

**Delaware Design-Lab High School
Minutes of the Board of Directors**

December 18, 2013
6:30 p.m.

Mobius New Media
818 N. Market St., Suite 2R
Wilmington, DE 19801

Members Present:

Matt Urban, Chair; Paul Miller; Vice Chair; Iris Leon, Secretary; Rebecca Girten

Others Present:

Dr. Cristina Alvarez, CEO, Delaware Design-Lab High School
Dr. Martin Rayala, CAO, Delaware Design-Lab High School

The meeting was called to order at 7:15 p.m.

Minute Approval

The Board approved draft minutes from the November 20, 2013 meeting that were circulated for review in advance of the meeting. Mr. Miller moved to approve the minutes from the November 20th meeting with no changes. Ms. Girten seconded the motion and the motion was unanimously carried.

RESOLVED, that the minutes from the November 20, 2013 meeting of the Board of Directors of Delaware Design-Lab High School are approved as presented in the meeting.

CEO Report

Dr. Alvarez noted that one day prior, December 19th, marked the one year anniversary of the initial meeting of the Board and thanked Board members for their service over the last year.

Fundraising

Dr. Alvarez reminded the Board that the Longwood Foundation had approved a \$250,000 grant with a \$150,000 challenge. She stated that no additional grants to other foundations had been submitted but that Capaldi Reynolds researched and has furnished a list of prospective foundations. Dr. Alvarez stated that it would be prudent to apply to as many foundations as possible. Mr. Urban stated that he has worked with a professional grant writer who works on contingency and that he would contact her to inquire about her scope of services.

Dr. Alvarez asked how else the School could raise money. Dr. Alvarez stated that the School was in serious need of raising money and urged the Board to be more proactive in making personal contributions and in identifying and soliciting individual prospects. Mr. Urban stated that he is confident that several of his personal prospects would become donors, but that it would take some time to cultivate and solicit them.

Dr. Alvarez stated that she approached The Reinvestment Fund (TRF) to inquire about a bridge loan for facilities and other costs associated with the start-up years. She stated that their loan application and approval process would take several months. She stated that she also recently learned about the Charter School Development Corporation (CSDC). She stated that CSDC is a nonprofit and Community Development Financial Institution that grants loans specifically to charter schools in start-up for facilities and other financing needs. She stated that they seem to work faster than TRF. She stated that one of their products is a line of credit for up to \$500,000 that can be used, if needed, to fund first year's rent. She noted that the repayment timeframe would be short if the line of credit was used. The Board agreed that Dr. Alvarez should continue researching financing options through The Reinvestment Fund and the Charter School Development Corporation.

Mr. Urban stated that the Board should start planning the cultivation event on January 22, 2014, as discussed at the last meeting. He stated that he would confirm that a space in The Grand would be available on that day.

Dr. Alvarez stated that space is also needed for information sessions. Mr Urban stated that the sessions could be hosted in his office at Mobius. Ms. Girten stated that she could also inquire about using conference rooms in the Community Services Building, where her office is located.

Mr. Urban stated that the next steps for fundraising would be to host the next cultivation event and for Board members to continue cultivating their personal prospects.

Mr. Urban also asked the Board to make a personal contribution at a level that is meaningful to them by year end. He stated that having 100% board participation is important and that it can be promoted on the website and in conversation with prospects. Mr. Urban presented Dr. Alvarez with two checks totally \$1,000 as his 2013 contribution.

Facilities

Dr. Alvarez stated that a lease for 1000 North French Street had not been drawn up and that, to her knowledge, there was no agreement of sale between Bank of America and Haverford Properties, LLC. She stated that the lease is contingent upon the agreement of sale and it was unknown when the sale would be finalized. She stated that this delay is problematic as it leaves the School without a final arrangement for a building at a critical time in the start-up year. She stated that the DOE required notice of facilities plans on December 15th and that, at the recommendation of Mr. John Carwell, she submitted a request for more time by the deadline. She stated that in addition to the timeframe, it is possible that Haverford and the School would not come to an agreement on lease terms due to the School's financial position. She stated that the School does not have funds to cover the down payment that would likely be required by Haverford.

Dr. Alvarez asked the Board to consider 519 North Market Street in light of the position with 1000 North French. She stated that 519 North Market Street is the only available property where

the terms could be negotiated. She reminded the Board that a letter of intent was drawn, but not submitted, for 519 N. Market some months prior and that a lease could be executed quickly. She further reminded the Board that the space was not large enough to accommodate the students after the first two years. She stated that the terms would have to be negotiated so that there was an option to terminate the lease after two years. She stated that in terms of finances, 519 North Market was more affordable at approximately \$34,000 per month, as opposed to \$49,000 plus utilities (\$54,000 total) for 1000 North French.

Discussion ensued. The Board agreed that 519 North Market was not ideal because of space constraints, but that it was the only viable option available. The Board agreed that

Dr. Alvarez stated that there is a signed Letter of Intent for 1000 North French Street and that she was awaiting a draft lease agreement. She stated that David Wagstaff at Capaldi Reynolds was working on financial projections that Haverford Properties will need to negotiate the lease terms. She stated that the terms would likely require a down payment equivalent to three months' rent, which would be approximately \$150,000. She stated that fundraising is critical at this stage since the down payment would likely be due at lease signing.

Dr. Alvarez stated that 519 N. Market St. is still under consideration at the recommendation of real estate broker, Gregg D'Ascanio, as it was prudent to keep several options open until a space is finally secured.

Start-Up Plan

Dr. Alvarez stated that she was having difficulty securing Directors and Officers Insurance because the School was still in start-up. Mr. Urban stated that he could speak with someone he knows who works in insurance. Ms. Girten stated that she could ask Gateway Lab School who they used in their start-up year.

Marketing & Recruitment

Dr. Alvarez stated that she will be representing the School at the Charter School Expo hosted by the Delaware Charter School Network on November 23, 2013. She stated that she has information packets and applications for prospective students and parents as well as information packets for prospective teachers.

Dr. Alvarez asked for advice on how to further publicize the School. Discussion about promoting the School through social media, press releases, and media contacts ensued. Mr. Miller suggested making a presentation to the Rotary Club of Wilmington at one of their monthly meetings.

Mr. Urban requested that a report on the School's website traffic become a routine update to the Board at meetings. Dr. Alvarez stated that she would speak with AYC Media about how to furnish that data.

Fundraising

Mr. Urban stated that he planned to reach out to the Board to request a personal contribution to the School before the end of the year. He stated that the Board should aim for 100% participation.

Ms. Coleman left the meeting at 7:50 p.m.

Mr. Urban suggested hosting a series of cultivation and fundraising events similar to the Pepper-Hamilton event. He stated that the Grand Opera House would likely allow the School use of one of their lobbies as event space. He stated that he also had a connection with a local restaurant to arrange catering. Discussion ensued. The Board agreed to hold the following dates for cultivation events: January 22, 2014; March 26, 2014; and May 28, 2014.

There being no further business, Mr. Miller motioned to adjourn the meeting. Ms. Leon seconded the motion and the motion was unanimously carried.

The meeting adjourned at 8:25 p.m.



Iris Leon
Secretary