

## DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

### Charter Actions Requiring a Vote

- ☐ Approve a Charter Application (15 yrs)
- ☐ Approve a Charter Renewal (15 yrs)
- ☐ Approve Charter Continuance (5 or 10 yrs)
- ☐ Approve a Charter Amendment Request
- ☐ Give a Charter Notice of Concern
- ☐ Lift the Charter Notice of Concern
- ☐ Commence Charter Revocation Proceedings
- ☐ Revoke a Charter
- ☐ Board Action, Other \_\_\_\_\_

### Non-Voting Board Items

- ☒ Public Hearing Item
- ☐ Discussion Item
- ☐ Read into Record

### Policies

- ☐ Open a New Policy or Changes to a Policy for Public Comment
- ☐ Approve a New Policy
- ☐ Approve an Amendment to an Existing Policy

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**SUBJECT:** Public Hearing on Eagle Academy Public Charter School  
Charter Amendment Request  
▪ New Campus Location

**DATE:** January 27, 2020

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*The following proposal was opened for public comment on December 17, 2019, and will remain open until January 27, 2020, with a public hearing on January 27, 2020. The DC Public Charter School Board (DC PCSB) is scheduled to vote on the proposal at its February 24, 2020 board meeting. Any public comment received will be discussed before the vote.*

### **Proposal**

DC PCSB staff requests that the Board hold a public hearing on the charter amendment request of Eagle Academy Public Charter School (Eagle Academy PCS) to relocate and rename one of its existing campuses, Eagle Academy PCS – Fairlawn, effective for school year (SY) 2020-21. If approved, this multi-campus local education agency (LEA) will continue operating its program for grades prekindergarten-3 (PK3) through three at two campuses in Wards 6 and 8. The table below shows the location and name for each PK3-3 campus that Eagle Academy PCS will operate in SY 2020-21 and beyond:

<b>Eagle Academy PCS Campuses</b>	<b>Address</b>
Eagle Academy PCS – Capitol Riverfront (Formerly named Fairlawn Campus)	1900 Half Street SW (Ward 6) (Proposed new location)
Eagle Academy PCS – Congress Heights	3400 Wheeler Road SE (Ward 8)

Per the school’s charter agreement amendment application, Eagle Academy PCS will lease the proposed facility on Half Street SW from the Douglas Development Corporation for a minimum of eleven years, beginning in SY 2020-21. The facility, which is currently in development, will be located within one of three new high-rise developments at the 1900 Half Street SW address, with approximately 20,110 square feet. The school states this proposed site will include enough space for twelve general education classrooms, one self-contained special education classroom, an all-purpose room, a nurse’s suite, and several administrative offices. Additionally, within the high-rise development, there will be various retail shops, a rooftop deck, an infinity pool, and a large second floor courtyard that overlooks the Anacostia River.

Pending DC PCSB’s approval of the proposed amendment, the school plans to sign a lease agreement with the Douglas Development Corporation immediately. Eagle Academy PCS expects construction of the new site to be completed in time for the school to assume operation at the site by the start of SY 2020-21.

### **Rationale**

After two lease extensions in school years 2017-18 and 2018-19, Eagle Academy PCS must relocate its Ward 6 campus from its current facility at 1017 New Jersey Avenue SE, because its owner has sold the building. Since December 2016, the DC PCSB Board has approved Eagle Academy PCS for two different amendments about the location and name of its Ward 6 campus, due to uncertainty about when the owner would sell the New Jersey Avenue site. Most recently, on April 22, 2019, the Board approved Eagle Academy PCS to rename its second campus, Eagle Academy PCS – Fairlawn, and split the campus’ enrollment between the New Jersey Avenue site and a new facility constructed by the school at R Street SE in Ward 8.<sup>1</sup> Eagle Academy PCS knew that it would need to vacate the New Jersey Avenue location by the end of SY 2019-20, so the school worked to secure a new campus location in Ward 6 at the request of many of its existing families and staff.

Now that Eagle Academy PCS has secured a new long-term facility in Ward 6 for its second campus, the LEA no longer has any use for the facility that it built at R Street SE in Ward 8, and Fairlawn is no longer an appropriate campus name based on the

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<sup>1</sup> Eagle Academy PCS New Location and Reconfiguration Amendment, April 22, 2019, <https://dcpcsb.egnyte.com/dl/zteC1oY2AT>.

location of the proposed new site. As a result, pending approval of the proposed new location at 1900 Half Street SW, the school seeks to change the campus name to Eagle Academy PCS – Capitol Riverfront, and it plans to sell or lease the facility on R Street SE to another charter school within the next few months.

The proposed new site on Half Street SW is approximately 1.1 miles, or an 8-minute drive, from the school's existing location on New Jersey Avenue SE. Given its proximity to the Navy Yard Metro Station and other WMATA bus service, the school does not anticipate families having a problem commuting to the new location. To support families who may not have the financial means to transport their students to the new site, Eagle Academy PCS stated in its amendment application that it might provide families money or gift cards depending on their needs, from a "small fund" maintained by the school.

### **Financial Implications**

Eagle Academy PCS currently operates two campuses across three facilities: a Congress Heights facility, Fairlawn at 2345 R St SE, and Fairlawn – Capitol Riverfront at 1017 New Jersey Avenue SE. In SY 2019-20, the LEA is under-enrolled with 663 students at the Congress Heights campus, down from 682 students the previous year, and 170 students at the Fairlawn campus, significantly below its projection of 210 students for this school year. As of this writing all students at the Fairlawn campus are being educated at 1017 New Jersey Ave. SE and the school has never taken occupancy at 2345 R Street due to construction delays.

