



**TO:** Melissa Mackedon, SPCSA Board Chair  
Rebecca Feiden, SPCSA Executive Director  
Mark Modricin, SPCSA Director of Authorizing  
**FROM:** John Etzell, Board President, Rooted School Las Vegas  
**RE:** Request to add Zip Code  
**DATE:** Wednesday, June 07, 2023

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Rooted School Las Vegas is requesting authorization from the State Public Charter School Authority to add a new zip code to the current list of approved zip codes in which to operate.

The proposed new zip code is 89030. Along with this letter, data comparing demographics of our current zip code (89156) and the proposed new zip code (89030) has been provided for your review. The data shows similar demographics between the zip codes, with the new zip code having a lower per household income and greater percentage of minority residents. This will still align with the school's mission to provide opportunities for financial freedom to our students.

Rooted School Las Vegas has partnered with CSDC to secure our long term facility and we have found one located at 2401 E Tonopah, Las Vegas, NV 89030.

Our Board of Directors has reviewed this facility option and agrees that it is the best option for the school today and in the future. We look forward to the SPCSA approval to pursue this opportunity in the new zip code, 89030.

We have identified three key factors that would be aided by securing our long term facility sooner than later.

- 1. Timeline.** We must secure a special use permit (SUP) and begin the process of converting the facility from a church to a school. Having the time to do this properly is crucial to opening a facility that is safe and suitable for students and staff.
- 2. Student enrollment.** Securing a long term facility now will allow us to shift our focus back to student recruitment and provide families with the knowledge of where the school will be located. RSLV can begin outreach to the families in the new zip code and begin to increase our presence in the community.
- 3. Community Partners.** If approved, RSLV can begin to contact businesses and other organizations within the community and build relationships in preparation for the school's opening in 2024.



Our Board of Directors has reviewed this facility option and agrees that it is the best option for the school today and in the future. We look forward to the SPCSA's approval to pursue this opportunity in the new zip code, 89030.

We appreciate the continued support of the SPCSA.

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John Etzell, Board President Rooted School Las Vegas

**The Rooted School-Las Vegas, Nevada**

**Facilities Development Planning**

**Charter Schools Development Corporation**



May 25, 2023

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## I. Introduction

Charter Schools Development Corporation (“CSDC”) is pleased to provide this information to assist The Rooted School (“Rooted”) with facilities planning including a turnkey development solution in Las Vegas, NV. CSDC’s “lease-with fixed purchase option” model allows school leaders to focus on the educational mission while we focus on the business of financing, designing and constructing a facility built-to-suit to meet the unique needs of the school model, student population, and budget. Leasing from CSDC as an interim step to ownership enables our tenant schools to establish a record of sound business practices and good academic results, setting the stage for long term stability and success. CSDC will oversee the entire process on your behalf – from contractor selection and initial site design through permitting and construction to final punch list and school opening. CSDC offers flexible terms to meet each individual school’s strategic vision:

- ☐ Short- or long-term lease with options to extend;
- ☐ Fixed and below-market rent escalations;
- ☐ Fixed-price purchase option set at commencement of the lease and exercisable at any time; and
- ☐ A development process that is completely transparent using an “open book” approach to account for all project costs.

Our team is well-suited to partner with Rooted to provide the spectrum of facilities development services for this project:

- o Experience – Through our national K12 experience, CSDC has developed over to 3.9 million square feet of educational facilities for lease with option-to-purchase to 89 charter school organizations. Across all programs 248 schools have been served to date.
- o Knowledge – Our team is comprised of talented professionals specializing in the nuances of successful K12 project planning and implementation as well as direct experience working in the Nevada, and specifically the Las Vegas charter school market.
- o Relationships – CSDC has worked with over 61 lending institutions across the country, a dozen CMO/EMO networks, eight philanthropic partners, multiple public finance authorities/issuers and state, local and federal advocacy organizations. Specifically, in the Las Vegas market, CSDC has built relationships with Opportunity 180, Charter School Growth Fund, the Las Vegas Community Investment Corporation (a wholly owned subsidiary of the City of Las Vegas, charged with community development advocacy and

projects), local realtors, architects, engineers and construction contractors. Several national Community Development Finance Institutions (“CDFIs”) have partnered with us on our work in Las Vegas and their funds may also be leveraged to benefit Rooted. Combined with CSDC’s seven individual federal credit enhancement grants from the Department of Education totaling over \$71 million – the **largest by number and dollar amount** – and three CDFI (Department of Treasury) awards totaling \$3 million, our organization and impact is strong. An additional \$70 million in the CDFI Fund’s Bond Guaranty Program was secured by CSDC in December, 2022. The continued faith of the U.S. Department of Education and Treasury and our philanthropic donors is a testament to CSDC’s effectiveness in helping charter schools create safe and sound facilities for educational opportunity and excellence, and our impact on community rejuvenation.

## **II. Our Project Team, Qualifications & Past Performance**

### **A. Organizational Entity**

#### **Mission and History:**

The Charter Schools Development Corporation (“CSDC”), a 501(c)(3) tax-exempt, District of Columbia nonprofit corporation and Community Development Financial Institution (“CDFI”), was established in 1997, and has helped public charter schools acquire and finance facilities at the lowest possible cost. CSDC’s mission is to support quality school choice for underserved students by developing and financing affordable charter school facilities, as a credit enhancement provider, a nonprofit developer of facilities, and as a lender to charter school organizations.

Our original support program, the “Building Block Fund” was established to provide credit enhancement to lenders and landlord who support early stage charter schools. Through this program, CSDC noticed a proliferation of schools entering into less than attractive lease agreements, for example, leases with no purchase options or purchase options at rates that resulted in economic burdens on school budgets once exercised, and leases from private landlords that passed on real estate taxes to schools in the form of higher lease rates. As a result, CSDC identified the need for a nonprofit organization to finance, develop, own and lease facilities to schools with much more attractive terms as an alternative solution in the market. Additionally, CSDC launched its direct lending activities in 2008, a program capitalized with three federal grants and philanthropic funding from the Ewing Marion Kauffman Foundation of Kansas City and the Daniels Fund of Denver. We have successfully met the financing needs of a wide range of charter schools, from start-up and newly formed schools with less than three years of operating history seeking to secure leases, leasehold improvement loans and mortgage financing, to those that are growing and expanding into permanent facilities

CSDC created its non-profit turn-key facilities development program, the Turnkey Development Program (“TDP”), to help charter schools focus on their true mission— providing the best education possible for every student. At CSDC, we know that accomplishing that mission requires a safe, comfortable, and inspiring learning environment that meets the needs of students, teachers, and administrators – right now, and as schools experience growth. Under CSDC’s TDP “lease-with fixed purchase option” model, we remove the burden of financing, designing and constructing facilities built to suit the unique needs of each school model and student population, allowing school leaders to focus on the business of operating a high quality school. The CSDC team understands the complexities of real estate development and finance and will deliver a customized “turnkey” solution to each charter school client in alignment with their overall facility vision. Additionally, CSDC has a Fee Developer Program that offers the same services as CSDC Turnkey Development Program but CSDC is not the Owner or Landlord and the project is not financed on CSDC’s balance sheet.

#### **CSDC’s Programs and Services:**

CSDC’s innovative financing and building programs put new and expanding charter schools into efficient and economical facilities, on time and on budget. CSDC covers the facilities gap so educators can focus on closing the achievement gap. As previously mentioned, CSDC offers a variety of a la carte programs, any combination of which can be utilized to deliver the Rooted project at the lowest possible cost.

***Turnkey Development Program*** – CSDC’s Turnkey Development Program (“TDP”) finances, designs, constructs and leases cutting edge, custom facilities built-to-suit the unique needs of each school’s educational model, student population and budget. Our “lease-to-own” model gives schools access to inviting, modern facilities that they can grow into and take over once they’re established.

***Consulting and Fee Developer Services*** – Partner with CSDC and outsource property development, financing and/or project management. The school is the borrower and owner while we oversee the entire real estate development process on your behalf – from initial site design and financial modeling through permitting and construction to final punch list and opening day of school.

***Lease & Loan Guarantees*** – The Building Block Fund helps charter schools obtain leases and loans by acting as a “co-signer” for the school’s payment obligations. As the largest guaranty program of its kind, the Building Block Fund provides the financial backing charter schools need to secure educational facilities at an affordable cost.

**CSDC Direct** – CSDC Direct offers a variety of loan products that provide charter schools, especially new schools with little or no operating or credit history, and those serving low-income communities with affordable financing options for the acquisition, construction, renovation and expansion of educational facilities. CSDC can provide both senior and subordinate loans to projects it manages or develops under its TDP model.

