



Board Agenda Item #	Agenda # III A
Date:	October 5, 2017
To:	Magnolia Board of Directors- Facilities Committee
From:	Caprice Young, Ed.D., CEO & Superintendent
Staff Lead:	Suat Acar, Chief Operations Officer
RE:	MSA 7 CUP (Conditional Usage Permit) Expansion Project Update

Proposed Board Recommendation:

Discussion Item, no action required; direction being requested. Possible Directions to Staff:

1. To direct MPS Home Office staff to move forward with MSA 7 CUP (Conditional Usage Permit) Expansion Project and increase the enrollment capacity to 450-500; direct staff to accept all costs or share the costs of project applications and implementation
2. To direct MPS Home Office staff to withdraw from the project and continue operations as usual

Background

MPS Facility Committee was provided with the CUP issue of MSA 7 during the Facilities Committee Meeting conducted on 05.06.2015. The plan communicated was that staff working with church administration (the lessor) to find out about a possibility to expand the CUP to 450 so that MSA 7 would be able to accept more students by adding classrooms to the site. MPS Home Office staff communicated with the Church and proposed to the Church administration that MPS could share or pay the full cost of the CUP application process if the Church would agree to expand the CUP for the site. MPS planned to place bungalows upon approval of the new CUP limit.

The Church Board approved the CUP project, contingent upon our paying for it, but later in 2016-17 the Church Board decided to begin a development project over the existing MSA 7 building, parking lots and the huge green area. The Church communicated with MSA 7 administration that they would not go with the CUP Expansion project at this point because they wanted to wrap the process into the larger development.

In the summer of 2017, the Church administration informed MPS officials that the Church development project would likely take five years and that we may go ahead with our expansion in the meantime. We are now returning to the MPS Facilities Committee as an informational item to get the direction from the committee members.

Part of the development in which the church is engaged (at a slower pace than planned), includes selling the land on which our school is located to a developer who will build us a school for 500 students (on what is now our paying field). They would like us to enter into an agreement to lease that site at similar rates as we are currently paying per student so that they can use that lease to procure construction financing. We have not begun negotiation of that lease yet, but it would be in our interest to do so in order to make sure they don't lease the site to another school. It is possible still that the development would not move forward at all, but the agreement would protect us and require that we have a say in the site specifications.

Independent of any expansion, MSA-7 needs to complete some projects not covered under the lease to ensure the facilities are compliant with the Americans with Disabilities Act. These projects need to be completed regardless of the CUP, and if we do not complete them we will not be able to get the CUP. Staff has identified the work required and is drafting a budget and RFP to bring to the board for approval.

Because our larger schools are more financially sustainable than our smaller schools, and because having a larger elementary school to provide more students to MSA 1, 2 and 5 would be beneficial, staff would like permission to continue investigating expansion of MSA 7 prior to the developer completing his deal with the church. The staff will develop a plan to complete the RFP and to add bungalows according to anticipated increases in recruitment for new grade levels that will increase the size of the school from 274 to between 450 and 500 over time with the intension of transitioning into the new facility if and when the developer has completed it. Staff would bring that plan to the November board meeting for review and approval, with whatever options arise during the planning process. Staff would appreciate an understanding of what questions the committee would like answered as part of the development of that plan.

If the board approves the plan in November, staff would complete an RFP process for a consultant to manage the CUP process. The time required to receive the CUP could be nine months to a year, during which staff would receive bids for architectural plans for bungalow placement, groundwork, and bungalows. When the CUP has been received (approximately November 2018), staff would begin more extensive recruitment student efforts and complete the bungalow placement on the site for the students starting in 2019-20, with more bungalows being added each year thereafter until we reach CUP capacity and according to plan.

### Budget Implications

The Church expects all the CUP costs to be paid by Magnolia Schools and does not intend to engage in the CUP process otherwise. At this point, we do not have an estimated total cost for this

project. No costs for this project or the ADA work have been included in the current 2017-18 budget, so future agenda items would require staff to identify funding and seek board approval.

CFO Review – not included in the 2017-18 adopted budget

How Does This Action Relate/Affect/Benefit All MSAs?

Increasing the number of elementary school students in the valley will help improve financials of MSA 7, allow more robust programs, and also help increase enrollment numbers of MSA 1, 2 and 5. Once students start with MPS they tend to continue with MPS for Middle and High School.

