

SHOPPING CENTER LEASE
Ranchitos Shopping Center
7901 4th St. N.W. Suite Albuquerque, NM 87114

1. **PREMISES:** Landlord does hereby lease to Tenant and Tenant hereby leases from Landlord that certain space herein called Suite the location of said Premises are delineated on Exhibit "A" attached hereto and incorporated by reference herein.

This Lease is subject to the terms, covenants, and conditions herein set forth, and the tenant covenants as a material part of the consideration for this Lease to keep and perform each and all said terms, covenants, and conditions by it to be kept and performed.

TERM: Upon execution of this agreement by all parties, it is agreed that the lease term shall be for a period of 60 **Months.**** The term of this Lease shall commence on July 1, 2018 and rent payments will begin to be paid on July 1, 2018. Tenant currently has access to and is the Tenant of the space upon execution of the lease agreement and Tenant shall have insurance in place during any term of the lease after execution and possession and during any construction term and indemnify and hold harmless Landlord from any and all liability with respect to Tenant's fixtures, equipment, employees or agents of Tenant during any construction period from the date of execution of the lease agreement. Any work done by Landlord, or agents or employees of Landlord during the period prior to full occupation by Tenant shall be covered by insurance of Landlord. ** This lease agreement is subject to continued funding of North Valley Academy by the New Mexico Public Education Department. In the event that funding is curtailed or the Charter for North Valley Academy is not renewed by the Authority that renews the Charter, Tenant shall so advise Landlord and this Lease Agreement shall terminate on June 30 of the last year in which funding is adequate or the term in which funding for the Charter expires.

LEASE OPTION AND RELOCATION: Tenant hereunder is granted a one time option to extend this agreement for 3 more years to include an annual CPI adjustment provided however, Tenant is in full compliance with the material terms and conditions of this agreement and Tenant provides Landlord with written notice by Certified Mail, return receipt of Tenant's intent to extend 90 days prior to the end of the primary term of the lease. At the end of first option to extend the lease term for 3 more years, Tenant shall have a first right of refusal to extend the lease at a lease rate of the second 2 year term plus a CPI annual increase. During the term of the lease agreement or any options, extensions or renewals of this agreement Landlord reserves the right to relocate Tenant to comply with damage, destruction, code compliance, or accommodate other substantial tenants location requirements in the Shopping Center or elsewhere. In the unlikely event that relocation would be required, Landlord will pay for such relocation and offer Tenant substantially similar space at the prevailing rate of Tenant's existing lease.

3. **USE:** Tenant shall use the Premises for the Drama and Art Department of North Valley Academy, a Public Charter School, and shall not use or permit the Premises to be used for any other purpose without the prior written consent of Landlord.

4. **USES PROHIBITED:** Tenant shall not do or permit anything to be done in or about the Premises nor bring or keep anything therein which is not within the permitted use of the premises which will in any way increase the existing rate of or affect any fire or other insurance upon the Building or any of its contents, or cause a cancellation of any insurance policy covering said Building or any part thereof or any of its contents. Tenant shall not do or permit anything to be done in or about the Premises which will in any way obstruct or interfere with the right of other tenants or occupants of the Building or injure or annoy them or use or allow the Premises to be used for any improper, immoral, unlawful, or objectionable purpose, nor shall Tenant cause, maintain or permit any nuisance in, on, or about the Premises. Tenant shall not sublease or use the space or allow anyone with a pornography store, taxidermy, tattoo or body piercing or any other use prohibited by any exclusive use agreement in the leases with other existing tenants in Ranchitos Shopping Center to use the space in conflict with other tenants in the center.
5. **MINIMUM RENT:** Tenant agrees to pay to Landlord as Minimum Rent, without notice or demand, the sum of **(\$45,315.12 Dollars per year)** payable monthly per the following Rent Schedule, on or before the **1st** day of each and every successive calendar month during the term hereof:

<u>Period</u>	<u>Monthly Base Rent</u>	
Month One Through 60	3776.26	Pd monthly

6. **COMMON AREA MAINTENANCE:** Tenant agrees to pay Landlord as additional rent a "common area maintenance" charge. The "common area maintenance" charge is defined as Landlord's costs and expense of every kind and nature incurred in the operation and maintenance of the common areas. The common areas are defined as including but not limited to the sidewalks, pedestrian walkways, driveways, parking areas, service areas, landscaped areas, shopping center identification signs, traffic markers and signs, parking lot lighting, storm drains and sewers, and all roofs and building exteriors of the Shopping Center. The maintenance and operating cost of these common areas shall include, but shall not be limited to the costs of cleaning, repairing, insuring, property taxes, operating, policing, managing and replacements to the common areas; the cost of utilities for the common areas; painting; resurfacing; patching, restriping and installing directional signs and markers in the common areas. The common area charge payable by Tenant shall be computed as follows: Calculate the number of square feet of gross leasable area in the Shopping Center. The total costs and expenses referred to in this section for common areas shall be multiplied by a fraction of the numerator of which is the number of square feet in the Tenant's premises and the denominator of which is the number of square feet of gross leaseable area in the Shopping Center. The product is the Tenant's "common area maintenance" charge. All charges payable by Tenant under this section shall be estimated and paid in equal monthly installments in advance at the same time and place as provided for the payment

of the fixed minimum rent. Such payments shall initially be equal to one-twelfth ($1/12^{\text{th}}$) of the total of Landlord's reasonable estimate of anticipated increases or decreases in such charges. Within one hundred and twenty (120) days of the end of each calendar year, Landlord shall determine the actual amount of such charges and expenses for the immediately proceeding year and furnish Tenant with a copy of such computation, including a computation of Tenant's proportionate share. If the amount paid by Tenant for that year exceeds the Tenant's proportionate share, Tenant shall be given a credit towards the next common area payment(s) due from Tenant (or a refund, if the term of the Lease has expired). The common area maintenance" charge is included in the minimum rent in 5 above. The common areas are subject to the common area use agreement which will be amended from time to time by Landlord without notice.

7. SECURITY DEPOSIT: None

- 8. PERSONAL PROPERTY TAXES:** Tenant shall pay, or cause to be paid, before delinquency any and all taxes levied and which become payable during the term hereof upon all Tenant's leasehold improvements, equipment, furniture, fixtures and any other personal property located in the Premises. In the event any or all of the Tenant's leasehold improvements, equipment, furniture, fixtures and other personal property shall be assessed and taxes with the property. Tenant shall pay to the Village of Los Ranchos or County of Bernalillo its share of such taxes within ten (10) days after delivery to Tenant by the Taxing Authority of a statement in writing setting forth the amount of such taxes applicable to Tenant's property.
- 9. REPAIRS:** By entry hereunder, Tenant shall be deemed to have accepted the Premises as being in good, sanitary order, condition and repair in AS IS condition. Tenant shall, at Tenant's sole cost and expense, keep the Premises and every part thereof in good condition and repair. (except as hereinafter provided with respect to Landlord's obligations). Tenant shall, upon the expiration or sooner termination of this Lease hereof, surrender the Premises to the Landlord in good condition, broom clean, ordinary wear and tear and damage from causes beyond the reasonable control of Tenant excepted. Notwithstanding the provision herein above, Landlord shall repair and maintain the structural portions of the Building, including the exterior walls and roof, unless such maintenance and repairs are caused in part or in whole by the act, neglect, fault of omission or any duty by the Tenant, its agents, servants, employees, invitees, or any damage caused by breaking and entering, in which case Tenant shall restore the Premises to original condition. Landlord shall repair and maintain plumbing, electrical, mechanical air conditioning and heating, however, Landlord shall not be liable for any failure to make repairs or to perform any maintenance unless such failure shall persist for an unreasonable time after written notice of the need of such repairs or a request by Tenant for maintenance is given to Landlord by Tenant. Except as provided for in the case of reconstruction, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations, or improvements in or to any portion of the Building or the Premises or in or to fixtures, appurtenances, and equipment therein. Landlord shall not be responsible for ANY damage of equipment or fixtures in the event of water damage, flood damage, burglary vandalism, wind or hail damage or any other cause.

Tenant waives the right to make repairs at Landlord's expense under any law, statute or ordinance now or hereafter in effect. Tenant agrees to pay the costs of all Tenant's

Improvements. **During any lease term or portion thereof, Landlord shall maintain the premise to State of New Mexico Public School adequacy standards.**

10. **LIENS:** Tenant shall keep the Premises and the property in which the Premises are situated from any liens arising out of any work performed, materials furnished, or obligation incurred by or on behalf of Tenant.
11. **ASSIGNMENT AND SUBLETTING:** Tenant shall not either voluntarily, or by operation of law, assign, transfer, mortgage, pledge, hypothecate, or encumber this Lease or any interest therein, and shall not sublet the said Premises or any part thereof, or any right or privilege thereto, or allow any other person (the employees, agents, servants, and invitees of Tenant) except to occupy or use the said Premises, or any portion thereof, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld. A consent to one assignment, subletting, occupation, or use by any other person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Consent to any such assignment or subletting shall in no way relieve Tenant of any liability under this Lease. Any such assignment of subletting without such consent shall be void, and shall, at the option of the Landlord, constitute a default under the terms of this Lease.
12. **LIABILITY INSURANCE:** Tenant shall, at Tenant's expense, obtain and keep in force during the term of this Lease a policy of comprehensive public liability insurance acceptable to Landlord insuring Landlord and Tenant against any liability arising out of the ownership, use, occupancy, or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in the amount of not less than \$1,000,000 for injury or death of one person in any one accident or occurrence and in the amount of not less than \$1,000,000 for injury or death of more than one person in any one accident or occurrence. Tenant shall obtain and maintain any required workman's compensation insurance and other insurance for employees, agents, subcontractors, or sub-tenants of Tenant and indemnify and hold Landlord Harmless therefrom. If Tenant fails to procure and maintain said insurance, Landlord may, but shall not be required to, procure and maintain same, but at the expense of Tenant. Tenant shall deliver to Landlord, prior to right of entry, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Landlord. No policy shall be cancelable or subject to reduction of coverage. All such policies shall be written as primary policies on behalf of Tenant not contributing with and not in excess of coverage which Landlord may carry.
13. **UTILITIES:** Tenant shall at its own expense – assume and register for all utility services, electric, phone, gas, cable, refuse, internet and added services unless the unit is a portion of a space with multiple tenants in which case, the utilities shall be pro-rated on a square footage basis and billed monthly by landlord and those charges shall be due and payable each month in addition to the base rent, CAM and any other charges. If any other
14. **RULES AND REGULATIONS:** Tenant shall faithfully observe and comply with the rules and regulations that Landlord shall from time to time promulgate and/or modify. The rules and regulations shall be binding upon the Tenant upon delivery of a copy of them to Tenant. Landlord shall not be responsible to Tenant for the nonperformance of any

rules and regulations by any other Tenants or occupants. In the unlikely event that relocation would be required, Landlord will pay for such relocation and offer Tenant substantially similar space at the then prevailing rate of Tenant's existing lease. Tenant shall at all times keep the premise clean and free of litter, trash and debris. Tenant shall not paint or stain building façade, store front windows, window moldings, doors sidewalks or change any colors of the building. Tenant will not place any permanent storage containers, trucks or sheds on the premise without prior written permission of Landlord. Tenant shall keep any gates or exterior doors locked or chained when not being used to allow access of trucks or deliveries. All trash will be placed in containers and bins as provided for the shopping center. Tenant shall not commit or allow to be committed any waste in or upon the Premises. Tenant will not lease any space or allow anyone with a pornography, taxidermy, tattoo or body piercing or any other use prohibited by any exclusive use agreement with other tenants in Ranchitos Shopping Center to use the space in conflict with other tenants in the center.

15. ENTRY BY LANDLORD: Landlord reserves, and shall at any and all times have, the right to enter the Premises to inspect the same, to submit said Premises to prospective purchasers or tenants, to post notices of non-responsibility, to repair the Premises and any portion of the Building of which the Premises are a part that Landlord may deem necessary or desirable, without abatement of rent, and may for that purpose erect scaffolding and other necessary structures where reasonably required by the character of the work to be performed, always providing that the entrance to the Premises shall not be unreasonably blocked thereby, and further providing that the business of the Tenant shall not be interfered with unreasonably. Tenant hereby waives any claim for damages or for any injury or inconvenience to or interference with Tenant's business, any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors in an emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property and any entry to the Premises obtained by Landlord by any of said means, or otherwise, shall not under any circumstances be construed deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an eviction of Tenant from the Premises or any portion thereof.

16. TENANT'S DEFAULT: The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by Tenant

- a. The vacating of abandonment of the Premises by Tenant.
- b. The failure by Tenant to make any payment of rent and any other payment required by Tenant hereunder as and when due, when such failure shall continue for a period of ten (10) days after written notice by Landlord to Tenant.
- c. The failure of Tenant to observe or perform any of the covenant conditions, or provisions of this Lease or the Common Area Use Agreement to be observed or performed by the Tenant.

17. remedies in default: In the event of any such default or breach by Tenant, Landlord may at any time thereafter, in his sole discretion, with or without notice or demand and without limiting Landlord in exercise of a right or remedy which Landlord may have reason of such default or breach:

- a. Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant all damages incurred by Landlord by reason of Tenant's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises; reasonable attorney's fees; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent and other charges and adjustment called for herein for the balance of the term after the time of such award exceeds the amount of such loss for the same period that Tenant proves could be reasonably avoided; and that portion of any leasing commissions paid by Landlord and applicable to the unexpired term of this Lease. Unpaid installments of rent or other sums shall bear interest from the date due at the rate of 5% per month.
- b. Maintain Tenant's right to possession, in which case this Lease shall continue in effect whether or not Tenant shall have abandoned the Premises. In such event Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Lease, including the right to recover the rent and any other charges and adjustments as may become due hereunder, or
- c. Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the State in which the Premises are located.
- d. A past due fee in the amount of 5% of any required monthly payment shall be assessed for any payment not received by Landlord by the 15th of the month when due.

18. DEFAULT BY LANDLORD: Landlord shall not be in default unless Landlord fails to perform reasonable obligations required by Landlord within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant specifying wherein Landlord has failed to perform such obligation; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days are required for performance then Landlord shall not be in default if Landlord commences performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default and Tenant's remedies shall be limited to damages and/or an injunction. In the event that the existing tenant experiences any delay in closing the business due to agreements with the sub tenants, then the move in date and the date that Tenant hereunder becomes obligated to pay rent will be the date that the existing tenant actually is completely moved out of the property.

19. HOLDING OVER: If Tenant remains in possession of the Premises or any part thereof after the expiration of the term hereof with the express consent of Landlord, such occupancy shall be a tenancy from month to month at a rental in the amount of the last monthly minimum rent, plus all other charges and rental increases payable hereunder and upon all the terms hereof applicable to a month to month tenancy.

20. SUBROGATION: As long as insurers so permit, Tenant hereby waives their rights of recovery against Landlord for any loss insured by fire, extended coverage, and other property insurance policies existing for the benefit of the parties. Tenant shall obtain any special endorsements, if required by their insurer to evidence compliance with the aforementioned waiver.

21. RECONSTRUCTION In the event the Premises are damaged by fire or other perils covered by extended coverage insurance, Landlord agrees to forthwith repair same, and this Lease shall remain in full force and effect, except that Tenant shall be entitled to a proportionate reduction of the Minimum Rent from the date of damage and while such repairs are being made, such proportionate reduction to be based upon the extent to which the damage and making of such repairs shall reasonably interfere with business carried on by the Tenant in the Premises. If the damage is due to the fault or neglect of the Tenant or its employees, there shall be no abatement of rent. In the event the Premises are damaged as a result of any cause other than the perils covered by fire and extended coverage insurance, then Landlord shall forthwith repair the same, provided the extent of the destruction be less than ten (10%) percent of the then full replacement cost of the Premises. In the even the extent of damage is more than specified above, Landlord shall have the option to:

- a. Repair or restore such damage, this Lease continuing in full force and effect, but the Minimum Rent to be proportionally reduced as herein above provided; or
- b. Give notice to Tenant at any time within sixty (60) days after such damage, terminating this Lease as of the date specified in such notice, which date shall be no more than thirty (30) days after the giving of such notice. Notwithstanding anything to the contrary contained herein, Landlord shall not have any obligation whatsoever to repair, reconstruct, or restore the Premises when the damage resulting from any casualty covered under this item occurs during the last twelve (12) of the term of this Lease or any extension thereof. Landlord shall not be required to repair any injury or damage by fire or other cause, or to make any repairs or replacements of any leasehold improvements, fixtures or other personal property of Tenant.

22. EMINENT DOMAIN: If more than twenty-five percent (25%) of the Premises shall be taken or appropriated by any public or quasi-public authority under the power of eminent domain, whether party hereto shall have the right, at it's option, within sixty (60) days after said taking, to terminate this Lease upon thirty (30) days written notice. If less than twenty-five percent (25%) of the Premises is taken than there shall be no rights to terminate on behalf of the Tenant with additional parking provided in another area. If any part of the Shopping Center other than the Premises may be so taken or appropriated, Landlord shall within sixty (60) days of said taking have the right at this option to terminate this Lease upon written notice to Tenant. In the event of any taking whatsoever, Landlord shall be entitled to any and all awards and/or settlements which may be given and Tenant shall have no claim against Landlord for the value of any unexpired term of this lease.

23. SIGNS: Tenant will not, without Landlord's prior written consent (at Landlord's sole discretion): CHANNEL LETTERS ONLY OR USE OF THE EXISTING SIGN ABOVE THE UNIT WITH CHANGED FACE TO ACCOMMODATE TENANT'S BUSINESS.

- a. make any changes to the store front or
- b. install any exterior lighting, decoration, paintings, awnings, canopies, or the like without prior approval of Landlord
- c. install any signs, windows or door lettering, placards, decorations or advertising media of any type which can be viewed from the exterior of the Premises.

All signs will be kept in good condition and all sign faces and sign graphics will be paid for by Tenant. Tenant can use the any existing sign face.

24. COMPLIANCE WITH THE LAW: Tenant shall not use the Premises, or permit anything to be done in or about the Premises, which will in any way conflict with any law, state, ordinance, or governmental rule or regulation now in force or which may hereafter be enacted or promulgated. Tenant shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations, or requirements now in force or which may hereafter be in force and with the requirements of any board of fire underwriters or other similar bodies now or hereafter constituted relating to affecting the condition, use, or occupancy of the Premises, excluding structural changes not related to or affected by Tenant's improvements or acts. Any Bio Waste generated by Tenant shall be disposed of according to the laws of the Environmental Protection Agency or applicable responsible agency for such disposal and shall indemnify and hold harmless Landlord therefrom.

25. HOLD HARMLESS: Tenant shall indemnify and hold harmless Landlord against and from any and all claims arising from Tenant's use of the Premises or from the conduct of its business or from any activity, work or other things done, permitted or suffered by the Tenant in or about the Premises, and shall further indemnify and hold harmless Landlord against and from any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of the Tenant, or any officer, agent, employee, guest or invitee of Tenant and from all costs, attorney's fees and liabilities incurred in or about the defense of any such claim or any action or proceeding brought thereon and in case any action or proceeding be brought against Landlord by Tenant, as material part of the consideration to Landlord, hereby assumes all risk of damage to property or injury to persons in, upon, or about the Premises, from any cause other than Landlord's negligence; and Tenant hereby waives all claims in respect thereof against Landlord. Tenant shall give prompt notice to Landlord in case of casualty or accidents in the Premises. Landlord or its agents shall not be liable for any loss or damage to person or property resulting from fire, explosion, falling plaster, steam, gas, electricity, water or rain which may leak from any part of the Building or from the pipes, appliances, or plumbing therein or from the roof, street or sub-surface or from any other place resulting from dampness of any other cause whatsoever, unless caused by or due to the negligence of Landlord, its agents, servants or employees. Landlord or its agent shall not be liable for interference with the light, air or for any latent defect in the Premises.