**CSDC’s Track Record:**

From lender to guarantor to real estate developer, CSDC has an exclusive charter school mission, and is possibly the only CDFI and nonprofit developer that works exclusively with charter schools nationwide. Our past performance is summarized below:

**Nevada and Las Vegas Experience:**

CSDC has supported the creation of over 2,200 new seats through property development, guarantees and direct loans, totaling over 121,000 sq. ft. of educational space, in Nevada. We have worked and provided services to 6 operating charter schools. We have provided (and continue to provide) support to 2 charter schools who are authorized, but have not yet opened. We have been actually under construction/development on various project for the past 7 years, so we are familiar with the local and state requirements for design, construction, traffic mitigation, special use permit and other key factors that specifically relate to charter school facilities in the Las Vegas market.

**National Experience:**

- CSDC has provided over \$165 million in federal and philanthropic credit enhancements for 248 charter school organizations in 30 states and the District of Columbia serving over 92,000 students (62% low income), leveraging \$763 million in private capital financing and lease commitments for 7.5 million square feet of safe, modern and affordable educational facilities.
- CSDC has developed over 3.9 million square feet of educational facilities for 89 charter school organizations, serving almost 43,000 students through its Turnkey Development Program. CSDC has financed over \$355 million in real estate projects, the end goal of this program is a sale to our charter school tenants under this program when they are operationally and financially capable to access capital.
- CSDC has originated \$36 million in facilities and tenant improvement loans through its direct lending programs. CSDC's lending initiatives have leveraged \$117 million in debt financing and lease commitments to 56 charter school organizations.
- CSDC’s subsidiary, CSDC New Markets Fund, LLC, received \$40 million in New Markets Tax Credits and fully sourced (sub-allocated) those federal income tax credits for a like-amount of equity and debt capital used to finance permanent facilities for five charter schools in four states and D.C.



- CSDC successfully acquired and acted as the QALICB for three New Markets Tax Credit financings, providing low cost leases to charter schools who will ultimately benefit from the NMTC program. One of these projects is located in Las Vegas.

## **B. Team Qualifications**

### **Project Team:**

CSDC proposes the following Project Team for this engagement with Rooted. Detailed bios of the key team members are included below.

**Project Management** (*Financing, Acquisition, Pre-Construction, Design, Construction, Occupancy, Lease Administration*):

Laura Fiemann, Chief Development Officer

Risa Assakul, Senior Manager Real Estate

Tim Behrens, Project Manager

**Laura Fiemann**, Chief Development Officer – Laura joined CSDC in 2010 as its Senior Vice President. She is largely responsible for marketing and administering CSDC’s Building Block Fund (lease and loan guarantees), Mountain West Charter Schools Fund (direct loans) and other CDFI & direct lending initiatives nationally. Laura also administers CSDC’s Turnkey Development Program for those projects in the western U.S. She is also responsible for facilitating communication between CSDC’s charter school clients, commercial banks, potential landlords and its credit committee.

She has been in the public finance business for 30 years, working with municipalities and non-profits on their project finance needs. As a bond underwriter at a registered broker dealer firm for 9 years and then Vice President at a private capital company, she fine-tuned her skills to serve the unique needs of charter schools regarding facilities financings.

Laura is responsible for raising capital to support the growth and expansion of CSDC’s CDFI Operations and direct lending program, and oversees real estate development projects in the western U.S. She provides ongoing technical assistance to client schools during the early/start-up years to prepare them to eventually finance a permanent home through bank or tax exempt bond transactions.

Laura has dual degrees in Finance and Management from the University of Colorado and is active in her community and serves on the Partners For the Common Good New Markets Tax Credit Advisory Board.

## Similar Project Experience:

It is our belief that by increasing school choice, student outcomes will improve. Students are not limited by their circumstances; charter schools and the education opportunity afforded are the very vehicle to propel kids for long term success. This belief is seen and felt in each of our projects, with examples described below. The track record discussed above is only made possible because of the project team and entire staff who live and breathe our mission. CSDC staff have specific experience nationwide. Below are examples of similar projects undertaken and completed by CSDC recently that have similar characteristics to Rooted's described project.

## Similar Projects: TurnKey Development-Adaptive Re-use

### Futuro Academy

Location: Las Vegas, NV

Type of Project: Acquisition and renovation of a 50,000 sq. ft. former grocery store located on 4.6 acres of land. In 2017, CSDC completed a New Markets Tax Credit financing for the acquisition and Phase I renovation. Since that time, CSDC has completed three additional phases of expansion and improvement to the property, providing nine additional classrooms, a health center, additional restrooms, SUP required offsite road improvements and other building enhancements. CSDC is currently in the final construction phase of the project and is expected to be completed by July, 2022 in support of Futuro's ultimate enrollment of 584 students.



Role: Owner and Project Manager

Total Project Cost: Projected final total \$10,000,000

Delivery: Ongoing, final July 2022

Contact: Ignacio Prado, Executive Director, (702) 509-1612, [Director@futuroacademy.org](mailto:Director@futuroacademy.org)

Value Added Results: Renovations planned and executed in 5 phases over 5 years to accommodate a slow growth school model, ensuring school affordability.

### Coperni 3

Location: Colorado Springs, Colorado

Type of Project: Acquisition and renovation of an approximately 93,500 sq. ft. former Macy's Department store. In 2019 CSDC completed the construction of about half of the available space for this de-novo charter school in Colorado Springs. The project was delivered on time and on budget and will ultimately serve 700 students with additional build out phase planned for the next 3 years.

Role: Owner and Project Manager



Total Project Cost: To date \$7,825,000

Delivery: August 1, 2019

Contact: Mike Miles, fmikemiles@gmail.com

Value Added Results: CSDC came into this Project when another financing source fell through 30 days prior to the required start of construction.



### **Ethos Academy**

Location: Atlanta, Georgia

Type of Project: Acquisition and renovation of an approximately 11,600 square foot former church facility. Additional Phases will add a new classroom building and gymnasium.

Role: Owner and Project Manager

Total Project Cost: Phase 1 \$2,300,000, Phase 2 (currently under construction) \$1,700,000, Phase 3 (Anticipated in 2023) \$2,310,000

Contact: [Emily Castillo Leon](mailto:emily.castilloleon@ethosclassical.org) - [emily.castilloleon@ethosclassical.org](mailto:emily.castilloleon@ethosclassical.org) or (865) 384-4179

### **Foundation Academy Charter School:**

Location: Trenton, NJ

Type of Project: Renovation to existing 30,000 sq. ft. three-story building with 16 classrooms and cafeteria and ground up construction of a 10,500 sq. ft. three-story addition with 8 classrooms and information commons.

Role: Owner's Representative and Project Manager (Fee Developer Program)

Total Renovation Cost: \$8,550,000

Total Project Cost: \$14,200,000

Delivered: August 2019



Value Added Results: CSDC successfully secured entitlements, project financing and assembled a project team that is implementing a phased-construction plan to accommodate the school's occupancy needs during construction.

**Additional Project samples and references provide upon request.**

### **C. Financial Capacities**

CSDC is a financially sound non-profit that controls expenses and generates revenue in order to be entrepreneurial and self-sustaining and serve more charter schools. As of 12/31/22, CSDC reported over \$250 million in Total Assets and over \$70 million in Net Assets.

All of our audits, which are prepared on a consolidated basis for CSDC and its subsidiaries and affiliates, to date have been unqualified and confirm full compliance with reporting requirements, cite no internal control deficiencies, and no instances of non-compliance with Government Auditing Standards. Because CSDC receives federal grant funding, the auditor's reports also opine on the company's Internal Controls over Financial Reporting and Other Compliance matters and cite full compliance.

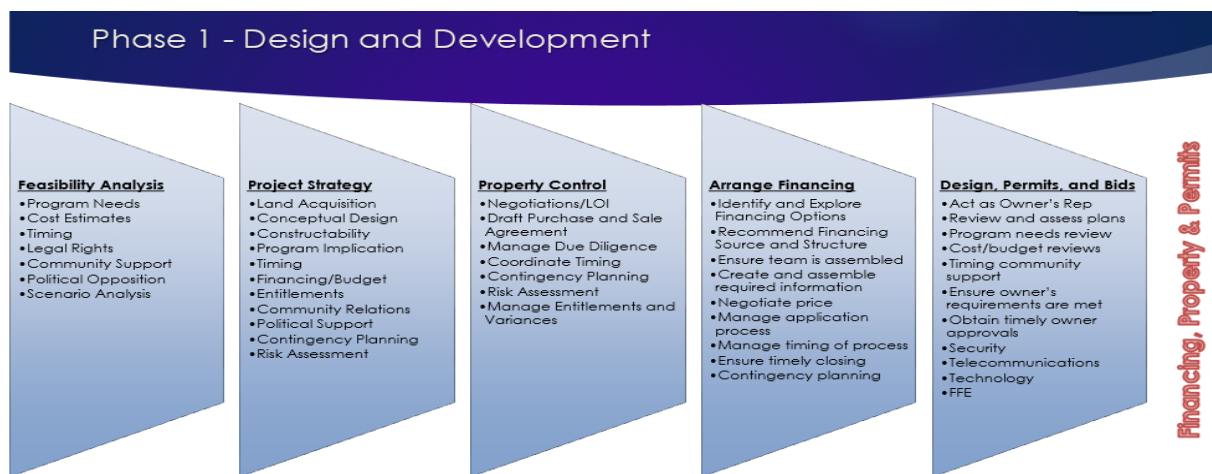
Recently, CSDC successfully completed the U.S. Treasury Department's rigorous process for CDFI recertification indicating a determination of CSDC's financial stability, community development mission focus, and managerial competencies. CSDC exceeded all of CDFI's performance standards.

