



MEETING OF: July 11, 2017

TITLE: Amendment II to the Lease Agreement with the Intermountain Center for Human Development at the Former Menlo Park Elementary School, with Authorization for the Director of Planning Services to Execute the Agreement.

ITEM #: 13

Information:

Study:

Action: X

PURPOSE:

This action will give the Director of Planning Services authority to execute Lease Amendment II with Intermountain Center For Human Development (ICHHD). The amendment allows the option to pursue charter status for ICHHD from the State of Arizona effectively waiving charter exclusion on lease or purchase during the term of the lease. It also grants ICHHD an extension of its current lease at the current rate for a five-year period.

DESCRIPTION AND JUSTIFICATION:

Intermountain Centers would like to have the option to pursue charter status for the Intermountain Academy from the State of Arizona; effectively waive charter exclusion on lease or purchase with concurrent commitments as outlined in the attached letter.

2. Intermountain Centers is seeking an extension of its current lease at the current rate for a five-year period.
- 3.

Justification of charter status by ICHHD with regard to TUSD mission:

1. The Intermountain Academy does not compete with TUSD or other district schools in recruiting students.
2. Achieving charter status would add revenue which, when combined with other sources of braided revenue, would meet the cost of educating their students (\$30,000 / yr.).
3. A significant portion of the students who receive the educational services of the Intermountain Academy return to public schools to complete their education after they have achieved stability in their academic and social skills.
4. The Intermountain Academy works cooperatively with TUSD to provide for the educational needs of students whose challenging behaviors merit their admission to a specialized program.
5. The Intermountain Academy has been successful in helping TUSD avoid legal disputes with parents seeking special accommodations for their children with complex needs. Intermountain has been able to help TUSD cut costs related to the education of students with challenging and complex needs diagnosed with autism.
6. Regarding the lease extension request, the lease extension would allow justification of expenses to be used to upgrade and maintain the facility.
 1. Providing the 5-year lease extension may bring some benefit to TUSD with respect to the upgrades and improvements that might be gained for the facility. ICHHD is a stable tenant that pays on time and maintains the facility.
 2. If the charter status is allowed, substantiation of the cooperation with TUSD and ICHHD entities will be required as well as a financial statement showing the need for additional revenue (increase in students).
 4. ICHHD is currently paying rent to TUSD of \$171,940 per year. The lease ends on July 15, 2018.

Bryant Nodine will be present at the meeting to answer questions.

BOARD POLICY CONSIDERATIONS:

LEGAL CONSIDERATIONS:

For all Intergovernmental Agreements (IGAs), Initiator of Agenda Item provides the name of the agency responsible for recording the Agreement after approval:

For amendments to current IGAs, Initiator provides original IGA recording number:

Legal Advisor Signature (if applicable)

BUDGET CONSIDERATIONS:

<input type="checkbox"/>	District Budget
<input type="checkbox"/>	State/Federal Funds
<input type="checkbox"/>	Other
<u>Budget Cost</u>	<u>Budget Code</u>

Budget Certification (for use by Office of Financial Services only):

Date

I certify that funds for this expenditure in the amount of \$ are available and may be:

Authorized from current year budget


Authorized with School Board approval

Code: Fund:

INITIATOR(S):

Bryant Nodine, Director of Planning Services		6/20/17
Name	Title	Date

DOCUMENTS ATTACHED/ ON FILE IN BOARD OFFICE:

ATTACHMENTS:
Click to download
 Lease amendment II