



Washington Charter School Facilities Fund

Fueling Charter School Spaces in Washington State

Introduction

Since the passing of the Washington Public Charter Schools Initiative in 2012, the state's burgeoning public charter schools have sought to create opportunities and improve outcomes for all children. Yet despite the high-quality, tailored education they provide, charter schools face ongoing challenges in accessing equitable state funding and securing adequate facilities to meet their needs over time. Below, we have outlined an innovative new fund that upgrades and expands public charter school facilities in Washington State to ensure they have affordable, permanent spaces to grow.

Disparities in School Funding and Facilities in Washington State

Creating opportunities for all children in Washington State—regardless of their race, ethnicity, income, or gender—starts with building an equitable education system. Since the first site opened in 2014, the public charter school sector has emerged to help fill academic gaps, with a particular focus on historically under-resourced communities and students of color, students experiencing poverty, and students with disabilities.

Like district-run schools, charter schools are public schools, open to all students, tuition-free, and staffed by certified teachers. Privately run by nonprofits, they are publicly funded and have more autonomy than traditional district schools to customize their curricula to the specific needs of their students. Critically, public charter schools are designed to serve a higher percentage of underserved students statewide and have three-times as many teachers from the communities they serve.

Yet since the passing of the Washington Charter School Initiative, charter schools have faced challenges. A lack of equal funding means that charter public schools in Washington receive significantly less public support than traditional school districts—between \$1,550 to \$3,000 less per student—because they are not eligible for local property tax levy funds. With enrollment up by 35% this year, charters need more equitable state funding.

Additionally, as Washington's public charter schools continue to prove their value academically, they need access to cost-effective facilities and expertise that can accommodate their transition from the start-up phase as they scale enrollment and classroom capacity. Very few turn-key solutions exist, and the improvement costs to bring a facility into compliance are unaffordable for most schools.

Without equitable access to funding and adequate spaces that support their growth, Washington's public charter schools will remain constrained in their ability to meet the needs—and growth demands—of the communities they serve. This resource gap will deepen disparities in education outcomes across the state.



What does the public charter school landscape look like in Washington State?

Charter schools first opened in Washington state in 2014. Today, there are 17 charter public schools in operation, serving more than 4,700 students statewide. Several schools are authorized to open in the next few years to reach hundreds more. Fifty-nine percent of charter students are from the global majority, and 90% of schools provide inclusive education for students with disabilities.



INNOVATING ACCESS AND EQUITY FOR THE CHARTER ECOSYSTEM

FINANCING LONG-TERM, AFFORDABLE CHARTER SCHOOL FACILITIES

The Facilities Fund is a new financing model launched by not-for-profit full-service real estate development firm, Washington Charter School Development (WCSD), in collaboration with the Bill & Melinda Gates Foundation. The Fund will provide loans and charitable grants to support the acquisition and development of long-term, affordable facilities for the state's charter public schools, increasing access to capital for a broader number of schools in communities that need it most.

How It Works

A key success factor—and challenge—for schools is to have an adequate facility space available before they open. To address the lack of appropriate start-up spaces for charter schools, WCSD launched a new affordable development model. WCSD helps find commercial property owners and negotiates long-term leases and lower rent up front, which ramps up over time as enrollment increases. Schools that are already authorized will apply for support of their new facility and expansion projects. If they repay their loan, those funds will be recycled back to WCSD and used to support other schools, creating a sustainable pool of funding that continues to improve the charter ecosystem.

With WCSD's skilled, experienced staff working alongside administrators, schools can start operating in facilities that accommodate their expansion, reducing the risk and significant costs of outgrowing a space.

Anticipated Impact

Ultimately, WCSD's Facilities Fund will address a critical need for schools that seek to open and expand their operations and classroom capacity over time. The loans provided will be structured to remain affordable and still be repaid within five years, building the school's stability and credit history while recycling resources efficiently. This capital will also signal a new precedent in Washington State to level the playing field in providing fair, equitable access to funding for new and emerging schools.

With solution-oriented sector expertise, WCSD's commitment to working with charter schools and forging collaborative relationships will change the landscape of what it means to create affordable, sustainable school facilities. This project will help build the field by empowering operators and industry partners to address access issues together, supporting the ecosystem and ensuring positive outcomes for students.

What the WA Facilities Fund Will Accomplish

With the \$12.5 million WA Facilities Fund, WCSD seeks to help improve and expand facilities in 2022-2025, addressing a market gap for up to 10 projects by upgrading three or four facilities per year. It is estimated that up to \$250,000 in charitable grants and up to \$1 million in low-cost loan support is required to complete each project. Each new permanent seat will cost a maximum of \$7,500—less than half the cost per seat of previous financing models. Once fully realized, the Fund will support the creation of up to 2,750 new TK-12 seats, scaling the impact of public charter schools statewide.

Learn More at [washingtoncharter.org](https://www.washingtoncharter.org)