Name of Staff Originator:

Suat Acar, COO.

Attachments

May 6<sup>th</sup>, 2017 Facilities Committee Meeting Agenda and Board Report



# MAGNOLIA PUBLIC SCHOOLS

13950 Milton Ave. 200B Westminster, CA 92683

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## **Magnolia Public Schools Special Meeting of the Facilities Committee**

### **AGENDA**

**13950 Milton Ave. Ste 200, Conference Room  
Westminster, CA 92683**

Teleconference

Wednesday, May 6, 2015 at 6:00 p.m.

#### **Access to the Board Meeting:**

Any interested parties or community members from remote locations may attend the meeting at the following school sites or the addresses where the Board members are joining the meeting from:

- MSA-1 school site: 18238 Sherman Way, Reseda, CA, 91335
- MSA-6 school site: 3754 Dunn Dr., Los Angeles, CA, 90034
- MSA-San Diego school site: 6365 Lake Atlin Ave., San Diego, CA, 92119
- MSA-Santa Clara school site: 2720 Sonoma Place, Santa Clara, CA, 95051
- 7220 Trade St. San Diego, CA 92121
- 449 36<sup>th</sup> Street #2 Brooklyn, NY 11232

#### **Magnolia Public Schools Facilities Committee members:**

Dr. Umit Yapanel, President

Dr. Mustafa Kaynak

Mr. Nguyen Huynh

#### **CEO and Superintendent:**

Dr. Caprice Young

#### **INSTRUCTIONS FOR PRESENTATION TO THE BOARD:**

- Members of the public may address the Board on items within the jurisdiction of the Board.
- The total time for all public comment (general and agenda items) is limited to twenty (20) minutes, not to exceed three (3) minutes per speaker.
- Requests to speak must be received before the Board meeting starts.
- The minutes are nontransferable.
- **In compliance with the Americans with Disabilities Act (ADA) and upon request, Magnolia Public Schools School may furnish reasonable auxiliary aids and services to qualified individuals with disabilities. Individuals who require appropriate alternative modification of the agenda in order participate in Board meetings are invited to contact the**



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**MPS central office.** If you need special assistance to attend the meeting, please notify Barbara Torres at (714) 892-5066 x100 to make arrangements and accommodate your disability.

## MEETING AGENDA

### *Open Session*

1. **Call to Order**
2. **Roll Call**
3. **Public Comment**
4. **Approval of the Agenda**
5. **Information Item:** Facilities Updates, Valley Cluster
  - a. MSA 1
  - b. MSA 2
  - c. MSA 5
  - d. MSA 7
6. **Information Item:** Facilities Updates, Los Angeles Cluster
  - a. MSA 3
  - b. MSA 4
  - c. MSA 6
  - d. MSA 8
7. **Information Item:** Facilities Updates, Statewide Cluster
  - a. MSA Santa Ana
  - b. MSA San Diego
  - c. MSA Santa Clara
8. **Information Item:** Proposition 39 Update
9. **Information Item:** Site Improvements-Summer 2015
  - a. MSA 1
  - b. MSA 2
  - c. MSA 7
10. **Public Announcement of Reasons for Closed Session**

### *CLOSED SESSION*

#### **11. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Magnolia Science Academy Santa Clara

Property: 3275 Williams Road San Jose, CA 95117



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Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Chris Nallan, International Christian Center  
Under negotiation: Price and terms of payment

Property: 1161 N Fair Oaks Ave., Sunnyvale, CA 94089  
Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Anthony Varni, Varni LLC  
Under negotiation: Price and terms of payment

## Magnolia Science Academy 1

Property: 18220 Sherman Way, Reseda, CA 91335  
Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Hank Dayani, Luxor Properties  
Under negotiation: Price and terms of payment

## Magnolia Science Academy 5

Property: 16651 Rinaldi Street, Granada Hills, CA 91344  
Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Greg Frost  
Under negotiation: Price and terms of payment

## Magnolia Science Academy Santa Ana

Property: 2625 N Tustin Ave, Santa Ana, CA 92705  
Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Bill Shane, Temple Beth Shalom  
Under negotiation: Price and terms of payment

