

Philadelphia Charter Schools and the Authorizing Quality Initiative

**Presentation to the School Reform Commission
Thursday, March 20, 2014**

Presentation Objective: To outline the School District of Philadelphia's efforts to strengthen its charter school authorizing practices, with the ultimate goal of ensuring that all charter schools in Philadelphia are high quality schools.

Overview

- **86 “brick and mortar” charter schools** in Philadelphia serving over 60,000 students
- **20 Renaissance charter schools** operate in former District-run schools
- **Cyber charter schools** (authorized by the State) serve an additional over 6,000 students
- Overall, ~**35%** of Philadelphia public school students attend charter schools

Philadelphia charter sector

Strengths

- Strong **academic performance** among some traditional charter schools
- Strong **turnaround results** from Renaissance charter schools
- A number of charter schools are serving as **models of innovation**
- Many charter schools provide families with a greater sense of **safety**

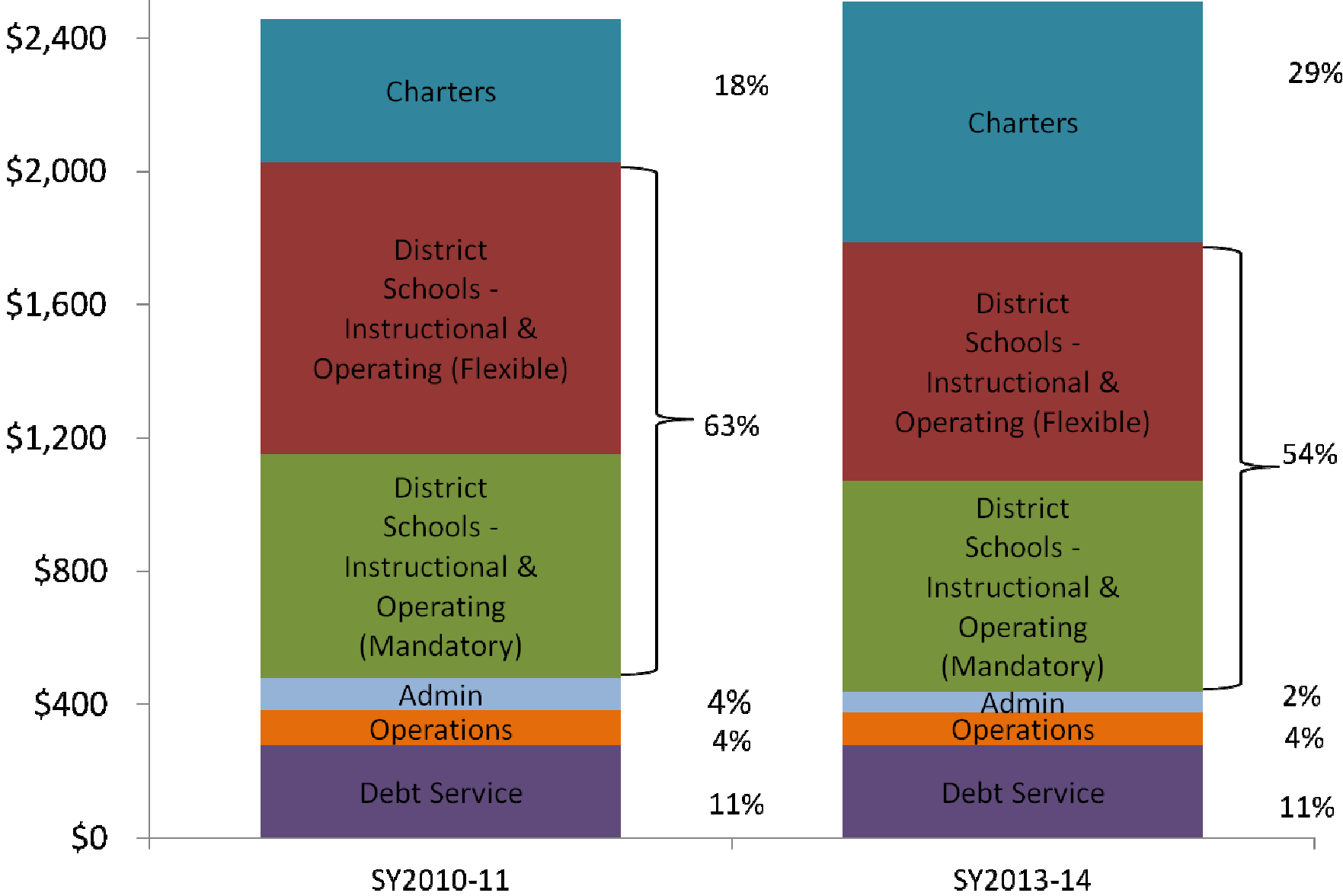
Philadelphia charter sector

Challenges

- **Variability** in performance
- Uneven **admissions and student retention** procedures and practices
- Inadequate programs to support **IEP and ELL** students
- In some instances, inappropriate use or stewardship of **public funding**

