

State of New Mexico
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LESC Presentation "Charter School Facilities and 2015 Public Building Deadline"
 August 17, 2016, 1:00PM, Alamogordo, NMSBVI, Quimby Gymnasium

There are 103 Charter Schools:

Location	Amount
Private	44
Lease Non-profit	25
County	4
Municipality	4
Tribal	3
University	5
District	18
<i>One listed is land lease only</i>	
Total	103

Total GSF of all schools from 2005 to present

Fiscal Year	GSF School Inventory
05-06	52,522,205
06-07	53,126,862
07-08	55,052,858
08-09	57,377,316
10-11	58,349,375
11-12	59,081,899
12-13	60,357,116
13-14	60,455,225
14-15	61,536,237
15-16	62,012,115
16-17	61,550,601

22-8B-4.2(C). On or after July 1, 2011, a new charter school shall not open and an existing charter school shall not relocate unless the facilities of the new or relocated charter school, as measured by the New Mexico condition index, receive a condition rating equal to or better than the average condition for all New Mexico public schools for that year or the charter school demonstrates, within eighteen months of occupancy or relocation of the charter, the way in which the facilities will achieve a rating equal to or better than the average New Mexico condition index. [Lower % index is better condition]

FY 2016-2017 Statewide Averages

wNMCI of all Schools = 16.79%

wNMCI of Charter Schools = 14.14% (58 are above the average; includes non-renewed)

FCI of all Schools = 32.70%

FCI of Charter Schools = 31.99%

GSF per traditional school student = 189 gsf

GSF per charter school student = 98 gsf

22-8B-4.2(D) {emphasis added}. On or after July 1, 2015, a new charter school shall not open and an existing charter shall not be renewed unless the charter school:

(1) is housed in a building that is:

(a) owned by the charter school, the school district, the state, an institution of the state, another political subdivision of the state, the federal government or one of its agencies or a tribal government; **-OR-**

(b) subject to a lease-purchase arrangement that has been entered into and approved pursuant to the Public School Lease Purchase Act [Chapter 22, Article 26A NMSA 1978];

-OR-

(2) if it is not housed in a building described in Paragraph (1) of this subsection, demonstrates that:

(a) the facility in which the charter school is housed meets the statewide adequacy standards developed pursuant to the Public School Capital Outlay Act and the owner of the facility is contractually obligated to maintain those standards at no additional cost to the charter school or the state; - -

(b) **AND EITHER**

1) public buildings are not available or adequate for the educational program of the charter school; **-OR-**

2) the owner of the facility is a nonprofit entity specifically organized for the purpose of providing the facility for the charter school.

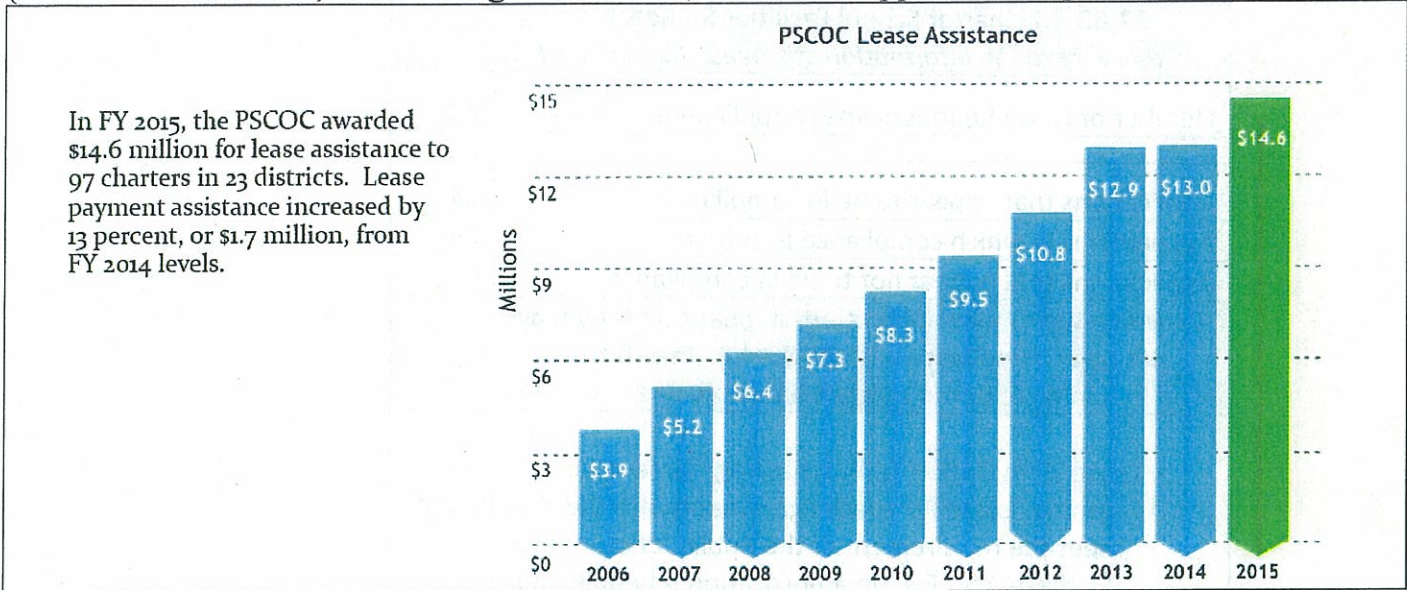
DRAFT

Compliance summary of 2016 Lease Assistance Applications;

22-8B-4.2 Charter School Facilities Standards* <i>* this very rough information still needs to be vetted</i>	
Number of Lease Reimbursement Applications Received	103
Applications that appear to be in compliance	34
Applications in which compliance is unclear	29
Applications that appear not to be in compliance	40
Various reasons why applications appear that they may not be in compliance with 22-8B-4.2. Insufficient information is a significant challenge.	
<ul style="list-style-type: none">• Lease With Option To Purchase agreements are not the same as Lease Purchase agreements, are therefore do not meet the requirement of the Public School Lease Purchase Act. E.g. no amortization schedule and/or a specific date that a purchase can occur. <i>“(L)ease purchase arrangement” means an agreement for the leasing of a building or other real property with an option to purchase for a price that is reduced according to the payments made...</i>• There is no reversionary language in the Lease-Purchase Agreement as required by 22-8B-4. E.g. when charter fails “owned value” of the property must revert to the district or to the state.• Maintenance not provided by lessor that ensures that adequacy standards will be maintained at no cost to the tenant. E.g. triple net leases require all cost of ownership to be borne by the tenant.• Insufficient information available to ensure that there were no public facilities available or adequate prior to entering into a lease with a private entity.• Cannot confirm that in the case that a non-profit foundation is leasing to the charter, that the foundation was/is formed specifically <i>“(F)or the purpose of providing the facility for the charter school.”</i>	

Lease Assistance Funding History

(FY16 actual \$14.9M, FY17 budgeted \$14.6M, and FY17 applications up-to \$15.6M)



Facilities Condition Index (FCI) “Bricks and Mortar” History

