



Odyssey Charter School

Nurturing a Lifelong Love of Learning

Dr. Nick T. Manolakos *Headmaster*

February 10, 2016

Mr. David Blowman
Chairperson - Charter School Accountability Committee
Department of Education
The Townsend Building
401 Federal Street, Suite 2
Dover, DE 19901-3639

Dear Mr. Blowman,

This is in response to the Charter School Accountability Committee's (CSAC) Initial Report, issued on January 29, 2016, regarding Odyssey Charter School's Minor Modification Application submitted at year-end 2015.

Although the report did not request any additional information of the school, on behalf of the Board and our financial advisors, we would like to take this opportunity to provide clarifications regarding details included in the original application but not explored at the first CSAC meeting held on January 26, 2016. This is a result of the Major Modification submitted by Academia Antonia Alonso at the end of January, requesting approval for a change of location from the Community Education Building (CEB) to Building 26 at Odyssey's Barley Mill school campus.

We would like to highlight the following points:

1. The Odyssey Minor Modification projections include a net revenue stream from a first tenant starting in July of 2016. This amount is for \$300,000. In conversations with Academia Antonia Alonso (La Academia) we indicated, and they included in their Major Modification budget, that rent would be \$10/SF triple net (NNN). Odyssey will be leasing 40,000 SF to La Academia during their first year of operation at our campus, generating \$400,000 in revenues for our school. All operating expenses for the building would be assumed by La Academia. For our projections, we assumed that Odyssey would incur some \$100,000 in site operating expenses in support of the new tenant being on-site.
2. Our facilities team has already begun discussions with the school's construction team that worked on the fit-out of Building 22, currently housing our 4th – 8th grade classes, to assess timing and costs for the fit-out of Building 26. We have concluded that, as in the case of Building 22, we can successfully deliver the building to La Academia in the summer of 2016.
3. We are working with La Academia's Board to develop a Letter of Intent between the parties, and then start Lease Agreement discussions as soon as their Major Modification is approved by the State Board of Education in mid-April.

In light of the above, we believe that this is a strong opportunity that will benefit both schools, and that, at this, time, Odyssey has included the impact of having La Academia as a tenant in the projections originally presented to CSAC.

Sincerely,

Mick Manolakos
Head of School

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