26. NOTICES: All notices and demands which may or are to be required or permitted to be given by either party or the other hereunder shall be in writing. All notices and demands shall be sent by United States mail, postage prepaid, return receipt requested, and addressed hereunder:

- a. Tenant: North Valley Academy
7939 4th St. N.W.
Los Ranchos, New Mexico 87114

b. 7901 4th St. N.W. Unit Village of Los Ranchos de Albuquerque New Mexico
87114

Emergency Contacts:

b. **Landlord:** **Saylor Family Trust, LLC**
5565 Eakes Rd NW
Albuquerque, NM 87107
505.343.9651 505.343.9306 fax 505.263.1551

Emergency Terri Toney office Mgr. 505-306-8419

Pete Gurrolo Maintenance Supervisor 980-5618

Steve Bink 505-270-8898 Maintenance Goff Plaza

Brandon Saylor 505-350-0296

27. There are Exhibits to this Lease, "A"

In witness whereof:

The parties hereto have executed this lease as of the day and year first written above.

TENANT
North Valley Academy

By: Susan McConnell

Title Principal

LANDLORD
Saylor Family Trust, LLC

By: [Signature]

Richard B. Saylor
Managing Member

Dated: 5/24/18

LEASE PURCHASE ARRANGEMENT

Between

SAYLOR FAMILY TRUST, LLC,

A New Mexico Limited Liability corporation,
as LESSOR

and

NORTH VALLEY ACADEMY

A New Mexico State-Chartered Charter School
as LESSEE

THIS LEASE PURCHASE ARRANGEMENT (referred to herein as “this Agreement”), is made this 8th day of May, 2018, between Saylor Family Trust, LLC, a New Mexico limited liability corporation (“Lessor”), and North Valley Academy, a New Mexico State-Chartered charter school (“Lessee”).

Recitals

A. Lessee is a New Mexico State-Chartered charter school as defined in Section 22-8B-2(A) NMSA 1978, authorized to enter into a “lease purchase arrangement” in accordance with the Public School Lease Purchase Act, Chapter 22, Article 26A NMSA 1978 (the “Public School Lease Purchase Act”).

B. Lessee’s governing body has determined that it is necessary, desirable, and in the best interest of Lessee to lease, and subject to certain contingencies as set forth in this Agreement, and to the separate statutory approval of the Department and the Public School Facilities Authority (“PSFA”) to purchase from Lessor the Land and Improvements (collectively the “School Site”) at 7939 4th St. NW in Albuquerque, New Mexico 87114 as shown in Exhibit A hereto.

C. Lessee’s governing body has not formally promised or undertaken to provide as security for the debt or financial obligations of either a private nonprofit entity specifically organized under Section 22-8B-4.2(D)(2)(b)(2) NMSA 1978, or a private nonprofit corporation, domestic or foreign, as defined in the Nonprofit Corporation Act, any public education funds, or other state or federal funds, received, or to be received, from or through the State of New Mexico, relative to this Agreement.

Agreement

ARTICLE I DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless context otherwise requires, the terms defined in this Section shall, for all purposes of this Agreement, and all appertaining exhibits and documents have the meanings herein specified.

“Agreement” has the same legal meaning and effect as either the term “lease purchase arrangement” or “financing agreement,” as these latter two terms are defined in Section 22-26A-3(A) NMSA 1978, whether capitalized herein or not.

“Capital Outlay Act” means the Public School Capital Outlay Act, Chapter 22, Article 24 NMSA 1978.

“Charter Schools Act” means the Charter Schools Act, Chapter 22, Article 8B NMSA 1978.

“Commencement Date” means, per statute, no sooner than thirty (30) days from the date of execution of the Lease Purchase Arrangement by the parties after approval by the New Mexico Public Education Department and the Public Schools Facilities Authority, after which date the

payment obligations under the Lease Purchase Arrangement will continue for a period not exceeding thirty years after the date of execution as prescribed by NMSA 1978, Section 22-26A-5(C) .

“Department” is the Public Education Department.

“Improvements” means any building(s), capital improvements and other facilities on the School Site.

“Land” means the tract containing 6.4293 acres more or less, as shown and described on TR 1 Plat of Tract 1&2 Horizon Academy being a replat of Tract 1 Alamo Acres Mobile Home Park cont 6.4293 Acres. Parcel # 1 015 063 136 524 21221 (See Exhibit A).

“Lease Purchase Act” means the Public School Lease Purchase Act, Chapter 22, Article 26A NMSA 1978.

“Lessee Representative” means the designated person delegated the authority to act on behalf of Lessee under or with respect to this Agreement as evidenced by a document conferring such authority executed by Lessee’s governing body and delivered to Lessor or Lessor’s Representative. The default Lessee Representative shall be the Governing Council President.

“Lessor Representative” means the person acting with proper authority to administer and transfer property with respect to this Agreement as evidenced by a document conferring such authority executed by an officer of Lessor, given to Lessee or a Lessee Representative.

“Net Proceeds” means any insurance proceeds or condemnation award paid with respect to the School Site, remaining after payment therefrom of all costs and expenses incurred in the collection thereof.

“PSCOC ” means the Public School Capital Outlay Council.

“Option to Purchase” means the right of Lessee to purchase the School Site in accordance with the terms of Article VI of this Agreement and the provisions of the Public School Lease Purchase Act.

“PSFA” means the Public School Facilities Authority.

“School Site” means the certain parcels of Land as described on Exhibit “A” and any Improvements thereon.

“Statewide Adequacy Standards” means the standards set forth in 6.27.30 NMAC (09/01/2002, as amended through 08/31/2005), and any subsequent amendments thereto promulgated by the Public School Capital Outlay Council, applicable to the School Site, and any variances from those standards granted to Lessee by the Public School Capital Outlay Council in accordance with Section 22-8B-4.2(F)(2) NMSA 1978.

“Term” means the term of this Agreement.

Section 1.2 Exhibits.

The following Exhibits are attached to and by reference made a part of this Agreement:

Exhibit A - Legal Description of Land

Exhibit B - Description of Improvements

Exhibit C – Appraisal

Exhibit D - Base Rent Payment Schedule

Exhibit E – Planned Funding Sources and Budget to make Base Rent

Exhibit F – Copy of the New Mexico Public Education Department’s approval of this Agreement

ARTICLE II
REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Lessee. Lessee represents, covenants and warrants as follows:

- (a) Lessee is a duly authorized and existing State-Chartered charter school in accordance with the provisions of the Charter Schools Act.
- (b) Lessee has full power and authority to lease, operate, maintain, and acquire the School Site under an option to purchase, to execute and deliver this Agreement, and perform the related transactions in accordance with the provisions of the Public School Lease Purchase Act and other applicable New Mexico statutes, and to carry out its obligations under this Agreement, subject to the limitations and conditions stated herein and the availability of sufficient appropriations and revenues therefor.
- (c) Lessee’s representatives executing this Agreement have been duly authorized to execute and deliver this Agreement in accordance with the terms and provisions of a resolution duly passed and adopted by Lessee’s governing body.
- (d) Lessee’s governing body has complied fully with all the provisions in Section 22-26A-6 NMSA 1978 and those in the Open Meetings Act, Chapter 10, Article 15 NMSA 1978 applicable to its actions with regard to this Agreement and the acquisition of the School Site through a lease purchase arrangement.
- (e) Lessee shall not transfer, lease, assign, mortgage or encumber all or any portion of its interest under this Agreement, or the School Site itself, except in accordance with the terms and conditions hereunder and as provided by law, including Section 22-26A-5(K) NMSA 1978 with respect to assignment of the lease purchase arrangement to any third party.
- (f) Lessee will use and occupy the School Site for the primary purpose of a public school and related activities thereto and for such other public purposes as may be

authorized by state or federal law or as may be lawfully authorized or lawfully permitted by Lessee.

(g) Lessee will conform and comply with all applicable municipal, state and federal ordinances, laws, rules and regulations in using the School Site and will not use or suffer to be used the School Site in any manner which contravenes any applicable municipal, state or federal ordinance, law, rule or regulation, or so as to create or cause to exist a nuisance or hazardous condition under the law.

(h) In no event shall this Agreement have a final payment date exceeding thirty (30) years after the date of its execution by the parties.

Section 2.2. Representations, Covenants and Warranties of Lessor.

Lessor represents, covenants and warrants as follows:

(a) Lessor is a Limited Liability Corporation duly organized, existing and in good standing under the laws of the State of New Mexico and has full power and authority to enter into this Agreement and to enter into and carry out the transactions contemplated hereby, and to carry out its obligations under this Agreement; and is possessed of full power to own and hold real and personal property, and to lease and sell the same to the Lessee.

(b) Neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated hereby and thereby, conflicts with or will result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Lessor is now a party or by which Lessor is bound.

(c) Lessor warrants that it is in good standing pursuant to the terms of any mortgage or other financial obligation under which either the Land or School Site, or both, has been given as security for the payment of the underlying debt or financial obligation.

(d) To the best of Lessor's knowledge, Lessor has not received any notice that the School Site and/or the present use and condition of the School Site violates any applicable deed restrictions or other covenants, restrictions or agreements, mortgages or conditions of title or ownership, site plan approval, zoning or subdivision regulations, urban development plans, the laws statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions or requirements of any authorities governing or regulating the use and operation, or otherwise applicable to the School Site and therefore represents that it conveys clean title to Lessee.

(e) To the best of Lessor's knowledge, there are no underground storage tanks at the School Site and, to the best of Lessor's knowledge, Lessor has not used the School Site to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process pollutants, dangerous substances, toxic substances, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to the Resource Conservation and Recovery Act (42 U.S.C.A. §§6901 *et seq.*) as amended, the comprehensive Environmental Response Compensation and Liability Act (42 U.S.C.A. §§9601 *et seq.*) as amended, or any other related Legal Requirement, and to the best of Lessor's knowledge, Lessor has not caused, and has no knowledge of, the leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing or dumping of any hazardous substances on or off the School Site on adjacent properties.

ARTICLE III AUTHORIZATION OF AGREEMENT

Section 3.1. Agreement. Lessor hereby leases the School Site to Lessee, and Lessee hereby leases the School Site from Lessor, upon the terms and conditions set forth in this Agreement, provided that the terms and conditions herein are not in contravention of any applicable laws. This Agreement, once fully executed, supersedes any prior Lease Agreement for the School Site.

Section 3.2. Possession and Enjoyment. Lessor hereby covenants with respect to the School Site, to provide Lessee during the Term with quiet use and enjoyment of the School Site, and Lessee shall during the Term peaceably and quietly have and hold and enjoy the School Site, without suit, trouble or hindrance from Lessor, except as expressly set forth in this Agreement.

Section 3.3. Lessor Access to School Site. Lessee agrees that during the term of this Agreement following the Commencement Date of this Agreement, Lessor shall have the right during Lessee's normal working hours on Lessee's normal working days, upon compliance with any security requirements imposed by Lessee and upon forty eight (48) hours' notice, to enter on and examine and inspect the School Site for the purpose of assuring that the School Site is being properly maintained, preserved and kept in good repair and condition. Lessee further agrees that Lessor shall have such rights of access to the School Site as may be reasonably necessary to cause the proper maintenance of the School Site in the event of failure by Lessee to perform its obligations hereunder, provided that at no time shall Lessor be compelled or required to make any improvements, alterations or additions to the School Site, except as expressly provided in Section 7.1.

"Failure by the Lessee" for the purposes of this Section shall mean that no contractor or staff has been engaged by Lessee to perform the proper maintenance within 90 days of the maintenance issue being brought to the attention of the Lessee. Should Lessor be compelled or required to make any improvements, alterations, or additions to the School Site under this Section Lessor shall award this work only after receipt of no less than three (3) bids given by qualified persons to perform the maintenance. Cost must be a factor in the Lessor's decision of to whom to award this work.

Section 3.4. School Site. The School Site is the real property described on Exhibit A and any Improvements.

ARTICLE IV TERM OF AGREEMENT

Section 4.1. Term. The Term shall commence thirty (30) days from the date of execution of this Agreement by the parties after approval by the Public Education Department and the Public School Facilities Authority and continue for no longer than thirty (30) years ("Term").

Section 4.2. Termination of Agreement. The Agreement will terminate upon the occurrence of the first of the following events:

- (a) the purchase of the School Site by the Lessee pursuant to Article VI of this Agreement;
- (b) a default by Lessee and Lessor's election to terminate this Agreement pursuant to Article XI;
- (c) a default by Lessor and Lessee's election to terminate this Agreement pursuant to Article XI; or
- (d) if sufficient money is not available to meet any current lease payment.

Section 4.3. Effect of Termination of Term. Upon termination of the Agreement:

- (a) All unaccrued obligations of Lessee hereunder shall terminate, but all obligations of Lessee that have accrued hereunder prior to such termination shall continue until they are discharged in full, subject to the provisions of Section 22-8B-12.1(C) NMSA 1978, under which the Department may assume control and management of Lessee's assets and finances, and over powers and duties of Lessee's governing body designated as a board of finance under Section 22-8B-6(L)(4) NMSA 1978; and
- (b) If the termination occurs because of the occurrence of a non-appropriation as described in Section 4.2(d) herein, or because of an Event of Default, (i) Lessee's right to possession of the School Site hereunder shall terminate; (ii) Lessee shall, within one hundred and eighty (180) days thereafter, vacate the School Site; and (iii) if and to the extent Lessee has appropriated funds for payment of Base Rent payable during, or with respect to Lessee's use of the School Site during, the period between termination of the Term and the date the School Site is vacated, Lessee shall pay such Base Rent to Lessor or, in the case of Operational Expenses, the other Person entitled thereto, subject to Section 22-2-2(C) NMSA 1978, and to the authority of the Department under the provisions of Section 22-2-2(C) NMSA 1978, as set forth hereinabove.
- (c) If the Agreement is terminated prior to the final payment and the release of the security interest or the transfer of title, the current value of all improvements at the time of termination in excess of the outstanding principal due and attributable to capital improvements that were made by Lessee during the term of the Agreement and that were not a term or condition of the Agreement shall be paid in accordance with Section 22-26A-1 et seq., as amended NMSA 1978, to Lessee.
- (d) Lien on Improvements by Lessee. If State or Lessee's funds, above those required for lease payments, are used to construct or acquire improvements after the Commencement Date, the cost of such Improvements shall constitute a lien on the School Site in favor of Lessee and then, if this Agreement is terminated prior to the final payment and the release of the security interest or the transfer of title at the option of the Lessee: (1) Lessee may foreclose the lien on the School Site; or (2) the current market value of the School Site or other real property at the time of termination, as determined by an independent appraisal certified by the New Mexico Taxation and Revenue Department, in excess of the outstanding principal due under the Agreement shall be paid to Lessee. The priority of any such lien shall be determined according to New Mexico law.

Section 4.4 Continuation. Pursuant to Section 22-26A-5(I) (2015) the parties agree that there is no legal obligation for the Lessee to continue this Agreement from year to year or to purchase the School Site, in accordance with Section 22-26A-5(I) NMSA 1978.

ARTICLE V LEASE PAYMENTS

Section 5.1. Payments.

- (a) Lessee agrees to pay Lessor and Lessor agrees to accept as full lease payment for the premises a sum equal to the amounts provided in the "Base Rent Schedule" attached as Exhibit D ("Base Rent"), payable monthly on or before the tenth day of the month of the first month following the Commencement Date and each succeeding month throughout the term of the Agreement. Lessor shall deliver to Lessee a monthly invoice no later than the first of each month. Any partial month will be calculated on a pro rata basis.
- (b) A portion of each payment of Base Rent is paid as, and represents payment of, interest as shown on Exhibit D hereto, which sets forth the interest component of each payment of Base Rent. Upon receipt by Lessor of each payment of Base Rent, Lessor shall apply the amount of each Base Rent payment to principal and interest as shown on Exhibit D.
- (c) Except to the extent required by law, Lessee and Lessor agree that the Base Rent payments, as used in this Section 5.1 hereof, do not include payments for repair, maintenance, operating expenses and the like which are otherwise obligations of Lessee as Operating Expenses under the terms of Section 7.1 of this Agreement.
- (d) The Base Rent and other obligations payable by Lessee under this Agreement shall constitute currently appropriated expenditures of Lessee and shall not constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of Lessee or a mandatory charge or requirement against Lessee in any fiscal year (July 1 to June 30) beyond the fiscal year for which such payments have been approved.

Section 5.2. Notwithstanding any other provisions in this Agreement, the parties agree that Lessee's governing body has not pledged, transferred, or granted a security interest in, or assigned to any private third party, public funds, monies, grants, or other distributions received, or to be received, by Lessee from or through the State of New Mexico, for the purpose of securing payment of a third-party debt or full performance on a monetary obligation relative to the acquisition of the School Site through the issuance and sale of educational facility revenue bonds (or conduit bonds) or any other funding mechanism.

ARTICLE VI CONTINGENT OBLIGATION TO PURCHASE

Section 6.1. Option to purchase. In consideration of the agreements, promises, and covenants made in this Agreement, and other good and valuable consideration received, Lessor grants to Lessee the option to purchase the School Site upon the terms and conditions set forth in this Agreement.

Section 6.2. Notice of sale and transfer. Lessee's election to proceed to sale and transfer of the property must be evidenced by a written notice addressed to Lessor, sent by registered or

certified mail to Lessor's office or to any other place designated by Lessor by written notice to Lessee.

Section 6.3. Purchase Price on Exercise of Option: The Purchase Price for the School Site shall be \$5,750,000.00 (five million seven hundred fifty thousand dollars and zero cents) of principal upon which interest shall accrue at an annual rate of 6% per annum and in accordance with the schedules attached as Exhibit D. Said interest rate does not exceed the maximum permitted by the Public Securities Act, Section 6-14-1 through 6-14-3 NMSA 1978. The price to be paid by Lessee to Lessor for the School Site on an Option Date shall be the principal balance of the unpaid purchase price as of that Option Date, as set forth in the Base Rent Schedule attached hereto at Exhibit D plus any accrued and unpaid interest, plus expenses described in Section 6.4 below.

Section 6.4. Expenses, mortgage. The Purchase Price to be paid to Lessor, as provided above, shall be a net amount to Lessor, and all expenses in connection with the transfer of the School Site, including, but not limited to, title insurance, recording fees, documentary stamps, and all other closing costs, shall be divided evenly by Lessor and Lessee.

Section 6.5. Transfer of title. Except as provided below, at closing Lessor shall convey the School Site to Lessee free and clear of any mortgage, indenture or other encumbrance.

Section 6.6. Performance of lease. The right to exercise this option is conditioned upon the faithful performance by Lessee of all its covenants, conditions, and agreements under this lease, and the payment by Lessee of all Base Rent, and other special payments as provided in this lease to the date of the completion of the purchase of the School Site by Lessee.

