

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

August 28, 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; Roxanne Sykes, Treasurer; 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

Minute Approval

The Board approved draft minutes from the July 25, 2013 meeting that were circulated for review in advance of the meeting. Ms. Sykes moved to approve the minutes with no changes. Ms. Girten seconded the motion and the motion was unanimously carried.

RESOLVED, that the minutes from the July 25, 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 she received the formal charter approval letter with associated requirements from the State Department of Education. The letter was signed by Secretary of Education, Mark Murphy.

Dr. Alvarez stated that a requirement was to execute a performance agreement between the school and the State of Delaware. She asked the Board to consider the performance agreement that was provided by the State. The Board agreed that the agreement was satisfactory and Mr. Urban agreed to sign it as Board Chair. Ms. Girten made a motion to approve and execute the performance agreement. Mr. Miller seconded the motion and the motion was unanimously carried.

RESOLVED, that the Board of Directors of Delaware Design-Lab High School approve of and agree to execute the performance agreement with the State of Delaware.

Finance

Dr. Alvarez stated that she was working with David Atherton to assist with filing an application to the IRS for 501(c)(3) status. She noted that Mr. Atherton is not a lawyer but a charter consultant with expertise in school budgets and school start-ups. Dr. Alvarez stated that the goal

is to submit the filing by the end of September and that she intended to have a lawyer review the application before it is filed.

Dr. Alvarez stated that it would be useful to explore a variety of financing options, beyond fundraising and future enrollment revenue from the State of Delaware. She stated that she is working with Gregg D'Ascanio from Blackmore Realty Group to broker a conversation with The Reinvestment Fund (TRF). Dr. Alvarez stated that TRF is a community development financial institution that is based in Philadelphia and specializes in lending to nonprofit institutions. She stated that she plans to approach TRF with the assistance of Mr. D'Ascanio to learn more about their services and discuss a potential relationship with the School.

The Board agreed that it would be prudent to consider alternative funding sources and that it would be a good idea to learn more about TRF.

Facilities

Dr. Alvarez stated that the option to rent 627 Market Street owned by Buccini/Pollin, as previously discussed by the Board, was no longer viable. She stated that the owners were not willing to negotiate on any of the terms of the agreement. She stated that given the School's physical needs and current finances, the School is not positioned to meet Buccini/Pollin's terms and therefore needs to consider additional options.

Dr. Alvarez stated that Mr. D'Ascanio has advised the School to consider several facilities options simultaneously. Dr. Alvarez stated that Mr. D'Ascanio identified two other buildings available in downtown Wilmington and asked the Board to consider:

519 N. Market Street, Landlord: CCAC, approximately 25,000 square feet

Dr. Alvarez stated that 519 N. Market Street is currently leased by Kuumba Elementary Charter School but that they are vacating by June 15, 2014 to move to the Community Education Building. She stated that the positives are that the landlords are accustomed to dealing with charter schools, the terms are good, the rent would be reasonable, and minimum restoration would be needed. Dr. Alvarez stated that the chief negative was that the space is too small to fully accommodate a high school. She stated that the current tenant rents space from local organizations for some activities, such as using the Salvation Army for gym at \$10,000 per year. She stated that 519 N. Market Street is approximately 20,000 square feet too small and that the School would outgrow the space in two years, necessitating a move to a different facility.

1000 N. French Street, Landlord: MBNA, approximately 42,000 square feet

Dr. Alvarez stated that 1000 N. French Street is for sale at \$3.5 million. She stated that the space was a bit small, but was designed in a way that could accommodate the School's needs. She stated that the back loading area could be converted to a cafeteria. Dr. Alvarez stated that Gregg D'Ascanio proposed finding an investor to purchase and develop the property who would then lease it to the School. She stated that Mr. D'Ascanio had already showed the property to a pair of investors. She stated that she and Mr. D'Ascanio would discuss the idea with The Reinvestment Fund, including the feasibility of the School purchasing the property outright with outside financing. She stated that Mr. D'Ascanio is also looking into the status of air rights, which could allow the School to build up if needed.

The Board agreed that 1000 N. French Street sounded more promising and asked Dr. Alvarez to continue working with Mr. D'Ascanio to research both options.

Fundraising

Dr. Alvarez stated that Pepper-Hamilton selected October 16th as the date for the fundraising event they have offered to host on behalf of the school. Ms. Girten noted that she had a conflict that evening and would be unable to attend.

Dr. Alvarez stated that she contracted Lori Hamilton of Hamilton Virtual Business Solutions to help with the logistics and planning of the event. Discussion about the planning of the event ensued.

Board Expansion

Mr. Urban stated he spoke with Dr. Sherry Coleman, as discussed and agreed to in the last meeting. He stated that Dr. Coleman expressed interest in serving as a member of the Board. The Board agreed that Dr. Coleman would be a fitting addition to the Board and agreed to vote on her appointment. Mr. Miller made a motion to appoint Dr. Coleman to the Board. Ms. Sykes seconded the motion and the motion was unanimously carried.

RESOLVED, the Board of Directors of the Delaware Design-Lab High School approves the appointment of Dr. Sherry Coleman to the Board of Directors of the Delaware Design-Lab High School.

Start-Up Update

Dr. Alvarez stated that she aimed to have an updated recruitment and marketing plan by the next meeting. She stated that she was expecting a proposal from Maurice Pritchett & Associates to arrange and execute recruitment events for the School.

Committee Updates

Information Technology

Ms. Sykes stated that she was researching infrastructure consultants for setting up back-end platforms, such as computer suites. She stated that she was also researching two potential technology suppliers.

Fundraising

Ms. Leon stated that she would continue researching local foundations and set-up meetings with program officers to identify foundations who are the best fit for the School.

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

The meeting adjourned at 8:40 p.m.

Iris Leon
Secretary