



OAKLAND UNIFIED  
SCHOOL DISTRICT

*Community Schools, Thriving Students*

# Long-Term Charter Lease: LPS Oakland R&D



Presented by OUSD Office of Charter Schools

Presented to OUSD Board

June 5, 2019

[www.ousd.org](http://www.ousd.org)



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# Background

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- LPS Oakland R&D was approved by the Board to apply for Prop 51 in 2017
- School was awarded \$28 million through Prop 51 from the State - half as a grant, and half as a loan to be paid back over a 30-year period
- Before receiving Prop 51 funds, it is expected that the District will sign a long-term lease with the charter school
- LPS Oakland R&D plans to use Prop 51 funds as follows:
  - Build an independent classroom building
  - Create an Early College Center to be used by both Castlemont and LPS students



# Approved Long-Term Lease Criteria

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- Long-term lease criteria for charter schools was approved by the Board on May 8, 2019
- Four areas worth up to 5 points each, for a total of 20 maximum points
  - Access (Community Benefit)
  - Equity
  - Quality
  - Operational Sustainability
- Minimum of 12 points required for a long-term lease

# Long-Term Lease Criteria Applied to LPS R&D



- The LPS R&D Prop 51 proposal received 18 of 20 points on the rubric

Area	Points	Rationale
Access	5	Proposal has clear benefit to Castlemont; positive sentiment; serves local neighborhood (90% from local area);
Equity	5	99% in-district; holds seats for newcomers and accepts students in most grade levels; reflective demographics (higher need than OUSD across English Learner, students with disabilities, low-income)
Quality	3	Majority Yellow+ on Dashboard for past 2 years; 60th percentile average on CORE growth
Operational Sustainability	5	Strong fiscal health for 5+ years; stable/growing enrollment for 5+ years; positive relationship with Castlemont; 2 notices in past 3 years (none involving student safety)



# Key Terms of the Lease

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- Duration: July 1, 2019 through June 30, 2039
  - LPS has right to renew lease for two additional terms of 10 years each
- Final design approval must be given by the District Superintendent before the Prop 51 construction can begin
- LPS will cap enrollment at the current charter authorized limit, and agrees not to request a material revision for enrollment growth throughout the duration of this lease (unless mutually agreed upon by the District and LPS)
- LPS will not submit a Prop 39 request for classroom space once the school has occupied their newly-constructed space



# Financial Terms of the Lease

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In addition to paying the cost of the State financing and the annual 1% oversight fee, LPS will pay additional funds to the District, according to the below schedule:

- Years 1-5 of the term: 0.5% of LCFF revenue, or Prop 39 may override
- Years 6-15 of the term: 0.5% of LCFF revenue
- Years 16-25 of the term: 0.75% of LCFF revenue
- Years 26-35 of the term: 1% of LCFF revenue
- Years 36 and beyond: 2% of LCFF revenue

# Timeline



Action	Date
Castlemont Community of Schools Presentation First read of Facilities Use Agreement	June 5, 2019
Vote on Facilities Use Agreement	June 12, 2019
Long-term lease begins	July 1, 2019
Anticipated date that Prop 51 construction is complete	August 2022

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# Appendix

# Access (Community Benefit) Scoring

1 point	<p>If lease involves co-location, clear negative impact on district school.</p> <p>Community engagement with immediate/impacted community reveals largely negative sentiment, and charter is unable to successfully mitigate majority of concerns expressed.</p> <p>School's programming is low demand.</p>
3 points	<p>If lease involves co-location, can show minimal negative impact on district school.</p> <p>Community engagement with immediate/impacted community reveals neutral/mixed sentiment, and/or charter is able to successfully mitigate some of concerns expressed.</p> <p>School offers medium-demand programming and/or does not have a clear community it is serving.</p>
5 points	<p>If lease involves co-location, can show a <b>clear benefit to district school</b>.</p> <p>Community engagement with immediate/impacted community reveals <b>largely positive sentiment</b>, and/or charter is able to successfully mitigate majority of concerns expressed.</p> <p>School offers <b>high-demand programming</b> with a clear community it is serving, either <b>(a) the local neighborhood</b>, or (b) a unique offering that draws families from across the city.</p>

# Equity Scoring

1 point	<p>Percent of in-district students is below 75%.</p> <p>School demographics overall are not reflective of OUSD.</p> <p>Severity of need is not reflective of OUSD.</p> <p>School does not enroll any new students after the incoming grade level.</p>
3 points	<p>At least 75% in-district students.</p> <p>School demographics overall are somewhat reflective of OUSD.</p> <p>Severity of need is somewhat reflective of OUSD.</p> <p>School enrolls new students at multiple grade levels.</p>
5 points	<p><b>At least 90% in-district students.</b></p> <p>School <b>demographics are reflective of OUSD</b> in terms of the following: % of English Learners, % of students with disabilities, % of low-income students (<b>%EL+%SWD+%FRL&gt;OUSD avg</b>)</p> <p>Severity of need is reflective of OUSD in terms of the following: % of students with moderate/severe disabilities, <b>% of newcomers.</b></p> <p>School <b>enrolls new students at most grade levels</b> and takes students mid-year, if seats become available.</p>

# Quality Scoring

1 point	<p>Overall and Subgroup academic performance and culture/climate measures are majority Orange/Red in recent 2 years.</p> <p>CORE growth: Overall is below 50th percentile in recent year and/or most subgroups are below 50th percentile in recent year.</p>
3 points	<p>Meets either (a) or (b):</p> <p>a. Dashboard: Overall and Subgroup academic performance and culture/climate measures are majority Yellow or a mix of many colors in recent 2 years.</p> <p>b. <b>CORE growth: Overall is above 50th percentile</b> in recent year; at least half of subgroups are above 50th percentile in recent year.</p>
5 points	<p>Meets either (a) or (b):</p> <p>a. State Dashboard: Overall and Subgroup academic performance and culture/climate measures are majority Green/Blue in recent 2 years.</p> <p>b. CORE growth: Overall is above 70th percentile in recent year; majority of subgroups are above 50th percentile in recent year.</p>

# Operational Sustainability Scoring

1 point	<p>Weak school fiscal health in recent years. Unstable enrollment in recent years. Negative previous history of facility usage 5 or more notices of concern in recent 3 years and/or more than 1 involving student safety/welfare and/or notice(s) have not been resolved appropriately in the given timeframe.</p>
3 points	<p>Strong school fiscal health for 3-4 most recent years. Stable past enrollment for 3-4 most recent years. Neutral/mixed previous history of facility usage. 4 or fewer notices of concern in recent 3 years and up to 1 involving student safety/welfare (that was resolved appropriately in the given timeframe).</p>
5 points	<p><b>Strong school fiscal health</b> for at least 5 most recent years. <b>Stable past enrollment</b> for at least 5 most recent years. <b>Positive history of facility usage:</b> relationship with district schools, efficient space usage <b>3 or fewer notices of concern</b> in recent 3 years and none involving student safety/welfare.</p>