Section 6.7. Adjustments. Adjustments and proration of taxes, water rents, insurance premiums, and similar items shall be made as of the date of the closing of title, in accordance with the practice approved by the parties.

Section 6.8. Security deposit. The parties stipulate that no security deposit was paid by Lessee as part of this agreement and none is required.

Section 6.9. Assignment of option, binding effect. Lessee may not assign this Agreement to another charter school, school district, the state or one of its institutions, instrumentalities or other political subdivisions without the prior written consent of Lessor, which shall not be unreasonably withheld. Assignment shall inure to the benefit of Lessee's respective successors and assigns. Any assignment of this Agreement shall be without cost to the Lessee and is subject to Section 22-26A-5(K) (2015).

Section 6.10. Prepayment. The amounts due under this Agreement are subject to prepayment at the option of Lessee at such time or times and upon such terms and conditions, with or without the payment of such premium or premiums as determined by Lessee's Governing Council.

ARTICLE VII

MAINTENANCE AND INSURANCE

Section 7.1. Construction. Lessor will cause to be built on the School Site Lessor's Improvements in accordance with the plans and specifications attached hereto as Exhibit B and which will meet Statewide Adequacy Standards.

Section 7.2. Maintenance and Facility Costs. Lessee shall at all times during the Term maintain, preserve and keep the School Site in good repair, working order and condition, and shall from time to time make all repairs, replacements and improvements necessary to keep the School Site in such condition. This Agreement is intended to be and shall be construed consistently with it being an absolute net lease with Lessee paying all expenses related to the School Site, including without limitation, (i) the cost of insurance premiums for insurance required by law; (ii) the cost of taxes, utility charges, maintenance, upkeep, and repair costs including routine repair and replacement of roof, structural components, HVAC, and carpet and/or tile; and (iii) all other costs associated with operation, repair and maintenance of the School Site (collectively, "Operating Expenses").

Section 7.3. Lessee's Insurance Obligations.

(a) **Liability Insurance.** Beginning upon the Commencement Date, Lessee shall procure and maintain or cause to be carried and maintained in full force and effect during the term of this Agreement and any extension thereof at Lessee's sole cost and expense and as additional rent above the Base Rent hereunder, such public liability insurance covering bodily injury, disease, illness or death and property damage liability, as is available from and provided by the New Mexico Public Schools Insurance Authority ("NMPSIA") or its successor with limits of coverage in compliance with law. Lessor shall be named as an additional-named insured on such policy of insurance, and Lessee shall deliver a copy thereof to Lessor upon the commencement of the term of this Agreement. Lessee shall adjust such minimum coverage limits annually or as necessary to conform to the minimum coverage limits required for local public bodies pursuant to Sections 41-4-19 and 41-4-20 NMSA 1978, and Sections 22-29-1 through 22-29-11 NMSA 1978, as amended.

(b) **Property Insurance.** Subject to the availability of such coverage from NMPSIA, Lessee shall also carry and maintain or cause to be carried and maintained in full force and effect during the term of this Agreement and any renewal thereof, at Lessee's sole cost and expense, fire and extended coverage insurance upon the School Site, including all buildings, alterations, additions and improvements in an amount equal to their replacement values. Lessor and lending institution(s) of record shall be named as additional insureds and loss payees on the Property Insurance Policy and shall be provided with a copy of this policy annually on the anniversary date of the Policy. In the event that the School Site should be destroyed or substantially damaged in whole or in part, and such loss is covered by fire and extended coverage insurance, Lessee shall have the option to either continue this Agreement and use the insurance proceeds to replace or repair the School Site and on Lessor's behalf, or terminate this Agreement and tender to the Lessor all such insurance proceeds attributable to the loss or damage to the School Site. If for any reason Lessee is prohibited by law or regulation from carrying such

insurance, Lessor may obtain such insurance, and Lessee shall pay the premiums of such insurance out of any funds allowable by law.

Section 7.4. Worker's Compensation Insurance. If required by state law, as of the Commencement Date, Lessee shall carry worker's compensation insurance covering all of its respective employees on, in, near or about the School Site and upon request, shall furnish certificates to the Lessor evidencing such coverage.

Section 7.5. Liens. Except as provided in Section 4.3, neither Lessee or Lessor shall directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Improvements, other than the respective rights of Lessor and Lessee as herein provided. Except as otherwise expressly provided in this Article, Lessor and Lessee shall promptly, at its own expense, take such action as may be necessary duly to discharge or remove any such mortgage, other than existing mortgages or subsequent mortgages as agreed to by the parties in writing, pledge, lien, charge, encumbrance or claim if the same shall arise at any time, during the respective party's control of the School Site and each party shall reimburse the other for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim which arose during the control of the School Site.

ARTICLE VIII CONDEMNATION; USE OF NET PROCEEDS

Section 8.1. Condemnation. In the event that all or any portion of the School Site or Improvements are condemned by any governmental body or agency under power of eminent domain or is sold under threat of condemnation to any public body other than Lessee prior to purchase of the School Site by Lessee, Lessor shall be entitled to all compensation awarded, less an amount equal to Lessee's principal payments made to date in accordance with Article VI, plus the value of any improvements placed on the School Site by Lessee pursuant to Section 9 herein, which portions of the compensation awarded shall be paid to Lessee.

Section 8.2. Condemnation of Other Property Owned by Lessee. Lessee shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the School Site. Lessor agrees that Lessee shall have the option, upon written notice to Lessor, to enter an appearance and defend in any condemnation action as to both the School Site and the Improvements, and upon such election, Lessor shall not be obligated to provide a defense as to the Improvements, but may do so at Lessor's sole expense. In consideration for such option granted in this paragraph, Lessee agrees not to enter into any settlement agreement as to the condemnation award to be paid for the taking or partial taking of the Improvements without Lessor's prior consent, which consent shall not be unreasonably withheld.

ARTICLE IX LESSEE'S IMPROVEMENTS, EQUIPMENT AND WARRANTIES

Section 9.1. Improvements to School Site. Lessee, at its own expense, may remodel, or make additions, modifications or improvements to, the School Site, provided that (i) such remodeling, modifications and additions (A) shall not in any way damage the School Site as it existed prior thereto and (B) shall become part of the School Site, subject to the provisions of Section 4.3; (ii) the value of the School Site after such remodeling, modifications and additions shall be at least as great as the value of the School Site prior thereto; and (iii) the School Site, after such remodeling, modifications and additions, shall continue to be used as provided in and shall otherwise be subject to the terms of this Agreement. If Lessee makes and pays for improvements to the School Site, there shall be no additional financial obligations under this Agreement to Lessee without written approval by the Department, in accordance with Section 22-26A-5(L) NMSA 1978.

Section 9.2. Installation of Lessee's Equipment. Lessee may at any time and from time to time in its sole discretion and at its own expense, install items of movable machinery, standard office partitions, railings, doors, gates, counters, cabinets, lighting fixtures, signs and such other furnishings and equipment as may in Lessee's judgment be necessary for its purposes in or upon the School Site. All such items shall remain the sole property of Lessee, in which Lessor shall have no interest, and may be modified or removed by Lessee at any time provided that Lessee shall repair and restore any and all damage to the School Site resulting from the installation, modification or removal of any such items upon termination of this Agreement for any reason other than purchase of the School Site by Lessee. Nothing in this Agreement shall prevent Lessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the School Site.

Section 9.3. Warranties. Upon acceptance and purchase of the School Site by Lessee pursuant to Article VI hereof, Lessor will assign to Lessee, all of its interest, if any in all warranties and guarantees or other contract rights against architects, builders, contractors, subcontractors, suppliers, materialmen or manufacturers for the School Site, express or implied, issued on or applicable to the School Site, and Lessor hereby authorizes Lessee to obtain the customary services furnished in connection with such warranties and guarantees at Lessee's expense.

ARTICLE X ASSIGNMENT, SUBLEASING, MORTGAGING AND SELLING

Section 10.1. Assignment. Neither party shall assign its interests in this Agreement without the prior written consent of the other party which consent shall not be unreasonably withheld or delayed. Any consent by a party to any assignment shall not operate as consent to any further assignment, and any further assignment shall be subject to the prior written consent of the other

party in accordance with the provisions of this Section 10.1. Unless otherwise agreed, no assignment permitted hereunder shall relieve a party from liability for the performance of its obligations under this Agreement for the remainder of the then current term. A change in the name only of either party does not constitute an assignment to another entity.

Notwithstanding any other provision in this Agreement, with the prior approval of Lessor, which shall not unreasonably be withheld, the Lease Purchase Arrangement is assignable, without cost to the charter school and with all of the rights and benefits of its predecessor in interest in being transferred to the assignee, to: (1) a school district or charter school; or (2) the state or one of its institutions, instrumentalities or other political subdivisions, all in accordance with Section 22-26A-5(K) NMSA 1978.

Nothing in Section 10.1 herein shall be deemed to prohibit, limit or restrict Lessee's ability to enter into joint powers agreements for shared use of the School Site, provided that each party to such agreement is a "public agency" as defined in the Joint Powers Agreement Act, Sections 11-1-1 through 11-1-7 NMSA 1978, and that both public agencies are authorized by their legislative or other governing bodies to jointly exercise any power common to the contracting parties as provided by law.

Section 10.2. Restriction on Mortgage or Sale of School Site by Lessee. Prior to closing on purchase of the School Site, Lessee will not mortgage, sell, assign, transfer or convey the School Site or any portion thereof without the written consent of Lessor, which consent shall not be unreasonably withheld or delayed.

Section 10.3. Title. Upon the purchase of the School Site by Lessee pursuant to Article VI. of this Agreement, Lessor shall transfer its interest in the School Site to Lessee by standard form general warranty deed free and clear of any encumbrances, except those specifically accepted by Lessee.

ARTICLE XI EVENTS OF DEFAULT AND REMEDIES

Section 11.1. Events of Default Defined. The following shall be "Events of Default" under this Agreement and the terms "Event of Default" and "Default" shall mean, whenever they are used in this Agreement, with respect to the School Site, any one or more of the following events:

- (a) Failure by Lessee to make any payments under this Agreement as and when due, except where sufficient money is not available to meet any current lease payment;
- (b) Failure by Lessor or Lessee to observe and perform any covenant, condition or agreement (other than as described in Section 11.1(a)) on its part to be observed or performed, for a period of thirty days after written notice specifying such failure and requesting that it be remedied has been given by the nondefaulting party unless the nondefaulting party shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, the nondefaulting party will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the defaulting party within the applicable period and diligently pursued until the default is corrected.

(c) The filing by Lessor or Lessee of a voluntary petition in bankruptcy, or failure by Lessor or Lessee promptly to lift any execution, garnishment or attachment of such consequence as would impair the ability of Lessor or Lessee to carry on its operations at the School Site, or adjudication of Lessor or Lessee as a bankrupt, or assignment by Lessee for the benefit of creditors, or the entry by Lessee into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to Lessor or Lessee in any proceedings instituted under the provisions of the federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted.

Section 11.2. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, Lessor may, without any further demand or notice, take one or any combination of the following remedial steps:

- (a) Terminate and give notice to Lessee to vacate the School Site within one-hundred eighty days (180) days from the date of such notice.
- (b) Lease all or any portion of the School Site.
- (c) Recover from Lessee: (i) to the extent the recovery thereof is permitted by law, the fair rental value of the use of the School Site during any period beyond the thirtieth (30th) day following the occurrence of the Event of Default; and (ii) Base Rent, to the extent amounts for such Base Rent has been specifically appropriated in accordance with the provisions hereof, which would otherwise have been payable by Lessee hereunder during the remainder, after Lessee vacates the School Site, of the Fiscal Year in which such Event of Default occurs.
- (d) Take whatever action allowed under law to enforce its rights in and to the School Site under this Lease.

Section 11.3. Force Majeure. The provisions of Sections 11.1 and 11.2 are subject to the following limitations: if by reason of *force majeure* Lessee or Lessor is unable in whole or in part to carry out its obligations under this Agreement, Lessor or Lessee shall not be deemed in default during the continuance of such inability or during any other delays which are a direct consequence of the *force majeure* inability. The term "*force majeure*" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or any of its departments, agencies or officials, or any civil or military authority other than the Lessee or Lessor; insurrections; riots; earthquakes; fires; storms; drought; floods; explosions; breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of Lessor or Lessee and not resulting from the negligence of the party claiming a force majeure event. Lessor and Lessee agree, however, to remedy with all reasonable dispatch the cause or causes preventing them from carrying out their respective obligation under this Agreement; provided that the settlement of strikes, lockouts and other industrial disturbances shall not be required if in the judgment of the party raising the defense of *force majeure*, acceding to the demands of the person or persons creating the strike, lockout or industrial disturbance, would be injurious to such party.

Section 11.4. Remedies Cumulative. The above-provided rights and remedies to which either party is entitled hereunder are cumulative, and not exclusive, of all other rights and

remedies to which a party may be entitled in the event of breach or threatened breach by a party in default of any of the terms, conditions and provisions contained herein.

Section 11.5. No Additional Waiver Implied by One Waiver. The failure, neglect or omission of a non-defaulting party to terminate this Agreement for any breach or default shall not be deemed a consent by the non-defaulting party of such breach or default and shall not stop, bar or prevent the non-defaulting party from thereafter terminating this Agreement, either for such violation of for prior or subsequent violation of any covenant hereof. In the event any agreement contained in this Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 11.6. Dispute Resolution. The parties shall endeavor to resolve all disputes arising as to this Agreement by mediation or arbitration before a mutually agreed mediator or arbitrator the cost of which shall be equally shared by the parties. Whether to use mediation or arbitration is at the sole discretion of the Lessee. In the event the Lessee choses arbitration in accordance with the terms of this Section shall be used to resolve any and all claims, disputes or disagreements arising under this Agreement, except for (i) matters requiring immediate exigent relief, including without limitation unlawful detainer; and (ii) all claims by either party which (a) seek anything other than enforcement of rights under this Agreement, or (b) are primarily founded upon matters of fraud, willful misconduct or any other allegations of tortious action, and seek the award of punitive or exemplary damages, which disputes shall be resolved by suit filed in the Second Judicial District Court, Bernalillo County, New Mexico, the decision of which court shall be subject to appeal pursuant to applicable law. The parties hereby agree to conduct themselves in strict, full, complete and timely accordance with the terms of this Section.

(a) Any dispute to be arbitrated pursuant to the provisions of this Section shall be determined by binding arbitration before a single arbitrator (the "Arbitrator") under the auspices of the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). Such arbitration shall be initiated by either party, within thirty days after either party sends written notice (the "Arbitration Notice") of a demand to arbitrate by registered or certified mail to the other party and to AAA. The Arbitration Notice shall contain a description of the subject matter of the arbitration, the dispute with respect thereto, the amount involved, if any, and the remedy or determination sought. The parties may agree on the selection of an Arbitrator.

(b) The arbitration shall be conducted in Bernalillo County metropolitan area and, unless otherwise agreed by the parties must be completed within 180 days. Any party may be represented by counsel or other authorized representative. In rendering a decision, the Arbitrator shall determine the rights and obligations of the parties according to the substantive and procedural laws of New Mexico and the terms and provisions of this Agreement. The decision shall be conclusive and binding, and it may thereafter be confirmed as a judgment by the Second Judicial District Court, Bernalillo County, New Mexico in accordance with the New Mexico Uniform Arbitration Act. The Arbitrator may award injunctive relief. The Arbitrator may award costs, including without limitation, attorneys' fees, and expert and witness costs, to the prevailing party, if any as determined by the Arbitrator in his or her discretion. A party shall be determined by the

Arbitrator to be the prevailing party if its proposal for the resolution of the dispute in the discretion of the Arbitrator was closest to that adopted by the Arbitrator.

ARTICLE XII TITLE

Section 12.1. Title to School Site. During the Term, legal title to the School Site shall be in Lessor.

Section 12.2. Public Property. Upon approval of this Agreement by the Department and execution of this Agreement by the parties pursuant to the Public School Lease Purchase Act, the School Site shall be considered to be a public property pursuant to Section 22-26A-5.1(B) NMSA 1978.

ARTICLE XIII HAZARDOUS MATERIALS LAWS

Section 13.1. Compliance with all Hazardous Materials Laws. As of the Commencement Date, Lessee, shall at all times keep and maintain the School Site in compliance with and shall not cause or permit the School Site or any activities conducted thereon to be in violation of any federal, state or local law, ordinance or regulation relating to commercial or industrial hygiene, environmental safety or the environmental conditions on, under or about the School Site, including, but not limited to, air, soil, subsurface and ground water conditions. Neither party shall permit any subtenant or other occupant of the School Site, except in accordance with applicable Hazardous Materials laws as hereinafter defined, to use, generate, manufacture, store, produce, release, discharge, dispose of or otherwise permit the presence of, on, under or about the premises or transport to or from the School Site any explosives (flammable or otherwise), radioactive materials, pollutants, contaminants, hazardous wastes, hazardous air pollutants, toxic substances or related materials, including, without limitation, any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous pollutants" or "toxic substances" under any applicable federal or state laws or regulations (collectively referred to hereinafter as "Hazardous Materials"). Hazardous materials shall include petroleum products. Upon request of either party, the other party will prepare and provide such reports as will evidence compliance by the party with Hazardous Materials laws, and which will evidence that the School Site and the uses thereon are in compliance with Hazardous Materials Laws. Either party shall immediately advise the other party in writing of its discovery of or receipt of notice of (i) any and all enforcement, cleanup, removal or other governmental or regulatory actions instituted, completed or threatened pursuant to any applicable federal, state or local laws, ordinances, regulations, orders or publications relating to any Hazardous Materials affecting the School Site ("Hazardous Materials Laws"); (ii) any use, generation, manufacture, production, release, discharge, storage or disposal of Hazardous Materials, or substantial threat of any of the foregoing, on, under or about the School Site; (iii) all claims made or threatened by any third party against a party or the School Site relating to damage, contribution, cost recovery compensation, loss or injury resulting from any Hazardous Materials (the matters set forth in clauses (i) and (iii) above are hereinafter referred to as "Hazardous Materials Claims"); and (iv) any occurrence or condition on any property adjoining

or in the vicinity of the School Site that could cause the School Site to be subject to any restrictions on the ownership, Completion, transferability or use of the premises under any Hazardous Materials Law. Lessor warrants that, to the best of his knowledge, all hazardous materials laws were complied with during the time of his ownership of the property prior to executive of this Agreement.

Section 13.2. Lessee's Responsibility. Barring fraud by the Lessor upon and after issuance of the Certificate of Occupancy and acceptance of the School Site by the Lessee, Lessee shall be solely responsible to pay or otherwise satisfy any claim, written notice or demand, penalty, fine, settlement, loss, damage, cost, expense or liability made against Lessor or Lessee directly or indirectly arising out of or attributable to the violation by Lessee of any Hazardous Materials Law, orders, written notice or demand of governmental authorities, or the use, generation, manufacture, storage, release, threatened release, discharge, disposal, production, abatement or presence of Hazardous Materials on, under or about the premises including, without limitation: the costs of any required or necessary investigation, repair, cleanup or detoxification of the School Site, and the preparation and implementation of any closure, abatement, containment, remedial or other required plan and shall to the extent allowable by law applicable to public schools, indemnify Lessor and hold Lessor harmless from any such claim, demand, penalty, fine, settlement, loss, damage, cost, expense or liability subject to the limitations and waivers contained in the New Mexico Tort Claims Act and any insurance coverage issued pursuant thereto.