### **III. Our Project Management Approach**

**Location Determination:** Working in concert with Rooted's visionaries, staff and other stakeholders, CSDC will assist with the property selection process. Using our experience as a guide, we will make thoughtful recommendations about a particular site- financial, operational and practical (like if a site is not going to be approved by the City, or other considerations). A wise man (Laura Fiemann's father) said "Never fall in love with a house, it will never love you

back” ....while there may be sites you “love” we believe that fully vetting the good, bad and ugly on site selection is critical.

**Design and Development:** Through the design review and entitlement process CSDC will ensure Rooted’s programming needs are met. CSDC provides well-coordinated communication and consistent application of agreed-upon principles to establish consensus among diverse project stakeholders – resulting in a project in which school operators and the surrounding community can all take pride. To the extent possible, CSDC will work with the architect team to develop energy efficient building features promoting sustainability and responsible real estate development.



**COST ESTIMATING AND BUDGET DEVELOPMENT:**

**Budgets:** Setting the parameters for a project’s budget is a critical, early step in a construction project. Once created, it needs to be continually reviewed, adapted, and reconciled as conditions change.

On the hard cost side, it can be:

- A basic application of benchmarks like Square Foot (SF)/student and cost/SF of similar projects in the area;
- A detailed list of spaces for net assignable square feet, with an efficiency factor for gross square feet, with a cost/SF applied by space allowing for the difference between wet areas and large open spaces like gymnasias; and
- A breakdown by CSI division with a cost/SF per division or subdivision.

Allowances are often applied for sitework, parking, landscaping, playgrounds, and fields. An inflation factor is applied when the construction is projected out multiple years.

On the soft cost side, it can be:

- A basic application of a hard to soft cost ratio from similar projects;
- A list of categories such as A&E, studies/surveys/testing, utilities, approval fees, FF&E, PM, financing costs, contingency, with some allowances and % factors applied; and
- A detailed list of anticipated contracts and commitments, and a detailed list of FF&E.

The full budget is the basis of CSDC's Excel budget tracking model. The model has the simplicity and control of single data entry while providing flexibility in reporting and allocation of contracts to budgets. It is a nimble and effective tool that grows and adapts as the project evolves. Its primary purpose is to identify the overall budget, the amount the owner (either CSDC or the school) has committed to date, and the amount the owner has incurred/paid to date. It is the basis for packaging monthly draws for invoice payments.

On the soft cost side, it can be:

- Report of funds paid per month;
- Report of expected commitments and related status of contingency;
- Look ahead report of commitments and payments in months ahead and impact to contingency;
- Report of change orders approved and under review;
- Report per contract of invoices and % complete; and
- Report of budget, commitments, and expenses by phase.

**Estimates:** The Architect & Engineering ("A&E") team is tasked to provide a design that can be afforded within a stated construction budget. It is important to have interim checks to confirm if this is tracking well, when there is still time and opportunity to align price and budget strategically. CSDC's preferred method for interim cost reviews focuses on the design review periods of the end of schematic design and the end of design development. Indeed, the determination of "end" of these phases should be based predominantly on the status of the drawings being ready for a quality cost estimate. The estimate would be part of an overall pre-construction services package from a local builder. This should reflect current market conditions for availability of labor and specific skills as well as reflect any high or low quantities of materials that can influence discounts or surcharges. It is likely a combination of specific quotes from the estimator's preferred vendors and application of information from recent bids on other jobs. As estimators share their assumptions and interpretations, the A&E team can confirm their intentions, improve the documentation, and even enhance their ideas with the new input. The result will be a low/high range cost estimate. Depending on how this compares

to the budget, this will influence how aggressively cost reductions may need to be found versus improving the specificity in the documents.

***Change Order Processing:*** CSDC is proactive in identifying any and all issues that could lead to a cost impact, positive or negative, and not waiting for a document to be initiated by the contractor or other vendor. Engaging a cost impact component in all discussions creates a consistent sensitivity and promotes an informed environment to mitigate surprises. It allows for stronger contingency planning and strategy implementation. Critical moments for checking on contractor cost of work or extension of time in particular include the following:

- All bid packages, when the spread between vendors for the same scope has noticeable variations.
- RFIs, when they are issued;
- All submittals referencing a substitution, and any that are delayed in appearing or in being approved or updated; and
- When trades are re-sequenced in the look-ahead schedule. All potential change orders (PCOs) are filed electronically and tracked in the budget tracking and contingency file as either approved, under review, or awaiting estimate. They are also tracked by driver. These can include: Owner decisions, utility company issues, approvals, coordination, and unforeseen field conditions. This enables a comprehensive tracking of how and why contingency funds are being applied.

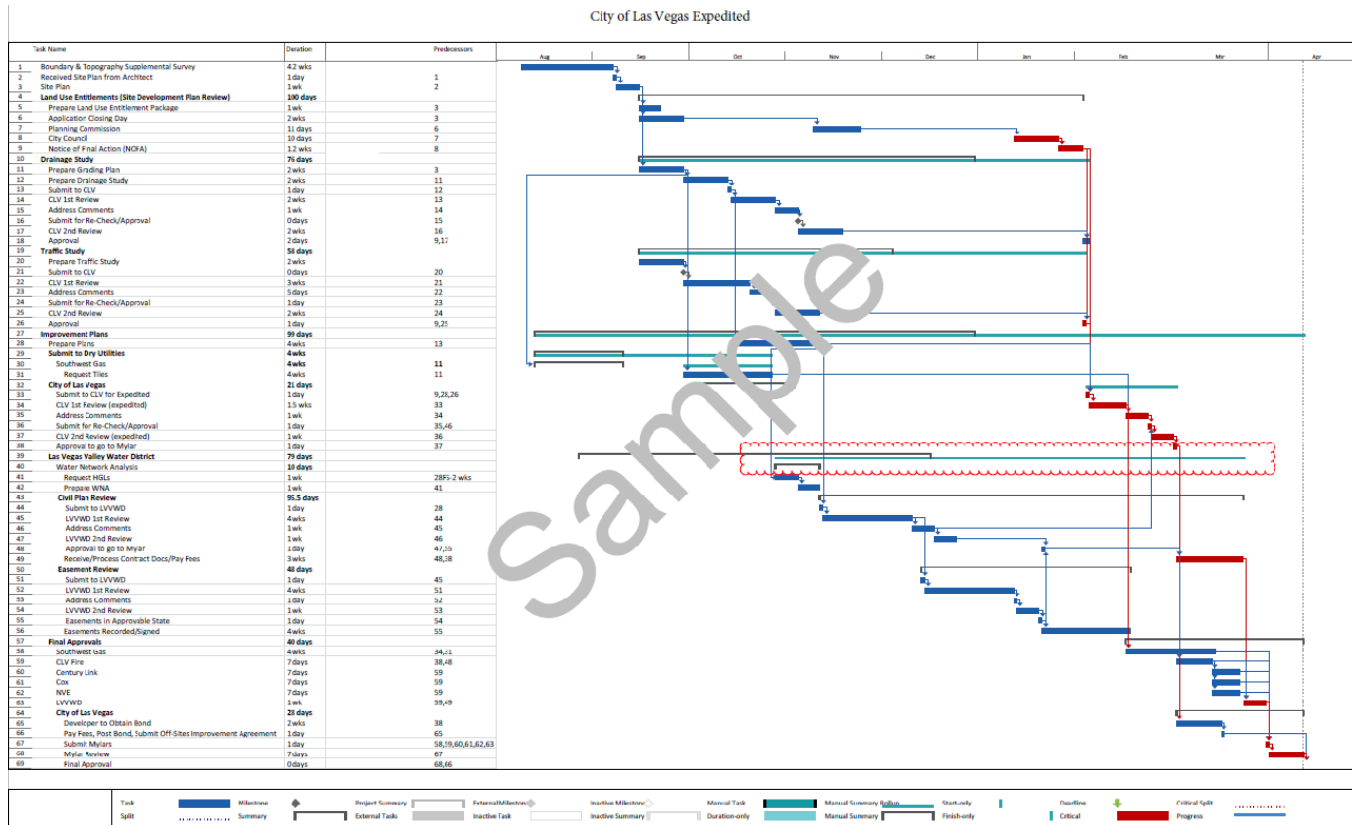
***Scheduling:*** Time is the most important commodity in effective team management. School only starts once a year, so everything CSDC does is with this in mind. Project schedules will designate activities necessary to complete the scope across specific dates and milestones, which will track towards the submission of final deliverables. The project team will meet regularly to monitor the project schedule and we will use task-oriented “Action Item” formats to best serve the team and the phase of the project. While simple, this tool can be very effective at confirming individual responsibilities and expectations of deadlines, performance, and current critical path items. All scheduling will be coordinated to ensure that every team member can track the progress of various project activities at any point during the process. CSDC will be responsible for managing the overall project schedule and Action Item tasking. CSDC applies a variety of tactics for maintaining schedule, including the following:

- Conducting consistent standing meetings;
- Reviewing the submittal register at the start of construction and determining a schedule for submittals with both the Architect and Builder, as well as determining expectations for reviews of shop drawings; and
- Identifying long lead items and implementing early start agreements for them as necessary.

