Grow Smart, Grow Strong: Florida Charter Strategies for Facilities, Finance, and Community Impact

Florida Charter Conference

2025

Agenda

Introductions

Who we are and what we do

Assessing Readiness for Expansion

Responsible Financing

School Perspective

Babcock Neighborhood Schools

Establishing Strong Partnerships

Panel Discussion

Today's Presenters

Dru Damico

President Real Estate

Building Hope

Lauren Allen

Senior Director, Business Development

Building Hope

Wes Olsen

Managing Director

Raymond James

Shannon Treece

Executive Director

Babcock Schools

Building Hope


Let's start putting the plan together

Getting Your House in Order

Before launching on the path to secure significant debt or financing from a third party, we recommend schools assess their organizational health by reviewing their school's performance against a common set of underwriting criteria used to assess the risk profile of an applicant.

Preparing these details will allow you to hit the ground running when trying to secure financing for your facility.

Academic Results

Sustainable Enrollment

Board Buy-In

Leadership & Board Bios

Strong 5-Year Financial Model

Assessing Charter Finance Health

Building Hope

Academic Results

The primary mission of a school is student learning.

Therefore, evaluating students' performance through proficiency and growth measures is crucial in understanding a school's risk profile. This assessment aids in deciding the school's readiness for undertaking a significant facility project.

Proficiency

What % of students are proficient? How does the school compare to similar schools? Are growth outcomes consistent among all subgroups?

Growth

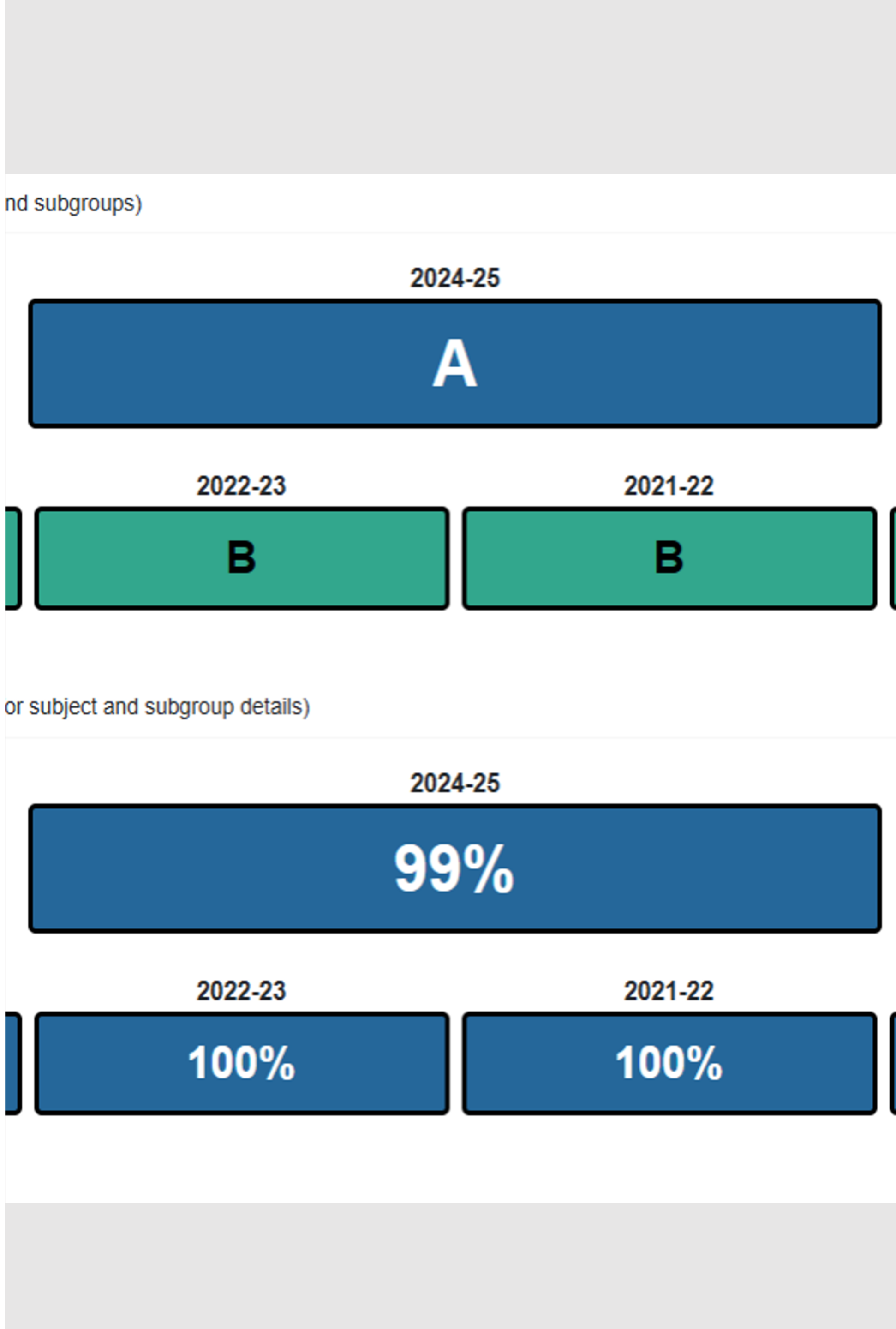
How did students perform learning against their growth goals? Are growth outcomes consistent among all subgroups?

