-Year Capital plan with the Five-Year Capital plan proposed in the February Amendment.

Changes to DOE Five-Year Capital Plan (2005-2009) (in millions)	Adopted Five-Year Plan	Feb 2008 Amendment	Change	% Change
State of Good Repair	\$3,600	\$4,024	\$424	11.8%
Capacity Expansion	\$4,908	\$5,030	\$122	2.5%
Educational Enhancements	\$2,754	\$2,472	(\$282)	-10.2%
Safety & Security	\$511	\$431	(\$80)	-15.7%
Ancillary, Emergency, & Misc	\$1,774	\$1,838	64	3.6%
Total	\$13,547	\$13,793	246	1.8%

POLITICAL ACTION

My name is Ann Kjellberg. I am a parent at P. S. 41 and a founding member of the Public School Political Action Committee, a consortium of PTA political action committees working together to pursue common goals.

According to the Grier population projections, enrollment in our district, District 2, is projected to increase by 18.5 percent between 2006 and 2014. This projection does not even take account of development, which is overwhelming our district with giant, glassy buildings, new students, and other strains on our infrastructure. However, the current capital plan does not add a single school between Chambers Street and 42nd Street, except for the Con Edison site at 34th and 1st Avenue, which parents say will not even absorb the number of new students created by the Con Ed development. It does not add a middle school anywhere in District 2. It does not add a high school anywhere in Manhattan. As families have more children, and stay with them in the city, and developers keep adding new families to our neighborhoods, all paying taxes and entitled to places in our public schools, more and more students are being crushed into already overcrowded classrooms, gyms, yards, and cafeterias.

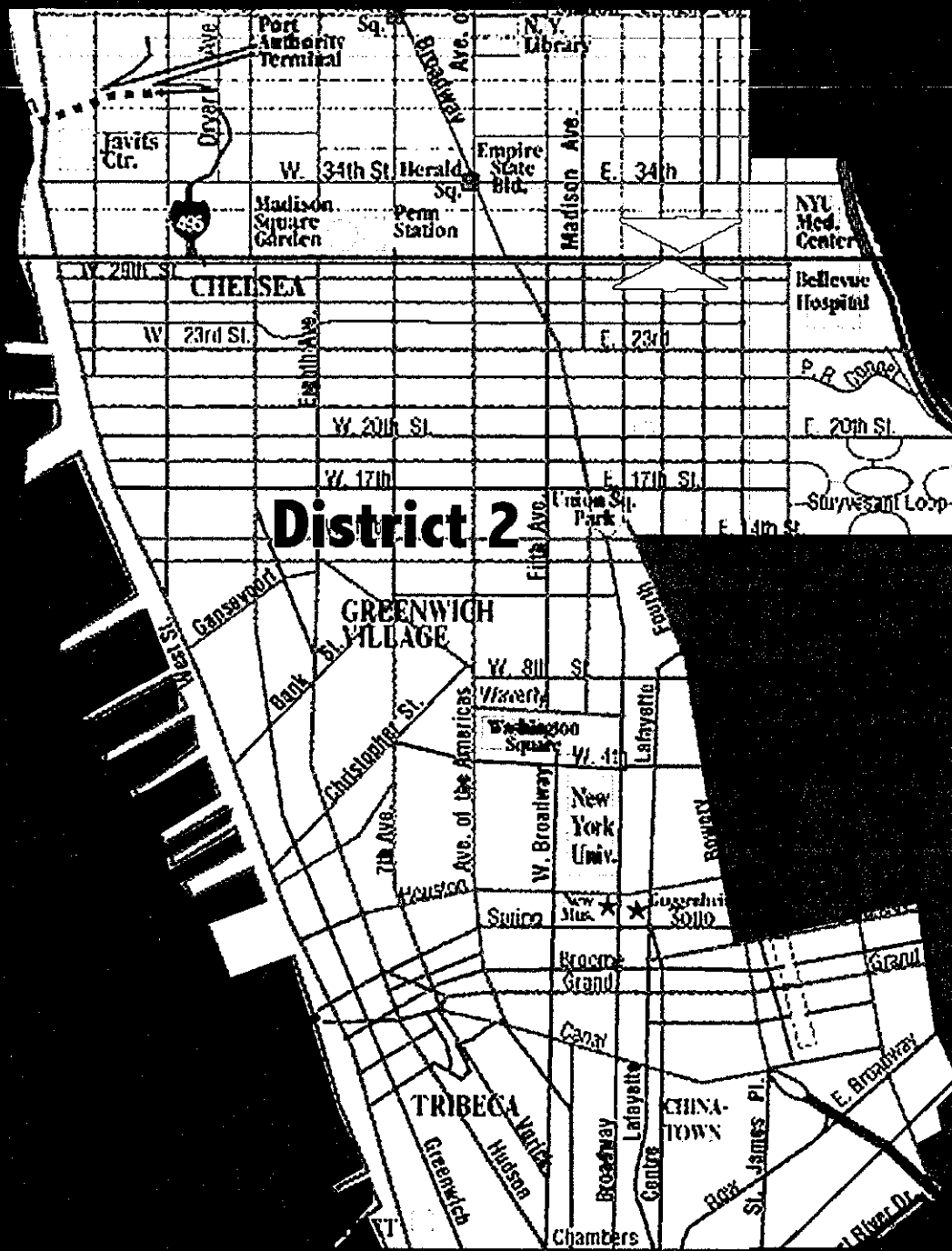
But the problems do not end here. Many parts of the city are more severely overcrowded than our neighborhood. But, in spite of city planning figures that predict 1.1 million new New Yorkers between 2000 and 2030, with substantial gains in all five boroughs, the Grier projections foresee declining enrollments in those districts. When, in the wake of the Campaign for Fiscal Equity lawsuit, the state promised the DOE its fair share of state finances to equalize the educational opportunities for all New York students, the DOE was obliged by state law to make concrete commitments to reducing class size in order to be eligible for the money. But so far the DOE is relying on this projected attrition to reduce class sizes across the city, and our students are being asked to wait a generation before they can receive the education that the State's highest court held to be their constitutional right.

Capital spending is at the heart of the terrible inequities suffered by children in our school system. We cannot have a system in which children can thrive and succeed if they do not receive adequate attention from adults, particularly if they are already struggling. They cannot receive adequate attention from adults if they are packed into overcrowded classrooms. The DOE is trying to get something for nothing with its menu of carrots and sticks, while refusing to invest in the actual material needs of our school system.

