



LASD – BCS TENTATIVE AGREEMENT

May 14, 2012

Background

- Charter Schools are authorized under State Ed Code
 - Under this code, “host district” must provide “reasonably equivalent” facilities (Prop 39)
 - Annual process – Charter school can increase request each year
- Ed Code also states that authorizing agency may not impede the growth of charter schools
- Characterizing the school is not relevant to LASD legal obligations

Local Context

- BCS has grown successfully over the past 8 years
- 8 Years of litigation, LASD legal costs > \$750K
 - LASD successfully won 3 court cases filed by BCS
 - 1 case filed by LASD (geo preference) “no standing” – but ruled against the request
- Recent loss at Appeals Court
 - Requires a change in methodology
 - Potential for BCS demand of their legal fees (>\$1M)
- Ongoing supervision by the Superior Court
 - Contempt finding, fines, addl legal fees, directed action by the Court

Local Background (cont.)

- Long Term Facilities Agreement can only be entered into voluntarily

Objective

- Establish a long-term location for BCS that allows BCS to run their program and allows LASD to focus on educating our students, rather than worrying about Prop 39 each year
- LASD focus on program innovation, not facilities planning
- Address facilities needs for all 5,000 public school students in our community
- Put to rest 8 years of litigation

Process

- Formal mediation sessions starting in March
 - 5 full sessions, including 2 with Justice McAdams
- Built joint solution to include risk sharing as well as stability for both parties

Proposal Framework

- 10 year+ agreement
- Jointly work to pass a bond to solve the “10 schools/ 9 sites”
- Upon passage of the bond, at the commencement of the next school year, BCS would be moved to one of 4 LASD campuses
 - Almond
 - Gardner Bullis
 - Santa Rita
 - Covington (~10.5 acres of the site)
- If the bond does not pass by Aug 2014, LASD would consolidate onto 8 sites and BCS would occupy 1 of the 4 sites

Deal Structure (cont.)

- BCS guarantees to enroll at least 400 students in each year
- BCS to stay on one site for duration of agreement
- Provisions for increased BCS enrollment
- BCS has 5-year options to remain on the site after initial agreement expires
- Litigation peace for duration of the agreement
- BCS to waive costs and attorney fees from recent lawsuit
- Additional details being negotiated in good faith by both sides

Bond Measure

- Build a brand new campus for LASD*
- Location TBD: Exploring many options
- LASD school would have substantial input on how the campus is built out
- Other sites would also receive capital improvements
 - Replace portables with permanent buildings
 - Solar power – OpEx savings of ~\$500K annually
 - Other facilities work as needed

Considerations for Bond

- Where can we locate real estate?
- Nature of the new school?
- Other items to include in the bond?
- Who will run the campaign?

Path Forward

- Gathering public input
- Outreach, detailed discussions with schools and parent leadership
- Meet with City Councils for Los Altos, Los Altos Hills, Mountain View
- Continue negotiation with BCS over details within the framework
- Bring back at subsequent meetings for additional input, and hopefully ratify an agreement

Key Dates

- May 29th – Joint meeting with Los Altos City Council
- June 1st – Prop 39, or negotiated agreement?
- Aug 9th – Bond on the ballot?
- Nov 6th – Bond Election
- TBD: Timeline for site selection
- TBD: Criteria for selecting a site
- TBD: Will the community support a bond?
(9+1, or 8+1)