C.1 Facility Acquisition

a) Facility description, location, square footage, number of classrooms and layout

The New America School-Phoenix will most likely be located in a remodel of an existing facility or in a facility remodel with some new construction. Renovating an existing "other-use" facility will be far less expensive than building a new facility from the ground up. (Given our students' specialized needs, it is critical that NAS-Phoenix devote all possible funds to providing educational and school-based services to our students, as opposed to creating a debt service load that would negatively impact the educational services that the school can provide.)

NAS-Phoenix will require a building which can be remodeled to accommodate up to 450[1] students (and associated staff) divided into a day and a night cohort of approximately 225 students each[2] and which can house at least 11 classrooms; a student commons; a learning resource center; a multi-purpose room that can serve as a cafeteria, assembly room and location for athletic activities; a heat and serve kitchen; administrative offices for a principal, assistant principal, counselors, security and reception; and support facilities such as restrooms, storage, files/copying, teacher work area, conference room and staff lounge.

The 11 classrooms will be broken down as follows:

- General Purpose Classrooms [English, Math, Social Science, Electives] – 7
- Multi-Purpose Classrooms [Science] – 1
- Multi-Purpose Classrooms [Art] – 1
- Computer Classrooms – 2

These facilities will follow the *New America School Facilities Guidelines and Specifications* with respect to desired areas and technical specifications. The cover of our Facilities Guidelines is provided as Appendix 2; the complete guidelines are available upon request. Though NAS has a preferred facility, it has not yet made a final selection of a site for a facility remodel with some potential new construction. The facility selected will be a minimum of 25,000 SF. Depending on the selected existing facility and site, the completed facility could exceed 30,000 SF. The desired school areas are: general purpose classrooms – 850 to 900 square feet (SF); multi-purpose science and art classrooms – 900 to 1,000 SF; computer classrooms – approximately 750 SF, but may be reduced if the LRC is also used as a computer classroom; multi-purpose room [to include a heat and serve kitchen] – 2,000 to 4,000 SF; student commons – 1,500 SF to 2,000 SF or more; and learning resource center – 1,100 SF or more. Support areas should include a principal's office at least 175 SF; individual offices of at least 100 SF; a conference room of at least 250 SF; a teachers' lounge; and a teachers' breakout work area. The administrative offices must be centrally located to monitor and allow access into the school and must be provided with security cameras and alarms systems to safeguard students and staff.

The school's layout will likely be similar to that utilized for the floor plans of the newly remodeled NAS-Lakewood school or Las Cruces School. (See Appendix 6: concept floor plan; the covers of the facilities brochure for the NAS-Lakewood school and the NAS-Las Cruces school are also provided as Appendices 3 and 4; the complete brochures, which include floor plans, are available upon request.) This facility layout allows for excellent security, controlled access, and convenient traffic flow between academic

---

[1] NAS-Phoenix anticipates reaching this enrollment cap by our fifth year of operation, steadily growing enrollment each year from our first year projections of 185 FTE.

[2] The NAS-Phoenix full day/night class schedule not only allows our working students to attend school, but allows NAS to construct its school facilities far more economically than traditionally-scheduled schools with a similar sized student body.

areas, administrative areas and commons areas: After entering the school, students and visitors first encounter an administrative reception area and offices. Passed the administrative offices, visitors will access the student commons. This is a gathering place for NAS students to meet during breaks and is furnished with computer kiosks, informal displays, flat screens and comfortable furniture. Off the student commons, in a separate area, the general purpose, science, art and computer classrooms are located. This minimizes traffic and noise disruptions, and allows for easy access between classrooms. Also off the student commons are general use facilities for students and staff. These include:

- The Learning Resource Center [LRC]. The LRC contains hard and electronic copies of resource materials to support the NAS curriculum. The LRC may also be used as an additional computer classroom.
- Multi-Purpose Room. The multi-purpose room functions as a cafeteria and as such has a heat and serve kitchen and an area for students to eat breakfasts and lunches. The room also serves as an area for large assemblies and meetings. Additionally, the multi-purpose room is used for athletic activities such as basketball, volleyball, weight training, etc. – although it is not normally sized for regulation athletic competitions. If a regulation high school basketball court is provided, the size of the multi-purpose room will be increased by several thousand square feet.
- Conference Room. This is used for staff and students for small meetings, to plan events and to work on student and staff projects.
- Staff Lounge and Teacher Breakout Work Area. The staff lounge is equipped with a refrigerator, microwave, and sink/wash area for staff to take breaks and to have their meals [note: the NAS schedule allows for two daily teaching schedules]. The teacher breakout area allows for teachers to work on plans and projects outside of their classroom and provides copiers and supplies to support these activities.

b) Available facilities within target location

The New America School-Phoenix will be a destination school, attracting under-served students from throughout the Phoenix Union High School District attendance boundaries who need support in acquiring English language proficiency to complete credits toward earning a high school diploma. NAS-Phoenix will look to locate its facility within these boundaries in an area in which a high concentration of our target population resides.

Exhaustive research will inform this decision. For example, after researching the boundaries of the Phoenix Union High School District, pulling economic data on the zip codes that are located within the district and analyzing both charter and public schools serving predominantly the 9-12 grade levels within the surrounding area, the East Camelback/East Village/Celebrity Theater area of East Phoenix (within the boundaries of the Phoenix Union High School District) has been identified as a potential location for the new campus. The specific "targeted area" within this area would include the following zip codes: 85006, 85008, 85016, 85018, and 85034. Although we would seek students from within the entire Phoenix Union High School District, the search area of the potential school location includes the following: E. Osborn Road just South of East Indian School Road to the North; North 48th Street to the East; E. Washington Street to the South; and North 3rd Street to the West (see Appendix 5).