Section 13.3. Remedial Action Required. Without the other party's prior written consent, which shall not be unreasonably withheld, a party shall not take any remedial action in response to the presence of any Hazardous Materials on, under, or about the School Site, nor enter into any settlement agreement, consent decree, or other compromise in response to any Hazardous Materials claim, which remedial action, settlement, consent or compromise might, in the other party's reasonable judgment, impair the value of party's fee interest in the School Site; provided, however, that prior consent shall not be necessary in the event that: (i)(A) the presence of Hazardous Materials on, under, or about the School Site either poses an immediate threat or is of such a nature that an immediate remedial response is necessary; or (B) any delay in taking such remedial action would result in the imposition of periodic or daily fines; and (C) such action is required by government order; and (ii) it is not possible to obtain the other party's consent before taking such action; provided that in such event notice shall be given as soon as practicable of any action so taken. Each party agrees not to withhold its consent, where such consent is required hereunder, if either (i) a particular remedial action is ordered by a court of competent jurisdiction, or (ii) the party establishes to the reasonable satisfaction of the other party that there is no reasonable alternative to such remedial action that would result in less impairment to the value of the party's interest in the School Site.

Section 13.4. Survival of Lessee's Obligations and Liabilities. Lessee's obligations and liabilities hereunder with respect to Hazardous Materials Claims arising from Lessee's actions shall survive the expiration or other termination of this Agreement.

**ARTICLE XIV
ADMINISTRATION PROVISIONS**

Section 14.1 Notices. All notices required under this Agreement shall be in writing, signed by the party or agent sending them, and (i) delivered personally, (ii) sent by registered or certified mail, (iii) sent by a recognized overnight express mail carrier, or (iv) sent by facsimile, if a copy is sent by one of methods (i), (ii) or (iii) as soon as practicable thereafter, addressed to Lessor or Lessee, as the case may be, at the following addresses (or such other addresses as either party may give by notice conforming with this Section 14.1), and such notices shall be effective on the date of receipt thereof.

Lessor:

Saylor Family Trust, LLC
5565 Eakes Rd. NW
Los Ranchos de Albuquerque
Telephone No.: (505)343-9651
Facsimile No.: (505)343-9306

Lessee:

North Valley Academy
c/o School Director
7939 4th St. NW
Los Ranchos de Albuquerque, NM 87114
Telephone No.: (505) 998-0501
Facsimile No.: (505) 998-0505

Section 14.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective administrators, successors and assigns.

Section 14.3. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.4. Amendments, Changes and Modifications. This Agreement may be amended or any of its terms modified only by a written amendment authorized and executed by both Lessee and Lessor. Amendments to this Agreement, except amendments that would improve the building or other real property without additional financial obligations to the Lessee, shall be approved by the Department pursuant to 22-26A-5(L) NMSA 1978.

Section 14.5. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, if necessary, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

Section 14.6. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.7. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico, with regard to conflicts of laws rules.

Section 14.8. Lessor and Lessee Representatives. Whenever under the provisions of this Agreement the approval of Lessor or Lessee is required, or Lessor or Lessee is required to take some action at the request of the other, such approval of such request may be given for Lessor by a Lessor Representative and for Lessee by a Lessee Representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 14.9. Integration. This Agreement contains all of the agreements of Lessee and Lessor respecting the subject matters hereof, and all prior negotiations are merged herein.

Section 14.10. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Agreement.

Section 14.11. Business Days. If the day upon which any action required by the Agreement shall fall on a Saturday, Sunday or banking holiday, then such actions shall be deemed timely if made or taken on the next succeeding business day.

Section 14.12. Administrative Approval. Pursuant to Section 22-26A-4 NMSA 1978, the parties to this acknowledge that they have obtained prior written consent from the Public Education Department prior to executing this Agreement. A copy of said approval is attached to this Agreement as Exhibit "F".

IN WITNESS WHEREOF, Lessor has caused this Agreement to be executed in its corporate name by its duly authorized officers; and Lessee has caused this Agreement to be executed in its name by its duly authorized officers, as of the date first above.

LESSOR:
SAYLOR FAMILY TRUST, LLC

By:  _____

Its: MARGARET HENRY, Authorized Member

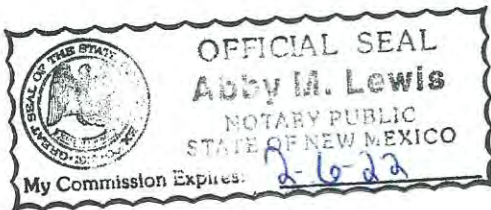
LESSEE:
NORTH VALLEY ACADEMY

By:  _____

Its: Governing Council President

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on May 8, 2018 by Rick Saylor as the authorized officer of The Saylor Family Trust, LLC a New Mexico limited liability corporation.

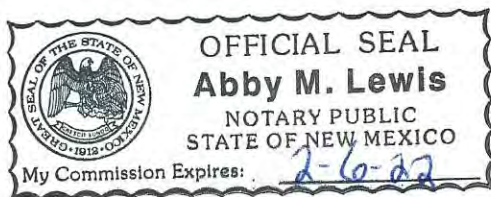


[Signature]
Notary Public

My commission expires: 2-6-22

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

This instrument was acknowledged before me on May 8, 2018 by Claudia Zamora as President of North Valley Academy, Governing Council.



[Signature]
Notary Public

My commission expires: 2-6-22

EXHIBIT A – LEGAL DESCRIPTION OF LAND

7939 4th Street NW – Los Ranchos de Albuquerque, 87114

Bernalillo County Assessor Legal Description: Tract 1 Plat of Tract 1 & 2 Horizon Academy being a replat of Tract 1 Alamo Acres Mobile Home Park, containing 6.4293, Village of Los Ranchos de Albuquerque, Bernalillo County, New Mexico.

Premises: Land and building improvements.

Land Area: +/- 6.4293 acres or 280,060 square feet

Building Area: Approximately 39,680 square feet on subject site.

EXHIBIT B – DESCRIPTION OF IMPROVEMENTS

The following improvements shall be made at Lessor's sole expense no later than sixty (60) calendar days from Commencement:

- 1) All HVAC systems will be brought to full function to the satisfaction of the Lessee.
- 2) All bathrooms will be repaired to a functional standard including floors and stalls.
- 3) Places where the sidewalk has become unsafe due to shifting of soil or tree root encroachment shall be ground down to meet safety standards.
- 4) Parking lot shall be resurfaced, cracks filled and parking spaces repainted;
- 5) The roofs on all buildings have been inspected by a licensed roofing contractor of the School's choice, and such repairs and/or replacement as reasonably required will be made by the Lessor.
- 6) Lessor shall ensure, at Lessor's expense, that as of the Commencement Date, the Property shall meet Educational Occupancy standards of the currently applicable International Building Code; shall meet all applicable adequacy standards of the New Mexico Public School Facilities Authority; and shall meet or exceed the New Mexico weighted average condition index (WNMCI) for public schools;
- 7) The automatic sprinkler system shall be replaced or repaired to the satisfaction of the Lessee.

EXHIBIT C – APPRAISAL
(See full Document Attached)

EXHIBIT D – BASE RENT PAYMENT SCHEDULE

Financed Amount \$5,750,000 Interest Rate 6%

Monthly Payment	\$34,474.16
Time to Pay Clear	30.00 years
Total of 360 Payments	\$12,410,695.87
Total Interest	\$6,660,695.87

	Beginning Balance	Interest	Principal	Ending Balance	
1	\$5,750,000.00	\$343,079.20	\$70,610.72	\$5,679,389.33	
2	\$5,679,389.33	\$338,724.09	\$74,965.83	\$5,604,423.54	
3	\$5,604,423.54	\$334,100.36	\$79,589.56	\$5,524,834.03	
4	\$5,524,834.03	\$329,191.44	\$84,498.48	\$5,440,335.61	
5	\$5,440,335.61	\$323,979.76	\$89,710.16	\$5,350,625.52	
6	\$5,350,625.52	\$318,446.63	\$95,243.29	\$5,255,382.30	
7	\$5,255,382.30	\$312,572.25	\$101,117.67	\$5,154,264.69	
8	\$5,154,264.69	\$306,335.55	\$107,354.37	\$5,046,910.36	
9	\$5,046,910.36	\$299,714.15	\$113,975.77	\$4,932,934.66	
10	\$4,932,934.66	\$292,684.39	\$121,005.53	\$4,811,929.19	
11	\$4,811,929.19	\$285,221.04	\$128,468.88	\$4,683,460.36	
12	\$4,683,460.36	\$277,297.36	\$136,392.56	\$4,547,067.85	
13	\$4,547,067.85	\$268,884.98	\$144,804.94	\$4,402,262.96	
14	\$4,402,262.96	\$259,953.70	\$153,736.22	\$4,248,526.81	
15	\$4,248,526.81	\$250,471.61	\$163,218.31	\$4,085,308.56	
16	\$4,085,308.56	\$240,404.67	\$173,285.25	\$3,912,023.36	
17	\$3,912,023.36	\$229,716.82	\$183,973.10	\$3,728,050.31	
18	\$3,728,050.31	\$218,369.76	\$195,320.16	\$3,532,730.20	
19	\$3,532,730.20	\$206,322.84	\$207,367.08	\$3,325,363.18	
20	\$3,325,363.18	\$193,532.90	\$220,157.02	\$3,105,206.21	
21	\$3,105,206.21	\$179,954.11	\$233,735.81	\$2,871,470.44	
22	\$2,871,470.44	\$165,537.79	\$248,152.13	\$2,623,318.36	
23	\$2,623,318.36	\$150,232.29	\$263,457.63	\$2,359,860.81	
24	\$2,359,860.81	\$133,982.83	\$279,707.09	\$2,080,153.77	
25	\$2,080,153.77	\$116,731.11	\$296,958.81	\$1,783,195.01	
26	\$1,783,195.01	\$98,415.33	\$315,274.59	\$1,467,920.48	
27	\$1,467,920.48	\$78,969.90	\$334,720.02	\$1,133,200.52	
28	\$1,133,200.52	\$58,325.09	\$355,364.83	\$777,835.75	
29	\$777,835.75	\$36,406.96	\$377,282.96	\$400,552.87	
30	\$400,552.87	\$13,136.98	\$400,552.94	\$0.00	

Exhibit E – Source of Funds for Lease Purchase Agreement

Financed Amount \$5,750,000 Interest Rate 6%

Monthly Payment	\$34,474.16
Annual Payment	\$413,689.92

NM Public School Facilities	\$ 336,098.00	\$336,098.00
Authority – Lease Assistance ^a		
House Bill 33 – APS ^b	\$295,040.00	\$77,591.92

^a Lease Assistance is calculated based on FY 2018 award letter. FY 2018 funding calculated based on \$736.25 per student. 456.5 student membership used in final award calculation per PSFA.

^b Albuquerque Public Schools (APS) House Bill 33 revenue based on FY 2018 projected revenue per APS. Revenue calculated on student membership of 463 students.

**Exhibit F – Copy of the New Mexico Public Education Department’s approval of
this Agreement**



STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
300 DON GASPAR
SANTA FE, NEW MEXICO 87501-2786
Telephone (505) 827-5800
<http://www.ped.state.nm.us>

CHRISTOPHER N. RUSZKOWSKI
SECRETARY OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

May 3, 2018

SENT BY USPS FIRST-CLASS MAIL AND ELECTRONIC MAIL

Abby Lewis
Attorney at Law
InAccord, PC
1420 Carlisle Boulevard N.E., Suite 208
Albuquerque, New Mexico 87110

Re: Revised Lease Purchase Arrangement between Saylor Family Trust, LLC and North Valley Academy

Dear Ms. Lewis:

The Public Education Department has reviewed your latest (revised) proposed Lease Purchase Arrangement between the Saylor Family Trust, LLC and North Valley Academy, together with the most recent appertaining exhibits and referenced documents (referred to together in this letter as the "Lease Purchase Arrangement"), for compliance with the pertinent sections of the Public School Lease Purchase Act, Chapter 22, Article 26A NMSA 1978, and with the applicable provisions of other New Mexico laws.

The specific Lease Purchase Arrangement that the Public Education Department reviewed was the Microsoft Word version of the corrected financing agreement you transmitted with your e-mail dated April 19, 2018, to Robert F. Sánchez, the assistant general counsel for our state agency's Office of General Counsel, which revised document you have represented to the Public Education Department contains all the textual revisions our state agency has required, up to and including those in the e-mail dated February 21, 2018, from Mr. Sánchez to you. For reference purposes, a copy of the Lease Purchase Arrangement is enclosed with this letter.

The Public Education Department by this letter informs North Valley Academy's governing body that, based on our state agency's review, the Lease Purchase Arrangement identified in the previous paragraph has been approved in accordance with Section 22-26A-4(B) NMSA 1978.

Abby Lewis
May 3, 2018
Page 2

Please send Pamela Jones, with the Public Education Department's Office of General Counsel, fully executed copies of the Lease Purchase Arrangement, as well as complete copies of all accompanying exhibits and related documents, when those become available to you. This approval is conditioned on these documents being sent to the Public Education Department's Office of General Counsel within thirty days.

The Public Education Department wishes North Valley Academy continued success in the charter school's commitment "... to providing all students with a rich and well-balanced education, through a rigorous focus on Mathematics, Language Arts, and an emphasis on Health and Wellness."

Thank you for your attention to this letter, and please contact Mr. Sánchez if you have any questions about its contents.

Regards,

A handwritten signature in cursive script, appearing to read "Marian Rael".

Marian Rael
Acting Deputy Secretary of Finance & Operations

MR/dem/aar/rfs

Enclosure: as stated

E-copies: Christopher N. Ruszkowski, Public Education Department Secretary
Dawn E. Mastalir, General Counsel
David Craig, School Budget & Finance Analysis Bureau Director
Antonio Ortiz, Capital Outlay Bureau Director
Claudia Zamora, North Valley Academy Governing Council Chair
Public School Facilities Authority (w/ enclosure)



STATE OF NEW MEXICO
PUBLIC EDUCATION DEPARTMENT
300 DON GASPAR
SANTA FE, NEW MEXICO 87501-2786
Telephone (505) 827-5800
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CHRISTOPHER N. RUSZKOWSKI
SECRETARY OF EDUCATION

SUSANA MARTINEZ
GOVERNOR

May 3, 2018

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Regards,



Marian Rael
Acting Deputy Secretary of Finance & Operations

MR/dem/aar/rfs

Enclosure: as stated

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Public School Facilities Authority (w/ enclosure)



NORTH VALLEY CHARTER
SCHOOL

FIVE-YEAR MASTER PLAN/ED SPEC

2020 - 2024

PREPARED BY:



NORTHSTAR NM LLC

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North Valley Academy Charter School

Physical Address:
7939 4Th Street NW
Los Ranchos, NM 87114

Phone:
(505) 998-0501

Website:
www.NVANM.org

North Valley Academy Charter School / Governing Board

Claudia Zamora
Chair

William Duran
Member

Craig Sinsabaugh
Vice-Chair

Thomas Walmsley Jr.
Member

Gayle Edwards
Secretary

Victor Marthe
Member

North Valley Academy / Administration

Susan McConnell
Chief Administrator

Sarah Pina
Chief Financial Officer

Amanda Catanzaro
COO / Data Manager

Rochelle Hedin
Nurse

Julie Geldmacher
Chief Instructional Officer

Stacey Vigil
Administrative Asst

Isabel Loya
Receptionist / Health Asst.

Participants

Susan McConnell, Sarah Pina, Amanda Catanzaro, Julie Geldmacher, Angelique Morett, Amy Halderman, Janelle Schnoor, Mike Fitzgerald, Nicole Midgett, Jody Schneider, Tammy Hernandez, Celia Miller, Brian Wilkening, Dolly Anaya, Amy Gomez, Bernagene Shay, and Suzanne Ranieri.

Public School Facilities Authority (PSFA)

Mr. John Valdez
Facilities Master Planning Manager

Consultant



Ian F. Harmon, *Facility Master Planner*
Clay Simmons, *Project Manager*
7020 Tesuque Dr NW
Albuquerque, NM 87120
Phone: (505) 350-4868

Introduction

The intent of the Facilities Master Plan is to identify existing facility conditions, past and future enrollment, review of the School's educational program, the identification of new or replacement facilities to meet the needs of the school.

This Facilities Master Plan is designed to be a flexible planning tool to identify facility issues and programmatic needs to the community, parents, staff and the Governing Council. It is designed to offer periodic input and revision as conditions change and new needs are identified within the school. The plan identifies capital needs and allocates resources to address the following facility issues:

- **Life/health/safety**
- **Educational, programmatic & curriculum needs**
- **Provision for growth (additions & new construction)**
- **Facility Renewal Needs (renovations/ refurbishment)**
- **Educational technology**
- **Energy management**

The Education Specifications are a detailed description of the North Valley Academy facility needs in order to meet the educational program in the school's charter.

Facilities Master Plan Sections

The Facilities Master Plan is comprised of five main sections:

1 Goals / Process provides information about the charter school's goals and the planning process.

2 Existing and Projected Conditions provides information about facilities used by the school, enrollment, technology, and capital resources.

3 Educational Specification to describe the physical environment in order to deliver the school's educational program and accommodate the charter school's current and future enrollment.

4 Capital Improvement Plan provides information about capital needs, project priorities, and implementation strategies.

5 Master Plan Supporting Material contains detailed information about school facilities, evaluations, plans, and other information.

1.1 Goals

1.1.1 Mission

North Valley Academy Charter School is committed to providing all students with a rich and well-balanced education, through a rigorous focus on Mathematics, Language Arts, and an emphasis on Health and Wellness.

The school's facility goals include the following:

- 1.Support the school's mission
- 2.Incorporate a variety of instructional methods including small and large group instruction, inquiry based and hand's on learning, outdoor space for physical fitness and exploration, experiential space for fine and performing arts.
- 3.Expand the school's ability to provide freshly prepared food to all students through the addition of a full size, certified kitchen that can also potentially generate additional income for the school.
- 4.Partner with community organizations and government agencies to enhance and supplement education and health & wellness programs.
- 5.The NVA facility is the structural foundation to achieving the educational goals set forth in the PEC/NVA charter contract.

Governing Council Goals

- The GC will ensure financial and organizational oversight.
- The GC will promote effective operational performance.
- The GC will operate in compliance with Open Meetings Act and ensure students receive a high quality, free public education.
- The GC supports all operational and instructional goals for optimum opportunities for all students at NVA.

1.1 Goals

1.1.2 Philosophy/Vision

North Valley Academy (NVA) is a creative, dynamic school community where students are engaged and empowered to pursue their intellectual and emotional growth through strong, activities-based instruction and a stable school environment.

Every student has the right to a high quality education.

Education should nurture the “whole” child.

Teachers are responsible for engaging in professional development.

Student achievement should be measured continually, in relation to potential and with regard to educational goals

Curriculum will be relevant.

