FREQUENTLY ASKED QUESTIONS

The lease costs identified in the Districts proposals were \$1.88 sq. ft. annually for non-profits in the classification "B" discounted rate. Is this correct? The lease costs identified at \$1.88 were based on last year's charter school rate. For 2014-15 we will start with \$2.10 and adjust down as necessary after October when we close the books. We are proposing to the Board that our 'base' rent would be the same as a charter. So, if the Board agrees, we would start at \$2.10/square foot/year regardless of the classification.

Who would qualify under Classification B- Non-Profit status? The categories below should be used to determine what Classification your entity qualifies under:

<u>Class B Discounted</u>: Activities of non-profit organization residing in the District whose primary focus is the promotion of youth groups having a residency requirement, local senior citizen groups and local homeowners associations. The net receipts of admission fees, membership fees or donations collected by these groups must be expended for the welfare of the pupils of the District.

<u>Class C Direct Cost</u>: Activities of non-profit organization whose primary focus is serving the general public including (but not limited to) civic and service groups (Kiwanis, Rotary, Elks, Moose, Lion, etc.), chambers of commerce, youth organizations without a residency requirement, non-profit supplemental educational services providers and religious services.

<u>Class D Private & Commercial (Fair Market)</u>: Commercial use shall apply to those organizations or individuals requesting to use school facilities for conducting any type of commercial business or function including for profit businesses, organizations and supplemental educational services providers. It shall be considered commercial if the publicity and/or advertising would benefit a particular person or concern in a commercial way. This includes: Organizations/groups where admission fees are charged or contributions are solicited and the net receipts are not expended for the welfare of the pupils of the district or for charitable purposes, a charge shall be made for the use of school facilities or grounds, in accordance with the fees schedule.

How long can the lease be for? We are recommending that leases be for a period of two years; however, if you need more let us know and we can certainly entertain other options. Also, we are recommending that all leases be evaluated at the end of the first year to make sure we're not losing too much money or, conversely, making too much money.

Can the annual lease costs be capped? Right now annual lease costs are recommended to be capped at the rate mentioned before. They are, however, recalculated each year.

How will the District bill for the lease? Monthly.

Will the district bill only the primary agency? It is staff's intent to only bill the 'main' tenant. This will be the person/agency primarily responsible for the lease and its requirements.

Does the District currently provide security for the school sites? If so will they in the future? Security services have yet to be determined. Charters pay an additional fee per student for the district's