With a mere 3 percent of last year's budget surplus, the city could double the number of seats it is creating to 120,000, the number identified in the CFE lawsuit as needed to provide the city's students with equal educational opportunity. And yet if current trends continue, our "education mayor" will spend a smaller percentage of his capital budget on schools than at any time in at least ten years. The state may have given the city the means to bring its opportunities up to the standard of the state, but the city is forgoing them—we are keeping our children in benighted conditions by choice, out of ideology. Parents call on the City Council to reject the capital plan amendment and oblige the mayor to do his job and create the schools our children need to learn.

*Public School
Political Action
Committee*
PS 41

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There is no New School Construction slated for District 2 (from Chambers St. to 42nd Street west of 2nd Avenue).

The projected enrollment increase between 2006 and 2014 is 18.5%.

This does NOT factor in:

- **Massive High-Rise 6th Ave. residential developments: (25th - 32nd St.)**
- **and pending projects:**
- **Luxury Condos**
- **at St. Vincent's Hospital site**
- **Hudson Square**
- **1 Jackson Square**
- **other planned development on the Highline and Waterfront**

Already over capacity

as of 2007:

PS 41: 112%

PS 3: 103%

Local Middle Schools:

Class size 35& up

The DOE cannot meet its commitments to the state under its five year plan for class size reduction with the current capacity in District 2.

POLITICAL ACTION



Executive Director
Andrea Wenner

FOR THE RECORD

Directors
Robert Daum • Kim Erie • Karen Gruenberg • Jinx Perullo
Clifford Schorer • David Stephens • Andrea Wenner

Good morning. I am Andrea Wenner. As the Executive Director of Out2Play, a nonprofit organization that builds and refurbishes playgrounds in New York City elementary schools, I submit the following testimony to the New York City Council on the subject of capital funding for school playgrounds.

In only two and half years, Out2Play has completed 15 playgrounds in NYC public schools. Currently 26 playground projects are underway – this spring and summer, we will transform the empty, asphalt lots at these 26 schools into safe, stimulating and developmentally beneficial playspaces. By opening day of the 2008-2009 school year, our program will be impacting over 30,000 students on an annual basis. Our funding comes from both the private and public sectors. Reso-A funds from New York City Council Members and Borough Presidents have been integral to our credibility and most instrumental in our growth and success. I am here to request further support from members of the City Council to build playgrounds at schools in their districts.

We have worked with a number of Council Members to date and are most grateful for their support. We hope that those of you who have schools in your district needing playgrounds will support our work as well. Out2Play manages the playground projects from start to finish, from raising funds to design to construction. Our turn-around is fast - we complete our projects in one year or less. In addition, 100% of your allocation goes directly to the construction costs of a project. Since Out2Play manages the projects, the SCA does not retain any of your funds for its overhead. Instead, the organization raises private funds to support all design and administrative costs. Our economical model enables us to complete projects at an average of \$200,000 each, a cost that Members can support through Reso-A funding.

When Out2Play was first founded in 2005, I personally called all 712 elementary schools to determine which schools were in need of a playground. The initial list included over 250 schools. Through PlaNYC, Mayor Bloomberg has provided funds to support the redevelopment of a number of schools that were included in that target group. Since these schools will now receive funding for a playground, we have removed them from our list. However, there remain 120 elementary schools that do NOT have playgrounds and that are NOT included in the PlaNYC program. Students at these schools need a place to play at recess. They need a space that will allow them and encourage them to be physically active and to interact with each other in a beneficial and constructive manner. By working with Out2Play and allocating Reso-A funds to a playground project, members of the Council can provide these students with this much needed playspace.

Research shows that playgrounds and recess are important to a child's developmental growth - including physical development, social development and cognitive development. Opportunities to be active and access to equipment which facilitates physical activity help children to develop muscle groups, motor skills, coordination and balance. Playgrounds provide children with the chance to interact socially by creating games, sharing, working as a team and resolving conflict. At schools where we have completed playground projects, principals praise the new playground and credit it for reducing fights at recess, increasing physical activity, allowing for a more organized and structured recess period, and providing for more constructive games and play. At a time when obesity rates are higher than ever and New York

City children are suffering disproportionately more from this epidemic, it is imperative that they have a place to play and be active. Moreover, for many New York City children, recess is their only supervised out of doors time. When they leave school, they often are not permitted outdoors and do not have the chance to play sports or to visit a park. The best, most reliable time they have to be active is when they are outside for recess during the school day. It is incumbent upon us to make sure that we give them the best possible opportunity and resources to be active during this time. You can do this by supporting a playground project with your Reso-A funds.

For each playground, we work with the school to develop a unique design that best suits that school's particular needs. Once the design is finalized with each school, we get approval from the School Construction Authority and then we bid the project to contractors who are pre-Qualified with the SCA. Out2Play then oversees construction. When a project is completed, we provide training through a partnership with Asphalt Green on safety and supervision and recess activities. We also organize a volunteer day when the school community and outside volunteers help paint murals and put other finishing touches on the playground. Finally, we have a Grand Opening to honor the Council Member and other project sponsors and to celebrate the new playground.

Playgrounds are critical to the health and well-being of the schoolchildren of New York City. Every child deserves and needs the opportunity to benefit from a playground in his school. Please support our effort to provide these playgrounds. The enclosed list shows all the schools in need of playgrounds and the Council Districts in which they are located.

If you have any questions or would like further information on how to sponsor a project in your district, please contact me. Thank you for your consideration and for affording me the opportunity to submit this testimony.

Respectfully submitted,
Andrea Wenner

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BRONX SCHOOLS NEEDING PLAYGROUNDS
Red HSCA Project Contacts