School environment will be clean, safe, and conducive to learning

1.1.3 Serving the Community

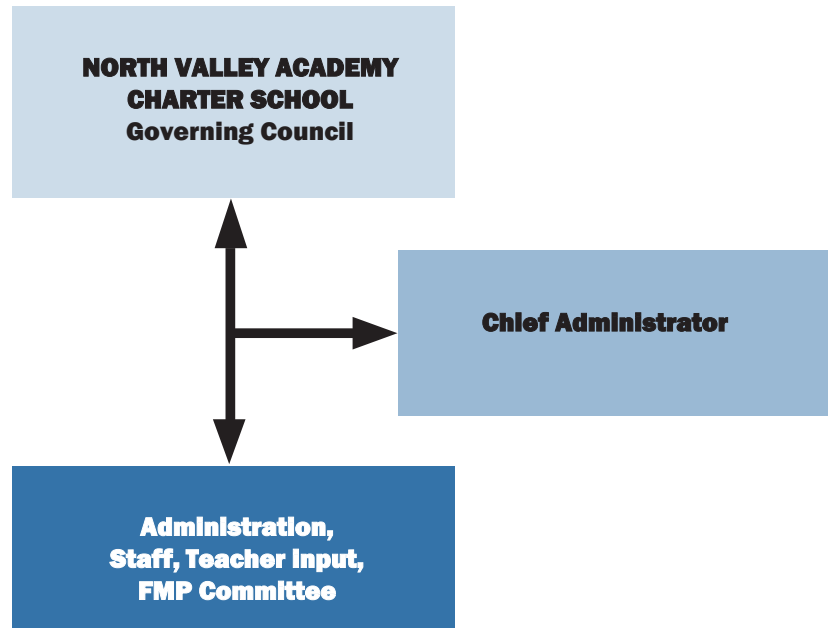
- Continue the partnership with the County for the use of the Multi-purpose building
- Make the newly constructed Kitchen available for use/rent by caterers, food trucks, etc as a revenue generator.

Function Concepts

- Provide adequate space during facility transitions to allow for enrollment growth
- Provide appropriate classroom spaces
- Utilize outdoor space for circulation to and from other programs

1.2 Process

North Star NM LLC worked with the North Valley Academy administration and staff to gain an understanding of and to document the school's goals, programs and delivery methods, and identify existing and future facility needs. The school is currently located in owned and leased facilities that meet state facility adequacy standards and support the charter's educational needs.



Authority and Decision Making Process

All major operational decisions of the school will be made, or delegated to administrative personnel by the Governing Council, including but not limited to fiscal management; compliance with the New Mexico Charter Schools Act and other applicable state and federal education laws and regulations; and oversight of the selection, recruitment, discipline, and promotion of all major school leaders (collectively, the "School Leaders") including but not limited to the principal (chief administrator), the special education director, chief financial officer, chief instructional officer, and chief operating officer.

1.2 Process

Facility Assessments

Facility Assessments were conducted by NorthStar of the facility leased and owned / operated by NVA. The assessments included:

- Site visits
- Meeting with Principal
- Facility Walk-throughs
- Review of State's Facilities Assessment Database
- Capacity and Utilization Study for the facility

Facility Master Plan Committee Meetings:

Once the facility assessment was completed and the data gathered, meetings and interviews with the Facility Master Plan Committee, Staff, and Educators commenced. Every meeting with staff and teachers was used to explain the purpose and role of a facilities master plan.

September 11 - Facility Planning Meeting

9:00 am - 10:30 am

The first step of the FMP process was to have a kick-off meeting with the Chief Operating Officer. During this meeting the following topics were discussed:

- Intent of FMP
- What is used for?
- Process going forward
- Existing Facility Condition
- Storage Needs
- Existing Facility Condition
- Food Service Needs
- Site Needs - Concrete, other half of field completed, revised stripping in parking lot, updated entrance, new signage,
- Meeting Schedule
- Data Needed for Facility Master Plan

1.2 Process

Facility Assessments/Interviews

October 25 - Facility Planning Meeting

9:00 am - 10:00 am

The meeting was held with Mrs. Susan McConnell and Sarah Pina to discuss the progress to date and summarize the interviews held thus far. Further, based on the interviews, we prioritized the following capital improvement goals:

- Immediate Capital Improvement Goals were prioritized as follows:

1. Repair cracked and/or raised concrete pads at the front entrance of the school
2. New wall creating a corridor between the Mrs. McConnell's office and the teachers' lounge. This would reduce the size of her office, but also eliminate transient pedestrian traffic through the teachers' lounge.
3. Revised north Entrance into the parking lot. Eliminate the existing medium/island to allow for safe entrance and exit from the parking lot and reconfigure stripping to improve overall circulation pattern.
4. a. Upgrade the kitchen to be a full service certified kitchen. This will allow the school to prepare freshly cooked meals each day and serve as a source of revenue for the school by leasing it for weddings and other catering events.
b. Reconfigure front overall parking layout and stripping
5. New irrigation and sod on south side of play field.

- OtherCapital Improvement / Maintenance Goals were prioritized follows:

1. Site-wide storage facility - Procure a modular building to serve as a central storage facility. Areas within the building can be partitioned off by grade and/or teacher.
2. Provide a new monument sign giving the school more visibility and allow for digital messaging

1.3 Acronyms/Definitions

ADA:	Americans with Disabilities Act	CAP:	Capacity	No.:	Number
CAT:	Categorical	Perm:	Permanent	P.E.:	Physical Education
CD:	Computer Disk	PED:	Public Education Department	Port:	Portables
COWS:	Computer on Wheels System	PMP:	Preventive Maintenance Plan	PSCOC:	Public School capital Outlay Council
CMU:	Concrete Masonry Unit	PSFA:	Public Schools Facilities Authority	PTR:	Pupil/Teacher Ratio
DCU:	Deficiencie Correction Unit	RETA:	Regional Educational Technology Assistance	REG:	Regular
ED:	Education	SB-9:	Senate Bill - 9	SPED:	Special Education
EETT:	Enhancing Education Through Technology	SF:	Square Feet	Sq.Ft.:	Square Feet
EPSS:	Educational Program for Student Success	TPC:	Total Project Cost, or the total cost of the project including fees, moveable equipment, land acquisition (if any), administration and contingencies	VOAG:	Vocational/Agricultural
FAD:	Facility Assessment Database				
FED:	Federal				
FMP:	Facilities Master Plan				
GIS:	Geographic Information System				
GO Bonds:	General Obligation Bonds				
GSA:	General Services Administration				
GSF:	Gross Square Feet				
HB33:	House Bill 33				
HS:	High School				
IEP:	Individualized Educational Plan				
Lab:	Laboratory				
Maint:	Maintenance				
MACC:	Maximum Allowable Construction Cost, or a project construction budget (comparable to contractor's bid)				
NASF:	Net Assignable Square Feet, or the total of all assignable areas in square feet				
NVA:	North Valley Academy Charter School				

2.1 Programs

2.1.1 Organization

The North Valley Academy Charter School enrolls students in grades Pre-K through 8th and has a current 40-day enrollment of 497 students. Although all the grades are on one contiguous campus, the grade levels are grouped near one another within modular buildings to facilitate Team communication and coordination. There has been a history of combining grades when necessary due to a low enrollment in a particular grade level.

2.1.2 Programs & Delivery Methods

General Instruction

The NVA integrates the academic needs of its students with their health and wellness needs cultivating a holistic approach to the students' learning environment. Combine this approach with STEAM, and the school not only addresses the core academic and health and wellness needs of its students, but also develops upon the science, mathematics, and language arts needs as well.

Core and Elective Programs

At North Valley Academy, classrooms are designed to support student-centered learning. Each classroom environment contains some similar elements including whole group gathering area, small group configurations, definitive area for teacher-directed small group instruction and conferencing, space for abundant, leveled libraries, and safe and easy flow of student traffic.

All classrooms also have student computer centers and area for projection to accommodate relevant and real time, technology-supported lessons. Teacher space in the room is kept to a minimum to support ample space for student movement and learning.

All instructional delivery is supported by formative assessments with students to drive instruction and “meet students where they are”. These elements are the basis for NVA’s whole child education model.

Special Education

NVA provides special education for qualifying students, consisting of a full-time co-directors and teachers, recreational therapist, occupational therapist, speech therapist, service providers, ancillary, and a social worker.

2.1 Programs

2.1.2 Programs & Delivery Methods

At North Valley Academy, classrooms are designed to support student-centered learning. Each classroom environment contains some similar elements including whole group gathering area, small group configurations, definitive area for teacher-directed small group instruction and conferencing, space for abundant, leveled libraries, and safe and easy flow of student traffic.

All classrooms also have student computer centers and area for projection to accommodate relevant and real time, technology-supported lessons. Teacher space in the room is kept to a minimum to support ample space for student movement and learning.

All instructional delivery is supported by formative assessments with students to drive instruction and “meet students where they are”. These elements are the basis for NVA’s whole child education model.

2.1.3 Anticipated Program Changes

Additional electives may be added to further enhance the school’s ability to achieve its mission and goals.

As the Kitchen gets upgraded into a full service kitchen, the NVA intends to incorporate a food service elective into their curriculum.

2.1.4 Shared/Joint-Use Facilities

After School / Interim Break Program

Rio Grande Educational Collaborative is available for after-school child-care (fee based) on site.

Every 6 weeks NVA rotates After-School Enrichment Clubs. Offering activities such as: Ukulele, Team Sports, Poetry and Creative Writing, Math Lab, Homework Help, Cursive Writing, Community Service and Coding. These options change every 6 weeks and are all part of the After-School Enrichment Program.

4 County Basketball Teams (each in the Fall and Spring)

Razzle Dazzle Cheerleading

2.2 Enrollment

2.2.1 Enrollment - Historical and Current

Enrollment serves grades Pre-K thru 8. By incrementally adding students per year, the cap will not be reached until the 2024/25 school year, but can be managed. Any increase in enrollment can be managed by the administration as some grades may be combined thus allowing for more classrooms for other grades experiencing an increase. One caveat is that the projection depicts a loss of cohorts as they advance in grade levels. If, in the future, there is less loss of cohorts, the facility will need to consider adding more classrooms as needed.

The following charts show the NVA school historical enrollment by grade level with the 2019-20 school year as the official 40 day count and the subsequent five-year enrollment projections.

NORTH VALLEY ACADEMY CHARTER SCHOOL - HISTORIC ENROLLMENT

	HISTORIC ENROLLMENT				
	2015-2016	2016-2017	2017-2018	2018-2019	*2019-2020
Kinder	50	56	63	60	59
1st	55	49	53	61	54
2nd	56	58	55	56	63
3rd	64	52	68	55	51
4th	61	69	52	62	53
5th	64	63	75	57	57
6th	31	45	48	54	46
7th	43	34	32	43	48
8th	37	37	29	29	27
Total PED Enrollment	461	463	475	477	458
Pre-K	**40	**40	*20	***40	***39
Total PED Enrollment with Preschool	501	503	495	517	497
* - Current 40 day count		** - 20 Pre-K AM and 20 Pre-K PM		*** - 40 Pre-K full day	

NORTH VALLEY ACADEMY CHARTER SCHOOL - ENROLLMENT PROJECTIONS

	PROJECTED ENROLLMENT				
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Kinder	58	60	63	60	57
1st	59	57	56	60	59
2nd	55	58	56	55	63
3rd	63	56	68	51	56
4th	53	62	54	62	50
5th	55	59	63	55	59
6th	31	45	48	59	51
7th	43	34	32	43	58
8th	37	37	29	29	40
Total PED Enrollment	454	468	469	474	493
Pre-K (Full Day)	40	40	40	40	40
Total PED Enrollment with Pre-K	494	508	509	514	533
* - Current 40 day count					

2.2 Enrollment

2.2.2 Classroom Loading Policy

NVA's 2015 charter renewal application states that a desirable pupil/teacher ratio (PTR) will be as follows:

Kindergarten	20 Students per class
1st thru 3rd grade	22 Students per class
4th thru 6th grade	24 students per class
7th thru 8th	29 studnets per class

2.2.3 Classroom Needs

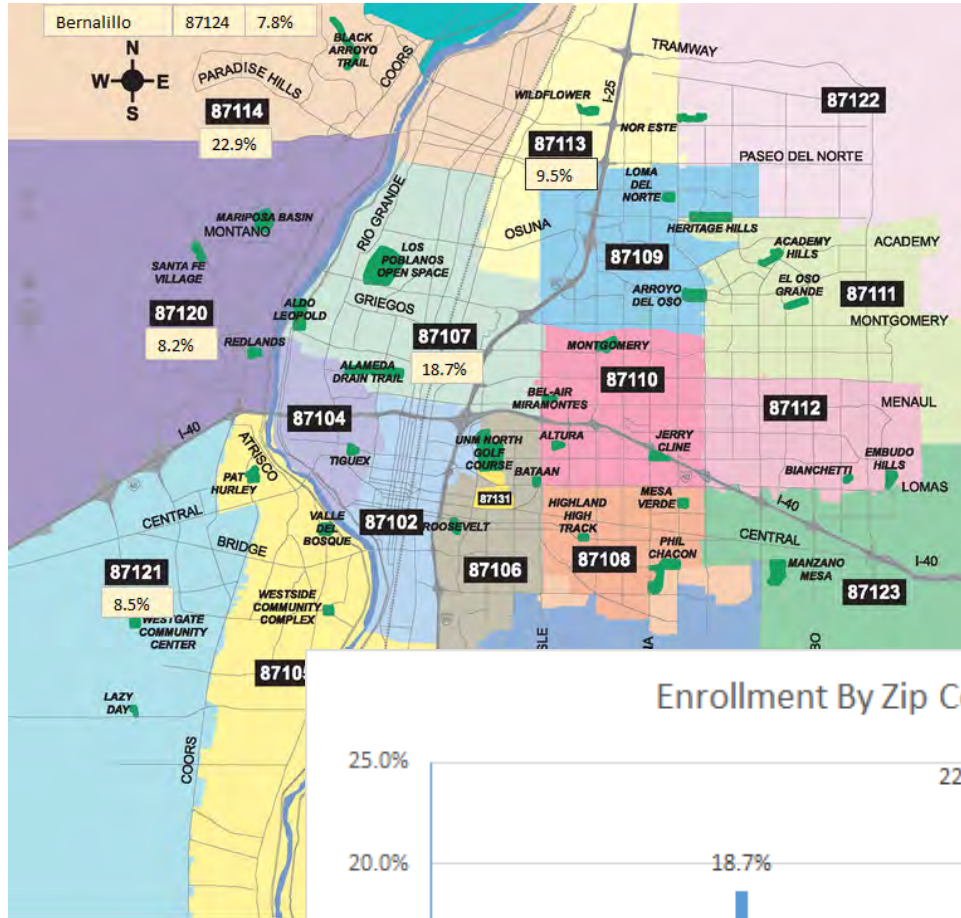
Using the classroom loading policy above and keeping in mind the enrollment cap of 534 students, Northstar has projected classroom needs. As the table depicts, the NVA has an ample number of classrooms to accommodate the projected number of students for each grade. This assumes the continuation of the current educational delivery methods and the flexibility to combine grade levels as needed.

		2019-20	2024-25
Grade	Current Enrollment	Existing Classrooms	Classroom Need
K	59.0	3.0	3.0
1st	54.0	3.0	2.4
2nd	63.0	2.5	3.0
3rd	51.0	2.5	2.5
4th	53.0	2.5	2.1
5th	57.0	2.5	2.5
6th	46.0	2.0	2.1
7th	48.0	1.5	2.0
8th	27.0	1.5	1.0
Subtotal General Use Classroom		21.0	20.6
Pre-K		2.0	2.0
Total General Classrooms		23.0	22.6
Specialized			
Art		1.0	1.0
Library		1.0	1.0
Music		1.0	1.0
Computer Lab		2.0	1.0
Phys. Ed		1.0	1.0
Total Specialized		6.0	5.0
Special Programs			
Spec. Ed		2.0	2.0
Ancillary Srv		1.0	1.0
Resource RM		1.0	0.0
Total Special Programs		4.0	3.0
Total Instructional Space		33.0	30.6

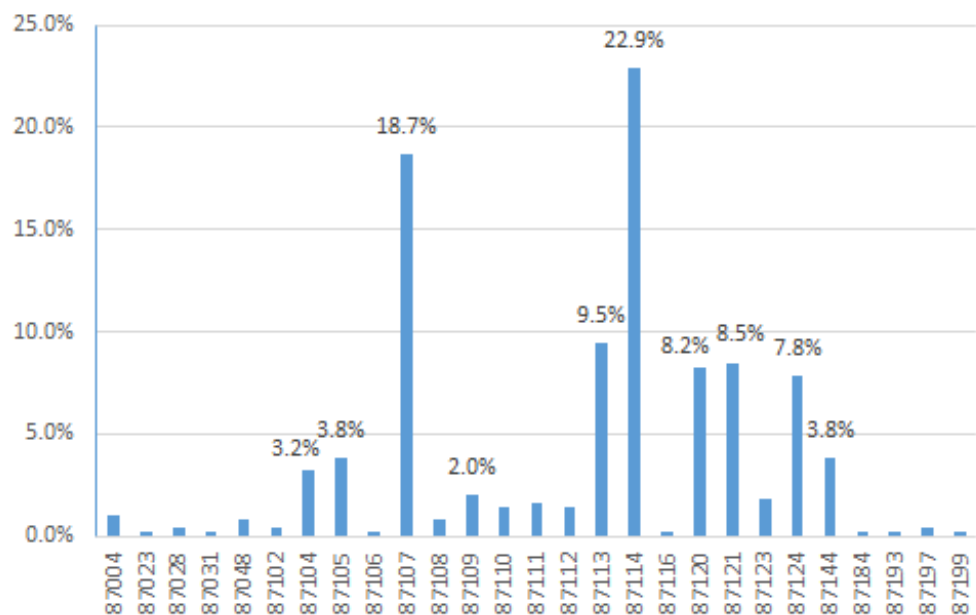
2.2 Enrollment

2.2.4 Student Origins

NVA's attendance area is very broad. Students originate from 27 different zip codes within the Albuquerque Metropolitan area including Bernalillo and Rio Rancho. The majority of the student population, approximately 75.6%, originate from the following six zip codes; 87114, 87107, 87113, 87121, 87120, and 87124. The majority of the student population, 22.9%, originate from the 87114 zip code. See chart below and map.



Enrollment By Zip Code



2.3 Sites/Facilities

2.3.1 Location Map

North Valley Academy is located within the village of Los Ranchos, south of Paseo Del Norte on 4th street. The physical address is 7939 4th Street Los Ranchos, NM. Los Ranchos is located in Bernalillo County of 6,024 persons as of the 2010 Census and is bordered on three sides by Albuquerque, NM. The current facilities were built / set in place specifically for this Charter school. See map below.



2.3 Sites/Facilities

2.3.2 Site & Facility Inventory

Site Description

North Valley Academy Charter school is accessed from 4th street to the east and is adjacent to an Antique Mall to the south, and residential properties to the west and north.

The site consist of approximately 6.58 acres with approximately 42,000 sf of student, staff, and visitor parking and drop off areas; approximately 127,000 sf of outdoor recreational area including basketball courts, playground equipment, multipurpose field with a dirt running track and fitness course; and 13 buildings with a total square footage of approximately 38,000sf. The NVACS also leases approximately 3,200 sf of space in the adjacent Antique Mall for Visual/Performing Arts, and Music and Library instruction. Intermixed amongst the 13 buildings are several raised gardens with drainage culverts, treed courtyard, picnic tables, and sidewalks.