In addition, there are structural financial challenges

SY2010-11 Actuals Compared to SY2013-14 Budgeted



District Response: The Authorizing Quality Initiative

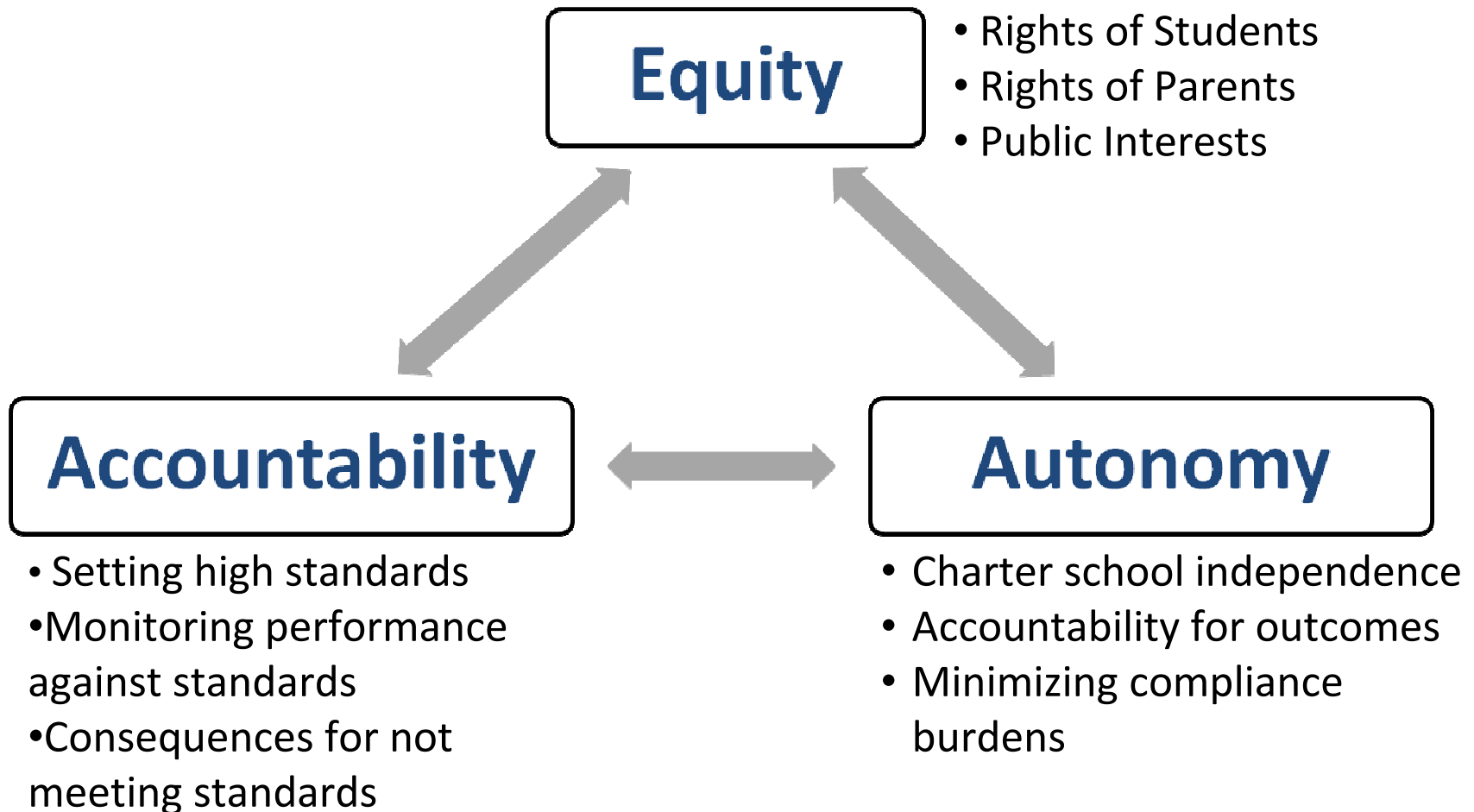
Goals

- Improve the quality, clarity, transparency, and consistency of the District's charter school **authorizing practices**
- Ensure all charter school options are **high-quality options**
- Allow the SRC to manage its limited budget in a way that promotes **fairness for all** Philadelphia's public school families

Outcomes

- Revised **SRC policies**
- **Measurable performance standards** on academic, organizational and financial performance
- Ongoing and consistent **monitoring** of schools
- System of **non-compliance/under-performance notification**