Creating and analyzing phasing options typically includes acceleration options as ways to avoid extended financing costs, to reduce the risk of missing a critical deadline for operations or financing, and to get to occupancy as soon as possible. Accelerating can have positive long-term impacts but can cause short-term costs in creating swing spaces and in working without some programming areas, perhaps even limiting operating capacity. These all need to be considered and weighed in on during the initial and interim decisions related to schedule. CSDC recognizes that schedules are needed for different purposes.

We propose for most adaptive re-use projects that a phased construction approach is used. We would suggest an approximately 25,000 sq foot facility that has 2 phases of construction as Rooted grows it's enrollment, followed by the possible construction of an additional permanent structure on the site as classroom and programming prescribes.

The City of North Las Vegas can be extremely challenging when it comes to entitlement, design, Special Use Permit, traffic planning, permitting and construction. Not only have prices soared in the past 3 years, the entitlement process has become extremely drawn out as well.





Additional tools to be implemented:

- Planning tool to set the framework for agreements with the Architect and the Builder;
- Planning tool to set milestones for financing; Update tool to share basic information about the status of the project at a big picture level for members of the Board, neighbors, parents, and staff;
- Implementation tool to align efforts in design, financing, approvals, hiring, etc.;
- Implementation tool to anticipate cash flow and commitment demands; and
- Implementation tool to assess the day-to-day progress against critical path to identify the level of risk management needed to ensure the target date for certificate of occupancy. CSDC adheres to best practices for project management to create different versions of the project schedule.

**ADMINISTRATIVE REPORTING AND FINANCIAL MANAGEMENT:**

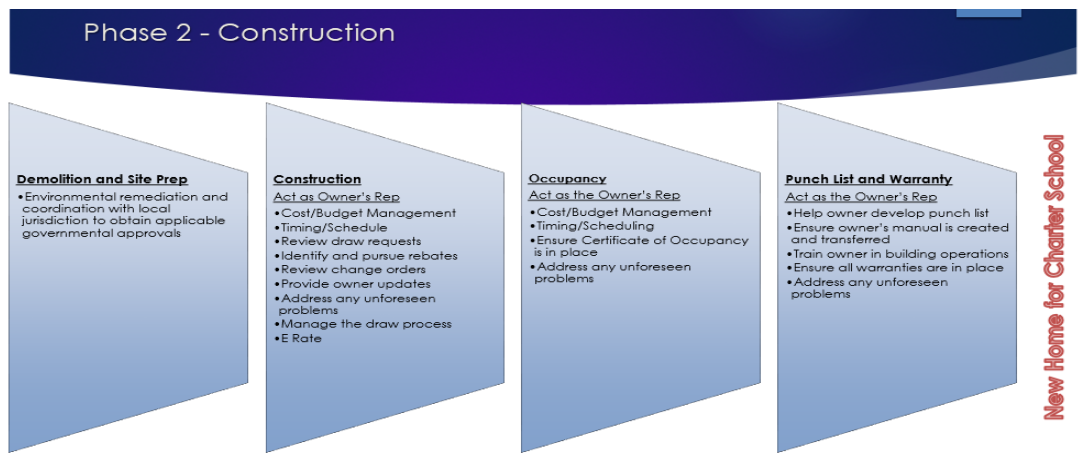
**Budget/Draw Tracking and Submittal:** A snapshot of our budget tracking model is found below.

Item	Line Item Description	CSDC Budget	Changes This Draw	Accumulated Changes	Revised Budget	Pre-Closing Funding	HMTC Closing Funding	Interest Drawn	Completed & Stored	Completed Inspection & Stored %	Retainage	Disbursed To Date	Retainage Release Draw #3	Remaining Balance
	Land	\$ 1,860,000			\$ 1,860,000	\$ -	\$ 1,860,000		\$ 1,860,000	\$ 1	\$ -	\$ 1,860,000		\$ -
	Closing Costs	\$ 35,850			\$ 35,850	\$ -	\$ 35,850		\$ 35,850	\$ 1	\$ -	\$ 35,850		\$ -
	Construction Costs - Direct	\$ 6,488,927	\$ (109,359)	\$ 499,112	\$ 6,928,039				\$ 6,928,039	\$ 1	\$ 692,804	\$ 6,235,235	\$ (692,804)	\$ 0
	On Site/Off Site	\$ -			\$ -									
	Overhead	\$ 403,847	\$ -	\$ (4,746)	\$ 399,101				\$ 399,101	\$ 1	\$ 39,910	\$ 359,191	\$ (39,910)	\$ -
	General Conditions	\$ 298,145			\$ 298,145				\$ 298,145	\$ 1	\$ 29,815	\$ 268,331	\$ (29,815)	\$ -
	Contingency - Contractor	\$ 309,081	\$ (100,000)	\$ (309,081)	\$ -				\$ -	#DIV/0!	\$ -	\$ -	\$ -	\$ -
	Contingency - Owner	\$ 375,000	\$ 203,359	\$ (115,809)	\$ 253,191				\$ 253,191	\$ 1	\$ 25,319	\$ 233,272	\$ (25,319)	\$ -
	<b>Total Direct Costs</b>	<b>\$ 7,875,000</b>	<b>\$ -</b>	<b>\$ 9,476</b>	<b>\$ 7,884,476</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,884,476</b>	<b>\$ 1</b>	<b>\$ 788,448</b>	<b>\$ 7,096,029</b>	<b>\$ (788,448)</b>	<b>\$ 0</b>
	<b>TOTAL DIRECT COSTS:</b>	<b>\$ 7,875,000</b>	<b>\$ -</b>	<b>\$ 9,476</b>	<b>\$ 7,884,476</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,884,476</b>	<b>\$ 1</b>	<b>\$ 788,448</b>	<b>\$ 7,096,029</b>	<b>\$ (788,448)</b>	<b>\$ -</b>
	<b>TOTAL SOFT COSTS:</b>	<b>\$ 1,774,364</b>	<b>\$ (4,739)</b>	<b>\$ (59,098)</b>	<b>\$ 1,715,866</b>	<b>\$ 95,566</b>	<b>\$ 1,133,662</b>	<b>\$ -</b>	<b>\$ 1,715,866</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 1,715,866</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL INDIRECT COSTS:</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>TOTAL INTEREST:</b>	<b>\$ 454,186</b>	<b>\$ 4,739</b>	<b>\$ 49,622</b>	<b>\$ 503,808</b>	<b>\$ -</b>	<b>\$ 205,807</b>	<b>\$ 290,054</b>	<b>\$ 503,808</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 503,808</b>	<b>\$ 0</b>
	<b>TOTAL RESERVE:</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>
	<b>TOTAL PROJECT COSTS</b>	<b>\$ 12,100,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 12,100,000</b>	<b>\$ 95,566</b>	<b>\$ 3,335,319</b>	<b>\$ 290,054</b>	<b>\$ 12,100,000</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 788,448</b>	<b>\$ 11,311,552</b>	<b>\$ (788,448)</b>
	<b>DISBURSEMENT ACCOUNT</b>							<b>\$ 290,054</b>	<b>\$ 12,100,000</b>	<b>\$ 1</b>	<b>\$ 788,448</b>	<b>\$ 11,311,552</b>	<b>\$ (788,448)</b>	<b>\$ 0</b>

**Project Reports and Document Control:** The entire project team is responsible for ensuring that the work is of the highest standard and quality throughout design and construction. Along with the architect and contractor, CSDC will complete frequent progress meetings during the design phase and during the construction phase to confirm the expectations of all parties. CSDC will be responsible for the collection and organization of all documentation and to effectively, concisely, and strategically disperse relevant documentation to other stakeholders when necessary or requested.

**Progress Reports:** The project team acknowledges that many stakeholders need to be briefed at different stages of the project with varying levels of detail. The team will also anticipate what the school’s next probable set of decisions will need to be and will gather and present the related resources and context. A set of consistent updates will be developed which will also serve as a useful archive brief of the project milestones upon completion. Each progress update report addresses relevant process efforts, documents decision-making and results, and includes a “look-ahead” schedule.

