



February 27, 2015

MEMORANDUM

To: Members of the Board of Trustees

From: Susan Miller Barker, Executive Director, SUNY Charter Schools Institute

Subject: Brooklyn Dreams Charter School Lease Payments and Science Curriculum

Lease Payments

During the February 3, 2015 Charter Schools Committee meeting, the Committee requested more information regarding the lease agreement and renovation costs to the facility for Brooklyn Dreams Charter School ("Brooklyn Dreams"). Brooklyn Dreams and its management company, National Heritage Academies, Inc. ("NHA") supplied the Institute with supporting documentation as follows.

- The Master Lease is between St. Rose of Lima's Roman Catholic Church ("St. Rose") and NHA dated January 1, 2010 for a 20 year term expiring June 30, 2030, with two 10 year renewal options through 2050. The annual base rent escalates over time per a schedule in the lease starting at approximately \$260k and ending at approximately \$700k.
- From inception in 2010 through June 30, 2015, rental payments from NHA to St. Rose will total \$1,861,773.
- Facility renovation projects in 2010 funded by NHA totaled \$21,587,089, and were more than expected.
- Rental payments from Brooklyn Dreams to NHA through June 30, 2015 will total \$11,904,265 at an annual rent of approximately \$2,364,900 pursuant to a Lease dated June 9, 2010 through June 30, 2015 that will be renewed for a one year period because the school did not notify NHA of a non-renewal 180 day prior to that date. Renewals are available on a one year basis.

Per SUNY Charter Schools Institute calculations, to date payments to NHA from Brooklyn Dreams cover approximately \$10,042,492 (or 46.5%) of NHA's investment in renovation costs over the five year period of the school's lease after satisfying the St. Rose base rent.

The charter renewal application contained a budget projecting flat annual lease payments to NHA in the amount of approximately \$2,364,900 over the next three-year charter term.

The Brooklyn Dreams board has engaged an independent consultant to analyze the school's rent in relation to the market in a manner similar to the SUNY authorized Brooklyn Excelsior Charter School board (also managed by NHA) to aid in future lease negotiations.

Science Curriculum

Also during the February 3, 2015 Charter Schools Committee meeting, the Committee requested more information regarding the science curriculum used by Brooklyn Dreams. By way of background, NHA, per the management agreement, chooses commercial curricular materials for Brooklyn Dreams. The school leadership team, and ultimately teachers, has the ability to adjust these materials to meet the specific academic needs of students. The school uses the following commercial curriculum materials in the areas of ELA and mathematics: Reading Street; Holt Literature; Think Math; enVision Math; Math Expressions; and, Big Ideas (middle school mathematics).

Particularly in the area of science, the school uses the Elementary and Intermediate Level Science Core Curricula from the New York State Education Department ("NYSED") for both elementary and middle school students, respectively. Brooklyn Dreams sent the SUNY Charter Schools Institute (the "Institute") exhibits from these commercial materials including year-long-plans, vocabulary lists and scoring scales. The school supplements these materials with other commercial curricular materials including Delta Education LLC's FOSS Science Kits for grades K-6 and Pearson Education, Inc. textbooks for Physical, Life and Earth Science in the middle grades. Several schools in the Institute's portfolio use many of the above-referenced programs. Also, through Institute review of submitted documents and professional interaction with the listed programs through evaluation of other schools in the SUNY's portfolio, the Institute has found no reference to Creationism mentioned in these materials. The NYSED curriculum the school specifically sent as a part of its renewal application and pre-visit curriculum documents also contain no signs of Creationism in the science vocabulary or pacing documents. While interviewing the staff and board of Brooklyn Dreams during the renewal visit, there was no sign, including through classroom observations, that lessons included any additional and/or inappropriate content regarding Creationism.