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ACTION MEMORANDUM

TO: SPCSA Board
FROM: Mark Modrcin, Director of Authorizing, SPCSA
Danny Peltier, Management Analyst III, SPCSA
SUBJECT: **Battle Born Academy – Charter Amendment Request to Relocate to a New Facility for the 2023 – 24 school year**
DATE: March 3, 2023

Summary of Request and Recommendation

Battle Born Academy (BBA) has submitted an amendment application requesting that the State Public Charter School Authority (SPCSA) grant a Good Cause Exemption and approve the school to relocate to a new facility for the 2023-24 school year.

SPCSA staff has reviewed the application and recommends that the Authority approve the request with conditions. A proposed motion can be found on page 6 of this memo.

Background and Overview of the Amendment

Battle Born Academy was authorized at the Authority board meeting on April 23, 2021 and opened in the fall of 2022. As of Validation Day 2022, BBA had 144 students enrolled in grades

Kindergarten, 1st, 5th, and 6th. BBA's mission is, "To cultivate a community of joyful students who lead their own learning, care for themselves and their community, and actively contribute to a better world. BBA's vision is students are the change makers in our community, leading Nevada toward a future they create."

At the December 16, 2022 SPCSA board meeting, BBA was approved to reduce the 2022-2023 and 2023-2024 enrollment caps to 140 and 300 respectively; adjust grade levels offered to grades K – 7 in Year 2 (2023 – 24) and grades K – 8 in Year 3 of operations (2024 – 25); and allow for continued shared occupancy of its current facility, located at 4131 E. Bonanza Road through the 2023-24 school year. The school currently subleases this facility from Equipo Academy.

According to the amendment application, BBA seeks to relocate to a permanent facility beginning in the 2023-24 school year. The facility BBA wishes to occupy is located at 2101 East Owens Avenue, North Las Vegas, 89030. The facility will be called Battle Born Academy – College Park, as the facility previously held the name College Park and BBA, according to the amendment application, saw it fitting to continue to use that as part of the BBA campus name. The College Park facility is located on the border of the 89101, 89104, and 89106 zip codes, which BBA was approved to serve as part of their initial charter application and a subsequent amendment approved by the Authority. However, the facility's address is located in the 89030 zip code which is not in BBA's previously approved zip codes. However, the school intends to continue to serve the community and zip codes that were initially contemplated within the charter in addition to proactively working to serve students and families within the 89030 zip code.

In the amendment application, BBA explained that in December of 2022, BBA was introduced to Michael Colvin of Colvin Construction, who recently purchased the facility at 2101 E. Owens Ave. Colvin is a contractor and developer with experience of working in commercial development. Colvin purchased College Park with the intent of renovating and leasing the facility to a charter school. Battle Born Academy decided to partner with Mike Colvin and his team to lease this facility according to the amendment application.

According to the amendment application, the facility was previously operated as a church. BBA noted in the amendment application that the facility consists of four main buildings and a large parking lot, located on 2.2 acres of land. The facility includes a cafeteria with space for a warming kitchen, a large theater space, a main office, and approximately 19 classrooms. According to the amendment application, some portions of the space are remaining as-is, while approximately 70% of the property is being remodeled into classroom space. Because no structural work, exterior changes, or excavation is necessary, BBA expects the scope of the work should take between 3 and 4 months to complete and that work is already underway. According to the amendment application, BBA projects June 1, 2023 for work to completed, allowing BBA time to move buildings and complete operational prep for the 2023-2024 school year. According to the amendment application, BBA will lease the facility from 2101 E Owens Ave, Las Vegas, NV 89101, LLC, owner Michael Colvin. All facility acquisition, development, and project costs will be borne by that organization, and not at the expense of the

school. Per the terms of the proposed lease, BBA owes one month's security deposit on July 1, 2023 and begins lease payments at the later of August 1, 2023 or the complete delivery of the premises according to the specifications in the lease.

Regarding parent and community involvement in the decision to relocate the campus, BBA explained that parents and community members had been involved in the decision to re-locate the school through the BBA Parent Committee. According to the amendment application, since December of 2022, BBA has been engaging residents in the local neighborhood by visiting apartment complexes adjacent to the proposed facility and there are apartments on three sides of the building. So far according to BBA, the response for a new school in the area has been very positive, with a number of families applying for the lottery themselves. At the time of the amendment submission, nearly 10% of our new applications for the 2023-2024 school year are from families in 89030. An additional 5 applicants are located in 89101 in the apartments across the street from the facility.

