

DISTRICT OF COLUMBIA PUBLIC CHARTER SCHOOL BOARD

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| <p>Charter Actions Requiring a Vote</p> <ul style="list-style-type: none"><input type="checkbox"/> Approve a Charter Application (15 yrs)<input type="checkbox"/> Approve a Charter Renewal (15 yrs)<input type="checkbox"/> Approve Charter Continuance (5 or 10 yrs)<input type="checkbox"/> Approve a Charter Amendment Request<input type="checkbox"/> Give a Charter Notice of Concern<input type="checkbox"/> Lift the Charter Notice of Concern<input type="checkbox"/> Commence Charter Revocation Proceedings<input type="checkbox"/> Revoke a Charter<input type="checkbox"/> Board Action, Other _____ <p>Policies</p> <ul style="list-style-type: none"><input type="checkbox"/> Open a New Policy or Changes to a Policy for Public Comment<input type="checkbox"/> Approve a New Policy<input type="checkbox"/> Approve an Amendment to an Existing Policy | <p>Non-Voting Board Items</p> <ul style="list-style-type: none"><input checked="" type="checkbox"/> Public Hearing Item<input type="checkbox"/> Discussion Item<input type="checkbox"/> Read into Record |
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PREPARED BY: Teri Quinn, Senior Manager, School Quality & Accountability

SUBJECT: Public Hearing on Two Rivers Public Charter School Charter Amendment Request

- New Campus Location
- Grade Reconfiguration

DATE: January 27, 2020

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 Two Rivers Public Charter School (Two Rivers PCS) to relocate its middle school students from its 4th Street campus to its Young campus and reconfigure the school's grade bands.

As a local education agency (LEA), Two Rivers PCS educates students in grades prekindergarten-3 (PK3) through eight across two campuses, 4th Street and Young. Presently, the 4th Street campus consists of two facilities that serve grades PK3-5 and 6-8, respectively. The Young campus only serves grades PK3-5. Per the school's charter amendment application, effective for school year (SY) 2020-21, Two Rivers PCS seeks to relocate grades 6-8 from the 4th Street campus so that the 4th Street

campus will only serve grades PK3-5. In turn, the LEA plans to add the middle grades program to its Young campus, so that the Young campus will serve grades PK3-8 across two campuses in two facilities directly adjacent to each other.

If approved, the table below shows the location and grades served at each campus that Two Rivers PCS will begin operating in SY 2020-21 and beyond:

| Two Rivers PCS Campus | Grades Served | Address | Ward |
|--|----------------------|---|-------------|
| Two Rivers PCS – Young Elementary School | PK3-5 | 820 26 th Street NE | 5 |
| Two Rivers PCS – Young Middle School | 6-8 | 830 26 th Street NE NEW | 5 |
| Two Rivers PCS – 4 th Street | PK3-5 | 1227 4 th Street NE and 1234 4 th Street NE | 6 |

The proposed new facility at 830 26th Street NE is approximately 45,000 square feet and is directly adjacent to the school’s existing PK3-5 program at the Young campus. The new site is being built as an extension of the Young campus, with a separate address, where the school may operate its middle school program for students in grades 6-8.

Currently, 4th Street receives a single score on the Performance Management Framework (PMF) for its PK3-8 campus, and Young receives a single PMF score for its PK3-5 campus. Beginning in SY 2020-21, 4th Street would receive a single PMF score for its PK3-5 campus and Young would receive a PMF score for its PK3-5 and one for the 6-8 Middle School. Despite the grade reconfiguration, there is no change to the goals for the two campuses: that each campus, at its 2023-24 review achieve an average PMF score of 50% over the years 2018-19, 2019-20, 2020-21, 2021-22, and 2022-23.

Two Rivers PCS currently serves about 150 students in grades 6-8, with an almost even distribution of around 50 students in each grade. Per the school’s charter amendment application, beginning in SY 2020-21, Two Rivers PCS will add an additional 50 students to its middle school program each year starting with sixth grade in SY 2020-21. By SY 2022-23, the school plans to educate 100 students per grade between 6-8, for a maximum capacity of 300 students at the middle school by SY 2022-23.

No enrollment ceiling increase is necessary for this proposal. The LEA's existing enrollment ceiling is 1,296 students, and the combined enrollment at its two campuses is currently 908 students. Therefore, an additional 50 students every year at the middle school facility over the next three years would bring the school's total enrollment to about 1,058 students, which is well under Two Rivers PCS's allotted enrollment ceiling.

The school's proposed enrollment matrix is found below:

| | Academic Year 2017-18 | Academic Year 2018-19 | Academic Year 2019-20 | Academic Year 2020-21 | Academic Year 2021-22 | Academic Year 2022-23 |
|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Grade Levels | Projected | Projected | Projected | Projected | Projected | Projected |
| PK-3 | 74 | 72 | 71 | 72 | 72 | 72 |
| PK-4 | 96 | 91 | 92 | 92 | 92 | 92 |
| Kindergarten | 100 | 100 | 99 | 100 | 100 | 100 |
| Grade 1 | 100 | 100 | 100 | 100 | 100 | 100 |
| Grade 2 | 100 | 100 | 100 | 100 | 100 | 100 |
| Grade 3 | 98 | 100 | 100 | 100 | 100 | 100 |
| Grade 4 | 50 | 99 | 100 | 100 | 100 | 100 |
| Grade 5 | 50 | 50 | 100 | 100 | 100 | 100 |
| Total | | | | | | |
| Grade 6 | 47 | 50 | 53 | 100 | 100 | 100 |
| Grade 7 | 50 | 50 | 51 | 51 | 100 | 100 |
| Grade 8 | 47 | 48 | 49 | 50 | 50 | 100 |
| Total | | | | | | |
| Grade 9 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grade 10 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grade 11 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grade 12 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | | | | | |
| LEA Total | 812 | 860 | 915 | 965 | 1014 | 1064 |
| # Campuses* | 2 | 2 | 2 | 3 | 3 | 3 |

