**C.1 Facilities Acquisition**

Copper Point is committed to providing an atmosphere that inspires learning, promotes collaboration, and gives back to the community. Although the facility will ultimately embody these important characteristics, we recognize that we may need to open in a "starter home" before we can afford the "castle".

## Description of Proposed Facility

As mentioned previously in the charter, Copper Point will start with between 300-375 students in Year 1, and grow into a student population of between 500-600 students within a few years. Whether Copper Point were to build a new structure, or remodel an existing structure, specifications similar to the table below would be taken into account. In the event that Copper Point is able to obtain an existing facility that meets the needs, we would keep the layout of that school.

Proposed Building Specification:

| Proposed Building | # | sq. ft. | total sq. ft. |
|---|---|---|---|
| School Director | 1 | 120 | 120 |
| CurriculumCoach | 1 | 120 | 120 |
| Administrative Offices | 2 | 100 | 200 |
| Counselor Office | 1 | 100 | 100 |
| Reception/ | 1 | 200 | 200 |
| Commons area | 2 | 400 | 800 |
| School Nurse | 1 | 120 | 120 |
| SPED | 1 | 750 | 750 |
| Teacher Prep | 3 | 250 | 750 |
| Art Studio | 1 | 850 | 850 |
| Kitchen | 1 | 1,000 | 1,000 |
| Teacher Lounge | 1 | 350 | 350 |
| Auditorium/Gym | 1 | 4,000 | 4,000 |
| Utility Room | 2 | 100 | 200 |
| Cafeteria | 1 | 2,000 | 2,000 |
| Hallways /Commons | 1 | 5,000 | 5,000 |
| Library/Computer Lab | 1 | 3,000 | 3,000 |
| Classrooms | 20 | 850 | 17,000 |
| Bathrooms/Staff-Guests | 2 | 75 | 150 |
| Bathrooms /Students | 2 | 800 | 1600 |
| Storage | 1 | 1500 | 1500 |
| Total Square footage | | | 40,550 |

Copper Point has been in contact with multiple Expeditionary Learning Schools to find out what type of space has been the most beneficial with aiding curriculum. The above graph mirrors what

we have found. Collaboration is one of the most crucial components in an effective learning environment. This layout reflects that philosophy. Our classrooms will be large open spaces filled with tables rather than desks, to promote crew interaction. We will have commons areas where larger groups can come together as well to work. Although Copper Point will build a facility that reflects its vision, attached are some sample layouts of other Expeditionary Schools that have proven to provide a successful, collaborative learning environment.

## Costs of Securing a Facility and Complying with Laws and Regulations

Copper Point will be teaming with Schoolhouse Development (SHD) for a new facility. SHD has built over 30 charter schools in the Western United States. SHD will build a facility that Copper Point will lease back with option to purchase for approximately 3-4 years. After this time, Copper Point will have created enough financial history to purchase the building through a tax exempt bond. The lease rate is reflected in our budget, but is structured to be a rate of 10% over the cost of the facility. Currently, facilities similar to CPHS are being built at about $103/ sq ft.. We have budgeted $105/ sqft to reflect anticipated cost escalation. We have also budgeted an additional $1 million for the cost of land and development. There will also be bank fees and capitalized interest associated with the deal. Below is an example of what this deal may look like.

| | |
|---|---|
| Construction Costs (Approx. 41,000 sf @ $105) | 4,305,000 |
| Design | 200,000 |
| Land & Infrastructure (Approx. 5 acres) | 1,000,000 |
| Contingency Costs (Approx 5%) | 300,000 |
| Capitalized Interest | 195,000 |
| Total Project Cost | 6,000,000 |
| | |
| Lease Rate Year 1 @ 10% (9 months only) | 450,000 |
| Lease Rate Year 2 | 600,000 |
| Lease Rate Year 3* | 600,000 |
| | |
| Purchase Option | 7,500,000 |

**Beginning in lease year 4, the lease payment will escalate each year thereafter by 2%.*

## Timeframe for Securing Facility

In April 2013, Copper Point began to form a relationship with School House Development to assist the CPHS in locating and developing an appropriate building site within the target market. SHD has developed over 30 charter school buildings in the Western United States, including projects within the Tucson area. The likely timeline for acquisition and development of the planned 41,000 sf building will be as follows:

| | |
|---|---|
| October 2013 – December 2013 | Select and contract for 5 acre site within Target Market |
| January 2014 | Site due diligence, including coils, civil, Alta Survey, etc. |
| February 2014 | Close on property, secure permits |
| March 2014 | Break ground |

| | |
|---|---|
| March 2014 – July 2014 | Construction of school site |
| August 2014 | Occupancy permit and start school |

SHD has a long track record of building school facilities on time and on budget. They haveconfirmed the accuracy of this timeline. Copper Point will ensure compliance with allapplicable laws and regulations including obtaining educational occupancy.

## Facility Costs during Start-up phase and Operational Years

School House Development has committed to cover facility costs that may be associated with the development and construction of the building through September 2014. These costs may include, utility deposits, liability insurance, permit fees, impact fees, etc. Although Copper Point will occupy its new facility in August 2014, the first lease payment will not be due until October 1, 2014. This has been reflected accordingly in the start-up and operational year budgets in Sections C.4 and C.5.