The school has recently entered into a five-year agreement to lease 2345 R Street SE to another DC school. The school's lease at 1017 New Jersey Ave. SE terminates at the end of SY 2019-20. The school plans to fully relocate its Capitol Riverfront to the new facility at 1900 Half Street SW.

DC PCSB staff reviewed Eagle Academy PCS's 5-year budget provided within the school's charter amendment application materials as well as supplemental materials provided by the school and noted the following:

- Enrollment Assumptions:
  - The LEA's budget assumes an enrollment target of 890 students in SY 2020-21, with increases up to its current enrollment ceiling of 920 students at maturity. The school has not enrolled this number of students since SY 2017 – 18 and prior in SY 2015-16. Given the school's plan to decrease enrollment at its Congress Heights campus by roughly 10% beginning in SY 2021-21, an enrollment of 250 students at the Half Street campus would be required to achieve its budgeted enrollment.
  - According to the school, approximately two-thirds of its current Fairlawn families have expressed a desire to return next year. Assuming

two-thirds of families chose to return, the LEA would still likely face a challenge in fully meeting its projected enrollment for each year.

- Lease Costs:
  - The school's application notes a breakeven enrollment of 140 students for the new location.
  - With the addition of lease revenue for 2345 R Street, the school's ability to cover its occupancy expenses from its per-pupil facilities revenue is comfortably within its enrollment forecasts; indeed the LEA as a whole needs an enrollment of fewer than 700 students to avoid having occupancy costs encroach on its core academic budget

Total Occupancy Costs	<b>2,898,993</b>	<b>3,284,022</b>	<b>3,144,093</b>	<b>3,204,224</b>	<b>3,265,980</b>
Less Rent Received for Naylor	(525,000)	(725,000)	(820,160)	(863,182)	(900,000)
<b>Net Occupancy</b>	<b>2,373,993</b>	<b>2,559,022</b>	<b>2,323,933</b>	<b>2,341,042</b>	<b>2,365,980</b>
Facilities Allowance	3,408	3,476	3,546	3,617	3,689
<b>Implied Enrollment</b>	<b>697</b>	<b>736</b>	<b>655</b>	<b>647</b>	<b>641</b>

The school's financial health in fiscal year 2019 was adequate, however, liquidity was extremely low with approximately 13 days of cash on hand. Further, the school maintains a line of credit, which currently has an outstanding balance greater than its current cash on hand, further evidencing the liquidity risk.

A copy of the school's proposed 5-year budget for the proposed location can be found at Attachment B. However, it should be noted that this budget was prepared before the school entered into the aforementioned lease arrangement with its R Street facility.

### **Notification and Community Engagement**

On December 9, 2019, Eagle Academy PCS submitted a notification to DC PCSB regarding its intent to relocate its Eagle Academy PCS – Fairlawn campus to a new facility in Ward 6, and its intent to change the campus name to Capitol Riverfront, in SY 2020-21. Per its amendment application, the LEA's board approved Eagle Academy PCS to pursue this amendment in September 2019.

On November 19, 2019, Eagle Academy PCS obtained a letter of support from the Ward 6D Advisory Neighborhood Commission (ANC), regarding the school's intent to relocate one of its campuses to the proposed location on Half Street SW. You may view a copy of this letter here:

Regarding outreach to its internal stakeholders, the school states that it announced the proposed amendment to its staff on December 12, 2019, and then to its families on December 13, 2019. While some parents expressed disappointment that Eagle Academy PCS must move from its existing Ward 6 site on New Jersey Avenue, ultimately parents were pleased with the fact that the school will maintain a campus in Ward 6.

On December 17, 2019, DC PCSB submitted a notice to be published in the DC Register and posted a notice on its website stating it would accept public comment until January 27, 2020. DC PCSB staff also provided ANC Commissioner Fredrica Kramer (Ward 6D05) with formal notification of the school's proposed amendment. Copies of these public notices in their entirety may be found here:

<https://dcpcsb.egnyte.com/f/CqWQNO4xdh>.

### **Deliberative Questions for the Board**

1. *What is the status of the construction timeline for this new development? Do you anticipate any delays before the start of SY 2020-21? If so, what contingency plan do you have in place?*
2. *What types of community engagement did you conduct leading up to pursuing this amendment, and what has been the Ward 6 community's response? What about your existing families at the Fairlawn campus? How will you help students and families adjust to this new location?*
3. *Will the Capitol Riverfront campus address be listed in My School DC for the current lottery? If not, how will you ensure you meet your enrollment targets given the search function on MSDC requires an address for the school to show up on searches that are based on ward/ address?*
4. *While this amendment is about your new campus, since you are here before us, we'd like to ask you about a recent community complaint we received about your Congress Heights campus. We are aware the neighbors have safety concerns regarding the rear drop-off site. (Excerpt from the complaint: "The rear drop-off point on 10<sup>th</sup> Place SE is not only a hazard to the children, but also causes friction between school personnel, parents & Ward 8 home owners that has, on many occasions, escalated to threats, hate crimes, targeted discrimination, trashing of private property and more...To this date, including this morning, parents of students have been allowed to park on private property blocking in homeowners while walking their children into*

*the rear entrance of the school...On a daily basis, this has caused severe friction..."*) Can you share how your school has responded to this complaint?

**Attachments to this Proposal**

Attachment A: School's Charter Amendment Application (enclosed)

Attachment B: Charter Agreement Amendment (will be provided before the vote)

## **Attachment A**

### **Eagle Academy PCS Charter Agreement Amendment Application**

A copy of the school's charter amendment application in its entirety may be found at the following link: <https://dcpcsb.egnyte.com/fl/oSy7yLbx7f>.