Facility Description:

Twelve of the thirteen buildings are modular buildings used for instruction as well as restroom facilities. Eleven were put in place in 2003 and another two added 2018 for Special Education Department and Music/Library. Further, the NVA has a multipurpose facility for physical education, sporting events, large gatherings, and food service (warming kitchen). See map below.

See Section 5 - Master Plan Supporting Information for floor plans and FAD Update.



2.3 Sites/Facilities

2.3.3 Statewide Adequacy Standards

New Mexico's statewide adequacy standards for primary and secondary educational facilities (NMAC 6.27.30) are the guidelines for public school districts to "... provide and sustain the environment to meet the needs of public schools." The guidelines are a minimum facility standard to establish equity among all educational facilities that serve New Mexico public school students. Alternative and charter schools may seek a variance for facilities, since they do not necessarily conform to the standard's programs, delivery methods, and facility needs and budgets. In such cases, schools meet the intent of the facility requirements through "alternative methods." However, alternative and charter schools must provide the minimum square footage allowances for general classroom spaces identified in the adequacy standards. Section 3.2.5 Space Needs indicates conformance with adequacy standards for minimum square footage per student.

The implementation of space needs for NVA will meet the following required standards, listed below with statute section citations in parentheses:

6.27.30.8 General Requirements

- Building structural soundness (A.1)
- Weather-tight exterior envelope (A.2)
- Interior surface condition (A.3)
- Interior finish harmful elements (A.4)
- Building system integrity (B.1)
- Plumbing type / accessibility (B.2)
- Adequate fire alarm system (B.3)
- Adequate two-way communication system (B.4)

6.27.30.10 Site

- Student drop-off pedestrian pathway (A)
- Protection of building structural integrity (C)
- Potential of flooding ponding, or erosion (C)

6.27.30.12 Academic Classroom

- Appropriate size (A)
- Lighting (C)
- Temperature range (D)
- Acoustics (E)
- Air quality (CO₂ PPM) (F)

2.4 Utilization & Capacity

2.4.1 Utilization

Utilization analysis identifies existing classroom use and the number of classrooms that accommodate current student enrollment. The analysis based on the 40 day enrollment of the academic year 2019-20 and the classroom inventory is found in Section 5. The average utilization rate of all instructional spaces at the school is 86%. Refer to the analysis using the school 2019-20 classroom schedule in Section 5 - Master Plan Supporting Documents.

2.4.2 Capacity

A school's stated delivery methods, usually expressed in terms of classroom loading and PTR, determine the capacity of a charter school facility. The New Mexico Public School Facility Adequacy Standards require a minimum of 50 net square feet per Kindergarten student, 32 net square feet per elementary school student, and 28 net square feet per middle school student in general use classrooms. The capacity analysis compares the capacity considering the minimum amount of square footage required per student by New Mexico Adequacy Standards versus the allowable classroom loading capacity according to state statute. The reported capacity is the lesser (more stringent) of the two numbers. The maximum functional capacity of current facility is 447 at 86% efficiency. However, using the NM Adequacy Standards, the maximum functional capacity is 518, which allows for an additional overall student capacity of 71 students. For planing purposes, the Charter School should consider their facilities as being over capacity using the more stringent criteria and taking into account several classrooms sharing two grade levels due to lower enrollment. Should the lower enrolled grades increase in enrollment, the Charter School would need to re-evaluate other potential spaces for classroom use to accomodate more students. One such remedy would be to combine the two computer labs into one and open up the available space as a general use classroom.

2.4 Utilization & Capacity

2.4.2 Capacity

Classroom	Teacher	Grade	Sq. Ft.	Capacity per Adequacy	Capacity per Loading	Reported Capacity	Current 40 Day Enrollment
100	S. Brown-Crow	Pre-K	808				
101	K. Wener Werrick	Pre-K	799				
102	K. McNellis	K	808	16	20	16	21
103	L. Manzanares	K	799	16	20	16	19
104	K. Treharn	1	808	25	22	22	19
105	S. Kortz	K	799	16	20	16	19
106	A. Morett	1	808	25	22	22	17
107	A. Halderman	2	799	25	22	22	24
108	S. Ranieri	3	808	25	22	22	23
109	S. Gleason	2 and 3	799	25	22	22	22
110	J. Schnoor	3	808	25	22	22	21
111	M. Fitzgerald	4	799	25	24	24	22
114	L. Osburn	4	808	25	24	24	22
116	A. Acoya	1	808	25	22	22	18
117	A. Weil	2	799	25	22	22	24
118	T. Hernandez	7 and 8	799	29	27	24	23
119	C. Miller	7 and 8	808	29	27	24	21
121	P. Miller	4 and 5	808	25	24	24	22
122	B. Wilkening	7 and 8	799	29	27	24	22
123	D. Anaya	6	808	29	24	24	23
124	N. Midgett	5	799	25	24	24	21
125	J. Schneider	6	808	29	24	24	22
126	D. Davis	5	799	25	24	24	22
Totals			18,485	518	485	464	447
				518			447
* Capacity	71						

* - Capacity per Adequacy - Current 40 Day Enrollment

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2.5 Technology

2.5.1 Overview of North Valley Academy's Technology Plan

Technology and Communications Status

North Valley Academy has implemented many upgrades in technology in the last few years, including upgrading from desktop computers to low power, cost effective thin-client virtual devices. With this conversion, we set up and deployed 6 servers to handle the thin-clients.

North Valley Academy has added a meshed Wi-Fi network with one access point per classroom quadrant, as well as replaced the 100 mbit classroom switches with Ubiquiti 1 bit managed switches. The server room switches were also replaced with Ubiquiti switches.

100 Chromebooks were added to 3 mobile carts to be used for in-class, whole group testing.

36 Android based tablets were deployed for staff members on campus and an additional 30 Android tablets in the PreK classrooms. In the 2019-2020 school year, laptops were deployed to all teachers that are compatible with the current projection and document cameras in each classroom. To assist in the management of the laptops, a new asset management system is in place using SolarWinds. In 2016, North Valley Academy created a computer lab with 24 stations and in 2019, a second computer lab with another 24 stations was created to be used for classroom instruction as well as testing centers.

The faulting copper cabling was replaced from the MDF (server room) to classrooms with fiber throughout the majority of the campus.

North Valley Academy has created individual student logins for network and accountability and we set up and are maintaining a FERPA compliant firewall.

North Valley Academy has also created and utilized the NVA technology team, comprised of teachers representing various grade levels, that assist in identifying the technology needs for the school. This team also helps support the IT personnel with daily manageable tasks such as managing student logins, organizing technology equipment and basic tech support throughout the campus.

Instructional Capabilities

Network

Classrooms

- Wireless capability to support at least 24 student computers
- Laptop instructor computer
- Fiber wiring to support classroom technology needs

Devices

Computers

- Laptop computer for each instructional staff member
- Mobile computer carts with at least 24 laptops for whole group, in-class computer use
- 4 virtual based student computers in each classroom

Peripheral Devices

-Classrooms

- One document camera and projector per instructional room that is compatible with

laptop usage

-Teacher Workroom

- 1 shared device that prints, copies and scans documents to shared teacher drive

2.5 Technology

Implementation (5 Year Goals)

North Valley Academy would like to work with EducationSuperHighway and complete ERate fundamentals to receive funding for fiber and monthly bills that would include having fiber lines run to the building for more efficient internet connections.

North Valley Academy would also like to replace all the current wiring within the classrooms with modern cat6 wiring. We would also like to recycle and purge all of the old hardware on campus.

Working with security grant, NVA would like to install a new security camera system that includes a large office monitor and the capability for monitoring through portable devices such as cell phones. We would also like to add a visitor management system with real-time access to available criminal registries and allow the school to have a more accurate monitoring of who is on campus.

Also with the security grant, North Valley Academy would like to upgrade the hand-held walkie-talkies on campus in case of emergencies and when two-way communication access to the phone intercom system is not feasible.

North Valley Academy will also be adding a security door entrance in the front office so that visitors onto campus must be granted access upon proper check-in and clearance. In phases, NVA will upgrade the current virtual devices to the next generation of HDMI virtual devices with the goal to have all of them upgraded within a 5 year period.

With the addition of the new servers, North Valley Academy would like to move the Destiny library book management system to a new server for faster and more reliable service.

2.6 Energy Management Program

2.6.1 Energy Management Program

Vision Statement

Recognizing that building system energy use impacts the school's ability to meet educational missions and be fiscally responsible, North Valley Academy will minimize our energy consumption at our owned / leased facilities, while maintaining a comfortable and effective learning environment. By employing common-sense conservation guidelines and implementing behavioral solutions in both classrooms and operations, and through facility capital investments in energy efficiency in our owned facility, we will measurably demonstrate continuous improvement in energy-use reduction and energy conservation awareness.

Governing Council Plan

The Governing Council of NVA is committed to the efficient use of energy resources, the protection of the environment, and the responsible employment of those financial resources which are devoted to our energy-related budget. We expect all employees, students, and facility users to contribute to energy efficiency by developing their own awareness of the need to conserve energy and by being "energy savers" through their judicious use of energy. Through energy-efficient behaviors and capital improvements, the school will reduce energy consumption and greenhouse gas production.

Goals

A behavior modification program will be implemented going forth, in order to reduce the operations budget and devote more funds to educational resources.

We will implement behavior modification programs, such as turning off lights in unoccupied rooms and shutting down all electronic devices at the end of every day. Modifications also include reducing electrical items in classrooms, keeping thermostats at an agreed-upon level during the school day, lowering temperature settings during unoccupied hours and off-session times, and closing doors when HVAC units are on.

2.6 Energy Management Program

Goals Contin'd

We are upgrading to more energy efficient HVAC units as units are needing replacement. During this switch, we are also installing programmable thermostats. Preventative maintenance on all HVAC units has been increased from 3 times a year to quarterly. Cleaner filters increase the efficiency of each unit.

We are investigating the cost effectiveness of moving to solar panels throughout the school to be able to establish energy production. We are also investigating the cost savings of switching classroom lighting to LED lighting. We are also investigating installing sensors for turning on or off lights in rooms.

During the renovation of our kitchen from a warming kitchen to a certified kitchen, we will be investing in appliances that are more energy efficient whenever cost effective. This includes moving to plastic reusable trays instead of Styrofoam disposable trays and the use of a dishwasher. This may increase the water usage, but will significantly decrease our waste. We have also implemented school-wide recycling program.

We will seek capital investment programs.

We will determine where energy savings can be most effectively and affordably realized through an energy audit of our facility, and establish exact energy reduction targets.

We will establish a capital plan to affordably implement identified capital projects that will achieve the energy reduction targets.

We will capitalize on future renovation projects to create a more energy-efficient building through better insulated roofs, properly sealed doors and windows, and more energy-efficient equipment.

3.1 Facility Goals & Concepts

3.1.1 Goals

Through several interviews with teachers, staff, Administration, and the Facility Master Planning Committee, it became apparent many shared the same desires in terms of facility improvements and needs. Each of the future facility improvements were expressed as needed to improve the learning and teaching environment of the students, teachers, and staff. The following are future facility improvements expressed via interviews and prioritized through discussions with the Administration and Facility Master Planning Committee.

1. Remove the concrete pads and replace with landscape material.

Several areas at the front entrance have cracked and/or are raised concrete pads causing a hazardous situation.

Front Entrance Concrete Walk: \$6,180.00

2. Provide a corridor separating the existing Principal's Office and the Teachers' Lounge.

Currently, the Teacher's Breakroom acts as a pass-thru from the outside courtyard and the front office. This does not allow for the needed privacy and separation of the teaching staff and uncontrolled transient pedestrian traffic.

Front Office Hallway: \$15,000.00

3. Construct a new entrance/exit and remove parking lot medium/island to create adequate room for vehicles to safely enter and exit the school's parking lot and improve overall traffic circulation.

North entrance into the parking lot is too narrow to safely allow the simultaneous entrance and exit of vehicles. The situation is further exacerbated by a medium/island in the parking lot forcing traffic to exit the parking lot via the already constricted entrance/exit.

North School Vehicle Entrance: \$25,000.00

4. Expand the Kitchen into a full-size certified kitchen, which will provide freshly prepared foods during the school week and act as a source of revenue during the weekends. In addition, the NVA will be able to introduce a food preparation class into its curriculum. Kitchen expansion will also incorporate the following:

a.) Additional storage for equipment and furniture

b.) Restriping of the entire parking lot and add an exit at the south end to improve the overall vehicle circulation.

The existing kitchen is a warming kitchen and is operated via a contract with Canteen. In its current state and function, it does not fully meet the educational goals of NVA.

Kitchen Expansion: \$650,000.00

5. Provide new irrigation and grass/sod on southern half of existing soccer field.

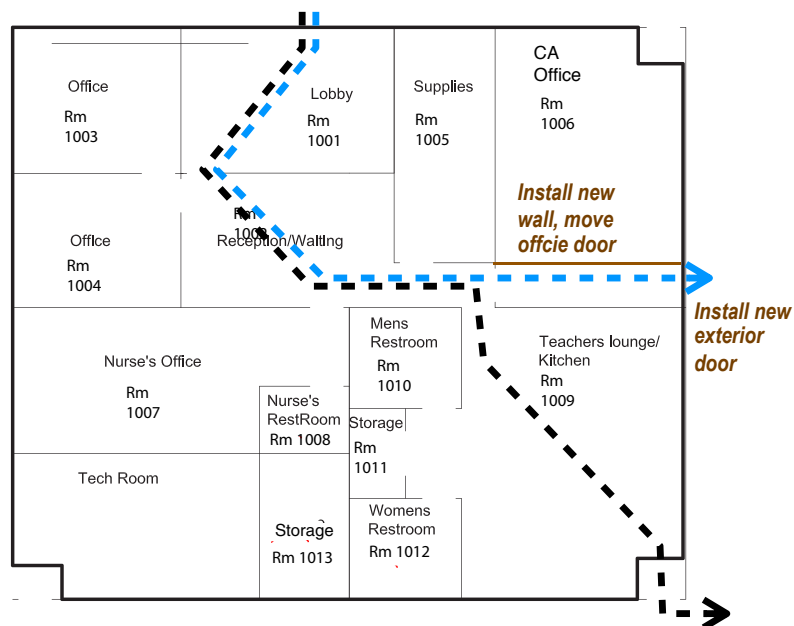
The NVA completed half of its soccer field several years ago, but the other half remains undone and largely unused.

New Grass and Irrigation: \$56,310.75

3.1 Facility Goals & Concepts



Priority 1 - Estimated Cost is \$6,180.00



Priority 2 - Estimated Cost is \$15,000.00

3.1 Facility Goals & Concepts

3.1.1 Goals and Concepts (continued)



Priority 3 Estimated Cost is \$25,000.00



Priority 4 Estimated Cost is \$650,000.00



Priority 5 Estimated Cost is \$56,310.75

3.2 Space Requirements

3.2.1 Space Summary

The following chart demonstrates the current educational and administrative support space at the NVA. Currently, the total NSF of Instructional space is 23,862sf or 61.8% of the total NSF of the campus. This includes General Classroom spaces for 1st grade thru 8th, shared Classroom spaces for 2nd/3rd grades and 7th/8th grades, Pre-K, and other educational spaces for the delivery of the NVA educational program. The chart also depicts the other areas of space allotments such as Instructional Support Space, and Administrative Support Areas consisting of the remainder 37.2% of the total NSF.

Spaces	NSF	% of Total
Instructional Spaces	23,862	61.8%
General Classrooms	12,865	
Pre-K	1,607	
Shared Classrooms	4,013	
Visual / Performing Art	2,800	
Music	720	
Specialized	799	
Guitar	250	
STEAM Lab	808	
Instructional Support	8,757	22.7%
Multi-Purpose	5,640	
Book Room	799	
Library	720	
Computer Lab	799	
Computer Lab	799	
Administration / Support Area	6,002	15.5%
Student Services	2,160	
Administration	2,108	
faculty Spaces	560	
Student Health Space	400	
Facility Support	774	
Total	38,621	100.0%

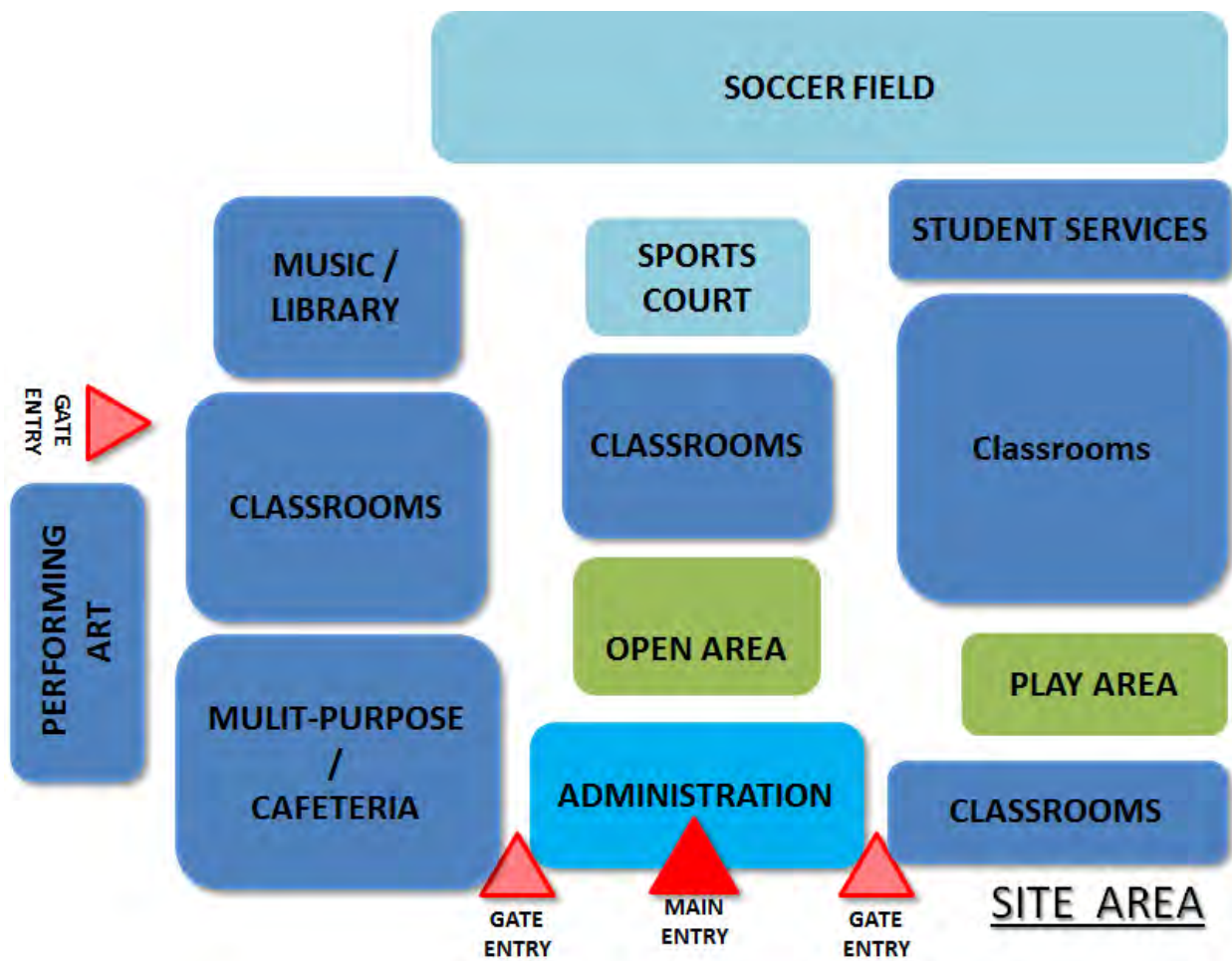
3.2 Space Requirements

3.2.1 Space Summary (Cont'd)

The overall space relationship diagram below illustrates the relationship of the major components and functions that comprise the NVA campus.