East Phoenix is comprised of 45.93 square miles, with a population of 157,430. The population density in this area is 3,427.61people per square mile, as compared to the City of Phoenix as a whole with 3,095 people per square mile. 25.4% of the population within this area has less than a high school level education, as compared to Phoenix as a whole, with approximately 20%. An estimated 18% or 28,350 people, ages 3 years and older, are enrolled in K-12 schools. 40.76% percent of the population is living below the poverty level, compared to 23% of all Phoenix residents. There is no Phoenix Union High School in the target area and high school age students are served by North High, Camelback High, and

Central High schools. There are 3 elementary districts: Creighton, Balsz, and Wilson. These districts serve a total enrollment of 10,077 students. The schools that serve only the high school grade-levels enroll 6,755 students. These same schools have a Hispanic enrollment of 74.72%, as compared to the City of Phoenix percentage of 42%.

The East Phoenix/Camelback option meets another of the NAS-Phoenix site selection criteria: The location should afford students and staff easy access to Phoenix's public transportation system (a projected population of 75% or greater free and reduced lunch eligible students correlates highly with a need for access to public transportation). The Valley Metro public transportation system has a number of bus routes that intersect the targeted area that run North, South, East, and West and stretch far beyond the boundaries of the Phoenix Union High School District and the targeted area.

The East Phoenix school site is by no means the only potential location within the Phoenix Union High School District attendance boundaries for the New America School-Phoenix campus. Other promising areas include but are not limited to the areas falling within the boundaries of the Balsz and Wilson Elementary School Districts. Also the neighborhoods near 44th Street and McDowell, for example, are home to many African and Burmese refugees. NAS-Phoenix will conduct similar research into these and other locations before determining a final location for the school.

The New America School has had extensive recent experience obtaining and remodeling facilities to meet our Facilities Guidelines and Specifications. These include the NAS-Lakewood, Colorado school in July, 2011; the NAS-Las Cruces, New Mexico school in July, 2012; and the NAS-Thornton, Colorado school in December, 2013.

The NAS-Phoenix Governing Council has engaged a very reputable real estate broker who has worked with many charter schools to identify and secure school facilities to help locate a suitable site within the targeted geographic location. He has developed a preliminary list of sites that meet the square-footage requirements and which can be remodeled according to the *New America School Facilities Guidelines and Specifications* and will be developing site lists for other potential locations. The preliminary list includes the following sites (see Appendix 5):

- 3024 East Fillmore Street – this is a 2.26 acre site with two 2010 buildings – 4,300 SF Administration and 14,000 SF Multipurpose buildings. It was a former charter school constructed in 2010 and should be current in all codes. The administration building provides all desired administrative requirements without any remodel. The multi-purpose building provides a regulation high school gymnasium court, a heat and service kitchen, a cafeteria area [after very minimum remodel], ample restroom facilities for the school, and an unfinished second floor which could accommodate a Phase II classroom expansion. New construction of classrooms, commons and LRC [approximately 14,540 SF] could efficiently connect the existing two buildings. This would result in a facility of 32,840 SF. *This facility site currently is the NAS-Phoenix's preferred site and a concept floor plan for our proposed school, following our guidelines as much as practicable, is attached as Appendix 6. The asking price for this facility is $1,400,000.00.*
- 3644 East McDowell Road – the 2-story facility is 25,242 SF. The facility was constructed in 1975 and has several code issues to include no fire alarm system, no fire protection sprinkler system, ADA compliance [no elevator and access issues], non-compliant stairways, potential asbestos and mold issues, and other issues. It has three Valley Metro Bus stops within walking distance, including connection to light rail. It would require fairly extensive interior demolition to accommodate a school. If the NAS preferred site is not available when we are ready to secure a facility, *this facility site has potential for NAS-Phoenix. A concept floor plan for our proposed school, following our guidelines as much as practicable, is attached as Appendix 8. The asking price for this facility is $1,520,000.00.*

- 2500 North 24th Street – the facility is 2-story with a ground floor of 28,054 SF with 22 covered parking spaces and more exterior spaces should be available. It is located on a bus route and next to four major freeways. It would require fairly extensive interior demolition to accommodate a school. The asking price for this facility is $2,805,400.00.
- 4410 East McDowell Road – the facility is located in a shopping center. It is one-floor with 29,995 SF available and a total parking area of 405 free surface parking spaces. It is located on a bus line. The published lease rate is $435,800 annually.
- 1500 East Thomas Road – the facility is a one/two-story Class C Office type. It has 43,751 SF available and 198 free surface parking spaces. The published lease rate is $331,100 annually.
- 800 West Adams – this is an office building and complex with ample area available for rent, 28,340 SF. Additionally it has ample parking to meet NAS requirements. It has direct access to the light rail system. The published lease rate is $585,000 annually.

c) Timeframe for securing an appropriate facility

The New America School-Phoenix has been actively searching for a site which facility[s] can be remodeled and/or support new construction to meet the NAS facility requirements. As noted in subsection b) we have a preferred site and another potential site if the preferred site is not available when we are ready to secure a facility. As shown in the project schedule, if both facilities should become unavailable, based on our experience of building four other schools we will have time to identify another facility. Prior to obtaining a facility, it should then take no more than six weeks to perform due diligence. Then it should take no more than four weeks to negotiate a contract. Approximately four weeks prior to the expected signing of a lease or purchase agreement, discussions and negotiations with a design and a construction firm would occur. The purchase of the property (or signing the facility lease), the signing of the design contract and the signing of the construction contract cannot occur until the charter is approved in mid-December. Working with the landlord or acting as the new owner, the New America School-Phoenix would have the construction firm provide pre-construction support to the design firm. The design should take no more than eight weeks. After obtaining required permits, actual construction activities would begin and should take approximately three months. This would allow the school to have a minimum of three weeks to occupy the facility and be ready for classes on August 1, 2016. A copy of the project schedule is attached as Appendix 1.

d) Cost associated with securing a facility

The NAS operational consultants who are working with the NAS-Phoenix Governing Council facility committee are very familiar with the costs associated with securing and remodeling school facilities to bring them to E occupancy standards. Having remodeled buildings for four NAS school facilities located in Colorado and New Mexico, NAS has relied on ensuring that each school facility not only follows the Educational Specifications outlined by NAS but also those required by State facility fire/life/safety and educational specifications. NAS provides detailed project management as the "owner's representative" to the contractor selected by the building's owner to complete the necessary Tenant Improvements to receive a Certificate of Occupancy the meets E occupancy requirements.