BBA is also working with current students to ensure they are accommodated during the move. According to the amendment application, beginning in March, and running throughout the spring, BBA will have grade-level specific informational sessions about the move and the new campus, allowing families to ask questions, engage with the floor plans, help make design decisions. Additionally, BBA plans to call each family admitted at the lottery individually (and all families pulled from the waitlist thereafter) to discuss the new location with them. BBA believes this will ensure all of the new students have the new, permanent address in mind. BBA will also engage with families during the spring of 2023 through a signage/beautification team, a parking and queuing working group, a community outreach working group, a security and safety taskforce in an effort to ensure families are involved in the entire process. BBA also plans to incorporate its BBA Night, which exhibits students' work, into the project by having a BBA Night redesign working group which will allow students to have input as well.

If approved, BBA plans to hold additional engagement events for prospective families. BBA plans to partner with a student recruitment consultant, Bloomwell Consulting which is made possible through BBA's partnership with Opportunity 180. In addition to partnering with Bloomwell, BBA intends to partner with a student recruitment grassroots organizing group, which is likely to be Latino Outreach Solutions, but the final vendor will be selected in the coming weeks. According to BBA, this is made possible by a grant from the City of Las Vegas. The consultant will provide grassroots organizing and outreach to the local community in both English and Spanish. The group will also canvas on behalf of BBA, host various events, attend community events, and coordinate efforts to reach new prospective families according to the application.

According to the application, BBA has budgeted for the relocation using a combination of revenues, loans, and philanthropic dollars. BBA explained in the amendment application that it will continue to experience some cash flow needs as enrollment increases but a cash reserve is built, and reimbursable grants are spent down. To allow for that, BBA is likely to borrow from Charter Asset Management (CAM) or a similar vendor. According to the amendment application, \$15000 in finance charges are accounted for in the expenses category to cover the associated fees. Likewise, BBA received the SPCSA revolving loan in 2022 and \$1800 of

interest is accounted for on that loan. In regard to the CAM loan, BBA notes that amounts borrowed will be based on verified enrollment to avoid a situation in which state and local revenue projections are not met. Finally, BBA is projecting to nearly double their enrollment in 2023-24 from around 140 students to 300, which will increase the funding the school receives. BBA also notes it will be applying for a significant expansion of enrollment audit from the SPCSA, which, if approved, would be used to adjust state payments in July, August, September, and October of 2023 and will allow state funding to more accurately reflect the current enrollment of the school and the needs of the pupils.

BBA projects to add additional staff, both administrative and instructional, as the school increases enrollment in the coming years. According to the amendment application, assumptions for additional instructional staff are based on projected sizes of student populations such as Special Education and English Language Learners. BBA notes that an increase in staffing is necessary to maintain student services and provide high-quality instruction for all students as necessary.

Finally, the relocation to the new campus will not impact, or change, the academic program of BBA. The school will continue to focus on serving students in the downtown Las Vegas area through their belief that all students deserve an excellent, equitable education that prepares them to lead meaningful and fulfilling lives.

Legal Authority

Existing charter schools that are sponsored by the SPCSA may submit a charter school contract amendment application to the SPCSA – which is reviewed by SPCSA staff and presented for SPCSA Board action – in order to, among other things, increase enrollment, add grade levels above and beyond what the charter school is approved to serve, or add a new campus. When determining whether to approve an amendment request, the sponsor considers the charter school’s compliance with applicable local, state and federal laws and regulations and evidence relating to the academics, finance and organization of the charter school. (See NAC 388A.400(8) and NRS 388A.276).

Analysis and Staff Recommendation

When reviewing an amendment application for RFA eligibility, SPCSA staff reviews the academic, financial and organizational performance of the applicant charter school. BBA is in its first year of operation and has not been rated academically, financially, or organizationally, however, staff finds no current issues grounded in past performance that raise concerns regarding this amendment.

SPCSA staff has reviewed BBA’s request and recommends conditional approval. First, as previously highlighted in the April 2022 recommendation memo, SPCSA staff observed several newly approved schools encountering facility challenges primarily caused by effects of the COVID-19 pandemic. BBA is no exception to this reality. SPCSA staff was encouraged by the work of the BBA leadership and board to quickly identify a permanent facility that appears to continue to allow the school to grow into a high-quality option for families in the downtown Las Vegas area. When BBA was approved at the December 16, 2022 board meeting to continue to

operate at the temporary facility, they immediately went out and assessed their options and were able to locate a facility that they believe will improve the educational setting for their students. As noted above, while the proposed facility is not located directly in one of the zip codes that the school had initially intended to serve, SPCSA staff found the location to be in close proximity to its current facility, and to align overall to the school's overall goal of serving students and families in and around the downtown Las Vegas community. The facility sits on the border of three approved zip codes and is located roughly 3 miles from where the school is currently operating.