Sorted by Council District

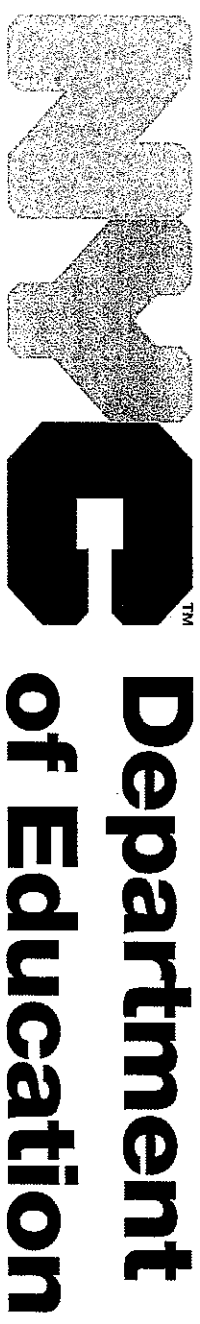
School	Address	City	Zip	Council District	Enrollment
PS 020 & PS 168	3020 WEBSTER AVENUE	BRONX	10467	11	1286
PS 056	341 EAST 207 STREET	BRONX	10467	11	546
PS 081	5550 RIVERDALE AVENUE	BRONX	10471	11	679
PS 094	3530 KINGS COLLEGE PL	BRONX	10467	11	1094
PS 340	25 WEST 195TH STREET	BRONX	10468	11	551
PS 102	1827 ARCHER STREET	BRONX	10460	12	1293
PS 071	3040 ROBERTS AVENUE	BRONX	10461	13	1418
PS 083	950 RHINELANDER AVENUE	BRONX	10462	13	1576
PS 012	125 EAST 183 STREET	BRONX	10458	14	1053
PS 006	1000 EAST TREMONT AVENUE	BRONX	10460	15	753
PS 032	690 EAST 183 STREET	BRONX	10458	15	856
PS 050	1550 VYSE AVENUE	BRONX	10460	15	631
PS 027	1540 CROTONA PARK EAST	BRONX	10456	16	1054
PS 042	1537 WASHINGTON AVE	BRONX	10457	16	525
PS 090	1116 SHERIDAN AVENUE	BRONX	10456	16	1309
PS 109	1771 POPHAM AVENUE	BRONX	10453	16	713
PS 110	580 CROTONA PARK SOUTH	BRONX	10456	16	511
PS 126	175 WEST 166 STREET	BRONX	10452	16	801
PS 146	968 CAULDWELL AVENUE	BRONX	10456	16	463
PS 186X	750 JENNINGS STREET	BRONX	10459	16	380
PS 198	1180 TINTON AVENUE	BRONX	10456	16	485
P.S. 199X	1449 SHAKESPEARE AVENUE	BRONX	10452	16	772
PS 306	40 WEST TREMONT AVENUE	BRONX	10453	16	713
PS 031	250 EAST 156TH STREET	BRONX	10451	17	785
PS 062	660 FOX STREET	BRONX	10455	17	738
				TOTAL	20,315

BROOKLYN SCHOOLS NEEDING PLAYGROUNDS					
Sorted by Council District					
School	Address	City	Zip	Council District	Enrollment
PS 031	75 MESEROLE AVENUE	BROOKLYN	11222	33	547
PS 034	131 NORMAN AVENUE	BROOKLYN	11222	33	458
PS 110	124 MONITOR STREET	BROOKLYN	11222	33	399
PS 380	370 MARCY AVENUE	BROOKLYN	11206	33	481
PS 017	208 NORTH 5TH STREET	BROOKLYN	11211	34	371
PS 147	325 BUSHWICK AVENUE	BROOKLYN	11206	34	308
PS 319	360 KEAP STREET	BROOKLYN	11211	34	173
PS 009	80 UNDERHILL AVENUE	BROOKLYN	11238	35	534
PS 067	51 SAINT EDWARDS STREET	BROOKLYN	11205	35	247
PS 157	850 KENT AVENUE	BROOKLYN	11205	35	330
PS 307	209 YORK STREET	BROOKLYN	11201	35	276
PS 054	195 SANFORD STREET	BROOKLYN	11205	36	344
PS 138	760 PROSPECT PLACE	BROOKLYN	11216	36	997
PS 308	616 QUINCY STREET	BROOKLYN	11221	36	832
PS 065	158 RICHMOND STREET	BROOKLYN	11208	37	546
PS 073	251 MCDUGAL STREET	BROOKLYN	11233	37	559
PS 106	1314 PUTNAM AVENUE	BROOKLYN	11221	37	616
PS 149	700 SUTTER AVENUE	BROOKLYN	11207	37	793
PS 151	763 KNICKERBOCKER AVENUE	BROOKLYN	11207	37	453
PS 155	1355 HERKIMER STREET	BROOKLYN	11233	37	695
PS 377	200 WOODBINE STREET	BROOKLYN	11221	37	874
PS 010	511 7TH AVENUE	BROOKLYN	11215	38	574
PS 029	425 HENRY STREET	BROOKLYN	11201	39	679
PS 058	330 SMITH STREET	BROOKLYN	11231	39	547
PS 124	515 4TH AVENUE	BROOKLYN	11215	39	311
PS 372	512 CARROLL STREET	BROOKLYN	11215	39	324
PS 091	532 ALBANY AVENUE	BROOKLYN	11203	40	742
PS 139	330 RUGBY ROAD	BROOKLYN	11226	40	1137
PS 141K	655 PARKSIDE AVE	BROOKLYN	11226	40	374
PS 005	820 HANCOCK STREET	BROOKLYN	11233	41	423
PS 028	1001 HERKIMER STREET	BROOKLYN	11233	41	231
PS 189	1100 EAST NEW YORK AVE	BROOKLYN	11212	41	1127
PS/S 323	210 CHESTER STREET	BROOKLYN	11212	41	541
PS 140 K	985 ROCKAWAY AVENUE	BROOKLYN	11212	42	286
PS 159	2781 PITKIN AVENUE	BROOKLYN	11208	42	923
PS 165	76 LOTT AVENUE	BROOKLYN	11212	42	675
PS 184	273 NEWPORT STREET	BROOKLYN	11212	42	514
PS 202	982 HEGEMAN AVENUE	BROOKLYN	11208	42	1036
PS 213	580 HEGEMAN AVENUE	BROOKLYN	11207	42	501
PS 346	1400 PENNSYLVANIA AVENUE	BROOKLYN	11239	42	808
PS 127	7805 7 AVENUE	BROOKLYN	11228	43	368
PS 133	184 BENSON AVENUE	BROOKLYN	11214	43	505
PS 276	1070 EAST 83 STREET	BROOKLYN	11236	46	887
PS 188	3314 NEPTUNE AVENUE	BROOKLYN	11224	47	662
PS 212	87 BAY 49 STREET	BROOKLYN	11214	47	567
PS 216	350 AVENUE X	BROOKLYN	11223	47	425
PS 329	2929 WEST 30 STREET	BROOKLYN	11224	47	650
PS 116	515 KNICKERBOCKER AVENUE	BROOKLYN	11237	48	497
PS 195	131 IRWIN STREET	BROOKLYN	11235	48	383
PS 206	2200 GRAVESEND NECK RD.	BROOKLYN	11229	48	1255
PS 225	1075 OCEAN VIEW AVENUE	BROOKLYN	11235	48	960
TOTAL					29,745