The Authorizing Quality Initiative is guided by three principles



AQI timeline

	1. SRC Charter School Policies	2. Standards Development	3. Procedures Development	4. Implementation
Outcomes	Revised SRC Policy	Performance Framework Standards	Procedures for the SRC and CSO	Applications, rubrics, charter agreements, and monitoring tools
Approximate Timeline	Ongoing to April 2014	Ongoing to June 2014	February 2014 to October 2014	Ongoing to October 2014

Stakeholder and community engagement

- Launched in November 2012 with research and review of national best practices
- Working group meetings in Summer 2013 with District and charter leaders to discuss standards
- 30 follow-up meetings in Fall 2013 to review policy and standards questions
- Draft charter policies made available for public comment in February 2013; the CSO received over 40 formal submissions

Proposed Charter School Policies

Policy	Content
Introduction (400)	Describes the mission, vision and approach to the SRC's authorizing policy
Charter Schools Office (401)	Outlines responsibilities and guidelines for the SRC's authorizing unit
New Applications (402)	Sets forth standards and procedures to establish new charter schools
Signed Charter Policy (403)	Requirements for charter agreements between District and charter schools
Monitoring (404)	Framework to provide schools and the public with annual performance data and assessments

Proposed Charter School Policies (continued)

Policy	Content
Renewal (405)	Standards and procedures to renew charter agreements
Non Renewal and Revocation (405A)	Establishes grounds and procedures for nonrenewal proceedings
Modifications (406)	Standards and procedures to modify a charter agreement
Renaissance Charter Schools (407)	Objectives, guidelines and procedures for the Renaissance Charter Schools Initiative
Barriers to Entry (408)	Requires monitoring to ensure equal access and treatment of students in charter schools

Next steps

- Incorporate public comments and feedback into policy recommendations
- Recommend policies to SRC for vote as early as April
- Finalize draft standards for consideration by SRC
- Continue development of revamped procedures based on new policies

Sale of School District Properties

Public Meeting of the School Reform
Commission

March 20, 2014

The School District of Philadelphia

Dr. William R. Hite, Superintendent



Summary

- The surplus sales policy and process was modified in August 2013 to expedite the sale of District buildings and provide greater flexibility on disposition techniques.
- The District launched a Real Estate Property Listings Website to publicize 7 properties immediately available for sale, a portfolio sale of all properties and accept expressions of interest on remaining buildings. The website received over 10,000 page views and 4,000 unique visitors.
- The properties chosen for sale were based on high level of interest, strong market viability and were expedited in accordance with the Adaptive Sale and Reuse policy.
- The District hired the Philadelphia Industrial Development Corporation (PIDC) and Binswanger Company to administer the sales process and provide expertise in evaluating proposals.



Summary

- Five community meetings were held to inform the public about the building sales process and how to provide feedback and comments.
- The District Administration has submitted five resolutions for consideration by the School Reform Commission (SRC) recommending acceptance of offers for 7 properties.



Sale of Surplus Property- Process at a Glance

2013

2014

JUN	AUG	NOV	DEC	JAN	FEB	MAR	APR
<ul style="list-style-type: none"> School buildings closed 	<ul style="list-style-type: none"> SRC adopted Adaptive Sale and Reuse Policy 	<ul style="list-style-type: none"> Real Property Website Launched RFQ and EOI released 	<ul style="list-style-type: none"> RFQ/EOI deadline SRC approves contracts with PIDC & Binswanger Advisory Group formed 	<ul style="list-style-type: none"> Proposals reviewed Buyers interviewed by Advisory Group Community meetings begin Finalists chosen & asked to submit another round of offers 	<ul style="list-style-type: none"> Deadline for final offers Finalists notified of accepted offers Community meetings conclude 	<ul style="list-style-type: none"> Negotiations on Agreement of Sale SRC Action on proposed sales Buyers begin due diligence 	<ul style="list-style-type: none"> RFP released for next round of properties

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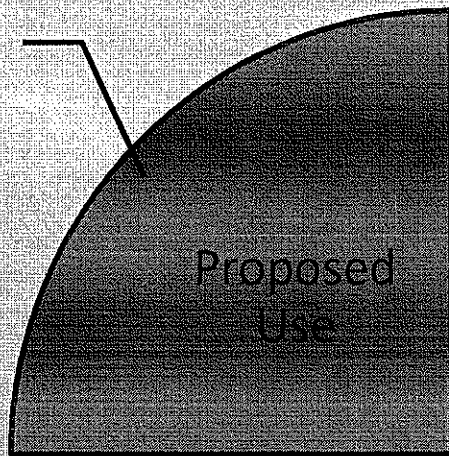
Adaptive Sale and Reuse Policy