Our currently preferred site is 3024 East Fillmore Street. While the facility may not be available at the time we are ready to secure a facility; it represents the current market environment in our target area and as such, will be used for budgeting purposes for this application. Our analysis and initial cost estimates to ready this facility for our occupancy is approximately $4,200,000. This is based on our experience, discussions with construction contractors, our architect and RS Means 2015, the nationally recognized publication for construction cost estimating. Included in this cost are purchase of the property, design, construction management, actual facility construction/renovation, required exterior improvements [drainage, parking, lighting, landscaping], IT and security wiring and infrastructure, all required permits

and jurisdiction and third party inspections. If our preferred facility becomes unavailable, and another facility is selected, we will use the same methodology to determine our cost. Attachment 7 provides our initial cost estimate for this site.

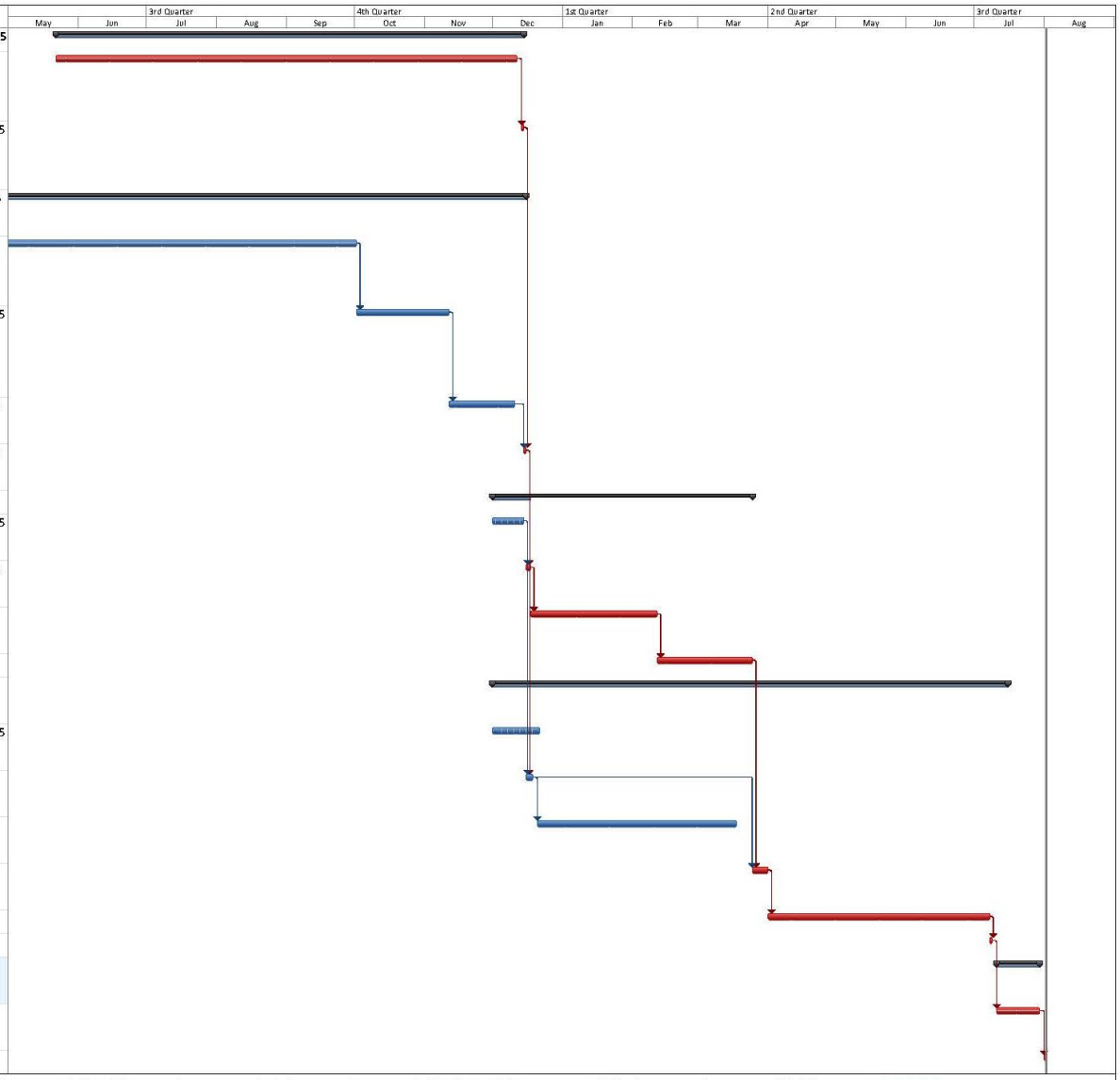
e) Financial arrangements that have been made for securing a facility

NAS has worked with and received leases from several national charter school facility funding corporations that included the costs of tenant improvements (TI). Organizations such as RAZA, Charter School Development Corporation, Resources for Children and Youth, Charter Stone Capital have all funded NAS schools by purchasing the building, performing necessary TI, and then leasing back the facility over 15 to 30 year operating leases. These organizations have expressed interest in investing in the NAS school in Phoenix and this is NAS' preferred approach to facility financing. As such, for the purposes of planning, the budget assumes the terms described above. Preliminary discussions with potential lenders indicate a willingness to offer a phased amortization period of 30 years with a 7% interest rate. For the first three years, the cap on facility payments would be 20% of revenue with the remainder rolled into the remaining 27 years of the amortization period.