MANHATTAN SCHOOLS NEEDING PLAYGROUNDS					Red = SCA Project Conflicts
Sorted by Council District					
School	Address	City	Zip	Council District	Enrollment
HOME INSTRUCTION STREET		NEW YORK	10014	3	215
PS 187	349 CABRINI BLVD	NEW YORK	10040	7	368
PS 001	141 EAST 111 STREET	NEW YORK	10029	8	631
PS 112	535 EAST 119 STREET	NEW YORK	10035	8	353
PS 155	319 EAST 117 STREET	NEW YORK	10035	8	388
PS 171	19 EAST 103 STREET	NEW YORK	10029	8	756
PS 206	508 EAST 120TH STREET	NEW YORK	10035	8	290
PS 175	175 WEST 134 STREET	NEW YORK	10030	9	370
PS 185	20 WEST 112 STREET	NEW YORK	10026	9	323
PS 208	111 WEST 111TH STREET	NEW YORK	10026	9	261
PS242	134 WEST 122 STREET	NEW YORK	10027	9	286
PS 018/I.S.278	4124 9TH AVENUE	NEW YORK	10034	10	439
POSSIBLE PROJECTS (NEED FURTHER REVIEW)					
PS 042	71 HESTER STREET	NEW YORK	10002	1	736
NEIGHBORHOOD	121 EAST 3 STREET	NEW YORK	10009	2	363
PS 003	490 HUDSON STREET	NEW YORK	10014	3	587
PS 217/I.S.217	645 MAIN STREET	NEW YORK	10044	5	453
CENTRAL PARK EAST	1573 MADISON AVENUE	NEW YORK	10029	8	185
PS 007	160 EAST 120 STREET	NEW YORK	10035	8	461
PS 004	500 WEST 160TH STREET	NEW YORK	10032	10	654
TOTAL					8124

QUEENS SCHOOLS NEEDING PLAYGROUNDS					Red = SCA Project Conflicts
Sorted by Council District					
School	Address	City	Zip	Council District	Enrollment
PS 031	211-45 46 ROAD	BAYSIDE	11361	19	576
PS 032	88-02 46TH STREET	JAMAICA	11435	24	569
PS 182	90-36 150 STREET	JAMAICA	11435	24	910
PS 013	55-01 94 STREET	ELMHURST	11373	25	1344
PS 007	55-24 WILKINSON STREET	ELMHURST	11373	25	329
PS 009	58-74 57 STREET	MASPETH	11378	26	434
PS 111	37-15 13 STREET	CITY	11101	26	411
ACADEMY	76-05 51 AVENUE	ELMHURST	11373	29	509
PS 019	44-16 ENELOPE AVENUE			30	
PS 071	62-85 FOREST AVENUE	RIDGEWOOD	11385	30	970
PS 088	60-85 CATALPA AVENUE	RIDGEWOOD	11385	30	1055
PS 097	85-52 85 STREET	WOODHAVEN	11421	30	720
PS 229	67-25 51 ROAD	WOODSIDE	11377	30	1247
PS 063	90-15 SUTTER AVENUE	OZONE PARK	11417	32	468
PS 065	103-22 99 STREET	OZONE PARK	11417	32	520
POSSIBLE PROJECTS (NEED FURTHER REVIEW)					
PS 177Q	56-37 188 STREET	MEADOWS	11365	20	430
P.S./I.S. 208	74-30 COMMONWEALTH	BELLEROSE	11426	23	718
PS 212	34-25 82ND STREET	HEIGHTS	11372	25	729
PS 144	93-02 69TH AVENUE	FOREST HILLS	11375	29	697
PS 043	159 BEACH 29TH STREET	RAOCKAWAY	11691	31	1384
PS 333	365 BEACH 56TH STREET	ARVERNE	11692	31	363
TOTAL					14,883

STATEN ISLAND SCHOOLS NEEDING PLAYGROUNDS					Red = Ready Project Conflicts
Sorted by Council District					
School	Address	City	Zip	Council District	Enrollment
PS 004	200 NEDRA PLACE	STATEN ISLAND	10312	51	781
PS 011	50 JEFFERSON STREET	STATEN ISLAND	10304	50	289
PS 013	191 VERMONT AVENUE	STATEN ISLAND	10305	49	733
PS 022	1860 FOREST AVENUE	STATEN ISLAND	10303	49	1205
PS 029	1581 Victory Blvd.	STATEN ISLAND	10314	49	526
PS 032	32 ELVERTON AVENUE	STATEN ISLAND	10308	51	888
PS 036	255 IONIA AVENUE	STATEN ISLAND	10312	51	947
PS 054	1060 WILLOWBROOK RD	STATEN ISLAND	10314	50	826
PS 069	144 KEATING PLACE	STATEN ISLAND	10314	51	783
PS 373R	91 HENDERSON AVENUE	STATEN ISLAND	10301	49	357
<u>POSSIBLE PROJECTS (NEED FURTHER REVIEW)</u>					
PS 25	6581 HYLAN BLVD	STATEN ISLAND	10309	51	514
TOTAL					7849



**New York City
School Construction Authority**



**FY 2005 - FY 2009
Capital Plan Update**

New York City Council Hearing

March 18, 2008

NYC Department of Education

FY 2005 - FY 2009 Five Year Capital

February 2008 Amendment

	February 2008 Proposed Five Year Total
GRAND TOTAL	13,793.15 Million
Restructuring School Space	3,243.1 Million
New Capacity	4,709.1 Million
Investing in Existing Assets	5,841.0 Million

NYC Department of Education
 FY 2005 - FY 2009 Five Year Capital Plan
 FY 08 - 09 Anticipated Spend
 Summary

	FY 2008 Total	FY 2009 Total
GRAND TOTAL	3,385.74 Million	3,325.50 Million
Restructuring School Space	772.6 Million	1048.2 Million
New Capacity	867.7 Million	1441.0 Million
Investing in Existing Assets	1745.5 Million	836.4 Million

NYC Department of Education
 FY 2005 - FY 2009 Five Year Capital Plan
 FY 05 - 07 Obligations Summary