All users enter the campus at the Main Entrance into the Administration Building. Other secondary entrances are located immediately north and south of the Main Entry and another at the far south end of the campus through an existing adjacent building / property.

All buildings are accessed from the outside via walways.



3.2 Space Requirements

3.2.2 Site Requirements

Transportation

All parents are responsible for transporting their children to and from school. The current drop off / pick up area is a parking lot south of the campus that is shared with the adjacent property owner. Visitors to the campus are able to park in the parking lot to the east of the Main Entrance.

The visitor parking lot is in need of a reconstructed entrance allowing the simultaneous entrance and exit into and out of the parking lot from 4th street. Currently, the space and configuration is such that only one vehicle can safely enter or exit onto 4th street.

Recreation

The NVA campus has a large soccer field with only half of it with grass and irrigation. The field is incircled by a dirt track with multiple exercise stations along the track.

3.2.3 Descriptions and diagrams of Required Spaces

The following are bubble diagrams depicting the functional needs / requirements of specific programs. These bubble diagrams graphically illustrate the relationships between programs, adjacency, visual access, and physical access.

LEGEND:

Access



Exterior Access



Main Entry



Circulation



Visual



Sound



Cabinets



White Boards



Projector



Desk w/Chair



Security



Visual Barrier

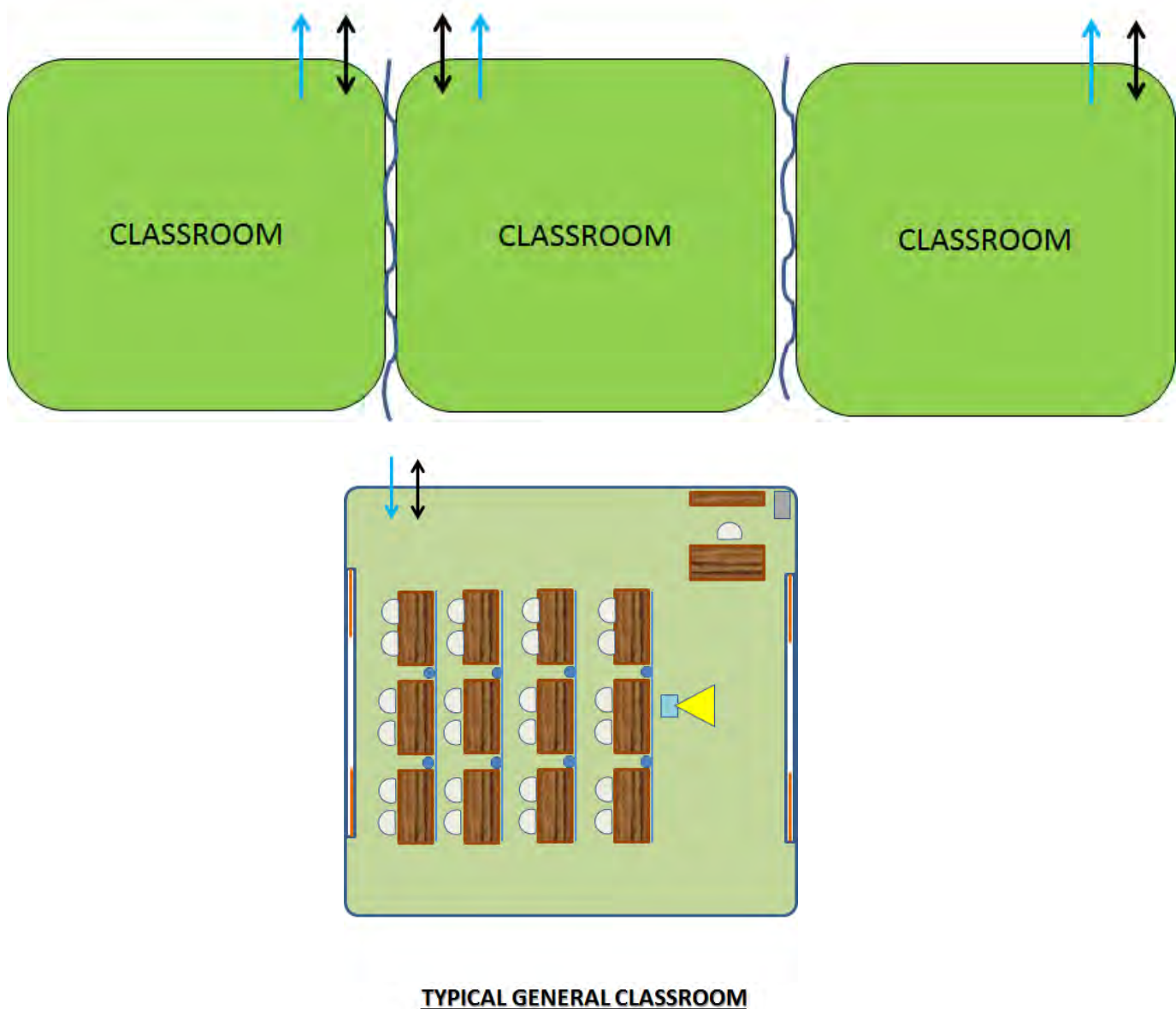


3.2 Space Requirements

3.2.2 Descriptions and Diagrams of Classrooms

Core Classrooms

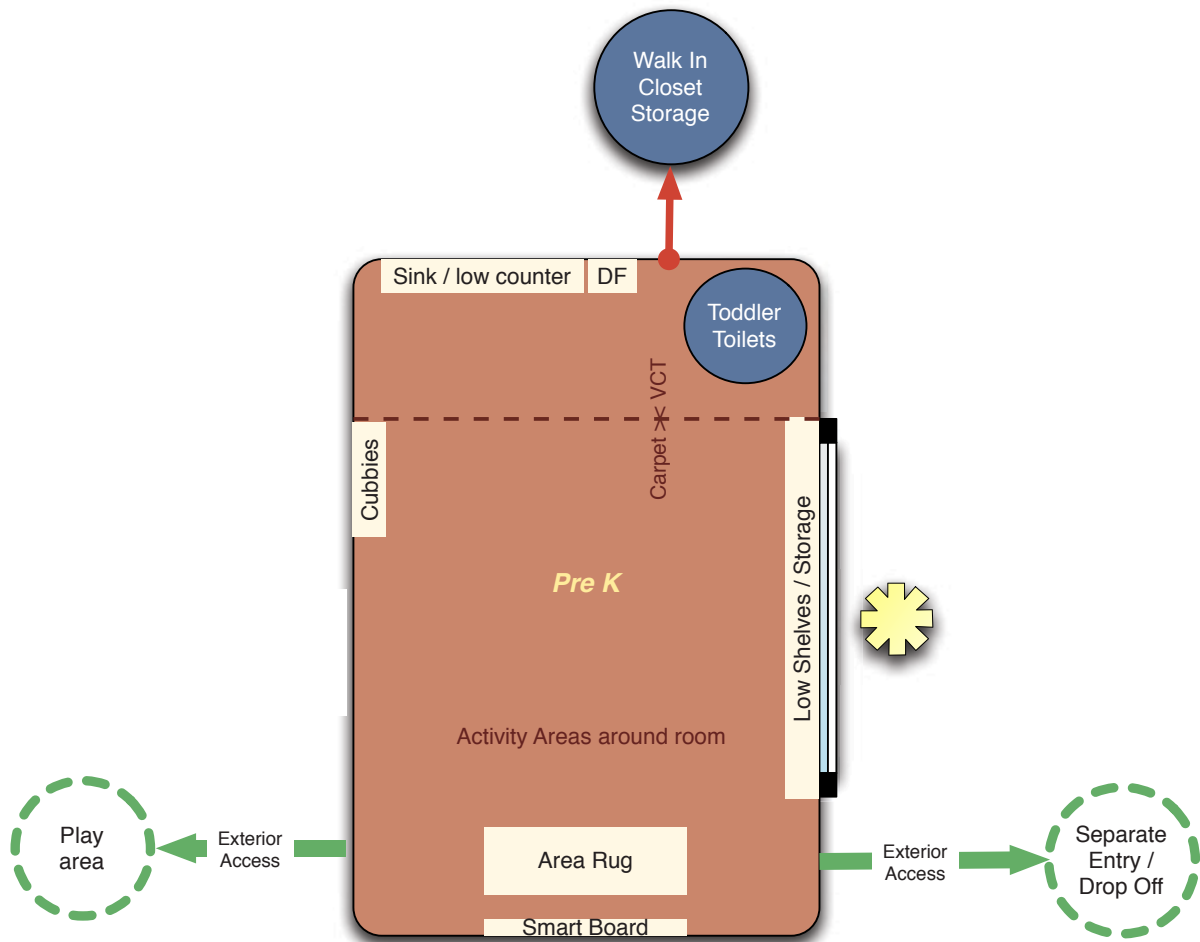
All classrooms are approximately the same size, ranging from 799sf to 808 sf depending on which side of the modular building its located. All classrooms have limited natural light and storage. Further, each classroom has WiFi access, at least four desk top computers, projectors, teachers desk, and flexible seating.



3.2 Space Requirements

3.2.2 Descriptions and Diagrams of Classrooms (continued)

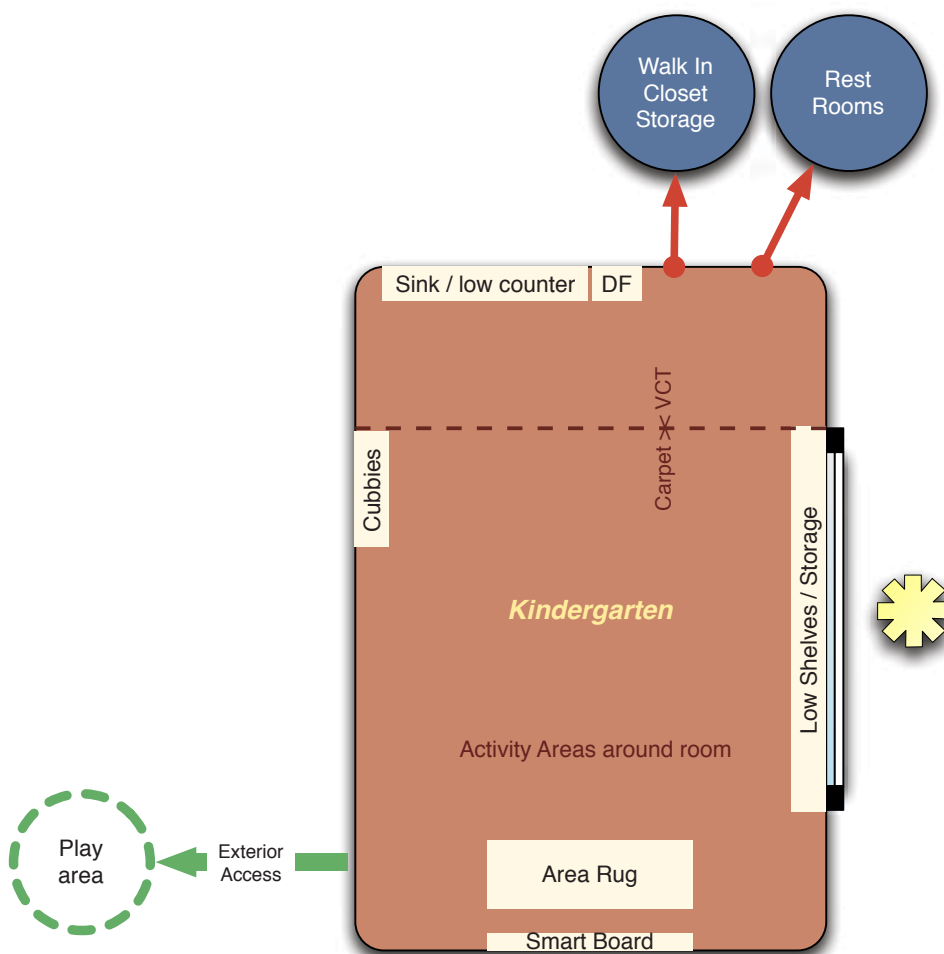
Pre-K Classrooms



3.2 Space Requirements

3.2.2 Descriptions and Diagrams of Science and Other Space

Kindergarten Classrooms

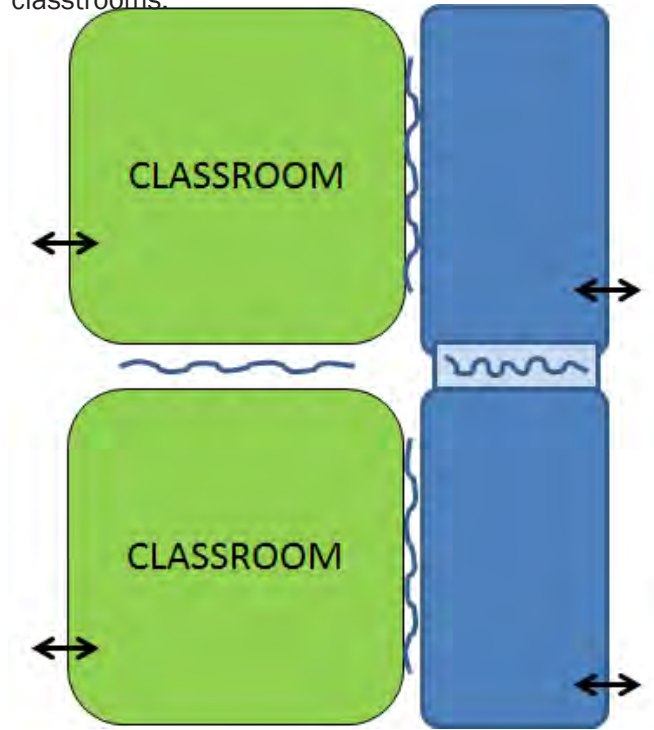


3.2 Space Requirements

3.2.2 Descriptions and Diagrams of Science and Other Space (continued)

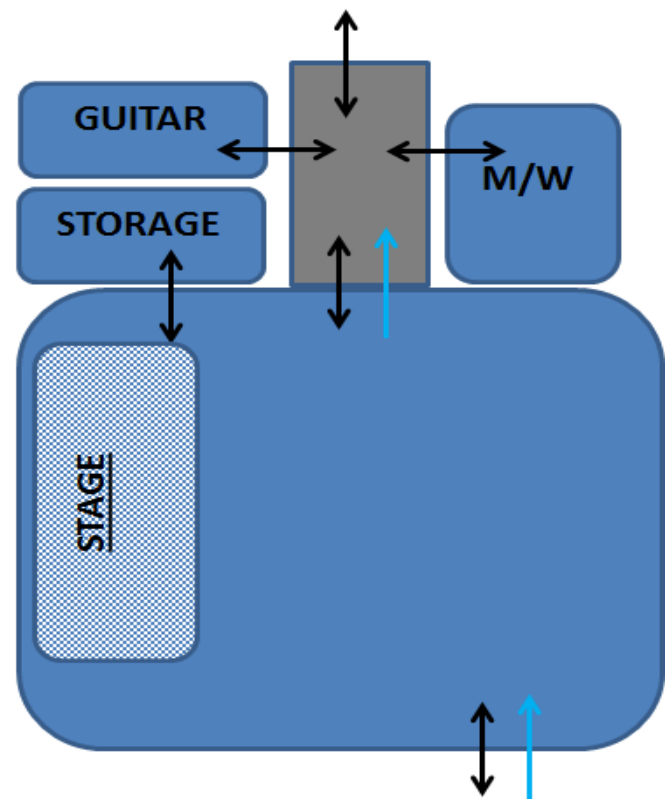
Typical Restrooms

Restrooms are located within three modular buildings with classrooms located immediately adjacent. the restrooms are accessible from the exterior as is all the classrooms.



VISUAL / FINE ART

The Visual/Fines Arts classroom is within a space being rented in the adjacent retail center. Its a large space with a sink, stage, storage, restroom, and flexible seating. This space is accessible directly from the exterior from the north and south. A small room is dedicated to Guitar instruction accessible from a shared hallway/vestibule.



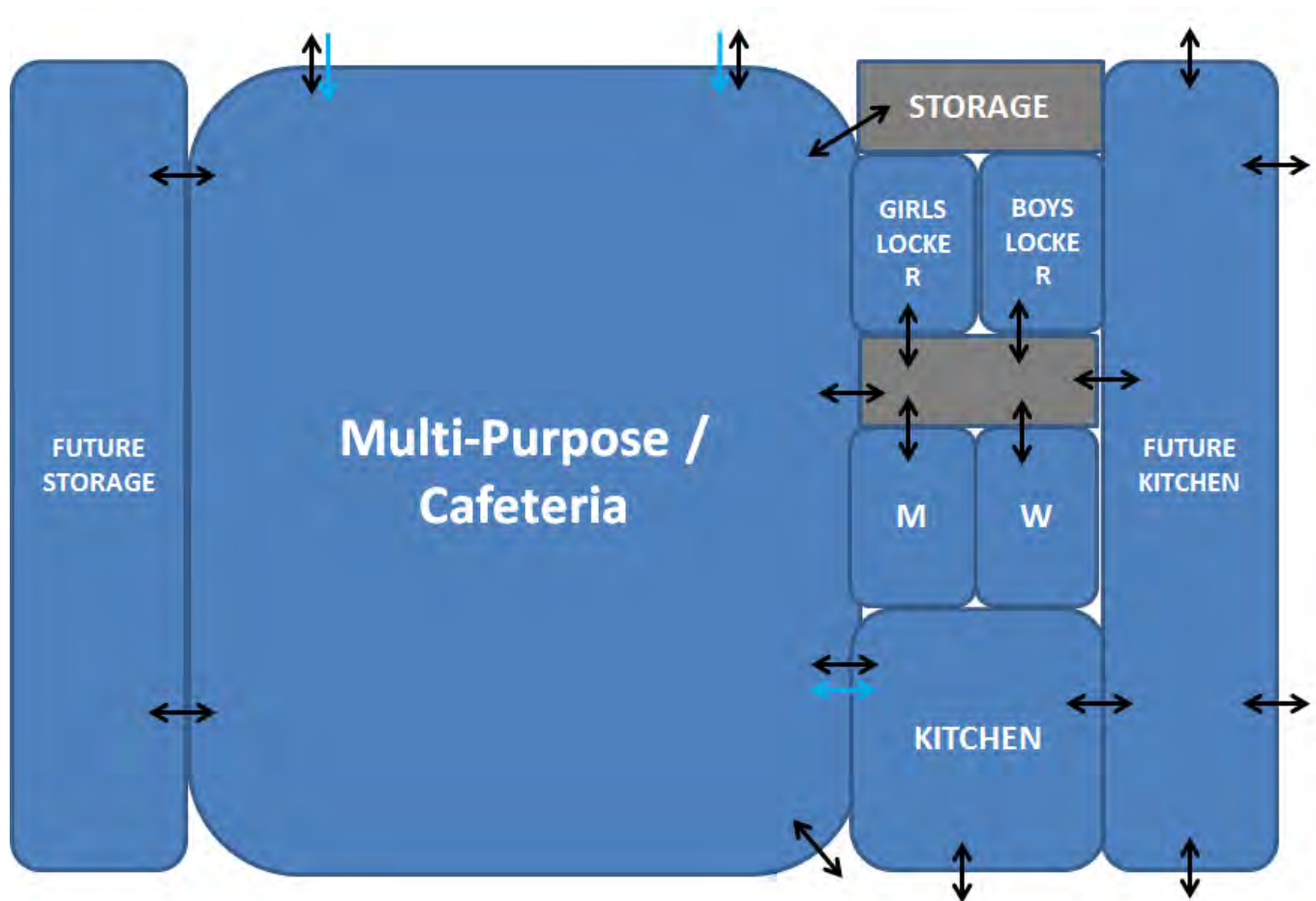
3.2 Space Requirements

3.2.2 Descriptions and Diagrams of Science and Other Space (continued)

Multi-Purpose / Cafeteria

The Multi-Purpose Area is truly Multi-Purpose. During the Day it functions as a Physical education space and cafeteria serving all 497 students rotated in/out in groups of eight. It also functions as a county facility hosting several youth basketball games in exchange for uniforms.