Appendices:

1. NAS-Phoenix Initial Schedule
2. Cover - New America School Facilities Guidelines and Specifications
3. Cover - The New America School Lakewood Campus Brochure
4. Cover – The New America School Las Cruces Campus Brochure
5. Map of NAS Phoenix Area of Interest – School Sites
6. Concept Floor Plan – 3024 East Fillmore Street
7. Initial Facility Cost Estimate – 3024 East Fillmore Street
8. Concept Floor Plan - 3644 East McDowell Road

ID	Task Mode	Task Name	Duration	Start	Finish
1		**Obtain School Charter**	**147 days**	**Fri 5/22/15**	**Mon 12/14/15**
2		School Charter Application Reviewed	146 days	Fri 5/22/15	Fri 12/11/15
3		AZ State Board [for Charter Schools] Meeting	1 day	Mon 12/14/15	Mon 12/14/15
4		**Locate & Obtain Suitable Facility**	**173 days**	**Fri 4/17/15**	**Tue 12/15/15**
5		Continue Search/Locate Suitable Facility	120 days	Fri 4/17/15	Thu 10/1/15
6		Perform Due Diligence to include Environmental [from Landlord]	29 days	Fri 10/2/15	Wed 11/11/15
7		Negotiate Lease/Buy & RenovationAgreement	21 days	Thu 11/12/15	Thu 12/10/15
8		Sign Lease or Purchase Agreement	1 day	Tue 12/15/15	Tue 12/15/15
9		**Design Period**	**83 days**	**Tue 12/1/15**	**Thu 3/24/16**
10		Interview/Confirm Design Firm	10 days	Tue 12/1/15	Mon 12/14/15
11		Sign Design Agreement	2 days	Wed 12/16/15	Thu 12/17/15
12		Design Period	40 days	Fri 12/18/15	Thu 2/11/16
13		Permit Review	30 days	Fri 2/12/16	Thu 3/24/16
14		**Construction Period**	**164 days**	**Tue 12/1/15**	**Fri 7/15/16**
15		Interview/Confirm Construction Firm	15 days	Tue 12/1/15	Mon 12/21/15
16		Sign Construction Agreement	3 days	Wed 12/16/15	Fri 12/18/15
17		Pre-Construction Activities	64 days	Mon 12/21/15	Thu 3/17/16
18		Construction Mobilization	5 days	Fri 3/25/16	Thu 3/31/16
19		Construction Period	70 days	Fri 4/1/16	Thu 7/7/16
20		TCO/CO Issued	1 day	Fri 7/8/16	Fri 7/8/16
21		**Occupy Facility**	**15 days**	**Mon 7/11/16**	**Fri 7/29/16**
22		Occupy/Move into Facility	15 days	Mon 7/11/16	Fri 7/29/16
23		School Begins	1 day	Mon 8/1/16	Mon 8/1/16

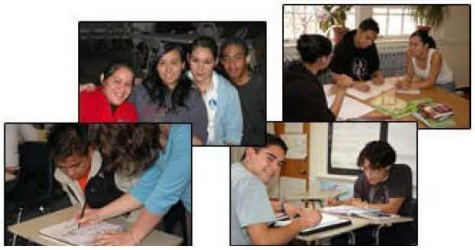


Project: Rev 02-23-2015 NAS Pho
Date: Mon 2/23/15

Task | Split | Milestone | Summary | Project Summary | External Tasks | External Milestone | Inactive Task | Inactive Milestone | Inactive Summary | Manual Task | Duration-only | Manual Summary Rollup | Manual Summary | Start-only | Finish-only | Deadline | Critical | Critical Split | Progress