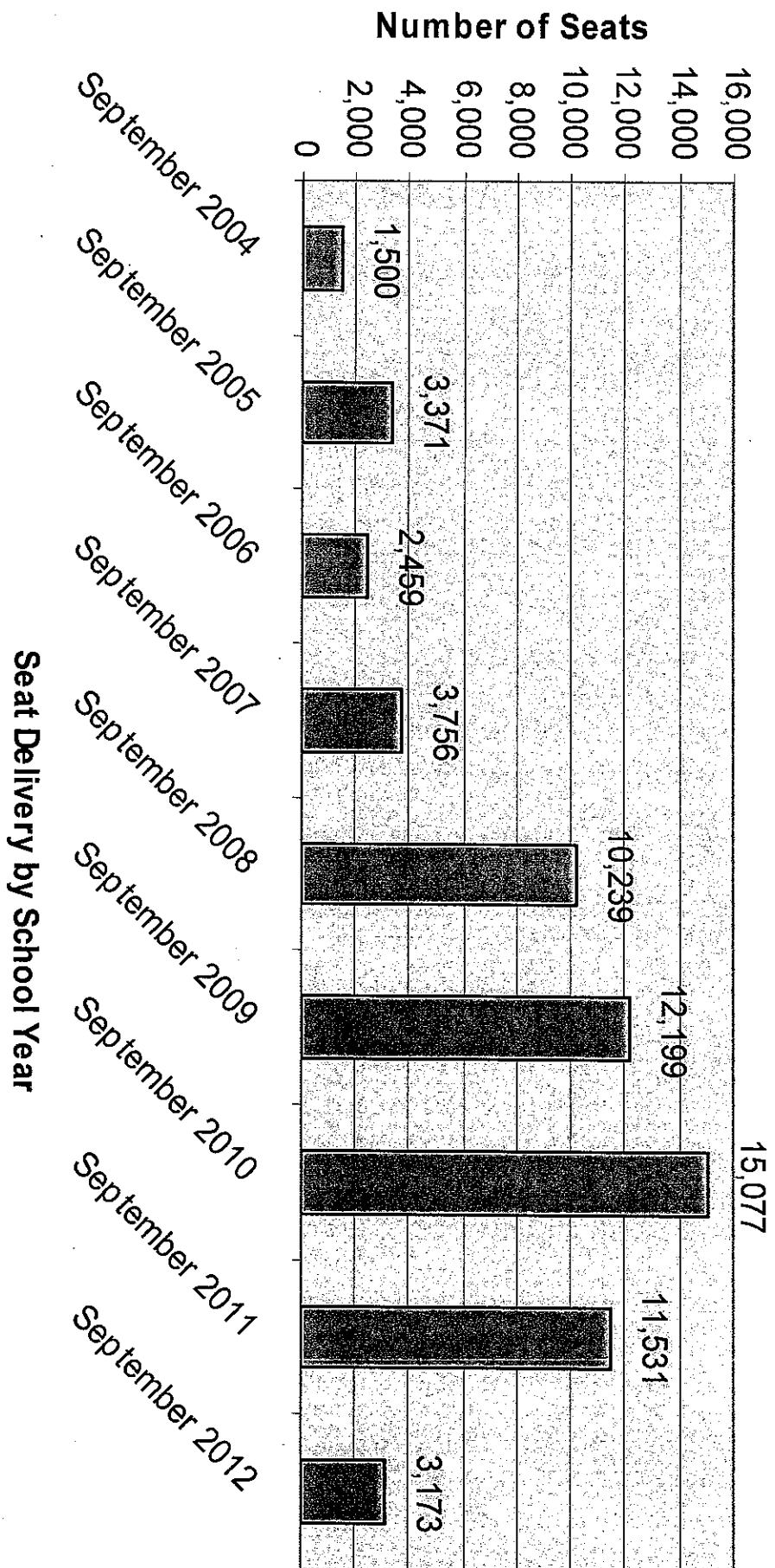
	FY 2005 Total	FY 2006 Total	FY 2007 Total
FY OBLIGATIONS	2,240.45 Million	1,891.47 Million	3,043.55 Million

**NYC School Construction Authority
FY 2008 COMMITMENT PLAN SUMMARY
Data as of 03/09/08**

Category	Number of Projects Awarded	Total Obligations
CIP	343	\$ 336,308,285
Capacity	5	\$ 193,458,367
LEASE	2	\$ 69,000,000
OTHER *	N/A	\$ 460,883,746
Total	350	\$ 1,059,650,398

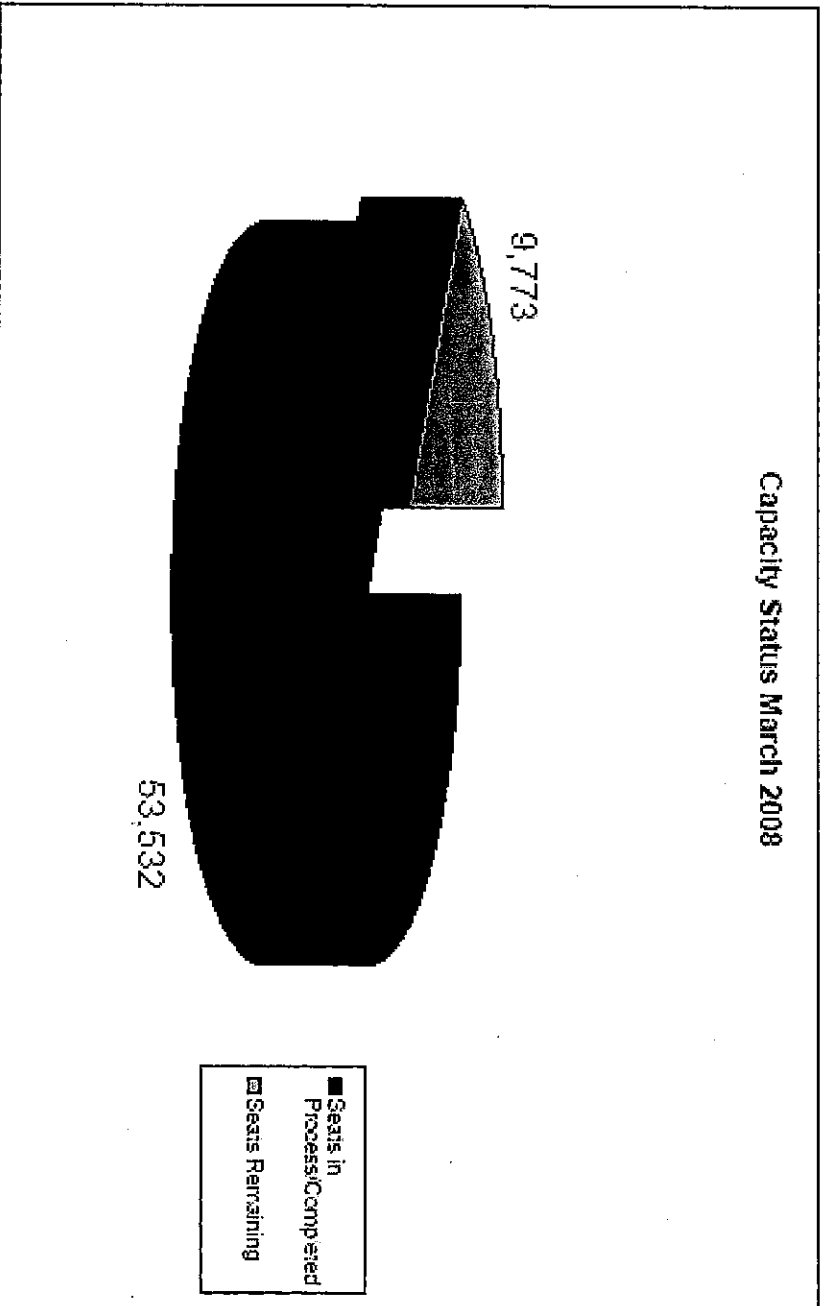
* Other category includes Wrap-up Insurance, Technology program and SCA Operating costs.