College Readiness Indicators

Graduation Rate, ACT, SAT, AP Enrollment, AP Pass Rates

Trend Data

How have outcomes/growth improved for all students and across subgroups over the past 3-5 years?



Building Hope

Ensuring Your Enrollment Pathway is Sustainable

Meet Enrollment Targets

Contingency Plans if Enrollment Targets Missed

Waitlist to Demonstrate Ability to Grow

Outlining a Growth Plan & Strategy

Leadership Overview

Board-Buy

Having your board informed and participate in the facility plans, pathway, affordability can help prevent future issues with approvals.

Establishing a facility committee can be instrumental.

Leadership Bio

Establishing the experience of your leadership team can illustrate how your growth will be successful long-term.

Board Bios

Having a well-rounded board with experience will show lenders that you will have trusted partners supporting your project through the facility and financing pathway.

Boards should have, at minimum, members with education, business, legal, and financial backgrounds.

Building Hope

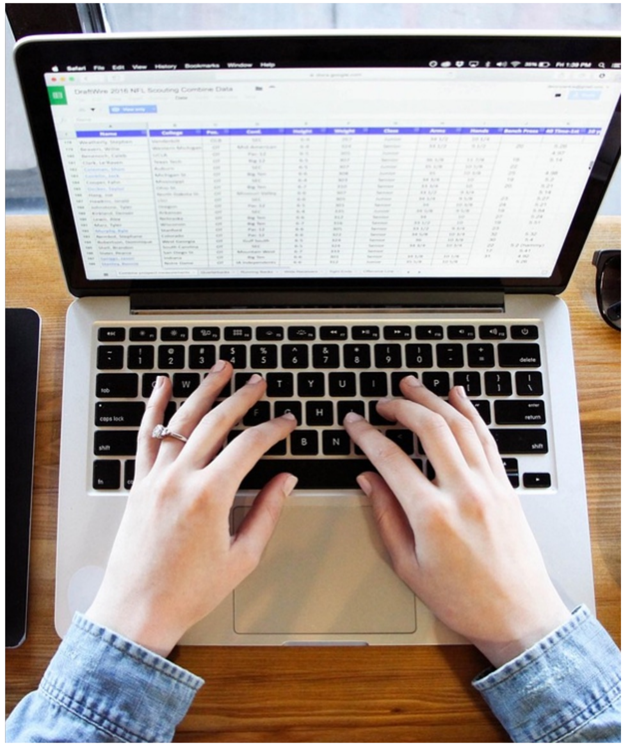
5-Year Financial Projections

A strong 5-year model is an essential first step to financial planning for a facility. It outlines where you are and where you plan to go financially. This document will help you understand what you can afford now and later

1 **Do you have substantial days cash on hand?**

2 **Does your model include all assumptions?**

3 **Essential Components included: Enrollment forecast, projected revenue and expenses, contingency planning.**




You need trusted partners with expertise so that you can focus on teaching & learning.

Align your budget with your needs.

1. Create a facility budget.
2. Identify priorities & site delivery deadline.
3. Define site criteria.
4. Invest your board.
5. Select your facility finance path.
6. Hire experts based on the chosen path.

