

PRESS RELEASE

Alliance for Quality Education and Citizen Action of NY Release Report Documenting How Carl Paladino Profits off Privately Run Charter Schools *Firebrand School Board Member Pushes Privatization for Buffalo Schools*

ALBANY (October 21, 2014) – The Alliance for Quality Education (AQE) and Citizen Action of NY released a report today showing that former New York State gubernatorial candidate and now member of the Buffalo City School Board, Carl Paladino, is earning millions from the city's turnover of public schools to privately run charters.

The report, *Good for Kids or Good for Carl: Who Really Benefit\$ from Privatizing Public Schools?*, provides a detailed listing of Paladino's numerous companies that are financially benefitting from the opening of Buffalo charter schools, through property sales, lease agreements, construction and renovations projects, and tax subsidies.

Paladino is the chairman of Ellicott Development, one of the largest property developers in the Buffalo area. In an article in today's Buffalo News, he said, if he wasn't profiting from charter schools, he'd "be a frigging idiot."

Paladino is one of the Buffalo Board of Education's most vocal proponents of privately managed charter school expansion. This is a controversial issue in Buffalo as the Board of Education is split on the closure of public schools for privately run charters.

"Carl Paladino is very good at figuring out how to make money, and he is set to bring in tens of millions of dollars from developing privately run charter schools," said Billy Easton, executive director of AQE. "The profit motive is a powerful force and Paladino has a clear conflict of interest. He could abuse his power for personal gain. Instead of following his leadership the majority members of the school board should insist that Paladino steps away from voting on turning Buffalo public schools over to private management."

During his campaign for school board, Paladino promised to recuse himself from any board vote on charter schools. He has not done so. In addition, his board vote is the deciding tie-breaker on this issue.

Here's a sampling of what's in the report:

- 1291 Main LLC, a subsidiary of Ellicott Development is scheduled to receive \$16.2 million in lease payments from Health Science Charter Schools over a 25-year lease of the property.
- Ellicott Development sold the property at 1291 Main Street to Health Science Charter School for \$1.52 million.

- The Lafayette Group, another Ellicott Development subsidiary, sold the property at 113 Lafayette Avenue to West Buffalo Charter Schools for \$1.5 million.

In addition to developing, leasing and selling his buildings to his charter school business associates, he's also purchased a number of properties in neighborhoods surrounding schools. He is poised to profit considerably as a result because new schools increase surrounding property values.

To read the full report, [click here](#).

About AQE

The Alliance for Quality Education is a coalition mobilizing communities across the state to keep New York true to its promise of ensuring a high quality public education to all students regardless of zip code, income or race. Combining its legislative and policy expertise with grassroots organizing, AQE advances proven-to-work strategies that lead to student success and echo a powerful public demand for a high quality education.

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