Anticipated Capacity Created Through FY 2005 - 2009 Capital Plan

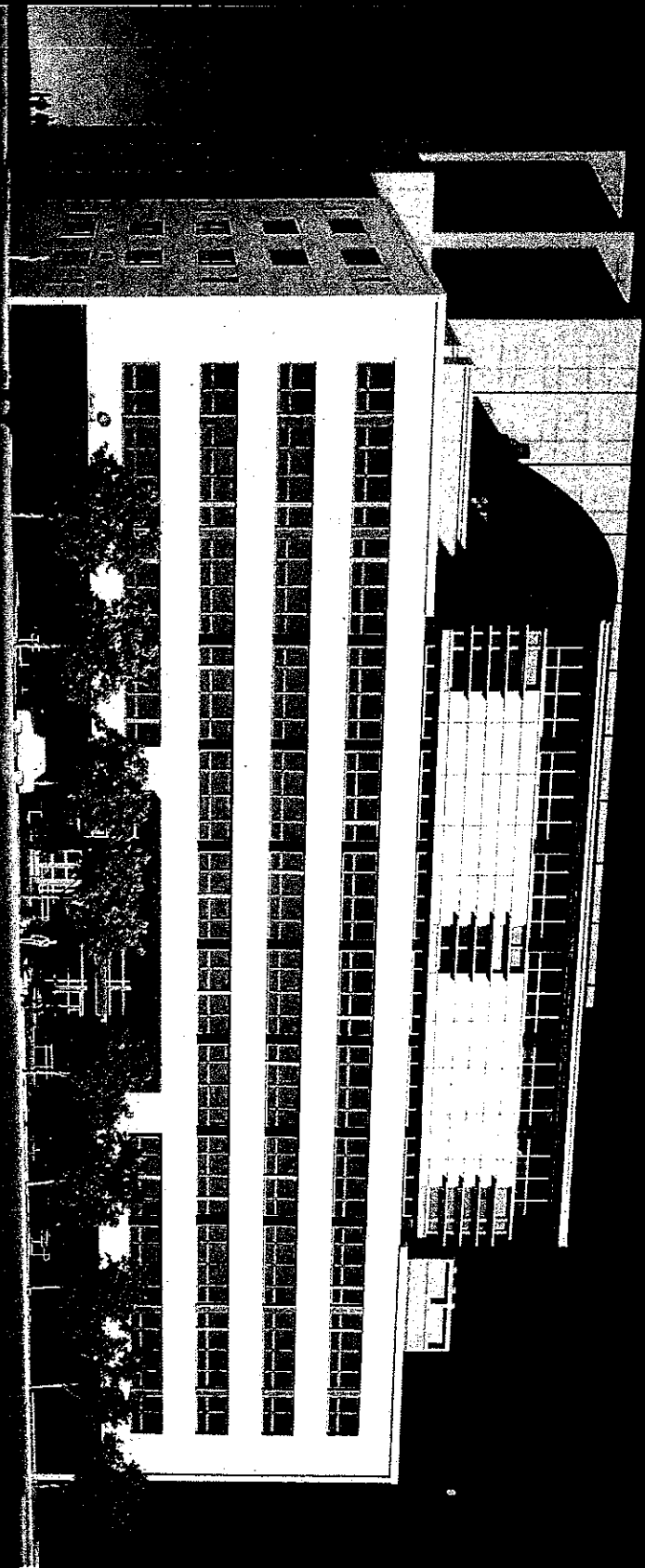


NYC School Construction Authority
2005 - 2009 Capital Plan
Capacity Projects Status

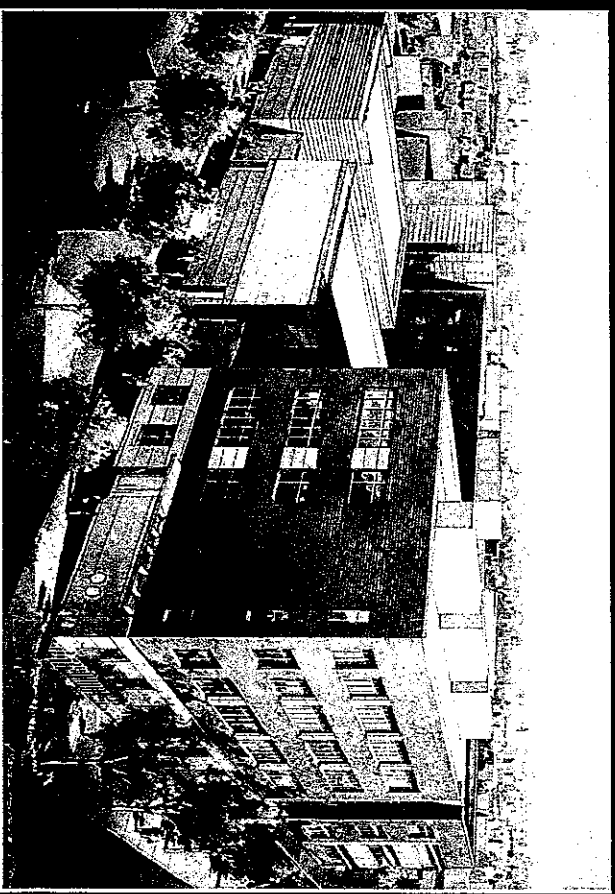
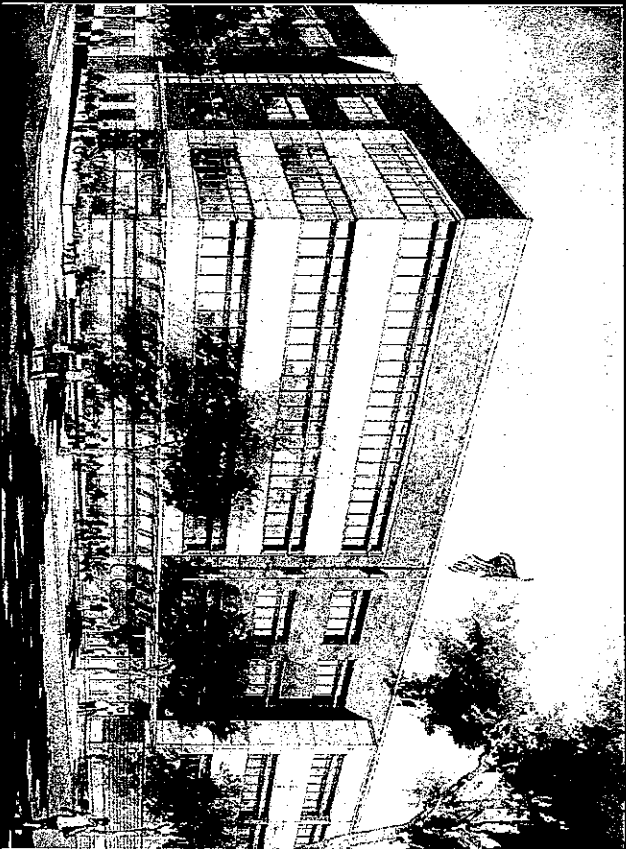
Capacity Status as of March 2008	
Total Number of Capacity Seats	63,305
Seats in Process/Completed	53,532
Percentage in Process/Completed	84.6%



