

DRAFT LETTER OF INTENT

April 12, 2023

Dr. Timothy A. Smith
Superintendent of Escambia County School District
75 North Pace Blvd
Pensacola, Florida 32505

Re: Warrington Middle School -Assessment and Proposed Next Steps

Dear Dr. Smith:

This Letter of Intent (“**LOI**”) is to outline in concept and terms in which the parties, The School Board of Escambia County, Florida (**School Board**) and Renaissance Charter School, Inc.¹ (**Foundation**) are willing to pursue a CHARTER AGREEMENT for the operation of a charter school which will include but is not limited to the operation of Warrington Middle School (**Middle School**) as well as a LEASE for that certain property where the **Middle School** is located. This LOI is not binding on either the **School Board** or the **Foundation** and will not create any legal rights or liabilities for or against either party but instead outlines the terms upon which the parties would enter into a proposed CHARTER AGREEMENT and LEASE.

I. ASSESSMENT OF WARRINGTON MIDDLE SCHOOL BY CHARTER SCHOOLS USA, INC. (CSUSA).

- A. At the direction of the **School Board** and based upon an agreement between **School Board** and CSUSA, CSUSA performed an in-depth assessment of the **Middle School**.
- B. CSUSA has provided its Summary Assessment (**Assessment**) to the **School Board** by and through its Superintendent.
- C. See the attached Summary Assessment of the current state of **Middle School**. The Assessment included a review of the leadership, culture, systems and Teaching and Learning at the **Middle School**. The Assessment also included a review of the academic, social, physical and emotional support being provided to students. A review of the current education model and current physical facility were evaluated as noted within the Assessment. The general result of the Assessment was that the performance of the **Middle School** was unacceptable and requires a full and complete reset for in all areas.
We request copies of all back-up documentation of the observations which form the basis of these conclusions

¹ The Foundation is subject to change from Renaissance Charter School, Inc. to The Florida Charter Educational Foundation, Inc. which is also a 501c3 IRS designed entity and a Florida not for profit entity.

II. PROPOSED RESET STRUCTURE

- A. CHARTER AGREEMENT: The **School Board** and the **Foundation** would enter into a CHARTER AGREEMENT commencing July 1st, 2023. The **Foundation**, a 501c3 IRS designed entity and a Florida not for profit entity would operate the **School** as defined below. The **School Board** will maintain certain oversight of the **School** as its sponsor, pursuant to Florida law and the CHARTER AGREEMENT. It is anticipated that the **Foundation** will retain **CSUSA** as the educational management organization for the **School**.
- B. THE LOCATION: The location of the **School** shall remain at its current, address which is 450 South Old Corry Field Road, Pensacola, Florida 32507 (**Property**).
- C. GRADES SERVED: The CHARTER AGREEMENT shall provide that the **School** shall eventually serve students from kindergarten to 12th grade following the expansion plan below.
- D. ENROLLMENT EXPANSION PLAN: The expansion of the grades and the students served may generally be implemented as follows:
1. AY 2023-24: Grades 6-8 serving zoned students;
 2. AY 2024-25: Grades K-5 serving choice students and 6-8 serving zoned students;
 3. AY 2025-26: Grades K-5 serving choice students and 6-8 serving zoned students and 9 serving choice students;
 4. AY 2026-27: K-10 serving choice students**;
 5. AY 2027-28: K-11 serving choice students**; and
 6. Thereafter: K-12 serving choice students**.
- ** The parties agree to work together to develop a coordinated plan regarding enrollment expansion plan. Such plan shall include priority enrollment for students living within the current Warrington Middle School zone and may include an agreed upon modification of the attendance zone to insure minimal capacity issues at the Property in accordance with section 1002.33(10)(c), Fla. Stat. The parties agree to meet March of each year to review the predicted enrollment for the next school year. **This is a substantial deviation from the TOP plan, but one which we are not averse to in the interests of moving forward.**
- E. CHARTER AGREEMENT TERM: The initial term of the CHARTER AGREEMENT shall be 15 years with an automatic 15 year renewal provided the **School** is a school grade of "C" or better.
- A fifteen-year initial term is not consistent with the list of non-negotiables previously presented. Our offer to have a five-year term with an automatic extension of two additional years is reasonable. The fifteen-year renewal should be consistent with section 1002.33(7)(c)1., Fla. Stat. We would request the ability to consider a fifteen-year renewal with a "c" grade, and would of course agree to an automatic 15-year renewal with a "b" or better.**

F. OTHER CHARTER AGREEMENT PROVISIONS: In addition to provisions in the existing model charter agreement and the School of Hope Agreement; such other CHARTER AGREEMENT provisions may include additional funding to the **School** of a proportionate share of the **School Board** other funds from local, state and federal sources as well as from the State through grants and other ~~funding and that any termination of the charter agreement shall require approval from the State Department of Education.~~ Additionally, consistent with existing charter school obligations, the use of Title I monies shall be subject to an annual inventory and audit. All items purchased with Federal funds shall be recorded with and accessible on the Escambia County Public Schools data mining reports.