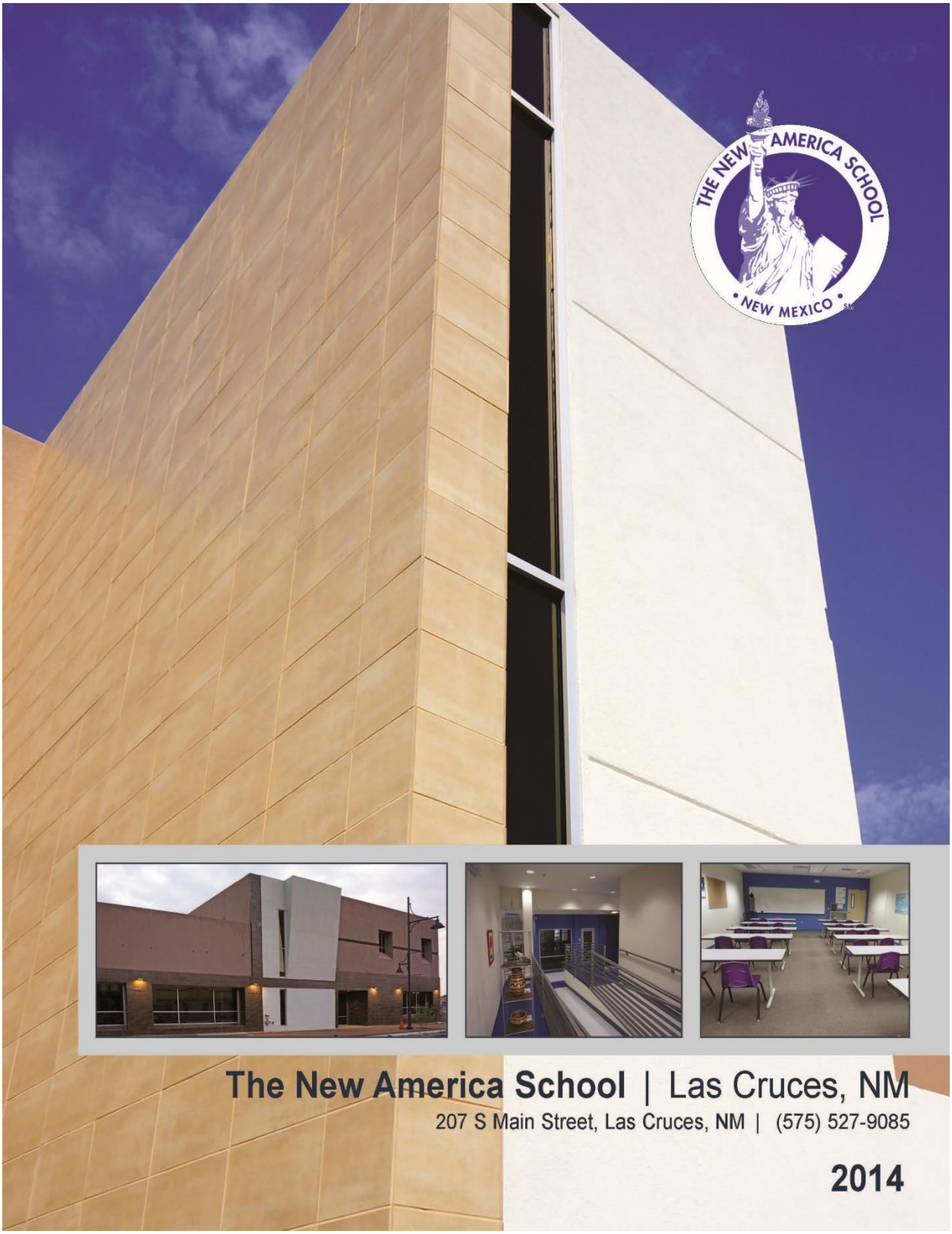
Page 1

New America School Facilities Guidelines and Specifications 2014



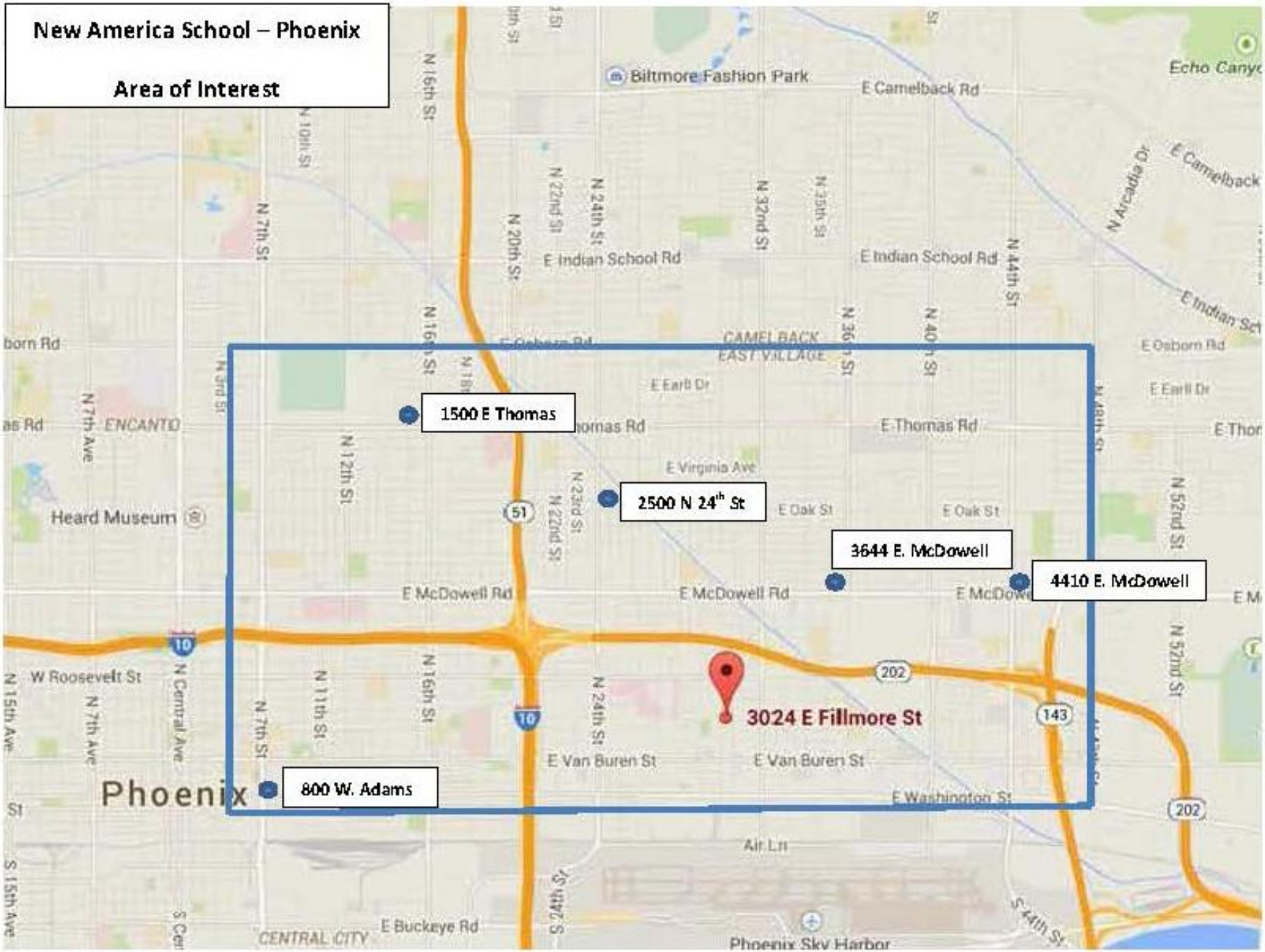
The New America School
Lakewood Campus
5806 W Alameda Ave
Lakewood, CO, 80226

