COMMUNITY EDUCATION COUNCIL DISTRICT 15
BROOKLYN, NEW YORK

June 17, 2025

CEC15 Resolution to Repeal the Use of Public Funds for Private Charter School Facilities

The District 15 Community Education Council (CEC15) held a meeting on Tuesday, June 17, 2025. After reviewing all the evidence and facts, CEC15 approved the following resolution which provides the position of CEC15 on the use of public funds for private charter school facilities.

Whereas, New York State Education Law, paragraph (e) of subdivision 3 of section §2853 and subdivision 6-g of section §3602, requires New York City public schools to provide free space to charter schools in public buildings or reimburse the charter for space in private facilities;

Whereas, this law reflects 2014 amendments under the Bloomberg and Cuomo administrations[1] that made NYC the only school district in the entire state and the entire nation[2] that is obligated to help subsidize the rent for charter schools if they are not provided space in public school buildings;[3]

Whereas, according to the law, the state is obligated to pay 60% of charter lease subsidy costs after total expenses to the city exceed $40 million, which occurred in FY 2017;[4]

Whereas, NYC has 281 charter schools[5] – the vast majority of the 351 total authorized charter schools[6] in New York State;

Whereas, the total funding diverted to charter schools from traditional public schools in New York City is already substantial and growing each year. It is currently approximately $3 billion – not counting the rental space and services that co-located NYC charter schools receive for free but paid for by New York City Department of Education;[7]

---

[1] https://nypost.com/2014/03/27/gov-cuomo-boosts-charter-schools-in-tentative-deal/

[2] https://classsizematters.org/wp-content/uploads/2021/03/CSM_DOE-Spending_Charter-Schools-Facilities_FINAL-3.21.pdf, p. 29

[3] https://www.chalkbeat.org/newyork/2024/03/06/nyc-sues-state-education-department-charter-rental-dispute/

[4] https://www.classsizematters.org/wp-content/uploads/2019/10/Charter-School-Facility-Costs-10.21.19.pdf, p. 19

[5] https://nyccharterschools.org/facts/

[6] https://www.budget.ny.gov/pubs/archive/fy26/ex/local/school/2526schoolaid.pdf p. 18

[7] https://council.nyc.gov/budget/fy2025/

Whereas, in FY 2023, NYC charter schools sited in private space received subsidies from the New York City Department of Education and New York State to help pay for their rental costs totaling an estimated $166 million;

Whereas, on March 18, 2024 Deputy Chancellor Dan Weisberg testified at a City Council Education Budget Hearing, that FY 2024 charter school per pupil spending totaled $3.2 billion and charter school rental leases totaled $235 million.[8] The City Council's Report on the FY 25 Preliminary Plan confirms that the NYC DOE held 132 leases and was scheduled to make $235.6 million in payments in Fiscal 2024.[9]

Whereas, Hochul's FY2025 budget confirmed Deputy Chancellor's testimony that NYC charter schools sited in private space cost the city and state at least $200 million combined, as the state's portion was estimated at $120 million;[10]

Whereas, this year, Hochul's FY2026 budget increases the state's estimated portion to $145 million. As this represents 60% of the estimated total rental costs, we can deduce that private space will cost the city and state at least $241.6 million combined, with the city's portion rising to $96.6 million from $80 million the year prior.[11]

Whereas, two Class Size Matters reports on the cost of charter rent in 2019 and 2020, show that in FY 2019, DOE overspent on charter lease costs by over $21 million compared to their legal obligation, and in FY 2020, DOE spent over $11.6 million on rent for charter schools whose buildings were owned by their Charter Management Organizations or other affiliated organizations; and that in some of those cases, the CMO had appeared to sharply increase their own rent, apparently to receive more reimbursement from DOE;

Whereas, a Class Size Matters Report on Charter Facilities Funding provides evidence of over-spending on rent for private facilities for charter schools and extreme inflation of rental costs, in one instance the increase was thirteen times the base rent; [12]

Whereas, NYCPS recently filed a lawsuit against the NYSED and Hellenic Classical Charter Schools, claiming the charter artificially inflated rental costs to obtain a greater rental reimbursement;[13]

Whereas, in March 2025, a judge determined that NYC was not obligated to reimburse Hellenic Classical Charter Schools for inflated rental costs charged by the school's charter management company in order to acquire funds for projects that are not "actual rental costs"; and [14]

