

## Section C1. **New Campus Location or Additional Facility**

**\*ONLY complete this section if applying to amend a Facility or New Location.**

*Any school that is planning to operate a new campus in an existing (or new) location or relocate an existing campus, whether temporarily or permanently, and even if it is taking over an existing campus of another public charter school, must notify DC PCSB of the change and amend its charter agreement to include the new address.*

*DC PCSB will generally approve a campus addition or relocation amendment, if the school has made documented and meaningful effort to engage the community, including the Advisory Neighborhood Commission (ANC), and has made an effort to address their concerns, if any. The school must show proof that it has taken into consideration the current families attending the school and their transportation needs, at least for the first year of operation in the new location.*

1. Please check the reason below that best describes your proposed change.
  - Entire campus or school is relocating from current location to a new location.
  - A single campus is both staying in its current location AND expanding into a second location (e.g. some grades in one facility and some in a second facility to allow more space, or until a permanent larger facility is found).
  - School is creating a new campus being housed in a new facility (Note: Please complete [Section A2: Program Replication](#))
2. List all the facilities and addresses the school currently operates, along with the new facility(ies) the LEA plans to operate if approved. Include the campus(es) located in each facility, highlighting any changes from what is currently written in the school's charter agreement.

**In School Year 2018-2019, AppleTree operated schools at:**

- **Columbia Heights, 2750 14th St NW**
- **Douglas Knoll, 2017 Savannah Terrace SE**
- **Lincoln Park, 138 12th St NE**
- **Oklahoma Avenue, 330 21st St NE**
- **Parklands, 1801 Mississippi Ave., SE**
- ***Southwest, 801 7th St SW (not in operation SY2019-2020)***

**For reasons explained below, the Southwest location (in italics above) did not open in School Year 2019-2020.**

**Appletree proposes to relocate the Southwest campus to 475 School St., SW., for School Year 2020-2021. In addition, AppleTree proposed to open a second Southwest location at Waterfront Station (1000 4<sup>th</sup> St., SW) for School Year 2022-2023.**

3. Is the proposed new facility a property that you plan to purchase or lease? How many square feet is this space? Which grade level(s) will be at this location? If you have already purchased or leased the property, provide specific dates of when the property was acquired.

**475 School St, SW**

- **The property is leased under a sublease from Richard Wright PCS. (A copy of the sublease is attached.)**
- **Approximately 11,000 sf.**
- **First floor with outdoor playspace.**
- **Pre-K3 and Pre-K4.**
- **The lease was executed July 15, 2019. It takes effect when Landlord improvements are completed (anticipated to be July 1, 2020) and has a 15-year term.**

**Waterfront Station (1000 4<sup>th</sup> St., SW)**

- **The property is leased from PN Hoffman. (A copy of the lease is attached.)**
- **Approximately 9,200 sf.**
- **First floor with outdoor play space.**
- **Pre-K3 and Pre-K4.**
- **The lease was executed March 27, 2019. It takes effect when construction and interior improvements are completed (anticipated to be July 1, 2022) and has a 17-year term (12 years plus another 5 at AppleTree's option).**

4. If the school is planning to move a current campus into a new location, please answer the following:

- a. How will the change in location impact students who currently attend this campus, and how will you ensure that students will re-enroll?

**Unfortunately, the current Southwest campus had to suspend operations for SY2019-2020. AppleTree provided assistance to families seeking new schools for their children. AppleTree will reach out to those families to let them know of the new School Street opening in SY2020-2021.**

- b. Given that students are expected to move; how will you support families that need transportation?

**Most families either walk or drive with their children. In addition, the new School Street location is near the L'Enfant Plaza and Federal Center Southwest metro stops. (Given the age of AppleTree's students – three and four – those traveling by Metro would arrive with their parents or guardians.)**

5. Describe the neighborhood of the proposed location (e.g. residential, commercial, metro-accessibility). What value will you bring to this

community? In your response, list traditional and public charter schools in close proximity to the new location, identifying schools that serve the same grade span as you will serve at full capacity at this location. Describe how the academic performance, demographics, and mission of your school compare to these schools.

**475 School St., SW, is located in between two metro stops (L'Enfant Plaza and Federal Center SW) and between 4<sup>th</sup> and 6<sup>th</sup> Streets SW and E and D Streets SW. Originally an office building, it is being gut rehabbed into a multi-story school building. AppleTree will occupy the first floor. An outdoor playspace is also being built. The building is convenient to much of the Southwest residential community and is also close to a number of federal office buildings (such as the US Department of Education).**

**Waterfront Station (1000 4<sup>th</sup> St., SW), is located just south of I St., SW and is one block from the Waterfront Station metro stop. It will be part of a brand-new mixed-use development from PN Hoffman. AppleTree will occupy a portion of the first floor. An outside playground will be built adjacent to the school. The building will be convenient to much of the Southwest residential community.**

