

SUMMARY

Lease Agreement with Herencia Guadalupana Lab Schools Inc. for the Use of the Southwest Educational Center at 6855 South Mark Road

Description:

Herencia Guadalupana Lab Schools Inc. is proposing to lease a portion of the Southwest Education Center for a pre-school for children in poverty. Their proposal is to start with three to five year olds in four rooms and eventually serve zero to five year olds, 140 children total, in eight rooms. Their proposal (based on the attached and former discussions) includes the following key elements:

1. The premises would, initially be four classrooms in the northeast wing, approximately 3,200 square feet; it could double in a later period of the lease based on a negotiated amendment to the lease.
2. The lease will be for four years and eleven months starting on July 1, 2014.
3. There would be a period of no rent for approximately 6 months and then the rent would increase to \$2 per square foot per year (\$6,400); it would then increase by \$1 per square foot per year up to \$4 per square foot per year.
4. The tenant will pay a set rate for the utilities based on the estimated utility costs per square foot at the site and the space occupied by the tenant.
5. The tenant will provide a deposit of \$2,000 which is non-refundable if they terminate the lease prior to December 31, 2014.
6. Between December 31, 2014 and June 30, 2017, either party may terminate the lease with 1 years notice; after that, only 6 months notice is required.
7. The tenant will handle all routine maintenance and minor repairs; TUSD will be responsible for major repairs but may terminate the lease in the event of the need for major repairs.
8. The tenant will have exclusive use of the adjacent outside areas and may have shared use of the tot lot.

Pros: The proposed use supports the TUSD mission as it will help to prepare students for K-12 education; it utilizes four rooms which are not currently used. The services provided are needed in that area.

Cons: None.

Letter of Intent from Email

Dear Mr. Nodine,

February 2, 2014

Thank you for showing us the Southwest Learning Center Preschool Wing. It is a beautiful site for young children. We are interested in pursuing some rental agreement for the entire wing eventually. We would like to start with the one section we saw and build the center over time. One aspect that would be important for us would be to develop a center in solidarity with the Native American community. We set a meeting February 4 with the education director and will begin to work on the collaboration.

Our intention is to start Phase One with three to five year olds with a capacity of 20 and aim for completing the first phase with 40 children. In Phase Two we will expand to the second classroom on the same east side of the building. We would go to 60 children and eventually to 80 children. During stage two we would plan to invest in developing the west wing to do a infant stimulation center and a toddler program which would take us into Phase Three of have a zero to five year old program. A timeline is not possible at this time because we do not know the growth rate we will have.

Phase One	3-5 year olds	20-40 capacity
Phase Two	3-5 year olds	60-80 capacity
Phase Three	0- 3 year olds	64 capacity
	3-5 year olds	80 capacity

We look forward to having a affordable agreement as we start this venture. We hope you will be able to offer us a rate that will help start this very promising venture for the children and families of southwest Tucson. As you know we are just starting as a non-profit and would appreciate any support you could offer.

If you could send us a tentative agreement and the floor plans, our board meets February 9 and we could review it.

Thank you again for working with us to make a better life for children and families in poverty.

Sincerely,

Dr. Ernestina Fuentes
Herencia Guadalupana Lab School 501 (c) 3