Rationale

Two Rivers PCS states the proposed amendment is necessary due to increased demand for seats in grades 6-8 caused by the arrival of a fifth grade graduating class at Young, which has been growing by a grade each year since it opened with grades PK3-1 in SY 2015-16. There is insufficient space at the LEA's existing middle school facility at the 4th Street campus. Given both the 4th Street and Young campuses have fifth-grade students matriculating into the LEA's single middle school facility each

year, the school explains that its middle school program must double in size between SY 2020-21 and SY 2022-23 to ensure Two Rivers PCS can provide a continuum from PK3 through eighth grade for all of its existing students. With this reconfiguration and new facility, the school's fifth grade students will not have to leave the LEA's network to attend middle school.

The school states in its amendment application that it collected feedback from various stakeholders before deciding on the proposed amendment. Two Rivers PCS used the feedback it collected to determine what was most important to parents, students, and staff. Ultimately, the school's stakeholders expressed a desire for an eco-friendly green space with a gym facility for students, which are both aspects of the proposed site.

Admittedly, the school reports that the Young campus is not as conveniently located to the Metro station as the 4th Street campus. However, the Young campus is accessible via multiple bus routes and the Ward 5 streetcar. Further, Two Rivers PCS states that many of its existing 4th Street middle school students arrive by private car, indicating the proposed relocation of the school's middle grades program from 4th Street to the Young campus may not be a concern in terms of transportation for many current families.

Financial Implications

As noted above, the current middle school students will need to relocate from the school's 4th Street campus to the Young campus. The school will maintain its current lease terms at the Young campus, which will not require additional rent as a result of credits, operating within the Uniform Per Student Funding Formula (UPSFF) facilities allotment. In order to accommodate the planned growth, the school will undergo a construction project, costing a total of \$17.8M, which will be financed through Scholarships for Opportunity and Result (SOAR) facilities funding, equity contributions, and financing from the Schola Fund.

Total projected facilities cost per pupil will rise, as shown in the table below:

| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|----------------------------------|-------------|-----------|-------------|-------------|-------------|
| Estimated Enrollment | 915 | 965 | 1,014 | 1,064 | 1,064 |
| Facilities' Allowance | 3,335 | 3,402 | 3,336 | 3,403 | 3,337 |
| Debt Service - Assumption | 2,153,742 | 2,320,584 | 2,500,405 | 2,703,651 | 2,923,417 |
| Occupancy Costs | 1,142,731 | 1,572,512 | 1,602,843 | 1,633,780 | 1,665,336 |
| Total Costs | \$3,296,473 | 3,893,096 | \$4,103,248 | \$4,337,431 | \$4,588,753 |

| | | | | | |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|
| UPSFF - Facilities Funding | \$3,051,525 | \$3,282,930 | \$3,382,704 | \$3,620,792 | \$3,550,568 |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|

| | | | | | |
|---------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| Total Encroachment | (\$244,948) | (\$610,166) | (\$720,544) | (\$716,639) | (\$1,038,185) |
|---------------------------|--------------------|--------------------|--------------------|--------------------|----------------------|

Two Rivers PCS has maintained a healthy financial position, with strong liquidity metrics and healthy debt service coverage ratios. As of June 30, 2019, the school held more than \$3.5M, or ~80 days, of cash on hand, evidencing the LEA’s strong financial position. The school’s debt service coverage ratio improved to 2.3 in fiscal year (FY) 2019 from FY 2018, evidencing the school’s ability to service its debt obligations. The additional debt related to the construction of the new facility will likely cause a decline in this ratio; however, the decrease will likely not be a cause for concern.

A copy of the school’s proposed 5-year budget for the proposed location can be found here: <https://dcpcsb.egnyte.com/dl/wHF8CCHVbM>.

Notification and Community Engagement

On December 13, 2019, Two Rivers PCS submitted a notification to DC PCSB regarding its intent to relocate its middle school program from Ward 6 to a new facility in Ward 5 that is adjacent to the Young campus. Per its amendment application, the LEA’s board voted on February 12, 2019, to approve Two Rivers PCS to pursue this amendment.

As part of its outreach efforts to engage the community and inform its stakeholders of the proposed changes, Two Rivers PCS participated in several public and private meetings with the Advisory Neighborhood Commission (ANC), neighbors who live near the LEA’s schools, as well as with school principals from some of the DC public schools nearby Two Rivers PCS’s Young campus. The school also distributed electronic surveys and other mass communications to solicit feedback from its stakeholders. The school reports that the most common concerns raised about the proposed relocation and addition of the middle school program at the Young campus were about the impacts of traffic and parking difficulties. As a result, Two Rivers PCS is still working with the community to ensure it resolves these concerns before the proposed location opens in SY 2020-21.

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. You may find copies of these public notices in their entirety here: <https://dcpcsb.egnyte.com/fl/bQjLJTkJGjG>.

Attachments to this Proposal

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

Attachment B: Two Rivers PCS Enrollment Matrix

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

Attachment A

Two Rivers 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/bQjLJTkGjC>.