ADAMS STREET COMPLEX - BROOKLYN



IS/HS 362 - BRONX



IS / HS 43 – STATEN ISLAND



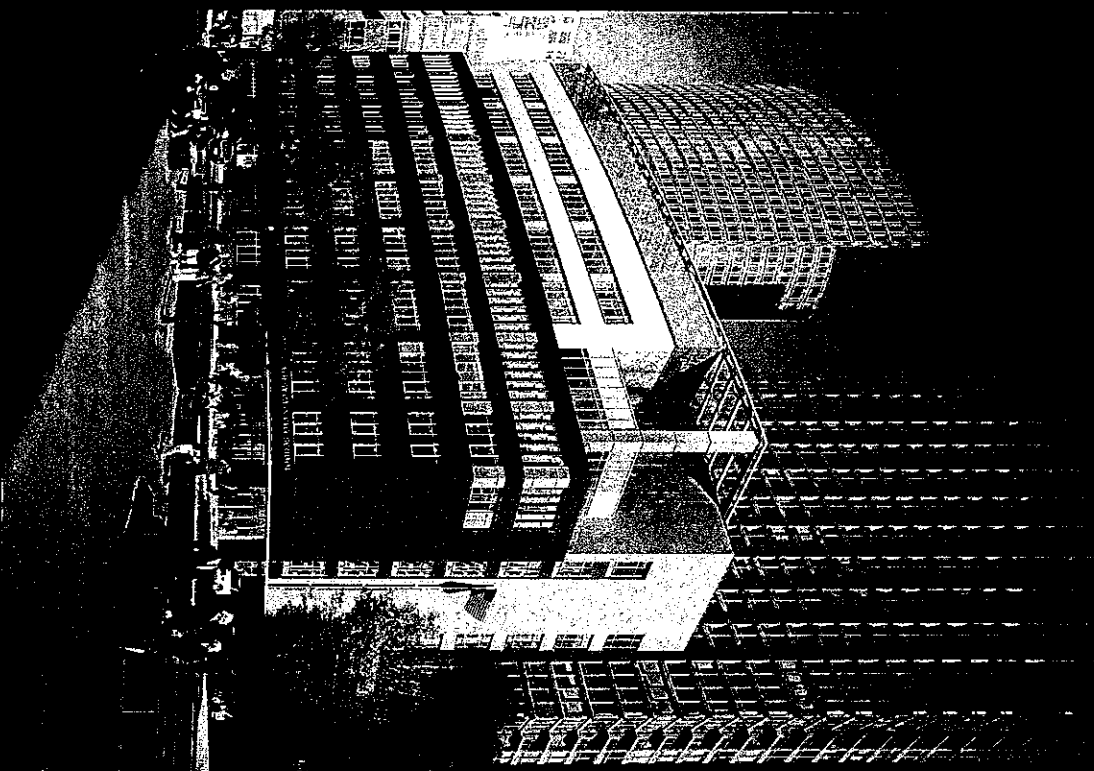
PS 260 - QUEENS



EAGLE ACADEMY HS - BRONX



PS/IS 276 – BATTERY PARK CITY



Science Lab Initiative

Data as of 3/5/08

Goal: To provide at least one science room in every building that houses high or intermediate schools

Funding Allocation	
FY 05	\$55 Million
FY 06	\$35 Million
FY 07	\$104 Million
FY 08	\$73 Million
FY 09	\$132 Million
Total:	\$399 Million

Science Lab Program	
Total Projects in Process	113
Total Anticipated Projects	250

Capital Plan Highlights

- Improved Quality Review, Payment and Change Order processes
- Increased Collaboration with other City Agencies
- Green Design Standards effective Jan. 1, 2007
- Incorporation of PlanNYC Playground and Emission Reduction Initiatives
- Environmental Due Diligence on all Sites

FY 2008 MWLBE Activity To Date (2/29/2008)

■ Mentor and Graduate Mentor Contractor
Obligations: \$27,000,000

■ Other Prime Contract Obligations:
\$51,000,000*

* Does not include Mentor and Graduate Mentor Commitments

2010 – 2014 Capital Plan

- Identify:

- Continuing needs of the Children First Initiatives
- Critical infrastructure needs
- Capacity requirements to meet needs through 2014

- 2007 – 2008 CEC requests will be reviewed for potential inclusion in Capital Improvement Program

- Draft Plan to be issued November 2008

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Kathleen Grimm
Deputy Chancellor

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Testimony of Deputy Chancellor Kathleen Grimm
Preliminary Budget FY 09 – Capital
March 18, 2008

Good morning Chair Jackson and members of the Education Committee. My name is Kathleen Grimm, Deputy Chancellor for Finance and Administration. I am joined by Sharon Greenberger, President of the School Construction Authority and Jamie Smarr, Executive Director of the Education Construction Fund. We are pleased to be here to discuss the Department's capital budget with you today.

This is the fourth amendment to the Department's 2005 – 2009 Five Year Capital Plan. In July we begin the final year of implementation of the Plan, which has effected significant improvement in the environment of our school children. We are on target to meet our commitment to the Children First Initiatives, reduce overcrowding and to improve the quality of our existing facilities.

The February 2008 Amendment, approved by the Panel for Educational Policy last month, is based on the original \$13.1 billion funding level and includes an additional \$690 million made available through other funding sources, including the generous support of the City Council and Borough Presidents.

