



THE NEW YORK CITY DEPARTMENT OF EDUCATION
JOEL I. KLEIN, *Chancellor*

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52 Chambers Street – New York, NY 10007

MEMORANDUM

TO: Panel Members
FROM: Kathleen Grimm
RE: Capital Plan Amendment

Five Year Capital Plan Current Status and Outlook: May 2003

The following summarizes changes to the Capital Plan related to the proposed amendment. We respectfully submit the attached amendment and resolution to the Panel for Educational Policy for approval.

MAYOR'S EXECUTIVE BUDGET - FY2004:

(Released April 15, 2003)

There was no change in Mayor's FY2004 Executive Budget for Department's current five-year capital plan from the January 2003 Plan.

JANUARY 2003 PLAN

The remaining two fiscal years of the Department's current five-year capital plan underwent a 25% or \$409 m reduction in January 2003 as part of the Mayor's FY2004 Preliminary Ten-Year Plan Capital Strategy. This reduction percentage was in line with the average for the rest of the City for the same period.

The reduction program highlights are as follows:

- Funding for construction costs for five lease facilities will be eliminated from the current plan. These lease facilities are not currently in construction and there are no ongoing negotiations for the sites. The total capacity impact will be 2,145 seats. The lease facility projects are as follows:

Bronx	South Bronx Leadership
Bronx	Classroom Lease
Bronx	Jonas Bronck Academy
Brooklyn	El Puente ¹
Manhattan	Various Sites

- This 25% reduction program retains funding for construction starts of four new Queens high schools between FY2003 and FY2004. This will provide an

¹ In the case of El Puente, the organization last year lost a court case for control of their intended building in Williamsburg, Brooklyn.

additional 3,358 seats for Queens, whose districts are the most over-crowded. The five new schools are:

Queens	Queens Vocational HS Addition	FY2003
Queens	PS 12 Additions	FY2004
Queens	HS for Architecture & Urban Planning	FY2004
Queens	Frank Sinatra HS	FY2004
Queens	Mandela HS	FY2004

- However, construction funding for three new high schools will be deferred out of this current capital plan. This represents a loss of 1,600 new seats in Queens and 611 new seats in the Bronx within this plan. The funding for the design/scope work for these capacity projects is, however, being retained within this plan.

Queens	HS 800D (American Studies)
Queens	HS 800E
Bronx	Bronx Coalition

- Funding for design/scope work for an additional ten capacity projects has also been preserved. The exception is PS 37 in Manhattan which has no viable site at this point in time. The ten capacity projects that are funded for design/scope are:

Queens	HS 800F (Hospitality & Business Management)
Queens	PS 246 @ PS 199
Queens	PS 650L
Queens	ECC 400 (650K)
Manhattan	IS 93
Manhattan	HS (old PS109 and PS 90 sites)
Bronx	PS 650A
Bronx	PS 650B
Brooklyn	Midwood HS Annex
Brooklyn	HS 1000A

- While the overall remaining capital improvement program (CIP) funding has not been reduced under this reduction program, the Department proposed to defer one major capital improvement project (PS 31) in the Bronx to the next plan.
- Due to the headcount reduction at the SCA and the combination of capital program functions with the Division of School Facilities, the personnel and operating budgets have been reduced accordingly. Other costs associated with reductions in the capital program have been adjusted: wrap-up insurance, completion costs, and site acquisition costs.

- Additional available funds were identified in the SCA trustees' account to mitigate this 25% capital budget reduction².
- The \$150 million in "Mayoral-Council" funding was retained.
- Resolution 'A' funding from the borough presidents and city council members have been proportionally reduced.
- Take The Field, a mayoral add-on project is funded in FY2004 for \$17.778m instead of the original funding of \$20m prior to this reduction program.

New Projects

- The re-costing of various capacity projects and reduction of technology projects funding permit the Department to allocate approximately \$18m for three new projects as part of the high school reform/restructuring program in collaboration with the City University of NY (CUNY):

Bronx	HS for American Studies @ Lehman College
Queens	Queens HS for Sciences @ York College
Queens	La Guardia College Expansion

- \$10m is also provided for various facility restructuring and conversion projects in existing Bronx high schools to accommodate multiple smaller school sizes.
- Allocation of \$7m for the reclaiming of classroom space in existing schools due to the consolidation and relocation of district office functions. This is projected to provide an estimated 8,000 new seats.
- Funding from the Education Construction Fund (ECF) of \$9.5m for lease build-out of three capacity projects:

Brooklyn	Bedford Technical Academy
Manhattan	Harvey Milk School
Manhattan	Ballet Tech-NYC Public School for Dance

² The use of these funds was approved by the SCA Board of Trustees on March 6, 2003.