If the Board is held responsible for monitoring the school, we will not delegate the ability to terminate the charter. CSUSA has the ability to appeal any termination to DOE.

G. PROPOSED PROGRAMMING: The parties recognize and acknowledge the **School** may begin Workforce Readiness Skills and students may have the opportunity to earn industry certifications in many industries. Additionally, the **School** will endeavor to achieve long term community based partners. The parties agree to cooperate in accomplishing such programs.

III. PROPOSED LEASE OF FACILITY

A. OWNERSHIP: The **School Board** currently owns the real-property commonly described as 450 South Old Corry Field Road, Pensacola, Florida 32507(Property), where **Middle School** facility is located. The **School Board** maintain full ownership of the Property.

B. LEASE: The **School Board** shall LEASE the facility and property to the **Foundation** for \$1/year for a term no shorter than 30 years, commencing July 1, 2023.

1. LEASE PROVISIONS: The general lease terms shall be consistent with a commercial long term lease.
2. The **Foundation** shall provide general maintenance of the facility through its retained staff. The **Foundation** shall initially provide a deep cleaning, paint and refresh of the facility.
3. The **School Board** shall provide repairs and service for larger capital items such as roof and HVAC system. This may be subject to or modified by a Mutual Maintenance Agreement consistent with other occupants of district facilities.
4. The **School Board** shall remove the portable units on the Property and as part of the LEASE convey of furniture, fixtures and equipment (FFE) to the **Foundation**. In the event the Lease is terminated then the FFE conveyed herein are subject to reversion back to the School Board.
5. The LEASE may contain other provisions regarding improvements to the Property made by the **Foundation**.
6. The LEASE may be terminated in the event the Property is no longer utilized as public school facility, charter school or otherwise. However, in the event of termination, the School Board agrees to purchase any future improvements as described below, for the greater of, either the then fair market value of or the

then outstanding debt on such improvements, based upon a Florida MAI certified appraiser selected by agreement between the parties.

We cannot agree to this. We cannot pledge the future credit of the Board with no identified funding source. Generally, construction on Board property with public funds reverts to public ownership. We would be open to selling the property at the current appraised value at any time, exclusive of any improvements you have made.

- C. **FUTURE IMPROVEMENTS:** The parties acknowledge and agree that during the term of the LEASE, the **Foundation** may develop, construct and operate additional facilities and improvements on the Property for the expressed purpose of operating the **School** pursuant to the CHARTER AGREEMENT between the parties.

IV. MISCELLANEOUS

- A. **NON-BINDING:** This letter shall be only a non-binding outline. Only a formal CHARTER AGREEMENT, LEASE and other necessary agreement, which has been duly executed by and between the **School Board** and the **Foundation**, shall be binding. This letter is intended as an expression of sincere interest by the parties to proceed with all necessary actions and agreements to facilitate the **School**.
- B. **APPROVALS:** Any agreement is subject to approval by the **School Board** and the **Foundation** governing board. The **Foundation** is subject to change from Renaissance Charter School, Inc. to The Florida Charter Educational Foundation, Inc. which is also a 501c3 IRS designed entity and a Florida not for profit entity.
- C. **DISPUTE RESOLUTION:** In the event a dispute arises between the parties, the dispute shall first be subject to mediation conducted by the Department of Education. In the event the dispute cannot be resolved then the parties shall agree to binding arbitration. However, both parties reserve all administrative rights available pursuant to Florida Law.

Other observations:

We would like to stick with the framework developed by the TOP plan. If we are going to move away from that plan, we will need to adjust some of the other possible supports we have discussed to facilitate the ZONED middle school which was approved by DOE in the TOP plan. As long as the middle school is zoned, we will be happy to consider nominal lease and transportation assistance. We support the innovation and planned expansion of the CSUSA concept, but if the school is going to move to a full choice program, it should operate on the same footing as other charter schools.