**Construction:**



**Construction Supervision:** CSDC will supervise the construction work in such a manner as intended to keep costs of the construction work as close to the budget as possible. To that end, CSDC will be onsite to inspect the GC’s and subcontractors’ work as well as coordinate oversight from the design team. CSDC will coordinate and monitor inspections by third parties, including, but not limited to, funding sources, public authorities, and other authorized persons. Our progressive teamwork approach establishes a positive relationship with the contractor and design staff. CSDC often looks to “out-of-the-box” solutions to common obstacles in the construction field. These solutions utilize the expertise of all relevant parties to provide a clear and decisive direction that best benefits the client and the end user. In all of its work, CSDC endeavors to obtain satisfactory performance from the GC, Architect, Engineers, and all other members or other vendors involved in the project. We will recommend courses of action to Rooted if requirements of the Construction Contract, or any other project related contract are not being fulfilled.

**Construction Closeout:** The project closeout phase is a very important and challenging time in the development of a school facility. This is when the collective design and construction team’s

knowledge and experience needs to be transferred to Rooted's appropriate operations departments. This is also a time when lingering issues and unfinished items must be finalized so that a fully functional facility can be efficiently operated. Upon completion of various portions of the project, the contract responsibilities of certain subcontractors will be fulfilled, and the contract relationship between the GC and those subcontractors will be concluded. Upon overall completion and acceptance of the entire project, conclusion of all contract responsibilities and record documentation will be finalized through formal project closeout procedures. Since specific items will need to be concluded before certain individual subcontracts can be closed out, the GC will need to develop a Closeout Checklist for each subcontractor. This checklist should be completed for each subcontractor to identify and monitor the various items required before final acceptance of the work, including:

- Submission of final documentation;
- Furnishing surplus stock and spare parts;
- Completion of all contract requirements, including all punch list items;
- Submission of certifications and warranties; and
- Submission of all waivers and final lien releases before release of retainage or final payment can be approved.
- 

#### **IV. Scope of Work, Standard Terms and Pricing**

##### **Turnkey Developer Services (CSDC is the Owner):**

CSDC's is one of the only nonprofit developers with a mission that includes partnering with newly authorized schools – using our balance sheet to obtain the financing necessary to acquire property and develop it on a build-to-suit basis to the client school's programmatic needs. The information provided below is reflective of our standard processes. The COVID-19 pandemic has posed many challenges to all phases of pre-development, development, and construction, but the CSDC team remains committed to maintaining, in a safe and responsible manner, all expectations and timelines.

*As a 501(c)(3), CSDC is exempt from various construction requirements and taxes that result in overall cost savings to the school, i.e. CSDC is exempt from competitive bidding and/or Davis-Bacon laws that apply to charter schools directly. In addition, CSDC is exempt from property taxes in most states, and files for property tax exemption upon acquisition of the property. In Nevada, our client schools enjoy a property tax exemption through the CSDC Lease. **HOWEVER- SB226 will probably change the prevailing wage implications by the end of calendar 2023, so it is imperative that contracts are in place prior to this date.***

<b>CSDC finances the total cost to complete the building improvements based on CSDC's balance sheet.</b>	
<i>Credit analysis required for CSDC Board approval</i>	<i>6 - 12 Weeks</i>
.	Project proforma indicating no more than 20% of Rooted's per pupil revenue spent on facility.
.	Initial Due Diligence – Rooted-required documents to be reviewed by CSDC for underwriting purposes.
<b>Rooted Las Vegas Checklist</b>	
<ul style="list-style-type: none"> <li>▪ Charter application</li> <li>▪ Charter approval</li> <li>▪ Contact at authorizer – name, email, phone</li> <li>▪ Budget and five-year financial projections</li> <li>▪ Financial contingency plan</li> <li>▪ Five-year enrollment projections broken down per grade</li> <li>▪ Marketing plan and schedule for plan roll-out</li> <li>▪ Board bios and skills matrix</li> <li>▪ Succession plan for both board and school leadership</li> <li>▪ Letters of support from local stakeholders and target market community members</li> </ul>	
.	Initial Due Diligence – property-related documents dated less than 6 months to a year.
	<ul style="list-style-type: none"> <li>▪ Appraisal</li> <li>▪ Phase I and Reliance Letter addressed to senior lender</li> <li>▪ Phase II (if necessary)</li> <li>▪ Environmental reports: lead, asbestos, mold (if leaks are noticeably visible or historically the building has been a subject of flooding)</li> <li>▪ ALTA Survey</li> <li>▪ Geotechnical report (if applicable)</li> <li>▪ Traffic Survey (if applicable)</li> <li>▪ Title report</li> <li>▪ Zoning capability indicating school use is permitted</li> </ul>

.	Identify the design-build project team and develop a conceptual design and preliminary design budget.	
.	Term Sheet(s) from anticipated lender(s) in an amount equal to the total project cost.	
<i>Requirements for closing on the acquisition and construction financing</i>		<i>4 - 6 Weeks</i>
.	Commitment letters and loan documents from senior and subordinate lenders, and any additional funding partners.	
.	Fully executed Lease with Option-to-Purchase.	
.	Final contract with general contractor.	
.	Final design and permit set drawings.	
.	Final Guaranteed Maximum Price (GMP) budget.	
.	Construction schedule meeting Rooted's occupancy requirements.	
<b>CSDC manages the construction process.</b>		
<i>Entitlements, Construction through certificate of occupancy</i>		<i>10-12 Months</i>
.	Pursue and confirm all necessary entitlements.	
.	Act as "Project Manager" with any general contractor to help maintain construction schedule and construction budget, and to manage project performance through to completion.	
.	Ensure project is proactively meeting city requirements.	
.	Maintain/monitor project schedule, project budgets, permits, and inspections.	
.	Maintain accessible documentation file for project record.	
.	Participate in meetings as a member of the project team to monitor project progress, schedule, budget, and address issues needing school input.	
.	Manage the building occupancy process including the punch list, delivery of the building, system training, and identifying and tracking warranty items.	
<b>CSDC leases the building to Rooted with a buyout option exercisable anytime during the lease term</b>		
<i>Lease with Option-to-Purchase maintaining CSDC's standard lease terms.</i>		<i>10 Years + Renewal Options</i>

.	Quarterly and annual reporting requirements will be identified in lease.
.	Building subject to annual inspections by CSDC to confirm upkeep and maintenance.

**CSDC Standard Lease Terms:**

- ☐ 15-year initial lease term with two five-year renewal options.
- ☐ Base Rent is initially calculated at 1.22x CSDC’s debt service, increasing by 1% per year starting in Lease Year Three. Our overall financing and capital stack will be shared with Rooted, again, an open book approach to insuring transparency. **We can offer Rooted deferrals of rent in Years 1 and 2**
- ☐ Lease is triple net “NNN” and the school will be responsible for all property-related expenses.
- ☐ CSDC charges a 2.50% Developer’s Fee that is earned at acquisition and payable when the school takes occupancy.
- ☐ Property may be purchased at **any time at a FIXED price** by Rooted or a Rooted-assignee.
- ☐ Fixed Purchase Price is calculated based on 105% of the Total Project Cost and does not escalate during lease term. The school can control the overall development costs (within the context of code requirements) which ultimately drives the calculation of rent and purchase price
- ☐ Rooted benefits from any property appreciation.

**CSDC Turnkey Pro-forma:**

Our assumptions have been made on the Tonopah property as a phased construction as the school’s enrollment grows. These numbers assume a maximum student classroom occupancy of 180 for SY 2024-25. Projected increases to total lease cost and coresponding constrction costs assume 2023 costs.

The adaptive reuse of this Tonaopah property requires multiple City entitlements, expansion and upgrade of utilities and interior construction. We have already completed initial traffic calucations and basic floor plans for the School’s consideration.

Phase One Costs- 17,564 usable square feet

**USES OF FINANCING**

			<u>Per SF</u>	<u>% of Total</u>
Property Acquisition	\$ 2,250,000	\$	83	42%
Closing Costs	\$ 25,000	\$	1	0%
Construction	\$ 2,337,000	\$	87	44%
Soft Costs, Design, Entitlement, Permits	12.00% \$ 280,440	\$	10	5%
Capitalized Interest	\$ 50,000	\$	2	1%
CSDC Fee	2.50% \$ 122,311	\$	5	2%
Contingency	10.00% \$ 261,744	\$	10	5%
<b>Total Project Cost</b>	<b>\$ 5,326,495</b>	<b>\$</b>	<b>197</b>	<b>100%</b>

Projected Phase 2 Costs-adding 3,894 square feet \$525,000

Projected Phase 3 Costs-adding 2,071 square feet \$300,000

Projected Rent (phase 1)- \$444,200 per year, triple net

Projected Rent (phase 1 and 2) - \$499,000 per year, triple net

Projected Rent (all phases)- \$530,855 per year, triple net

NOTE: year one and two rent amounts maybe deferred to the Purchase Option on a case by case basis

