

APPROVED

CASA ACADEMY

Minutes

Facility Committee Meeting

Date and Time

Wednesday April 27, 2016 at 4:00 PM

Location

Dial-in Number: (712) 775-7031 Meeting ID: 356-190-185 Host PIN: 5293

Committee Members Present

B. Locker (remote), D. Brown (remote), D. Puente (remote), J. Leahy (remote)

Committee Members Absent

T. Wee

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

J. Leahy called a meeting of the Facility Committee of CASA ACADEMY to order on Wednesday Apr 27, 2016 at 4:05 PM.

C. Approve Minutes

B. Locker made a motion to approve minutes from the Facility Committee Meeting on 04-06-16 Facility Committee Meeting on 04-06-16.

D. Puente seconded the motion.

The committee **VOTED** unanimously to approve the motion.

II. Facility

A. Long-term Budget Discussion

Summary

If we are looking at the lease option, we need to ask what the rental rate per square foot and what tenant improvements are. What does that price per square foot after the renovations cost? What is the value of that space?

How much is it going to cost to renovate this facility?

How much would SOV rent the square footage, renovations aside?

If we do a 15 year lease and have the renovations cost, we can calculate how much we can pay.

Two conversations:

FIRST: What are we going to do between now and the end of our current lease? We want to move into music room (and possibly other office space) in Y4. Construction would begin summer after Y4. What do we do for our one-year option. We need very minimal tenant improvements.

SECOND: Let's talk about a fifteen year lease. Y5-Y20. We are thinking about significant tenant improvements that will allow us to have 400 students under roof. We need to figure out what the rental cost per square foot will be taking into account those renovations. What do we need to do to get to that feasible number?

An architect might be more than what's needed. Can we get a good general contractor who has commercial experience to look at the site and provide a proposal that gets us the numbers we need without the expense that comes along with an architect.

We are thinking that the 15 year lease option is the best year to go. 1 year extension in Y4, with construction to begin immediately after Y3, so that construction can begin in a timely manner. Here is a timeline that we have come up with.

We're putting the cart before the horse with these numbers. The way this works is that we have a good relationship with you and so we're going to be forthright with you, at the same time, the way this works is that there is going to be a certain market rate with this property once the tenant improvements are complete, so without disclosing our financial information, all we can say at this point is that we are excited to work with them.

The question is not how much do these tenant improvements, it's does that relative cost of these tenant improvements increase beyond what CASA can afford.

B. Financial Scenarios Overview

C.

Non-negotiables with SOV Overview

D. Agenda for Meeting with SOV

- 1) Brian will address financials with SOV.
- 2) CASA will present timeline for Y4 (adding space), working towards permanent facility and for Y5-Y20 (15 year lease).
- 3) SOV can discuss/ amend timeline as needed.

E. InSite Services Contract Discussion

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 4:59 PM.

Respectfully Submitted,
J. Leahy