



NEW YORK STATE SENATOR

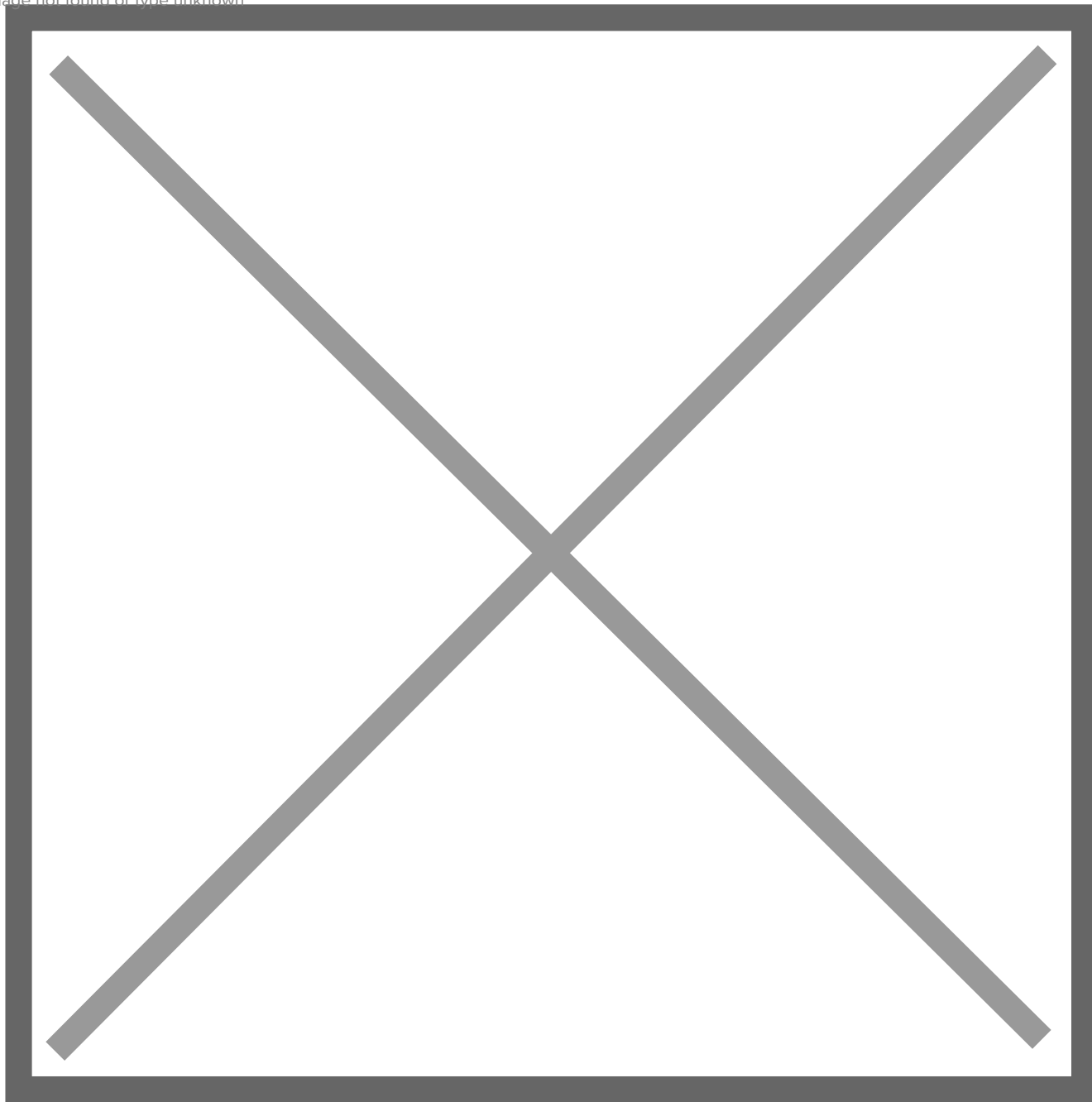
Liz Krueger

Senator Krueger Breaks Ground at Two New Midtown Schools

LIZ KRUEGER May 25, 2010

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(New York, NY) – State Senator Liz Krueger joined Schools Chancellor Joel Klein in breaking ground on a brand new mixed-use development that will house two public schools. Located

