

OAKLAND UNIFIED SCHOOL DISTRICT  
Office of the Superintendent

June 13, 2012

**Legislative File**

File ID No.: 12-1577

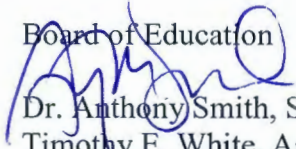
Introduction Date: 06-13-2012

Enactment No.: 12-1484

Enactment Date: 6-13-12

By

TO: Board of Education

FROM:  Dr. Anthony Smith, Superintendent  
Timothy E. White, Assistant Superintendent of Facilities Planning and Management,  
Building & Grounds, and Custodial Services

SUBJECT: Amendment to Letter of Agreement for Use of District Facilities  
by Education for Change World and Achieve Academies

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**ACTION REQUESTED:**

Approve the proposed First Amendment to Letter of Agreement by and between Oakland Unified School District and Education for Change Regarding World Academy and Achieve Academy in order to, among other things, extend the term of the agreement for an additional five years (through June 30, 2017) and to incorporate additional provisions required by District policies and/or applicable California laws and regulations.

**SUMMARY:**

The District and Education for Change entered into a Letter of Agreement ("Agreement") dated July 1, 2007, for the use of the real property located at 1700 28<sup>th</sup> Avenue, Oakland, California (Hawthorne campus). That agreement contains an option to renew the agreement for one five (5) year renewal term, under the same conditions as the initial term, with a 5% increase in the facility fee. Education for Change has exercised its option to renew and the proposed first amendment effectuates the renewal, with substitution of a new schedule reflecting the increased base contract fee and re-calculated debt relief payment.

**BACKGROUND:**

On September 26, 2007, the State Administrator approved Letters of Agreement for use of OUSD facilities for seven (7) charter schools operating within the District. Among those agreements was an agreement for use of OUSD's Hawthorne campus by Education for Change's charter schools World Academy and Achieve Academy. The term of the agreement was for five (5) years effective July 1, 2007.

Included in the approved Letter of Agreement for the World and Achieve Academies is a clause providing an option to renew for one (1) additional five (5) year term, which reads as follows:

EFC shall have the right to renew this Agreement for one (1) five (5) year renewal term. To exercise this option EFC shall provide written notice to OUSD no later than the expiration of the term of the Agreement. Unless agreed otherwise, the renewed term shall be under the same conditions as the initial term, except, that in the absence of a mutually agreeable facilities fee increase, OUSD shall be allowed to increase the facilities fee by five percent (5%) over the fee paid by EFC in the fiscal year prior to the renewal term. The parties may negotiate new terms in good faith after the initial five year term of the LOA and the one 5-year renewal term.

Education for Change has duly exercised its option for an extension of the term of the facility agreement. The proposed amendment documents the extension and substitutes a new fee schedule consistent with the terms of the agreement.

**RECOMMENDATION:**

Staff recommends approval of the First Amendment to Letter of Agreement by and between Oakland Unified School District and Education for Change Regarding World Academy and Achieve Academy.

**FIRST AMENDMENT  
TO  
LETTER OF AGREEMENT BY AND BETWEEN OAKLAND UNIFIED SCHOOL DISTRICT AND EDUCATION FOR CHANGE  
REGARDING WORLD ACADEMY AND ACHIEVE ACADEMY**

This **First Amendment To Letter of Agreement** ("Amendment") is made and entered into June 13, 2012, between **Oakland Unified School District**, a public school district of the State of California ("District") and **Education for Change known as World Academy and Achieve Academy**, (collectively "Charter School").

**RECITALS**

A. District and Charter School entered into a Letter Agreement ("Agreement") date July 1, 2007, for the Charter School's use of the real property located at 1700 28<sup>th</sup> Avenue, Oakland, California ("Premises").

B. District and Charter School intend to amend the Agreement to, among other things, extend the term of the Agreement, and to incorporate additional provisions required by District policies and/or applicable California laws and regulations, subject to the terms and conditions set forth herein.

**AGREEMENT**

NOW THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, District and Charter School agree as follows:

1. **Extension of Term.** District and Charter School hereby agree to renew the term of the Agreement for an additional five (5) year term, commencing July 1, 2012, and expiring June 30, 2017 ("Extended Term"), subject to all the terms and conditions of the Agreement as hereby amended.

2. **Components of Annual Fees.** During the Extended Term, Charter School shall pay District an annual Contract Fee for the use of facilities and certain overarching services provided by District. The annual Contract Fee for the Extended Term is attached hereto as Table 1.

3. **Board Approval.** In accordance with Education Code Section 17604, this Amendment is not valid or an enforceable obligation against the District until approved or ratified by motion of the governing board duly passed and adopted.

4. **Amendments to Agreement.**

a. Paragraph VIII. Option to Renew Term in the Agreement is hereby deleted in its entirety.

b. Table 1- OUSD Annual Fees attached to the Agreement is hereby deleted in its entirety and replaced.

5. **Miscellaneous.** This Amendment may be executed in any number of counterparts all of which when taken together shall constitute one and the same document. Except as expressly modified by this Amendment, all other terms and provisions of the Agreement are in full force and effect. In the event of any inconsistency between the terms of this Amendment and the Agreement, the terms of this Amendment shall govern and control. This Amendment shall be governed and construed in accordance with the laws of the State of California.

The parties hereto have executed this Amendment as of the date set forth above.

The parties hereto have executed this Amendment as of the date set forth above.

**OAKLAND UNIFIED SCHOOL DISTRICT**

Jody London  
Jody London, President, Board of Education

6/19/12  
Date

Edgar Rakestraw, Jr.  
Edgar Rakestraw, Jr., Secretary, Board of Education

6/19/12  
Date

**EDUCATION FOR CHANGE**

Fabiola Harvey  
By: Fabiola Harvey  
Its: Chief operating officer

6/8/12  
Date

**APPROVED AS TO FORM:**

Jacqueline Minor  
Jacqueline Minor, General Counsel

6/19/12  
Date

OUSD or the District verifies that the Contractor does not appear on the Excluded Parties List at [www.epls.gov/epls/search.do](http://www.epls.gov/epls/search.do)

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**FIRST AMENDMENT TO LETTER OF AGREEMENT**

**Table I – OUSD Annual Fees**

**EFC- World Academy and Achieve Academy  
1700 28<sup>th</sup> Avenue, Oakland California 94601**

	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>
<b><i>Components of Annual Fees</i></b>					
<b>Square Footage</b>	59,443	59,443	59,443	59,443	59,443
<b>Annual Rate per Square Foot</b>	\$1.05	\$1.05	\$1.05	\$1.05	\$1.05
<b>Total Base Contract Fee</b>	\$62,415.15	\$62,415.15	\$62,415.15	\$62,415.15	\$62,415.15
<b>Enrollment in Space<sup>1</sup></b>	710	710	710	710	710
<b>Debt Relief Payment per ADA</b>	\$165.65	\$165.65	\$165.65	\$165.65	\$165.65
<b>Total Debt Relief Payments</b>	\$117,611.50	\$117,611.50	\$117,611.50	\$117,611.50	\$117,611.50
<b>TOTAL ANNUAL FEE</b>	\$180,026.65	\$180,026.65	\$180,026.65	\$180,026.65	\$180,026.65

<sup>1</sup>Estimates; actual figures to be adjusted per section IV.A.3.  
Revised May 2012