Whereas, ending the mandate to provide free space for charter schools could free up both City and State funding to help NYCPS meet class size mandates or save essential programs that have been relying on federal funds.[15]

---

[8] https://nyc.legistar.com/MeetingDetail.aspx?LEGID=20654&GID=61&G=2FD004F1-D85B-4588-A648-0A736C77D6E3 (see video at 1:41 in response to CM Brewer)

[9] https://council.nyc.gov/budget/wp-content/uploads/sites/54/2024/03/040-DOE.pdf, p. 15

[10] https://www.budget.ny.gov/pubs/archive/fy25/ex/local/school/2425schoolaid.pdf, p. 22

[11] https://www.budget.ny.gov/pubs/archive/fy26/ex/local/school/2526schoolaid.pdf, p.22

[12] https://secureservercdn.net/198.71.233.96/3zn.338.myftpupload.com/wp-content/uploads/2021/03/CSM_DOE-Spending_Charter-Schools-Facilities_FINAL-3.21.pdf pp. 30-31

[13] https://iapps.courts.state.ny.us/nyscef/ViewDocument?docIndex=cnRbXmuShO2NGTg6q5gbBw==

[14] https://www.chalkbeat.org/newyork/2025/03/24/judge-backs-city-dispute-state-charter-school-rent-reimbursement/

[15] https://www.uft.org/get-involved/uft-campaigns/reduce-class-sizes/class-size-faq

Whereas, State Senator John Liu, chair of the NYC Education Senate Committee, Senator Robert Jackson, and Council Member Rita Joseph, chair of the NYC Council Education Committee urged Comptroller Lander to audit both the potential overcharging of charter rent charged to DOE as well as the underpayments of matching funds to co-located public schools for facilities enhancement in a letter sent in March 2023, but that audit has still not been launched.[16]

Therefore be it resolved that the NYS Legislature repeal the law that obligates New York City Department of Education to provide space to charter schools in public schools or help pay for their rent – as the only district in the nation with this onerous requirement;

Be it resolved that District 15 Community Education Council will ask the NYC Comptroller to audit the DOE spending on rental subsidies for charter schools, especially those whose buildings are owned by their CMO or other affiliated organization, to ensure that they are not inflating reimbursement from DOE;

Be it resolved that the District 15 Community Education Council also asks the NYC Comptroller to audit the spending of DOE on matching funds to public schools co-located with charters for facility enhancements, an amount that is supposed to match the spending of the co-located charters for that purpose, and yet the CSM reports of 2019 and 2020 found that the co-located public schools were owed millions of dollars by DOE;

Be it resolved that the District 15 Community Education Council opposes S5797/A85 which provides retroactive facilities funds for 70 charters that opened prior to 2014 in NYC;[17]

Be it resolved that the District 15 Community Education Council demands retroactive reimbursement for all facilities expenses paid to 204 charters by NYC since 2014;

Be it resolved that the following bills to strengthen the accountability and transparency of charter schools shall be approved by the Legislature and signed into law by the Governor, along with the same bills in the Assembly: S423 (Liu)[18], which repeals the requirement that NYC must help pay for private space rented by charter schools; S552 (Liu)[19], which allows the state Comptroller to audit NYC charter schools; and S527 (Mayer)[20], which limits revisions to charter schools that would expand the grades served to only those grade levels included in the type of school; and

And Be it resolved that the City and Legislature use the newly available tax levy funding to meet class size mandates and sustain programs previously funded by federal funds.

The rent is too darn high! Charters are fleecing city and state budgets by charging excessive rents on private facilities. NYC students deserve no less than the rest of the state and nation!

This resolution was duly adopted by the Community Education Council 15 on June 17, 2025 by a vote of the members present, including: Antonia Ferraro Martinelli, Leslie King, Vanessa Gonzalez Ueoka, Nancy Cruz, Katina Rogers, Jonathan Davis, and Donalda Chumney.

---

16 https://classsizematters.org/wp-content/uploads/2023/01/Letter-to-Comptroller-asking-for-audit-on-charter-school-matching-funds-rent.pdf

17 https://www.nysenate.gov/legislation/bills/2025/S5797

18 https://www.nysenate.gov/legislation/bills/2025/S423

19 https://www.nysenate.gov/legislation/bills/2025/S552

20 https://www.nysenate.gov/legislation/bills/2025/S527

7 members voted Yes