

HUDSON COUNTY'S POPULATION IS SOARING

CHARTER SCHOOL EXPANSION IS CRITICAL TO PROVIDING AND PAYING FOR THE ADDITIONAL PUBLIC SCHOOL SEATS NEEDED

A tidal wave of young children is attaining school-age in Hudson County, and nowhere more so than in Jersey City. A 2014 study commissioned by the Jersey City Board of Education entitled *District Forecast of Jersey City Public School Enrollment* concluded that "*Major capacity deficits are expected at the Elementary and Middle School grade levels. Based on existing capacity, it is projected that in SY2017-18, there will be inadequate classroom space for 4,834 out of 23,833 students in grades PK-3 to 8 with enrollment exceeding capacity by 25.4 percent.*"¹

In the years since that study was completed, Jersey City's residential development and the pace of quality of life improvements in Jersey City have only accelerated. 9,000 housing units are currently under construction and another 28,000 units have already been approved.² The completion of these units will cause Jersey City's population to grow by approximately 60,000 over the next 10-15 years – and ADDITIONAL new residential units are being approved monthly. With young parents increasingly wanting to stay and raise their children in Jersey City, this will necessitate the construction of over 10 additional public schools in Jersey City alone. Hoboken and other Hudson County communities are also experiencing a surge in their school-aged population and will also need to bring new public schools online.

To meet the demand for additional public school facilities in Jersey City, the State of New Jersey built two new public schools for the local district in recent years; the Hudson County Schools of Technology expanded its Montgomery Street campus and constructed a beautiful new high school open to Jersey City students in Secaucus; and Jersey City's charter public schools have expanded through leasing renovated or newly constructed space from 501(c)3 charitable organizations (principally the Archdiocese of Newark or charitable organizations that specialize in the construction of facilities for charter public schools).

The new facilities brought online by the State of New Jersey/Jersey City Public Schools District and by the Hudson County Schools of Technology are beautiful but have cost state and local taxpayers hundreds of millions of dollars. The new facilities brought online and leased to charter schools by 501(c)3 charitable organizations have cost state and local taxpayers precisely **ZERO** as their costs added not one penny to taxpayer funding for charter public schools.

When a charitable organization brings online a 750-student facility for a charter public school, taxpayers save the \$50,000,000 to \$100,000,000 that it would cost them for the New Jersey School Development Authority ("NJSDA") to construct a 750-student facility.

There are presently a little over 6,000 students in Jersey City charter schools. The NJSDA's website indicates that its cost for school construction in Jersey City, per student to be served in a facility, is

¹ *District Forecast of Jersey City Public School Enrollment, Volume 2; Urbanomics, February 27, 2014; page 20.*

² *Jersey City's Boom Continues with 37,000 Units Planned, 9,000 Under Construction; JerseyDigs.Com; <https://jerseydigs.com/jersey-city-real-estate-development-2017/>.*

approximately \$70,130.³ That means that in Jersey City alone, state taxpayers have saved \$421 million ($6,000 \times \$70,130$) as a result of public charter schools operating in facilities built by charitable non-profits that cost taxpayers *nothing*.

This \$421 million in taxpayer-achieved savings was not targeted to benefit Jersey City's public charter schools. Instead, this money covered the State's cost to build the two aforementioned school facilities for the Jersey City Public Schools District, to pay for much of the cost of the County's new school facilities, and to help pay for increased public school teacher salaries in Jersey City *and in public schools all throughout New Jersey*.

If Jersey City's public charter schools are not permitted to expand, then 100% of the cost for building the many new school facilities needed in Jersey City will fall upon state taxpayers. Moreover, state and local taxpayer costs for staffing and operating each new traditional public school that is brought online will likely approximate \$18,495 per student, which is the New Jersey Department of Education's calculation of the spending per student in Jersey City's traditional public schools. This is TWICE the spending per student at charter schools in Jersey City.⁴

Already now, despite new school facilities having been brought online for the Jersey City Public Schools, the Hudson County Schools of Technology AND Jersey City's many charter public schools, facility growth in Jersey City is not keeping pace with the growth of the community's school-aged population, and Jersey City's traditional public schools are becoming more crowded. If Jersey City charter schools are not permitted to expand and help address at least part of the need for additional public school seats in Jersey City, the overcrowding problem in Jersey City's traditional public schools will become ever more severe.

If charter school expansion ends, will the State become willing to double or triple its pace of school construction spending in Jersey City to compensate, telling other school districts throughout New Jersey that they will *just need to wait* for their fair share of state-funded school construction? This is impossible to imagine given that the New Jersey State Legislature instead appears intent on *reducing* state funding for the Jersey City Public Schools District. If the State won't double or triple its construction spending in Jersey City, will the Jersey City Public Schools District be able to come up with the additional funds needed on its own? This too is impossible to imagine. With the Legislature having announced plans to cut the Adjustment Aid received by the Jersey City Public Schools District by \$175 million over the next seven years, the Jersey City Public Schools district won't be able to *even think* about paying for expansion; it will be trying to figure out how to pay for salaries at the schools it *already* operates. The Legislature expects local residents to accept massive increases in property and business taxes to compensate for the State's reduction of Adjustment Aid to the Jersey City Public Schools District. Thus, local taxpayers will already be tapped out trying to help the Jersey City Public Schools District avoid massive layoffs. They won't be willing or *able* to provide \$50,000,000 or more for each of the 10-plus public schools that Jersey City will need in the years ahead, nor the additional \$12,000,000-plus per year

³ See the NJSDA's website page relating to its cost for constructing the recently completed Patricia M. Noonan Elementary School (<https://www.njsda.gov/NJSDA/ProjectSchoolDetails/SchoolGrantDetails?vProjectID=17-2390-x03&vSchoolDistrict=Jersey%20City>).

⁴ The NJDOE's 2018 *Taxpayer's Guide to Education Spending* shows that in School Year 2016-2017 (the most recent year for which the NJDOE has published data) the Budgeted Costs Amount Per Pupil for the Jersey City Public Schools District was \$18,495. The NJDOE calculates the Ethical Community Charter School's Budgeted Costs Amount Per Pupil as \$9,154 – or only 49% of the Jersey City Public Schools District's per pupil spending level.

it costs the Jersey City Public Schools District to staff up and operate a new public school for 750 students.

What is happening in Jersey City is happening in Hoboken and Harrison and all throughout Hudson County.

Hudson County's charter schools want to be able to continue -- *in partnership with the State, with the County, and with Hudson County's local school districts* – to be *part of the solution* to the significant public education and public finance challenges facing Hudson County.

It would be utter madness for the State of New Jersey to halt charter school expansion in Hudson County and exacerbate what will already be immensely difficult challenges for our schools and taxpayers!