- In response to the anticipated closure of District schools, the SRC created and adopted a new Adaptive Sale and Reuse Policy to guide decisions on the sale of school buildings in June 2011.
 - Policy applied to the District's current surplus properties and those facilities that would become vacant following votes on school closures
 - Twelve (12) properties were listed for sale by brokers. Single offers to purchase received on most properties. Closing on some sales still pending.
- The policy was revised and adopted in August 2013 to provide greater flexibility on sale techniques based on market value and reflect a partnership with the City via the Office of the Mayor and Office of the Deputy Mayor for Economic Development in disposition of properties.
 - Following adoption of the revised policy, a Request for Qualifications (RFQ) was issued for properties with high level of interests and high marketability
 - Seven (7) properties listed for sale. All properties receive multiple offers.
- **Revised policy has shortened sales process by approximately 8-9 months**

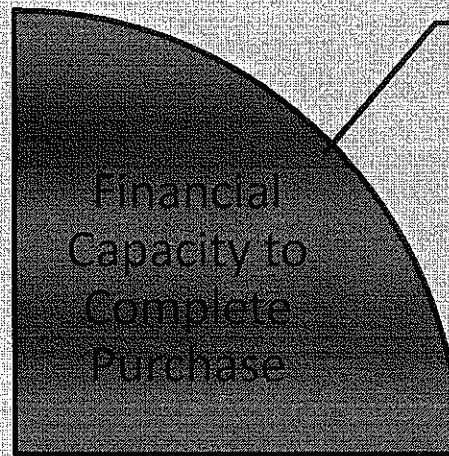


Four Criteria Used to Evaluate Offers and Select Finalists

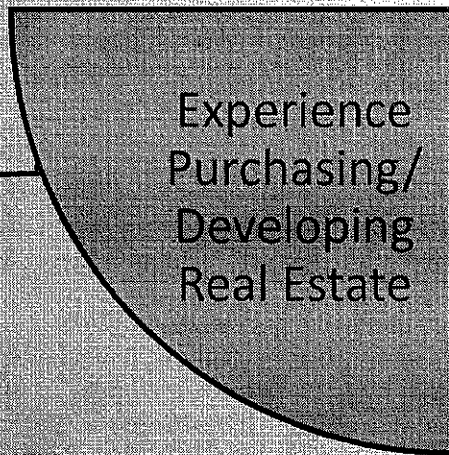
To identify the buyer's vision for redevelopment of the property



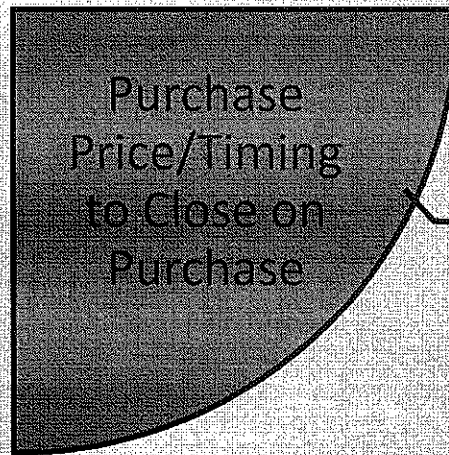
To identify the buyer's ability to obtain financing necessary to purchase the property and complete development



To identify the buyer's previous experience completing similar projects



To assess the value of the buyer's offer and the effect of any contingencies on timing and likelihood of closing



Opportunity Offered for Public Comment and Feedback

Community Meetings

- Five Community Meetings were held on **Jan 29, Feb 6, Feb 10, Feb 11 & Feb 26**
- Written comments were accepted by e-mail at sdpproperties@philasd.org

SRC Action Meetings

- Members of the public can testify at the School Reform Commission (SRC) Action Meetings on **Thursday, February 20th** and **Thursday, March 20th**

City Zoning Process

- The Philadelphia Zoning Law outlines the process for a zoning applicant to notify and meeting with Registered Community Organizations (RCO) and nearby residents to discuss the proposed development when the proposal requires a special exception or variance.

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Multiple offers received on each Property. The value of the final offers accepted total \$35.8M. Net proceeds are estimated at \$25.8M.

Name of Property	Proposed Buyer	Purchase Price	Proposed Use
University City HS Drew ES Walnut Center 36 th and Filbert Sts	Drexel University	\$25.15M	Mixed use including residential, office, retail, lab and education spaces
Stephen Douglas HS 2700 E. Huntingdon St.	Maritime Charter School	\$2.1M	Educational
A. Wilson ES 1300 S. 46 th St	Orens Brothers	\$4.5M	Mixed use including residential and commercial
Shaw MS 5400 Warrington Ave	Mastery Charter Schools Foundation	\$2.7M	Educational
Harrison ES 3921 N. 5 th Street	Independence Mission Schools	\$1.365M	Educational

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Next Steps

- District negotiates and enters into Agreements of Sale with buyers for the properties
- Buyers begin due diligence period and investigation of properties
- District staff is pursuing closings on each property by June 2014