Building Hope

Facility Financing | Balance Timing & Options

	Year 0-3 Launch & Grow	Year 3-5 Stabilize	Year 5+ Codify Model
Facility Needs	Start up Space Rent or Lease	Renovation or New Construction Path to a Permanent Facility	Grow Existing Site Expand or Replicate
Financing Options	Short-Term Bridge Loan Cash Flow	Traditional Lending New Market Tax Credits Real Estate Developer (lease to own) Bond Financing	Traditional Lending New Market Tax Credits Real Estate Developer (Lease to own) Bond Financing

Building Hope

Facility Financing Options

Short Term Financing	8.5 %+	**Developer Full Scale | Lease to Purchase** No money upfront from the school; developer assumes risk & provides upfront equity to acquire the land/building and develop the facility; delayed purchase option helps school build a path to ownership
	6% +	**Financing Only | CDFI & Non-Profit Funds** No equity upfront from the school; the school acquires the site and leads the facility development and construction process; An FA is encouraged to facilitate the process and consider staff capacity to manage the day-today project
	6% +	**Traditional Loan | Commercial Bank** 20-30% Equity required upfront; typically not an option for early stage charter schools
Long Term Financing	6% +	**Tax Exempt Bonds** School Hires a financial advisor (FA) to put together the financial modeling and package to take to the bond market; fixed rate over 30+ years

Building Hope

Avoiding Financial Pitfalls in Growth Planning

Don’t Grow Without a Clear Financial Model

Don’t Over-Leverage or Overbuild

Don’t Neglect Cash Flow & Timing

Don’t Ignore Covenant & Compliance Risks

Learning from Experience

Babcock Schools: Project Based Learning Environment

Mission: Growing World Changers

Vision: To design meaningful learning experiences that: develop effective communicators, resilient learners, and global citizens to become tremendous Trailblazers.

Founded	2017
Grades	K-8
Current Enrollment	1,391
Number of Buildings	2
Percentage of Student Growth from 2017	796.55%

Recent Accolades

- Earned "A" School Grade SY24-25
- Cognia Accreditation Achieved (2023)
- Cambridge AICE Approved (2019)

Niche Ratings "Niche Rating A-

- #11 Best K-12 Public Charter Schools in FL
- #1 Best Public Elementary School in Charlotte County
- #1 Best Public Middle School in Charlotte County
- #2 Best Public High School in Charlotte County

Building Hope

Babcock's Facility Pathway

2017

Babcock Neighborhood School Opens

150 Students & leased facility. Began pathway for new/permanent facility in November

2018

Opened New K-8 Facility (42,430 SF)

Started New Facility Planning

2020

Remodeled K-8 Facility

Excessive Growth: added 6 modulars, remodel a few classroom spaces, and closed in outdoor gym space.

2021

Planning & Designing Babcock High School (45,870 SF)

BHS New Facility, Ground-up Build

2022

Babcock High School Opens

New Facility opens, but due to increased enrollment in K-8, Middle School is housed in BHS

2023

Babcock Neighborhood School Expansion Project Begins

Due to continued enrollment, BNS needs an expansion to accommodate K-5 growth and grades 6-8, as the HS has reached capacity.

2025

Babcock Neighborhood School Expansion Project Begins

62,423 SF with 4,999 SF Arts.
BNS opens 40-classroom expansion and Performing Arts Center

Building Hope

Building Community Partnerships to Leverage Facilities

Problem to solve: Urgent Need Gym, Cafeteria, Stage & Sports Complex

Issues from a lack of communal spaces

Loss of students due to programming of extracurricular activities

Need space for Food Service due to exponential student growth

Engage early and often with developer or other potential partners

Developer: Space and Concurrency for growth

Align Partnerships with mutually beneficial opportunities

HOA, Community Needs, Workforce Development

Maintain Transparent Communication

Consistent progress updates to keep community informed and engaged

Celebrate Success

Publicly recognize partners, showcase student outcomes

Building Hope

Lessons Learned

Find a Trusted Partner

A partner who understands the market, your mission and the needs of a charter school

Create Priorities

Create a list of must have and nice to haves. Financial constraints will always force cuts so make sure you know what is most important for your model.

Be Involved

Create a staff model that allows you or someone on your team to be involved throughout the process.

Advocate For What You Want

Speak up about things that you want or areas that you think need to be adjusted.

Expect Challenges

No project is perfect, and always challenges arise that are unforeseen. Get ready to be flexible.

Building Hope

Panel Discussion

Contact Us

Lauren Allen

lallen@bhope.org

Dru Damico

ddamico@bhope.org

Wes Olson

Wes.Olson@raymondjames.comsh

Shannon Treece

streece@babcockneighborhoodschool.org

Building Hope