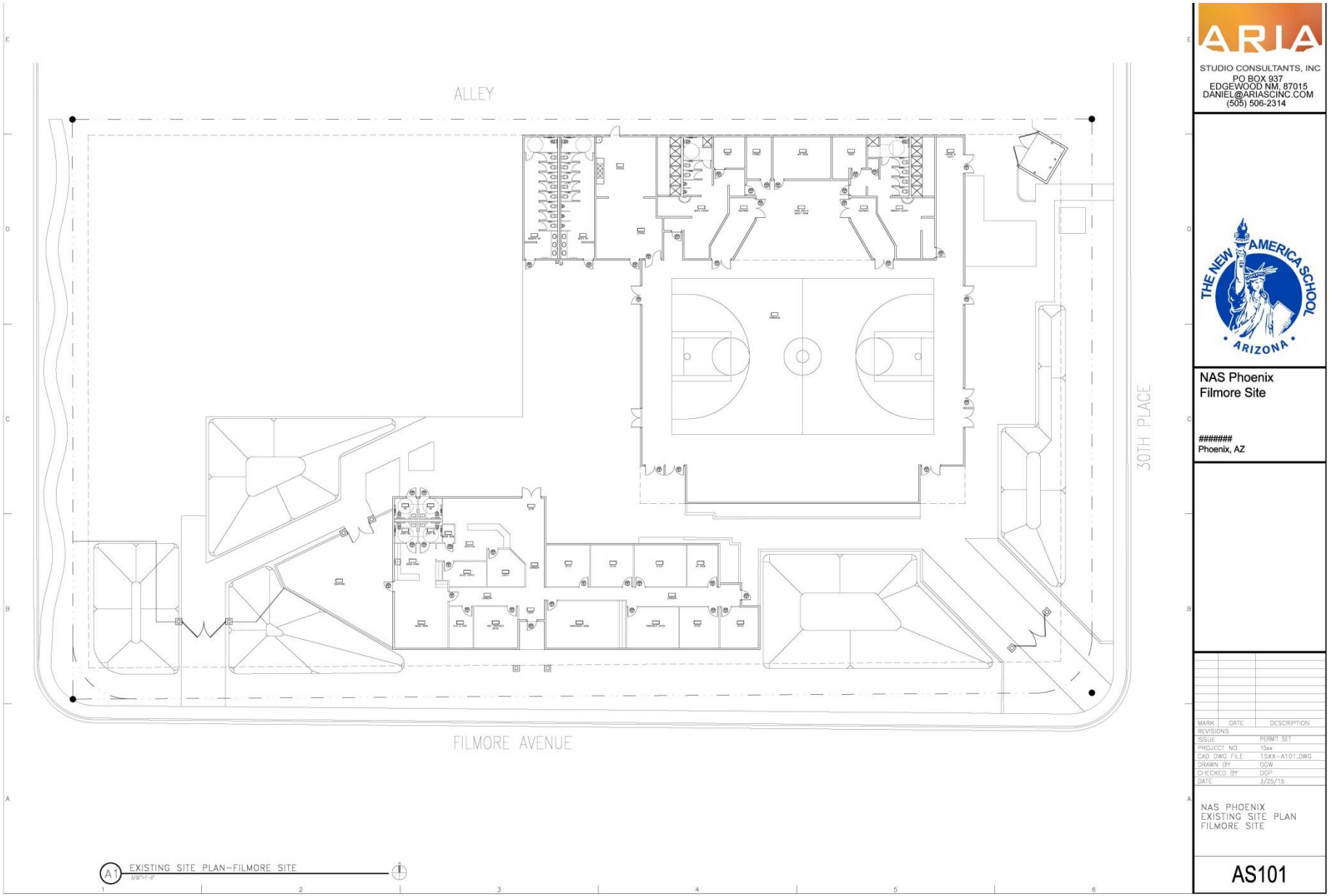
2014

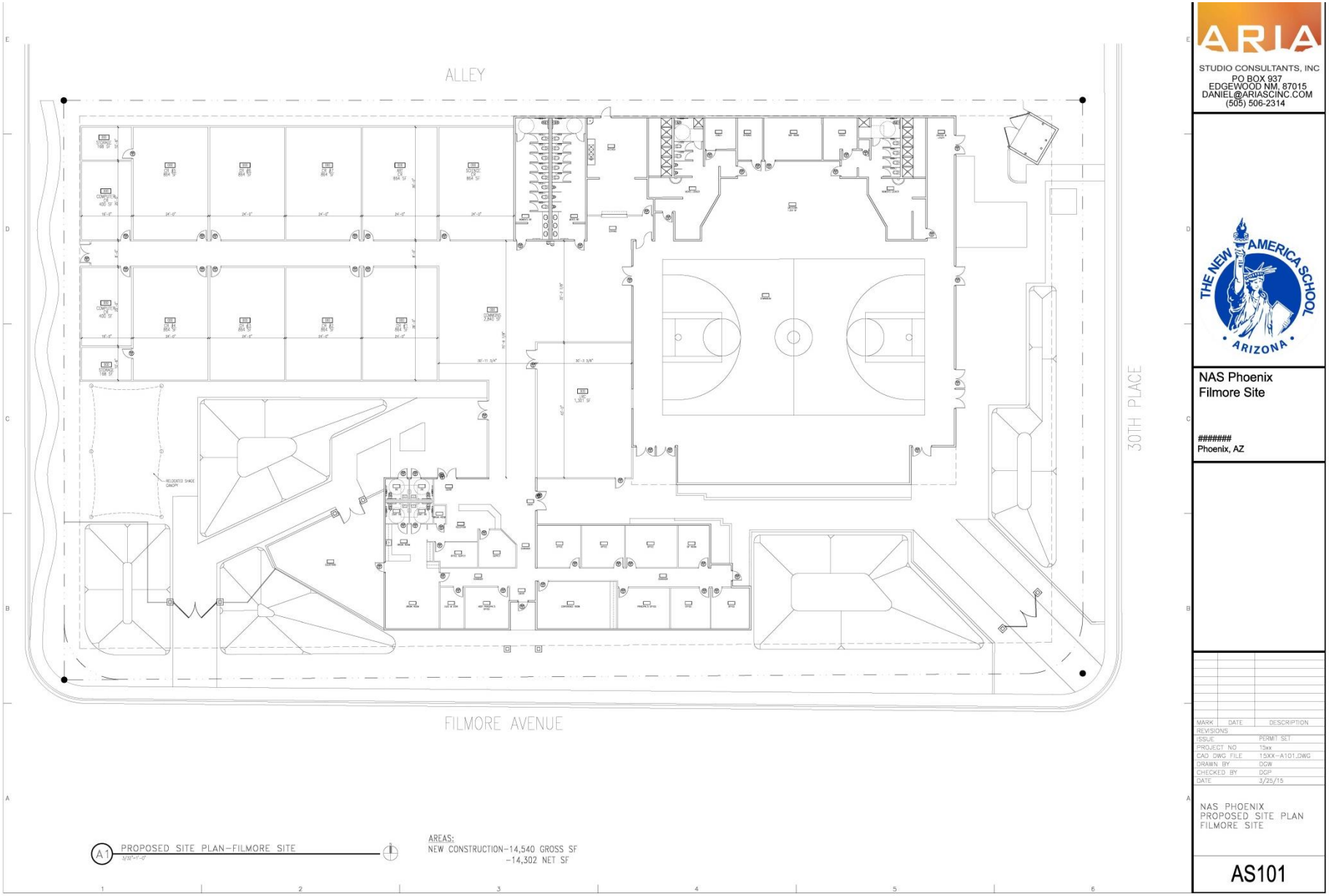

THE NEW AMERICA SCHOOL
NEW MEXICO
The New America School | Las Cruces, NM
207 S Main Street, Las Cruces, NM | (575) 527-9085
2014

New America School – Phoenix

Area of Interest




ALLEY
30TH PLACE
FILMORE AVENUE
A1 EXISTING SITE PLAN-FILMORE SITE
ARIA
STUDIO CONSULTANTS, INC
PO BOX 937
EDGEWOOD NM 87015
DANIEL@ARIASCINC.COM
(505) 506-2314
THE NEW AMERICA SCHOOL
ARIZONA
NAS Phoenix
Filmore Site
########
Phoenix, AZ
MARK DATE DESCRIPTION
REVISIONS
ISSUE PERMIT SET
PROJECT NO. 15xx
CAD DWG FILE 15XX-A101.DWG
DRAWN BY DGW
CHECKED BY DGP
DATE 3/25/15
NAS PHOENIX
EXISTING SITE PLAN
FILMORE SITE
AS101


ALLEY
30TH PLACE
FILMORE AVENUE
A1 PROPOSED SITE PLAN–FILMORE SITE
AREAS:
NEW CONSTRUCTION–14,540 GROSS SF
–14,302 NET SF
ARIA
STUDIO CONSULTANTS, INC
PO BOX 937
EDGEWOOD NM, 87015
DANIEL@ARIASCINC.COM
(505) 506-2314
THE NEW AMERICA SCHOOL
ARIZONA
NAS Phoenix
Filmore Site
#######
Phoenix, AZ
MARK DATE DESCRIPTION
REVISIONS
ISSUE PERMIT SET
PROJECT NO 15xx
CAD DWG FILE 15XX–A101.DWG
DRAWN BY DGW
CHECKED BY DGP
DATE 3/25/15
NAS PHOENIX
PROPOSED SITE PLAN
FILMORE SITE
AS101

April 6, 2015

Subject: Initial Facility Cost Estimate – 3024 East Fillmore St, Phoenix, AZ

References:

1. RMS Means 2015.
2. Concept Site/Floor Plan by Aria Studio Consultants.
3. Informal discussions with some general contractors.

Assumptions/Facts:

1. The lot to be acquired is 3024 East Fillmore St, Phoenix, AZ
2. The new lot has facilities constructed in 2010 to include:
   a. Multi-Purpose facility of 18,3000 SF which includes a full size high school basketball court, a stage area [which could be used as a dining area], a heat and serve kitchen, an MDF, rest room fixtures [which can support both the Multi-Purpose facility and proposed new school construction] and a mezzanine which could provide a Phase II general classroom expansion.
   b. An Administrative building of 4,300 SF which includes a reception area, several offices, an MDF, a conference room, a teacher breakout area, a staff lounge [to include a kitchen] and four restrooms.
   c. The 2010 constructed facilities meet current codes and have two addresses and two potable water feeds with backflow double check valves. The Multi-Purpose facility has adequate water capacity to support the proposed new school construction.
   d. There are no environmental issues due to the recent facilities construction.
3. Per the concept plan, new construction will be 14,540 SF and include a Student Commons, an LRC [which will also be used as a computer lab], one multi-purpose classroom – science, one multi-purpose classroom – art, two computer labs, and seven general purpose classrooms.
4. New FFE requirements and cost are <u>not</u> included in this estimate.