**Nearby schools providing pre-K3 and pre-K4 include:**

- **Amidon-Bowen Elementary School (401 I Street, SW— 0.4 mile from 475 School St., SW ). Amidon-Bowen serves students in grades Pre-K3 through 5th grade. Its last reported enrollment was 28 Pre-K3 students and 42 Pre-K4 students. Amidon- Bowen received a 2-star rating on the most recent DC School Report Card.**
- **Eagle Academy (1017 New Jersey Ave SE – 1.2 miles from 475 School St, SW). Eagle Academy serves students in grades Pre-K3 through 3rd grade. Its last reported enrollment was 42 Pre-K3 students and 38 Pre-K4 students. Eagle Academy received a 3-star rating on the most recent DC School Report Card. It is currently rated as a Tier 2 school by DC Public Charter School Board.**

6. Describe how you have engaged your school's community in the decision to relocate, expand, or divide into this new location. Submit documentation of your communications with your staff and families regarding this new location. Please explain any potential concerns raised by the school's internal community, including students, teachers, etc.

**AppleTree has no choice but to re-locate, since its ground lease at 801 7<sup>th</sup> St., SW, was not renewed for SY2019-2020. Parents and teachers were all notified and kept abreast of developments and the potential of securing both locations. All were highly supportive of AppleTree's efforts.**

7. Describe all community outreach that has been done in the local community of the new school location. Submit documentation of communications with nearby principals, neighbors, ANC representatives, Councilmembers, and others, notifying them of your plans.

**The closure of AppleTree former location at 801 7th St., SW, has been the subject of much discussion, including editorials (in support of AppleTree) in both the Washington Post and the Wall Street Journal. AppleTree representatives have already met with ANC 6D about the closure and its efforts to find new space. AppleTree has formally notified ANC 6D of its plans (*a copy of that notification is attached*) and will also meet with ANC members as needed. In addition, AppleTree has kept school community members abreast of its plans to re-open in a new location.**

8. Will there be newly created slots for additional students? If so, discuss student recruitment efforts in the new school community.

**The former campus at 801 7<sup>th</sup> St., SW, had five classrooms. The School Street campus will have six classrooms, allowing for up to 22 new slots (assuming 22 children maximum per classroom).**

**The new campus at Waterfront Station will also have six classrooms, generating up to 132 new slots (assuming 22 children maximum per classroom).**

9. What is the occupancy maximum at the new location? If the maximum occupancy load for staff and students is less than the total number of staff and students who will occupy the facility at any point in the future, please explain how you will address this issue.

**The Certificates of Occupancy have yet to be granted, but anticipated permitted occupancy for each site should be far above the maximum number of students (132) and staff (26-30) at each.**

10. In addition to providing a [5-year Operating Budget](#), please answer the following questions regarding the financial impact of the proposed new location:

- a. How much does the proposed new facility cost, and how many students will be served at the new site?

**475 School St., SW: The first-year lease cost is anticipated to be \$456,000 (the amount is dependent upon actual underlying construction costs). It will have six classrooms which can serve up to 132 students (22/classroom).**

**Waterfront Station: The first-year lease cost will be \$488,000. It will have six classrooms which can serve up to 132 students (22/classroom).**

- b. What is the school's per-pupil cost, and how does this compare with its per-pupil allowance?

**475 School St., SW: As shown in the attached five-year budget projections, first-year (School Year 2020-2021) per-pupil revenues are expected to be \$20,242 while per-pupil expenses are expected to be \$18,660.**

**Waterfront Station: As shown in the attached five-year budget**

**projections, first-year (School Year 2022-2023) per-pupil revenues are expected to be \$21,368 while per-pupil expenses are expected to be \$19,571.**

- c. If you plan to operate multiple facilities, in addition to the proposed new location, what is the LEA's total facilities cost (e.g. lease, plus mortgage)? How does this expense compare with your per-pupil allowance?

**For the current Fiscal Year (FY2020), AppleTree Early Learning PCS will be operating five schools. Budgeted revenues for the year are \$12.9 million with a budgeted surplus of \$267k. Budgeted rent for the period is \$1.0 million. In addition, interest and principal payments for the year are expected to be \$540k, bringing total facilities costs to \$1.54 million. This compares favorably to projected receipts of \$1.76 million from the per-pupil facilities allowance.**

- d. What additional sources of funding do you plan to use to pay for this new facility.

**No new funding will be required for either. Buildout costs for both facilities are included in rent. Both campuses should be self-sustaining.**

- e. If applicable, what contingencies do you have in place in case the new location enrolls fewer students than anticipated?

**Each school can hold serve up to 132 students. The budget projections for each assume only 120 students. At that level each school still generates a surplus. AppleTree Early Learning PCS projects that both schools still breakeven with an enrollment of just 110-111. If enrollment falls below breakeven, AppleTree Early Learning PCS has considerable cash reserves to be able to manage through any short-term challenges. If enrollment proves to be a long-term challenge, it can manage further through identifying areas of cost savings and making adjustments at other campuses. However, given the shortage of early education seats in the District and the growing demand for such seats, AppleTree does not expect enrollment to fall below breakeven.**