**Rooted School - Phasing Plan**

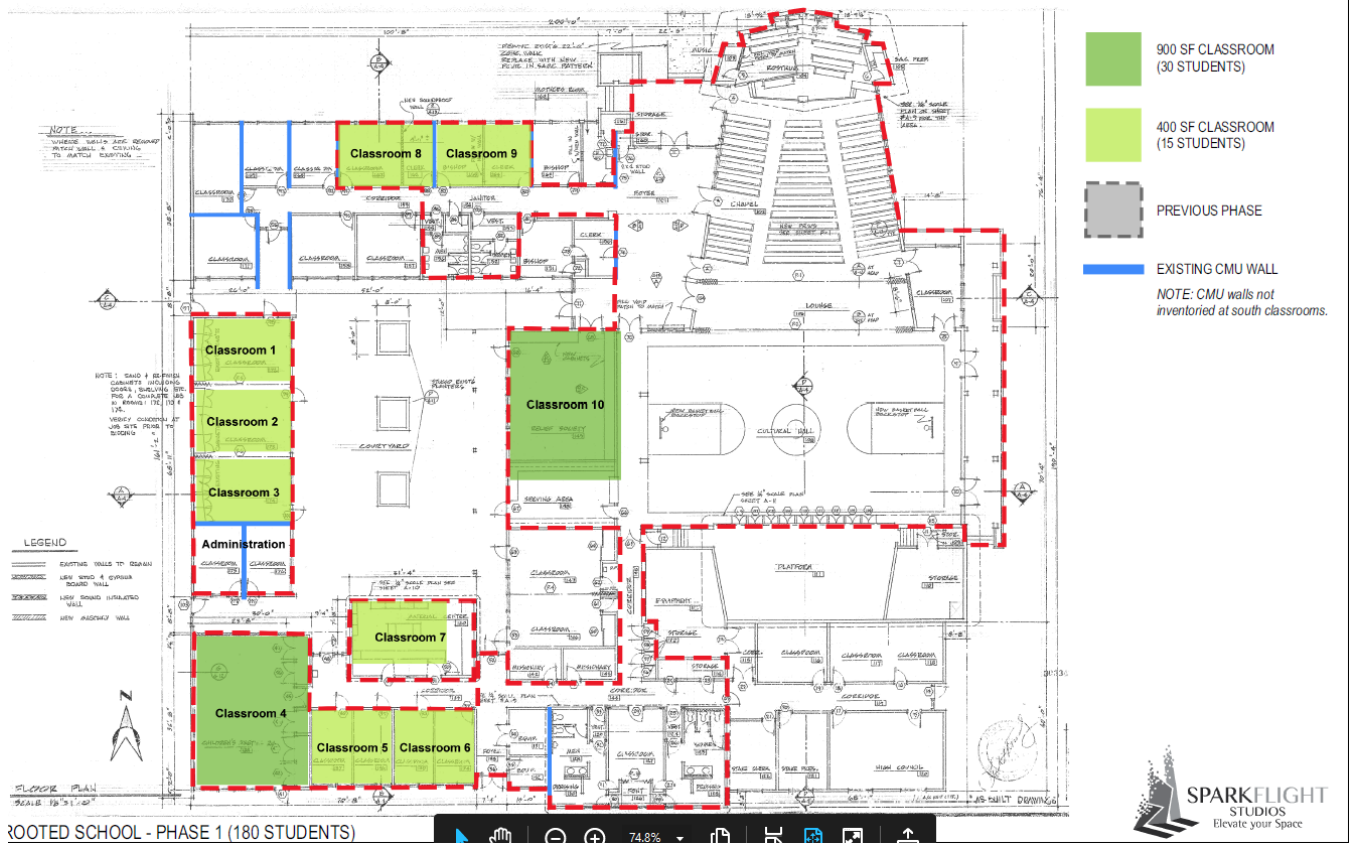
2401 E Tonopah, Las Vegas

year	construction phase	student count	total # classrooms @400SF	total #classrooms @900SF	estimated required plumbing fixtures				
					M - WC	W - WC	LAV	EWC	MOP SINK
2023	0	90							1
2024	1	180	8	2	5	7	7	4	1
2025	2	270	12	3	6	8	9	5	1
2026	3	360	18	3	7	9	11	6	1
existing - north					2++	3	6	-	1
existing - south					2+	3	4	-	1

+ indicates urinal

Estimates based on 15 students per 400SF classroom and 30 students per 900SF classroom; MPR/Gym and Administrative areas subject to change Building Code calculations are 20 students per 400SF classroom and 45 per 900SF; base permit application on proposed occupancy vs. calculated

Phase One:



Phase Two:





- 1) Board makes the determination that Tonopah is the desired location (June 6, 2023) and phasing plan
- 2) CSDC puts property under contract with \$100,000 Earnest Money and begins due diligence, initial entitlement, design, planning
- 3) School completes the CSDC Application (previously sent), by June 20, 2023
- 4) School enters into CSDC's Consulting Agreement/Predevelopment Contract by June 20, 2023
- 5) School approves CSDC's Lease Agreement by July 15, 2023
- 6) CSDC closes on Property on or about October 1, 2023. School may occupy designated office area at no charge.

**Baseline timing:**

June 7-October 1, 2023: Building due diligence, initial design, traffic impact study, Pre-application to city and agencies, Special Use Permit application and initial hearings, neighborhood meetings

October-November, 2023: Final Construction Drawings, Special Use Permit granted

December 1, 2023: Plan submittal to the city

January, 2024: Demolition and preconstruction planning

February 1, 2024: Permit issuance

February-May, 2024: Construction

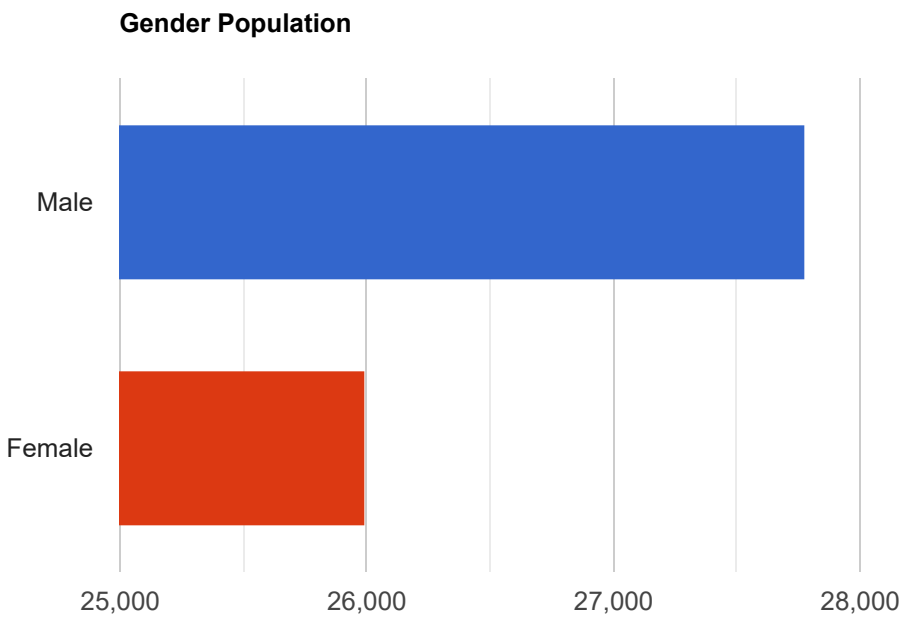
June, 2023: Certificate of Occupancy, School moves in

### Demographic ACS Information for Zip Code **89030** (NORTH LAS VEGAS, NV)

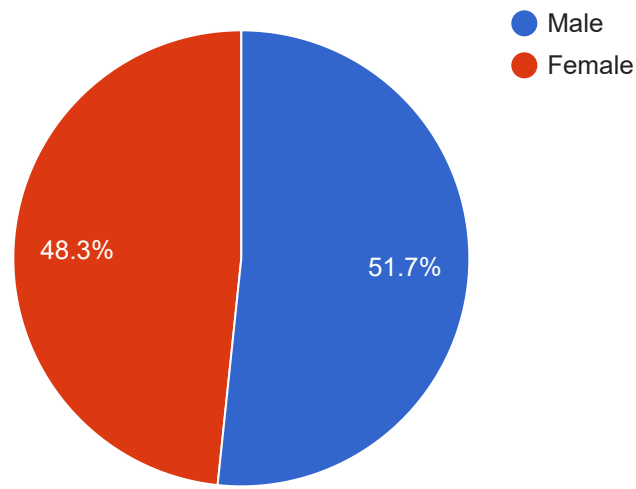
<b>Population</b>	53763	<b>Households</b>	15547
<b>Median Age</b>	29.8	<b>Persons Per Household</b>	3.34
<b>Median Age Female</b>	29.2	<b>Income Per Household</b>	41049
<b>Median Age Male</b>	30.4	<b>Average House Value</b>	181900