## Magnolia Science Academy 6

Property: 1 Civic Plaza, Carson, CA 90745  
Agency negotiator: Frank Gonzalez, Chief Growth Officer  
Negotiating parties: Dr. Lee  
Under negotiation: Price and terms of payment

## **12. Reconvene to Open Session**

## **13. Announcement of Action(s) Taken in Closed Session and the Vote of Every Member in Closed Session**

## **14. Adjournment of Meeting**

**This agenda has been posted at the following locations:**

- Magnolia Public Schools website: <http://www.magnoliapublicschools.org>
- Magnolia Public Schools office: 13950 Milton Ave. Ste. 200B, Westminster, CA, 92683
- MSA-1 school site: 18238 Sherman Way, Reseda, CA, 91335



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- MSA-2 school site: 17125 Victory Blvd., Van Nuys, CA, 91406
- MSA-3 school site: 1254 East Helmick St., Carson, CA, 90746
- MSA-4 school site: 11330 W Graham Place, Los Angeles, CA, 90064
- MSA-5 school site: 18230 Kittridge St Reseda, CA 91335
- MSA-6 school site: 3754 Dunn Dr., Los Angeles, CA, 90034
- MSA-7 school site: 18355 Roscoe Blvd., Northridge, CA, 91325
- MSA-8 school site: 6411 Orchard Ave, Bell, CA, 90201
- MSA-San Diego school site: 6365 Lake Atlin Ave., San Diego, CA, 92119
- MSA-Santa Clara school site: 2720 Sonoma Place, Santa Clara, CA, 95051
- MSA-Santa Ana school site: 102 Baker St. E, Costa Mesa, CA, 92626
- 449 36<sup>th</sup> Street #2 Brooklyn, NY 11232
- 7220 Trade St. San Diego, CA 92121

**Teleconference Information:**

**Call:** 1 (872) 240-3312

**Code:** 260-706-941



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## Magnolia Public Schools Facilities Committee Meeting

### Staff Report

13950 Milton Ave. Ste. 200, Conference Room  
Westminster, CA 92683

Wednesday, May 6, 2015 at 6:00 p.m.

#### Staff Report

#### *Open Session Items*

5. Information Item: Facilities Updates, Valley Cluster
  - a. **MSA 1:** There are currently 521 students enrolled with projected enrollment for the '15-'16 school year of 540 students. The school cannot enroll additional students due to space constraints. An opportunity exists to expand the facilities of the school by occupying the adjacent building. **Additional information to be provided in closed session.**
  - b. **MSA 2:** There are currently 452 students enrolled with projected enrollment for the '15-'16 school year of 515 students. The school cannot enroll additional students due to space constraints. Two additional portables have been requested from the school district. We have asked for a meeting with school district facilities personnel to discuss a development plan on the site that would provide for new buildings and increased capacity.
  - c. **MSA 5:** An opportunity exists to relocate the school to an existing charter school facility in Granada Hills. The current site is very close to MSA1 and there are site constraints that limit the future growth of the school. **Additional information to be provided in closed session.**
  - d. **MSA 7:** There are currently 290 students enrolled with projected enrollment for the '15-'16 school year of 315 students. The school cannot enroll additional students due to space constraints. A new CUP is being filed which will increase the allowed capacity to 450 students. Additional classroom space will be delivered via the addition of 6 portable classrooms. The goal is to receive planning department approvals and install the portables in time for the beginning of the '16-'17 school year.





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## 6. Information Item: Facilities Updates, Los Angeles Cluster

- a. **MSA 3:** There are currently 442 students enrolled with projected enrollment for the '15-'16 school year of 475 students. The search for a permanent site is ongoing. The goal is to relocate the school into a permanent facility in time to begin the '16-'17 school year. **Additional information to be provided in closed session.**
- b. **MSA 4:** There are currently 205 students enrolled with projected enrollment for the '15-'16 school year of 220 students. The school cannot enroll additional students due to space constraints and a significant amount of public and private school choices in the immediate area.
- c. **MSA 6:** There are currently 163 students enrolled with projected enrollment for the '15-'16 school year of 180 students. The school cannot enroll additional students due to space constraints and a significant amount of public and private school choices in the immediate area.
- d. **MSA 8:** There are currently 484 students enrolled with projected enrollment for the '15-'16 school year of 495 students. We are working to extend the Facilities Use Agreement for an additional five years, to run coterminous with the charter petition approval. The school will host a national science conference at the site during the summer.