BBA's current student population generally mirrors the surrounding public schools. As of the 2022 Validation Day, 83% of students qualified for Free or Reduced-Price Lunch (FRL), 45.8% were identified as English Language Learners (ELL), and 15.3% were Special Education students (IEP).

As outlined in the amendment application, the school intends to reduce barriers to enrollment in order to allow for greater long-term stability for the school. As previously explained in this memo, BBA has communicated and worked with students, families, and community groups to ensure this facility is a reflection of the school they would want to attend. SPCSA staff was especially excited to see BBA engage with students currently attending the school and gather their input via the BBA-Nights on the relocation.

BBA also continues to engage with potential students and families to ensure they are able to meet enrollment projections to start the 2023-24 school year. SPCSA staff recognizes the importance of this work as well as the efforts by the school to effectively engage with community stakeholders to date. SPCSA staff believe these efforts are likely increase the chances that the school is able to meet its enrollment targets. As referenced in the December 16, 2022 recommendation memo, BBA had hired a full-time Student Recruitment Coordinator and they continue to canvas surrounding neighborhoods. BBA's proposal to work with Bloomwell Consulting and Latino Outreach Solutions will allow the school to be better positioned to ensure full enrollment next year. Additionally, SPCSA staff agree that relocating to a permanent facility, will allow the school market more effectively based upon that increased security and stability.

BBA provided SPCSA staff with a thorough, thoughtful, and realistic timeline for being able to relocate to the new facility. While BBA has yet to occupy its own permanent facility, and thus does not have experience with facilities acquisition and development, the school has been able to develop capacity during its time in the temporary facility. As part of their current facility arrangement with Equipo Academy, BBA managed some renovations at the site which allowed them to gain a better understanding of the facility development process. BBA provided SPCSA staff with a timeline that contemplates possible setbacks while still allowing enough time for the pre-opening process to be complete prior to the start of the 2023-24 school year. BBA provided staff with three additional contingency plans in the event delays occur, all of which still allow for an on time start to the school year.

With regard to the financial plan and budget for the proposed relocation, SPCSA staff does have some concern. Overall, BBA has provided reasonable assumptions with regard to costs, and has described a number of ways in which they are prepared to ensure the project works financially. However, meeting enrollment projections will be key to the success of this

relocation. SPCSA staff also would note that current budget, while viable, does rely on significant grant funding, which will begin to decrease in subsequent years. This Underscores the importance of strong community engagement in the months ahead should this request be approved.

Finally, SPCSA staff would reiterate that this proposed amendment does not contemplate changing BBA’s approved enrollment cap or modify the school’s academic plan or model. For these reasons, SPCSA staff recommends the approval of BBA’s request with the conditions outlined below.

Proposed Motion: Approve Battle Born Academy’s request to relocate to a new facility beginning in the 2023-2024 school year with the following conditions:

- **That by March 8, 2023 the school provide a fully executed lease; and**
- **That the school complete the SPCSA pre-opening process for new schools and campuses for occupation of the temporary facility located at 2101 E Owens Ave, Las Vegas, NV 89101.**

The current enrollment caps for Battle Born Academy are listed below and would remain unchanged should this amendment be approved:

| School Year | 2022-23 | 2023-24 | 2024-25 | 2025-26 | 2026-27 | 2027-28 |
|------------------|----------|---------|---------|---------|---------|---------|
| Grades | K-1, 5-6 | K-7 | K-8 | K-8 | K-8 | K-8 |
| Total Enrollment | 140 | 300 | 330 | 360 | 390 | 430 |

School Demographic Change since 2022 – Battle Born Academy

| Year | Enrollment | A | B | C | H | I | M | P | IEP | ELL | FRL |
|-------|------------|------|-------|-------|-------|------|------|------|-------|-------|-------|
| 22-23 | 144 | 0.0% | 18.0% | 14.5% | 65.9% | 0.0% | 1.3% | 0.0% | 15.2% | 45.8% | 83.3% |

- A – Asian
- B – Black
- C – Caucasian
- H – Hispanic
- I – American Indian/Alaskan Native
- M – Two or more races
- P – Pacific Islander
- IEP – Individualized Education Plan –A student with a disability/special education student
- ELL – English Language Learner
- FRL – A student who qualifies for Free or Reduced-Price Lunch
- * - Suppressed data due to n-count

Battle Born Academy Financial Performance –

Not Rated – school is in its first year of operation.

Battle Born Academy Organizational Performance –

Not Rated – school is in its first year of operation.

Battle Born Academy Academic Performance –

Not Rated – school is in its first year of operation.