### Gender ACS Information for Zip Code **89030** (NORTH LAS VEGAS, NV)

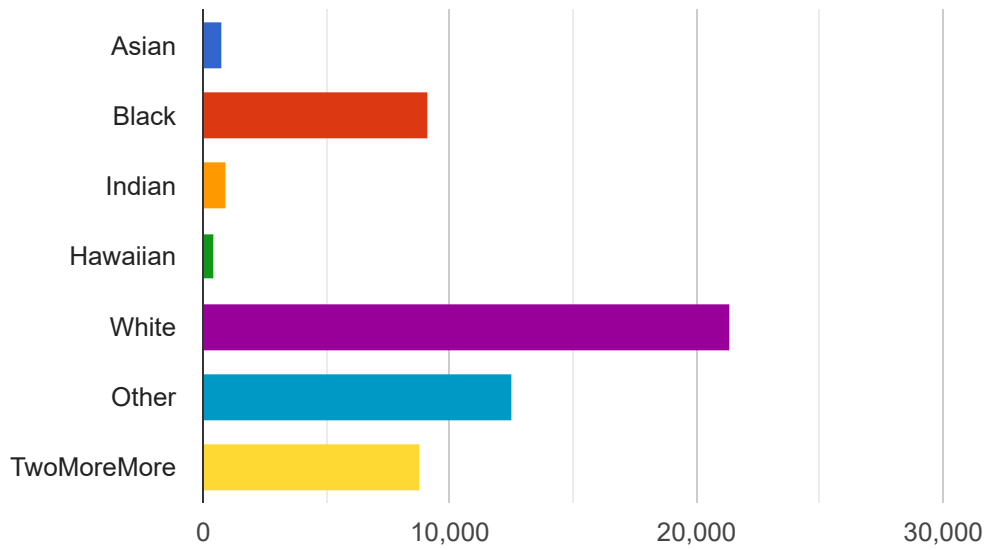
	<b>Number</b>	<b>Percent</b>
<b>Male</b>	27772	51.66
<b>Female</b>	25991	48.34
<b>Total Population</b>	53763	100



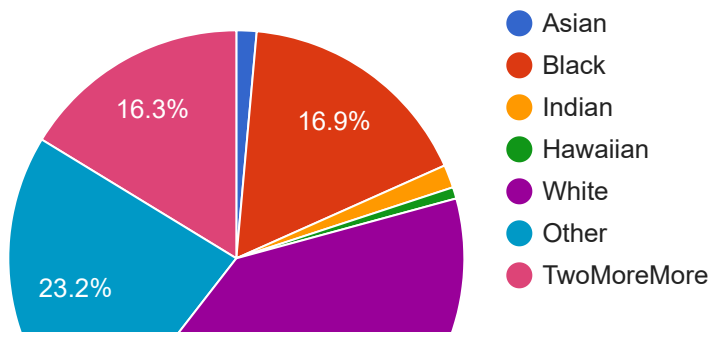
### Gender Percentages



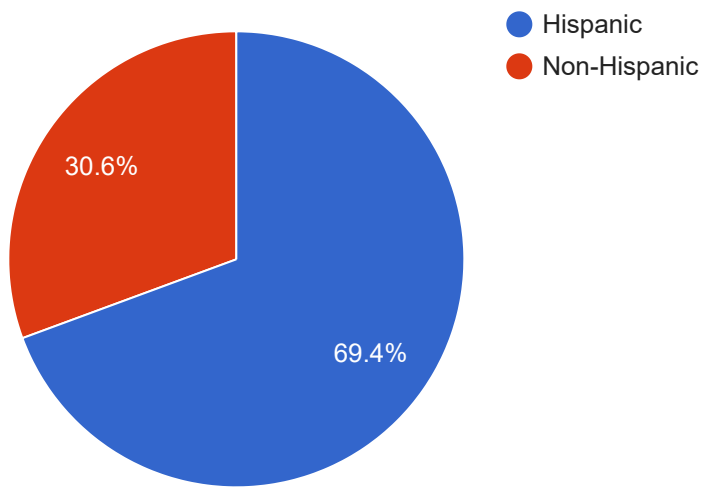
### Race Population



### Race Percentages



### Hispanic Percentages

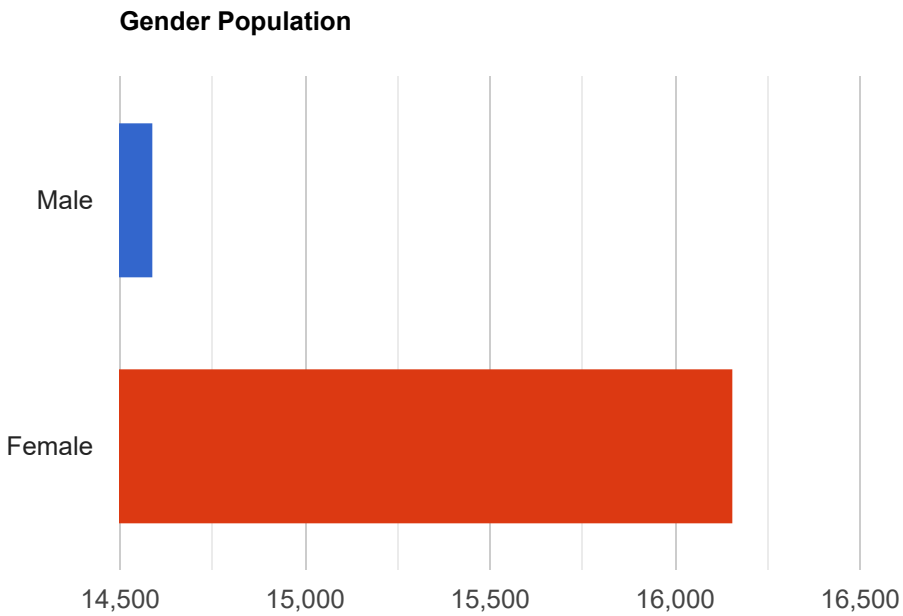


### Demographic ACS Information for Zip Code **89156** (LAS VEGAS, NV)

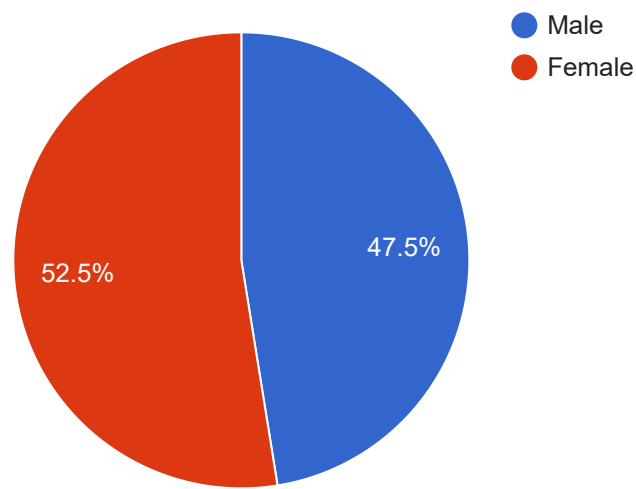
<b>Population</b>	30740	<b>Households</b>	9750
<b>Median Age</b>	33.7	<b>Persons Per Household</b>	3.15
<b>Median Age Female</b>	32.7	<b>Income Per Household</b>	56315
<b>Median Age Male</b>	35.7	<b>Average House Value</b>	207700

### Gender ACS Information for Zip Code **89156** (LAS VEGAS, NV)

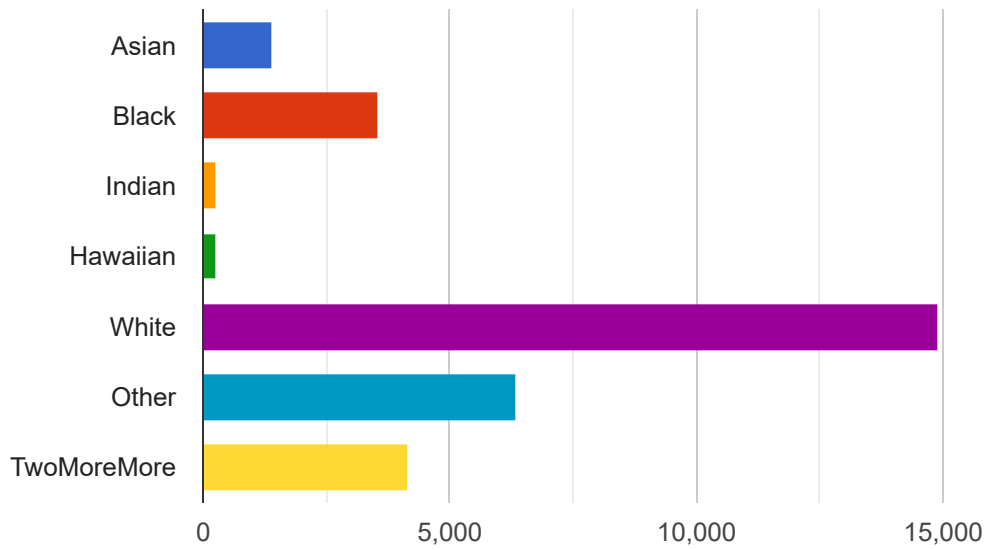
	<b>Number</b>	<b>Percent</b>
<b>Male</b>	14588	47.46
<b>Female</b>	16152	52.54
<b>Total Population</b>	30740	100