## 7. Information Item: Facilities Updates, Statewide Cluster

- a. **MSA Santa Ana:** There are currently 156 students enrolled with projected enrollment for the '15-'16 school year of 250 students. An opportunity exists to open an additional site in Santa Ana for the elementary school portion of the charter school, this upcoming school year as a facility with up to 8 classrooms is available for lease. **Additional information to be provided in closed session.**

Proposition 1D Status: The California School Finance Authority is reviewing the financial soundness of the organization. If a recommendation for approval is moved forward, the board of directors of the California School Finance Authority will vote on the "Approval of Financial Soundness Determination for the Charter School Facilities Program for Final Apportionment" for the Prop. 1D award for Magnolia Science Academy Santa Ana. The board meeting will take place on or about May 18, 2015 a special meeting of the Authority. The total award amount being voted on is \$17,413,956.

The California School Finance Authority (CSFA) is responsible for making this determination by conducting an in-depth financial review of each applicant.



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Statute requires a charter school to have been in operation and in good financial standing for two years or have the equivalent managerial experience to be considered financially sound. The determination is made on a Pass/Fail basis.

The State Allocation Board will vote to convert the award to a 'Final Apportionment at their board meeting on May 27, 2015 in Sacramento. Once both approvals are received, from CSFA and SAB, the project can start, with the goal of occupying the space in August 2016.

#### Tentative Project Schedule:

- |                          |                 |
|--------------------------|-----------------|
| 1. Re-Bid Project        | June 14, 2015   |
| 2. Bid Awarded           | July 24, 2015   |
| 3. Construction Start    | August 1, 2015* |
| 4. Construction Complete | August 7, 2016  |
| 5. Occupancy             | August 21, 2016 |

\*The construction schedule is 11 months with one month of contingency.

The bonds will be sold by the state of CA in the Fall. A bridge loan for 120 days in the amount of approximately \$1.5M will be necessary in order to begin construction and meet the schedule.

- b. **MSA San Diego:** There are currently 365 students enrolled with projected enrollment for the '15-'16 school year of 438 students. We have met with school district officials to express our continued interest in acquiring the existing site. To that end, a meeting is being scheduled with the company that is continuing to negotiate with the school district for acquisition of the property. We are also analyzing other opportunities to relocate to other district campuses near the current site, beginning in SY '16-'17.
  - c. **MSA Santa Clara:** There are currently 463 students enrolled with projected enrollment for the '15-'16 school year of 420 students. **Additional information to be provided in closed session.**
8. Information Item: Proposition 39 Update
- a. **LAUSD:** On the advice of counsel we have accepted all 'Final Offer of Space' for each school co-located on a district site via Proposition 39. We submitted our acceptance letter by the statutory deadline and it was acknowledged by the school district.. We have been in conversations with the district charter schools division and facilities department on developing alternative agreements, as is allowed by statute, so that each of the affected school sites can receive additional teaching stations including science classrooms and dedicated special education classrooms. Each of the school sites is 1-3 classrooms short of their



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desired facilities allocation. Schools currently on LAUSD Prop. 39 co-locations are MSA 3, 4, 5 and 8 (for this year only). While MSA 2 is also on LAUSD campuses they have a multi-year facilities use agreement.

9. Action Item: Site Improvements-Summer 2015

- a. **MSA 1:** The improvement of the existing facility including a new lunch shade structure, solar panels, the conversion of classroom into 6 offices, the conversion of two small offices into a special education room, flooring and painting. All work will be procured via an RFP process. A detailed budget will be finalized once the bids are received. The source of funds is an existing energy efficient grant that has been received as well as the school's general fund. A detailed scope of work with budget and timeline will be brought to the Board of Directors for authorization.
- b. **MSA 2:** The improvement of the existing facility via the addition of two portable classrooms. The detailed scope of work with budget and timeline will be brought to the Board of Directors for authorization.
- c. **MSA 7:** The improvement of the existing facility including exterior lighting, interior and exterior painting, replacement of old windows, replacement of doors. The source of funds is an existing energy efficient grant that has been received as well as the school's general fund. A detailed scope of work with budget and timeline will be brought to the Board of Directors for authorization.