This Amendment is supported with \$6.5 billion of State funding secured through an historic agreement announced on April 24, 2006, by the Mayor, the Governor, the leaders of the State Legislature and the City Council. With the announcement, the Department immediately resumed the site acquisition, design, procurement and award of dozens of new schools and hundreds of rehabilitation, restructuring and enhancement projects at existing schools that had been put on hold pending State funding.

Since the verification of State funding, the Department has awarded and started construction on thirty-nine capacity projects which will provide over 25,000 seats when completed. These projects include the long-sought Sunset Park High School and Midwood High School addition, as well as James Monroe High School Building Annex, PS/IS 237 in District 20 and the PS/IS at the site of the former PS 44 Annex on Staten Island.

However, with the release of the State Executive Budget proposal for FY08-09, this funding appears to be in jeopardy, specifically due to the proposed 18 month lag in Building Aid. The City is negotiating with the State to ensure that the funding agreement approved by all parties in April 2006 is honored by the State. If the City is unable to secure that commitment, parts of the Fiscal Years 2008 and 2009 Capital Plan will be at risk. A thorough evaluation of the proposed funding reduction and its effect on this Plan must be undertaken, but the critical impact cannot be denied. Many of our planned capacity projects and Children First initiatives may have to be delayed or canceled.

This Amendment maintains the same format and is divided into three main areas: restructuring current school space, new capacity, and investing in our existing assets, also known as Capital Improvement Projects (CIP).

Restructuring of Current School Space: \$3.5 billion provides for restructuring, including School Improvement and Restructuring Allocations (SIRAs) for existing schools, the

creation of new Partnership and Charter Schools, and specialized capital investments such as computer labs and technology, safety enhancements, expansion of library and physical fitness space and conversion of administrative space to classrooms to ensure that our schools can provide all their students with a sound basic education.

New Capacity: \$4.7 billion provides for 100 new school facilities containing more than 63,000 seats to eliminate overcrowding, an additional 3,500 replacement seats are in process or have been created bringing the total number of seats being created under the plan to more than 66,000. These seats will also enable schools to reduce class size in the critical K-3 years and allow schools to transition from the use of transportable classroom units, which have limited life spans.

It takes time to find sites, design, and then build new schools, but we're beginning to see the fruits of our labor now. Nearly 50,000 new seats will come on-line over the next four years as a result of this historic Plan. We project 10,239 seats for this coming September; 12,199 for September 2009; 15,077 for September 2010, and 11,531 for September 2011. That's a total of 49,046 seats out of the 63,000 in new capacity, which will go a great way to eliminate overcrowding in our schools.

During the Plan adoption process, the Department committed to reevaluate the capacity needs every year and to reflect any changes in need in the annual Amendments. This annual Amendment process enables us to respond to changing demographic trends by adjusting for growth and decline in seat need throughout the City. The November 2006 Amendment incorporated, for the first time since this Plan was adopted, updated demographic information. This information takes into account enrollment changes, shifting population trends as well as new residential construction planned for occupancy in the next five years. The Department prepares projections for five years and ten years into the future in order to ensure that capital funds are not expended to meet only short-term anomalies in enrollment.

For this Proposed Amendment, we do not see a need for another demographic adjustment based on current trends. However, we do see additional potential growth in several districts, especially districts 2, 14, 15, 24 and 30. We need to further track trends in these districts to fully understand the scope of this growth. As the housing market continues to evolve, additional districts may require future adjustments in their capacity recommendations. We continue to monitor both enrollment trends and the housing market, to ensure our projections reflect the anticipated changes to enrollment at a district level. Confirmed enrollment growth projections for districts will be translated into additional seat needs for the 2010-2014 Five Year Capital Plan.

Investing in Existing Assets: \$5.8 billion is provided for CIP projects, including exterior and interior building upgrades, mandated programs and other necessary repairs. The Department inspected each school's condition (BCAS), as we do annually, and updated the CIP program based on new inspection-related needs. The Department also committed that each annual Amendment would define one additional year of specific CIP projects. The November 2006 Amendment reflected, for the first time, specific CIP projects for all

five years of the Capital Plan. The November 2007 Amendment continued this practice and included an attachment identifying potential capital improvement projects for the first year of the next Plan. This is also reflected in this February Amendment.

The Community Education Councils (CECs) provided us with their input on specific school conditions again this year. I am happy to report that 27 CECs conducted hearings (I personally attended 16 of them), and 24 submitted comments, which represents increased participation by the CECs this year than in previous years. As a result of the public hearings held by the CECs last year, we incorporated 17 of their most urgent needs in the February 2007 Proposed Amendment. Their remaining requests were reviewed and more than 40 additional projects were incorporated in the November 2007 Amendment. The maintenance-related requests were referred to the Division of School Facilities and many are in process or have been addressed. We followed this process with the CECs again this year, and an additional 17 projects have been added. In all, we have included 74 projects in the Capital Plan per CEC recommendations. The remaining requests will be reviewed for possible inclusion in the next Capital Plan, a draft of which will be released in November. We find this process extremely helpful, and it has highlighted the importance of the Councils' input and the depth of commitment each member has to our school children. We appreciate the vigilance of our Councils and the enormous effort expended by them throughout this process.

I want to highlight our sustainability efforts. As you know, New York City's new Green Building Law, Local Law 86, took effect on January 1, 2007. New York City is among the first districts (and the largest school district) in the nation to have sustainable school guidelines enforced by law. The Department plans to exceed the Local Law 86 requirements by mandating certification under its Green Schools Guideline Rating system for not just 50% of projects but for all applicable projects. All applicable projects whose design began after January 1, 2007 are being designed and constructed in accordance with these Guidelines, and will meet stringent energy and water conservation requirements. In addition to the green building standards, we follow strict environmental protocols at all of our sites, whether leased or owned, to ensure the safety of our students, staff, and surrounding community.

You will remember that when we set out, the goals of this Plan were to alleviate overcrowding, eliminate the use of transportable classroom units (also known as trailers), and to support the core tenets of the Children First reforms, which included a prioritization of science labs for middle schools and expansion of Pre-K. We have come a long way toward meeting these goals. Now, we are looking toward the next Capital Plan, and this Amendment includes a preliminary view of the 2010-2014 Plan. The information presented includes an overview of the issues and strategies behind the formulation of the next plan as well as a list of capital improvement projects envisioned for 2010. We look forward to working with the City Council, and in fact, we've already heard from many of you, on how to shape our next Capital Plan.

Sharon will now discuss the contents of this February Amendment more specifically, after which we will be happy to answer your questions.