at 250 East 57th Street, the \$500 million development will house new, modern facilities for P.S. 59 and the High School of Art and Design, which will open to students in September of 2012. Construction of the schools will be paid for by private developers as part of a partnership with the Department of Education's Educational Construction Fund (ECF), which develops mixed-use real estate projects featuring new school facilities. The 57th Street complex is the largest ECF project to date. Senator Krueger and Chancellor Klein were joined by Deputy Mayor Dennis Walcott, Deputy Chancellor Kathleen Grimm, Executive Director of ECF Jamie Smarr, Assemblyman Jonathan Bing, Borough President Scott Stringer, City Council Member Dan Garodnick, City Council Member Jessica Lappin, and David Lowenfeld of The World-Wide Group, the project's developer. The principal of P.S. 59, Adele Schroeter, and the High School of Art and Design principal, Eric Strauss, were also in attendance.

"The development of P.S. 59 is a win-win situation for students, parents, and the community," said Senator Krueger. "Not only are we creating a state-of-the-art school in a community that desperately needs new seats, but we are doing so at minimal cost to the City of New York. This goes to show how rewarding a good-faith partnership between the City and the private sector can be, and I hope we continue to maximize these mutually beneficial opportunities."

"In these tough financial times, it is absolutely critical that we explore every option to build new schools," said Chancellor Klein. "We've already built tens of thousands of school seats using our capital dollars, but we're not stopping there. By partnering with a private developer, we're getting beautifully designed, state-of-the-art school space that serves our public school students and helps relieve overcrowding at no cost to the City."

The new P.S. 59 will be expanded to accommodate 730 students, up from 500 students now, and the High School of Art and Design will accommodate 1,400 students. As designed, P.S. 59 and the High School of Art and Design will frame an expanded open space, providing

children with a safe, controlled environment for recreational activities. A new side yard setback along 56th Street will create additional outdoor play areas for the schools. Along with the two schools and a residential tower, Whole Foods will lease space on the property.

The project kicked off in 2008, with the construction of a 470-seat school at 250 East 63rd Street, which was the first school in the City built to the School Construction Authority's "green" standards. This facility currently serves as a temporary site for P.S. 59 students while the new P.S. 59 is being built at 57th Street. Once the students, teachers, and administrators move into the new P.S. 59, the school's current 63rd Street location will provide additional seats for another school.

"I have been proud to help lead the efforts to make today's groundbreaking a reality. The new development is a significant win for the community, which will receive renovated school facilities and new school seats in addition to a new supermarket and a world class residential development," said Assemblyman Jonathan Bing. "I applaud the Department of Education, The World-Wide Group, and Whole Foods for working as a team to help make this happen."

"I would like to congratulate Chancellor Klein and the Department of Education for their innovative use of public and private funds to build these sorely needed public schools," said Manhattan Borough President Scott Stringer. "During a financial crisis, we should explore all options to improve education facilities without putting the already cash-strapped municipal government any further in the red. These schools will help alleviate overcrowding, create jobs, and provide new retail and residential opportunities on Manhattan's East Side."

"As we break ground on the new P.S. 59, we are taking direct aim at our school overcrowding challenges," said Council Member Dan Garodnick. "With this new building, we are gaining a more spacious, better-designed school than the one it is replacing and at no cost to the City."

It is doubly exciting to see new school construction and economic development taking place even during these challenging times."

The World-Wide Group was selected by the ECF in a competitive bidding process to develop the 1.5 acre property. The development, which is expected to create 1,100 construction and 500 permanent jobs for the city, will occur in two phases. Phase I includes the construction of the two new schools and 38,000 square feet of retail space to be occupied by Whole Foods. Phase II includes the design and construction of an additional 78,000 square feet of retail space and approximately 350 residential units.

"We are enthusiastic about our historic partnership with New York City to build these new schools that will improve the quality of the educational experience for so many students in this community," said David Lowenfeld, a principal at The World-Wide Group. "At the same time, the development of new retail and residential spaces has the potential to inspire a transformation of one of the most important intersections in Manhattan into a lively, pedestrian-friendly gateway."

The school portion of the mixed-use project will be financed via tax-exempt bonds issued by ECF. In ECF projects, revenues from private developments are pooled to repay school bonds. The World-Wide Group is leasing the 57th Street site from ECF for seventy-five years. Since its creation by the State Legislature in 1967, ECF has constructed 17 projects in New York City that include 19,000 school seats.