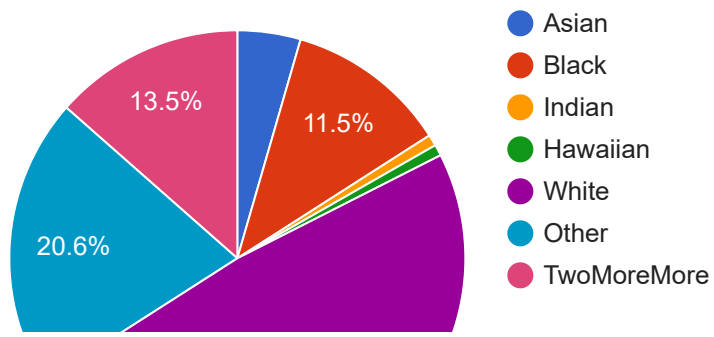
### Gender Percentages



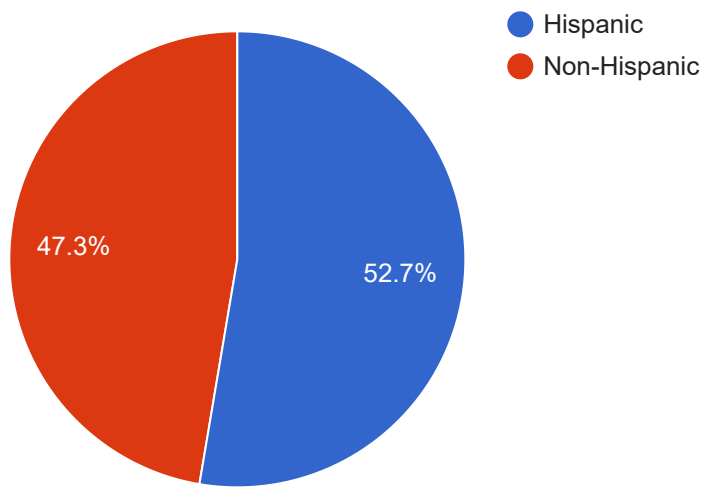
### Race Population



### Race Percentages



### Hispanic Percentages







## Rooted School Las Vegas Board Meeting June 6, 2023

<p><b>Date, Time and Type:</b></p> <p>Date: June 6, 2023</p> <p>Start Time: 4:06pm PT</p> <p>Adjourned: 5:22pm PT</p>	<p><b>Attendance (Board):</b>          John Ezzell – Present          Adrina Ramos-King – Present          Merrick Murray – Present          Greer Perkins – Absent          Anthony Ruiz – Present</p> <p><b>Attendance (Staff):</b>          Jose Silva – Present          Julia Qi – Present</p>	<p><b>Guests Present:</b>          Jonathan Johnson (Rooted School Foundation)</p> <p>Kristin Dietz (EdTec)          Tim Behrens (CSDC)          Michael Hiltz</p>
<p><b>Agenda:</b></p> <ul style="list-style-type: none"> <li>- Welcome and Overview of Agenda</li> <li>- Approval of Agenda and Previous Meeting Minutes</li> <li>- Public Comment</li> <li>- Consent Agenda</li> <li>- Board Updates on Pre-Opening</li> <li>- Rooted School Las Vegas Attorney</li> <li>- Rooted School Las Vegas Facility</li> <li>- Public Comment</li> <li>- Adjournment</li> </ul>	<p><b>Location:</b> Virtual</p> <p><a href="https://us02web.zoom.us/j/84735895224?pwd=ZGFneVphNFZtRVcrRzg5d2F6Nks1dz09">https://us02web.zoom.us/j/84735895224?pwd=ZGFneVphNFZtRVcrRzg5d2F6Nks1dz09</a></p>	<p><b>Materials Distributed Before or at Meeting:</b></p> <p><a href="#">Pre-Work and Board Meeting materials</a></p>

Agenda Item	Type	Discussion, Findings and Actions
Welcome and Overview of Agenda	Discussion	Board Chair or designee opens and welcomes the public to Rooted School Las Vegas' Board Meeting



<p>Approval of Agenda and Previous Meeting Minutes</p>	<p>For Possible Action</p>	<p>Board Chair or designee provides context before a motion to vote on the agenda and previous meeting minutes</p> <p>Proposed Motion: Approve the agenda for the June 6 meeting.</p> <p>Motion: Adrina Ramos-King Seconded: Anthony Ruiz</p> <p><b>Motion Unanimously Passes: (4-0)</b></p> <p>Proposed Motion: Approve the minutes from the May 30 meeting.</p> <p>Motion: Adrina Ramos-King Seconded: Anthony Ruiz</p> <p><b>Motion Unanimously Passes: (4-0)</b></p>
<p>Public Comment</p>	<p>For Possible Action</p>	<p><b>Board Secretary Must Read Before Public Comment</b></p> <p>Our Public Comment period is for members of the public to address the Board. Each member of the public may sign up to comment at the meeting and will be allotted three minutes. The board will listen, but may not directly respond to any comments. Please do not use specific student, teacher or administrator names in your comments as our meetings are open to the public and public record, and we must adhere to FERPA - Family Educational Rights and Privacy Act. As such, if your comment is about a private matter, please contact the Board via email, or speak to the Board Chair privately.</p>
<p>Consent Agenda  Diverse Gender Policy</p>	<p>For Possible Action</p>	<p>Board Chair or designee provides context before a motion to vote on the consent agenda.</p> <p>Proposed Motion: Approve the Diverse Gender Policy for Rooted School Las Vegas.</p> <p>Motion: Anthony Ruiz Seconded: Merrick Murray</p> <p><b>Motion Unanimously Passes: (4-0)</b></p>



<p>Board Updates on Pre-Opening</p>	<p>Discussion</p>	<p>Board Chair and/or designee provides the Board an update on Rooted School Las Vegas’ pre-opening progress.</p> <p>Proposed Motion:</p> <p>Motion:</p> <p>Seconded:</p> <p><b>No proposed motion.</b></p>
<p>Rooted School Las Vegas Attorney</p>	<p>For Possible Action</p>	<p>Board Chair and/or designee provides the Board an update on Rooted School Las Vegas’ attorney.</p> <p>Proposed Motion:</p> <p>Motion:</p> <p>Seconded:</p> <p><b>No proposed motion.</b></p>
<p>Rooted School Las Vegas Facility</p>	<p>Discussion</p>	<p>Board Chair and/or designee provides the Board an update on Rooted School Las Vegas’ long-term facility options.</p> <p>Proposed Motion: Approve pursuit of the Tonapah facility option contingent on the following:</p> <ol style="list-style-type: none"> <li>1. Purchase Price of \$2.05m;</li> <li>2. Contingent on financial analysis and approval from the Rooted School Las Vegas Board;</li> <li>3. Board Tour of the building by June 30th; and</li> <li>4. SPCSA approval to change zip codes in their June meeting.</li> </ol> <p>Motion: John Etzell Seconded: Merrick Murray</p> <p><b>Motion Unanimously Passes: (4-0)</b></p>
<p>Public Comment</p>	<p>For Possible Action</p>	<p><b>Board Secretary Must Read Before Public Comment</b></p>



		<p>Our Public Comment period is for members of the public to address the Board. Each member of the public may sign up to comment at the meeting and will be allotted three minutes. The board will listen, but may not directly respond to any comments. Please do not use specific student, teacher or administrator names in your comments as our meetings are open to the public and public record, and we must adhere to FERPA - Family Educational Rights and Privacy Act. As such, if your comment is about a private matter, please contact the Board via email, or speak to the Board Chair privately.</p>
<p>Adjournment</p>	<p>For Possible Action</p>	<p>Board Chair and/or designee adjourns Board Meeting.</p>



August 23, 2023

State Charter Governing Board  
State Public Charter School Authority  
2080 E. Flamingo Rd., Suite 230  
Las Vegas, NV 89119

Re: Good Cause Exemption Request to Amend Charter Application

To State Public Charter School Authority,

Rooted School Clark County (RSCC) respectfully requests a good cause exemption from the current amendment schedule to amend their charter contract with the State Public Charter School Authority (SPCSA) in order to add a new zip code to our approved list of zip codes. The new zip code being requested is 89030.

The Rooted School Clark County Governing Board has approved both the proposed amendment as well as this request to seek a good cause exemption from the current amendment schedule prior to this submission. This proposed change will permit the school to continue focusing on the educational excellence and development of the students as outlined in our approved charter contract while doing so in an identified zip code that aligns with the school's mission.

We appreciate the support of the SPCSA staff as RSCC seeks the approval of this good cause exemption as well as the granting of its underlying request for amendment.

Sincerely,

John Etzell  
Board Chair, Rooted School Clark County  
[john.etzell@boystown.org](mailto:john.etzell@boystown.org)