Cost Estimates:

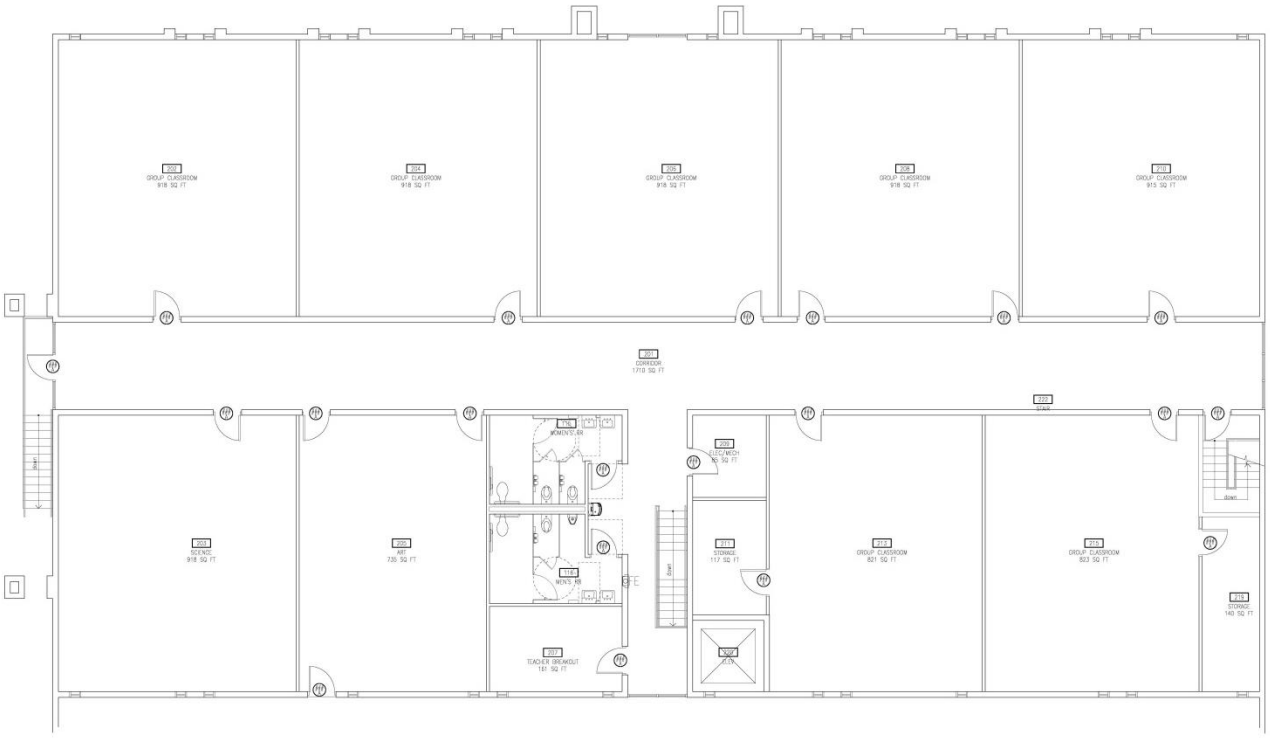
1. New Construction. The new construction concept plan, most nearly resembles "Schools – Vocational."
   a. The mean unit cost of this type is $143/SF. As there is minimal plumbing in the new facility, the mean plumbing cost of $9.35/SF should be reduced to $1.35 thereby reducing the mean unit cost to $135/SF.
   b. The mean unit cost should be adjusted by multiplying the mean unit cost x 1.1 [square foot project size modifier] x .881 [City Cost Index] = $130.9/SF.

c. The Student Commons [and LRC] [4,640 SF] will be approximately 1 ½ stories [additional 6'] to allow for elevated ceiling. This additional cost would be $8.8/CF x 1.1 x .881 x 4,640 SF x 6 FT= $237,475.

2. Remodel Costs. There are minimal remodeling costs. In addition to Construction Related and Other Building costs, these include:
   a. Administrative Building TI. Two new entry double doors will be added to the reception area and the existing entry door removed to provide entry into the new construction.
   b. Multipurpose Building. Walls between the new construction [Student Commons] and kitchen will be removed and storage room walls on the sides of the stage [new dining area will be removed.
   c. Exterior. New building signage will be added, landscaping cleaned up, detention area [1] redone with new lining and the parking restriped to meet ADA.

Item	SF or CF/Scope	Unit Cost	Total Cost
Construction			
New Building	14,540	$130.90	$1,903,286
Expanded Ceiling [Student Commons & LRC]	27,840	$8.53	$237,475
TI Admin Bldg	LS	$10,000.00	$10,000
Demo/TI Multipurpose Bldg	LS	$25,000.00	$25,000
Exterior - address sign, landscaping, detention, parking stripe	LS	$30,000.00	$30,000
Subtotal			**$2,205,761**
Construction Related			
Design [% of construction]	6%		$132,346
Permit [$7,201 - $1 Mil; + $4 x each $1,000	$7,201	$4,823.04	$12,024
Productivity & Unknown Contingency	10%		$235,013
Total Building			**$2,585,144**
Other			
IT	LS		$70,000
Security - incl cameras, access	LS		$65,000
Owner's Representative	LS		$55,000
Locks/Keys	LS		$7,500
Subtotal			**$197,500**
Property Purchase [Asking $1,400,000]			**$1,400,000**
Grand Total			**$4,182,644**

M. Langley
303.961.4241



A1 SECOND FLOOR PLAN – OPTION 2: ADA BATH
3/16"=1'-0"