The kitchen is envisioned to be expanded to fully address the school's mission to provide daily freshly prepared foods to its students and faculty. Further, once expanded, the facility may act as a revenue source for the NVA by renting the facility to caterers, food trucks, and special events.

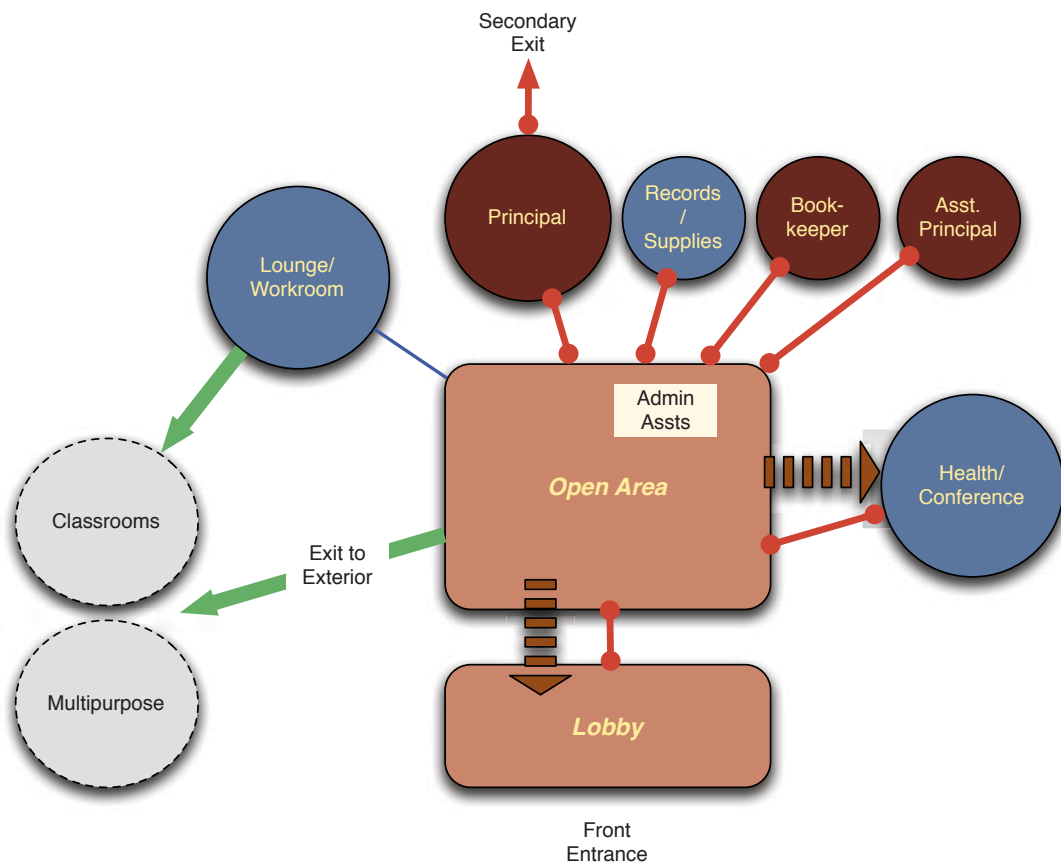


3.2 Space Requirements

Administration

The Administration area is a very busy area with students, faculty, staff, and parents coming and going at various times of the day. The most busy times being in the morning and afternoon.

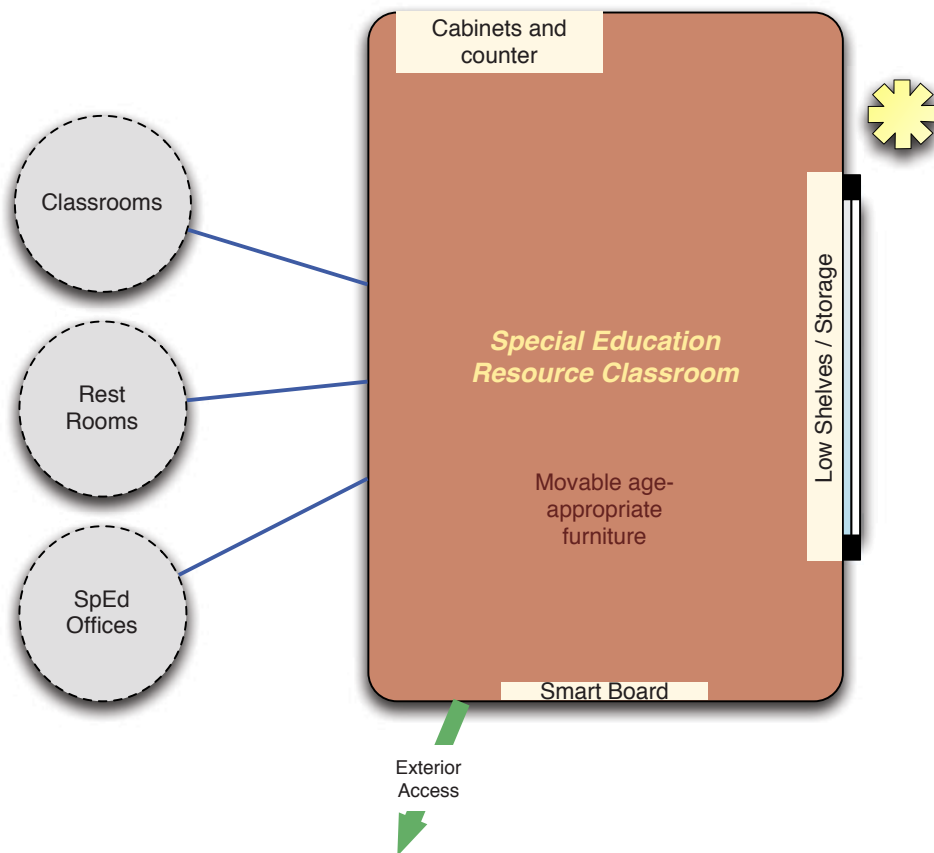
The Lounge/Workroom currently has transient pedestrian traffic passing thru the space, which does not afford the needed privacy of the teachers. Therefore, one of the priorities of the NVA is to add a corridor between the NVA's Chief Administrator's Office and the existing Lounge/Workroom. This will close off the Lounge/Workroom from the transient pedestrian traffic and still provide the needed egress from the Administrative space the exterior.



3.2 Space Requirements

Special Education

A new Special Education modular building has been added since the last Facility Master Plan. This building contains space for records storage, IT, and the Director and CO-Directors of the SPED programs.



4.1 Total Capital Needs

4.1.1 Historic and Current Funding

At the time of the previous FMP (2013-17), the North Valley Academy (NVA) was not receiving HB33 funding and the SB9 funding received was minimal at \$10,700 per year. Further, the NVA was receiving lease reimbursement from the PSCOC in the amount of \$371,300. Thus making any capital improvements extremely difficult, which would only benefit the landlord.

As of 2018, the North Valley Academy has been receiving HB33 funding each year. As of 2020, the NVA will receive approximately \$290,000 in HB33 funds from local mill levys, which will continue through the life of this Facility Master Plan. Beginning in 2021, the NVA will be receiving SB9 funds of approximately \$163,000, which will also continue through the life of this facility Master. All total, the NVA will be receiving approximately \$453,000 per year. The NVA has the capacity for more students, which will increase the funding as well. However for the purpose of this master plan and its capital planning, all capital projects are based on current 2020-21 funding. Therefore, based on the available capacity of students, the NVA should receive more funds than that being conservatively projected at the time of this Facility Master Plan.

Since the publishing of the last facility master plan, the NVA has gained full ownership of its facilities. Combine this with the additional funding, making capital improvements becomes a viable option, that will now benefit the school's financial position in lieu of a landlord.

4.1.2 Current and Estimated Future Capital Expenses

The current and estimated capital expenses for the NVA will increase significantly since the last facility master plan. This is due in large part to two significant milestones. One being the purchase of the facilities and second from the additional funding being received.

Per the capital improvement plan and priorities established by the NVA, the school has identified a capital expense of approximately \$38,820 for 2019-20. From 2020 to 2024, the NVA has projected a total capital expense of approximately \$752,180, inclusive of the expenditures for 2019-20 school year.

4.1.3 Potential Future Sources of Revenue

The NVA will continue to receive HB33 and SB9 funds for the life of this Facility Master Plan. With a planned effort to increase enrollment, the NVA will receive additional funds as the enrollment increases, however all capital improvement projections are based on 2019-20 finding and enrollment.

Further, now that the NVA owns its facilities, the NVA is now eligible for PSCOC Capital Outlay funding from the State of New Mexico. This is a competitive process, but it affords the NVA an opportunity to participate in cost sharing of its capital improvement projects. For instance, at the time of this FMP, the State share participation is 55% to 45% for NVA. Assuming the NVA qualifies and this same cost sharing split remains unchanged, the PSCOC would pay for 55% of the projected \$752,180 in capital improvements equaling \$413,699. While the NVA would be liable to pay \$338,481 instead of the full \$752,180.

4.2 Capital Plan

4.2 Capital Needs

As outlined in Section 3 - Facility Goals, the NVA has identified several capital improvement projects beginning in the year 2019-20 continuing through 2023-24. These were prioritized based on need, financial viability and funding cycle, and safety. Safety being the top priority guiding the process.

As such, the number one priority is the removal of several square sections of concrete to be replaced with soft scaping. This will make for a level walk path from the parking lot to the school entrance. This is projected to cost approximately \$6,180.00

Other capital improvement projects per Section 3 include a new hallway, reconstructed north vehicle entrance, expand the existing warming kitchen to a full size certified kitchen / restripping and reconfiguring the overall parking area, and installing new sod and associated irrigation lines.

All total, the projected capital improvements for the NVA from 2019-20 through 2023-24 is \$752,180.

See a list of the identified capital improvements, projected costs, funding source, and timing on the next two pages.

4.3 Capital Plan Implementation

4.3.1 Capital Funding Analysis

The table below illustrates all the capital improvement projects identified and prioritized by the NVA for the period of 2019-20 through 2023-24. It depicts the time frame, funding source, project type, cost estimate for each project, a yearly net amount remaining, and a running total of dollars available per year.

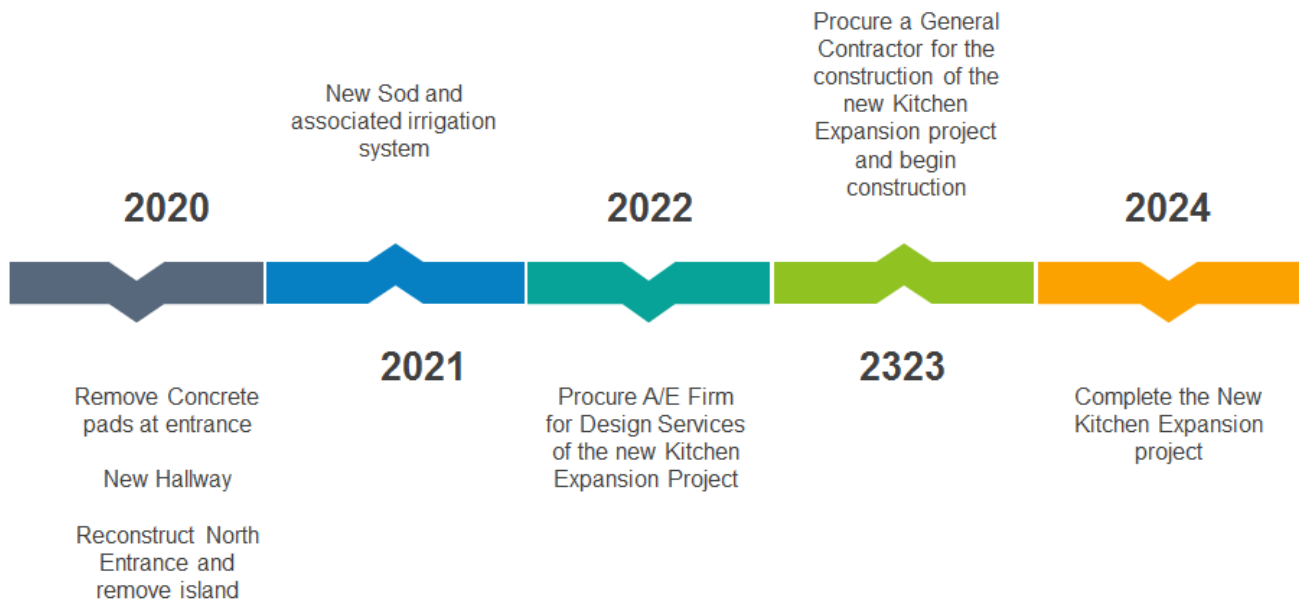
North Valley Academy Capital Project Plan - 2020 - 2024									
Year	Anticipated Cash Flow	Funding Source	Lease Payments	Preventative Maintenance Budget	Net Cash Flow	Capital Projects	Project Type	Amount Remaining for the current year	Total Amount Remaining - Year to Year
2020	\$175,000.00	HB-33	-\$130,000.00	-\$75,000.00					
2020	\$115,000.00	HB-33				\$15,000.00	New Hallway		
						\$6,180.00	Remove entry concrete pads		
						\$25,000.00	Revise North Vehicle Entry and remove medium		
	\$290,000.00		-\$130,000.00	-\$75,000.00	\$85,000.00	\$46,180.00		\$38,820.00	\$38,820.00
2021	\$175,000.00	HB-33	-\$130,000.00	-\$75,000.00					
2021	\$115,000.00	HB-33							
						\$56,310.75	Sod and irrigationsystem		
2021	\$163,000.00	SB-9							
	\$453,000.00		-\$130,000.00	-\$75,000.00	\$248,000.00	\$56,310.75		\$191,689.25	\$230,509.25
2022	\$175,000.00	HB-33	-\$130,000.00	-\$75,000.00					
2022	\$115,000.00	HB-33				\$60,000.00	Design Fee's		
2022	\$163,000.00	SB-9							
	\$453,000.00		-\$130,000.00	-\$75,000.00	\$248,000.00	\$60,000.00		\$188,000.00	\$418,509.25
2023	\$175,000.00	HB-33	-\$130,000.00	-\$75,000.00		\$490,000.00	20x70 Addition and Addit'l storage and revise parking layout		
2023	\$115,000.00	HB-33				\$100,000.00	Kitchen Equipment		
2023	\$163,000.00	SB-9							
	\$453,000.00		-\$130,000.00	-\$75,000.00	\$248,000.00	\$590,000.00		-\$342,000.00	\$76,509.25
2024	\$175,000.00	HB-33	-\$130,000.00	-\$75,000.00					
2024	\$115,000.00	HB-33							
2024	\$163,000.00	SB-9							
Total	\$453,000.00		-\$130,000.00	-\$75,000.00	\$248,000.00	\$0.00		\$248,000.00	\$324,509.25
Net Five Year Total					\$1,077,000.00				
Total Capital Project Amount						\$752,490.75			
Net Amount Remaining								\$324,509.25	

4.3 Capital Plan Implementation

4.3.1 Capital Implementation Schedule

The graphic below identifies the time line for all the capital improvement projects identified and prioritized by the NVA for the period of 2019-20 through 2023-24.

North Valley Academy Charter School
Capital Improvement Schedule



Certificate of Occupancy



County of Bernalillo

Zoning, Building and Planning Department

This Certificate is issued in accordance with the requirements of the Bernalillo County Code and certifies that at the time of issuance this structure was in compliance with County ordinances regulating building construction or use.

Owner of Building: **HORIZON ACADEMY**

Building Permit No: **BCBP 30031**

Occupancy Group: **E-1/97**

Type of Construction: **V**

Land Use Zone: **VILLAGE OF LOS RANCHOS**

Use of Building: **NEW EDUCATIONAL FACILITY**

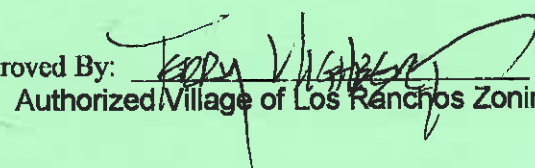
Building Address: **7939 4TH STREET NW**

Legal Description: **MAP 27 TRS 6 15A X 15B CONT 4.33 AC**

Approved By:


Authorized Building Official

Approved By:


Authorized Village of Los Ranchos Zoning Official

Date: **October 1, 2007**

CERTIFICATE OF OCCUPANCY

County of Bernalillo

Planning and Development Services

This certificate is issued in accordance with the requirements of the Bernalillo County Code and certifies that at the time of issuance, this structure was in compliance with the County ordinances regulating building construction or use.

Owner of Building: Saylor Family Trust LLC

Permit No: BCBP 2015-0070

Occupancy Group: E

Type of Construction: 5-B

Land Use Zone: C-1

Code Edition: 2009 IBC

Use of Building: Counseling Office 2160 SF


Building Address: 7939 4th St NW

City: Albuquerque

Legal Description: TR 1 PLAT OF TRACT 1 & 2 HORIZON ACADEMY BEING A REPLAT
OF TRACT 1 ALAMO ACRES MOBILE HOME PARK / CONT 6.4293 AC

Approved By:

Date: Tuesday, July 25, 2017

X 

Building Official or Designee

Signed by: Ramon Andrade

CERTIFICATE OF OCCUPANCY

County of Bernalillo Planning & Development Services

This certificate is issued in accordance with the requirements of the Bernalillo County Code and certifies that at the time of issuance, this structure was in compliance with the County ordinances regulating building construction or use.

Owner of Building: Saylor Family Trust LLC

Permit No: BCBP 2018-0122

Occupancy Group: E **Type of Construction:** 2-B **Land Use Zone:** VLR SU-1

Code Edition: 2015 IBC **Use of Building:** 3,175 SF North Valley Academy Classroom

Building Address: 7901 4th St NW Suite 103

City: Los Ranchos de Albuquerque

Legal Description: TR B LAND OF WINTER & TR B LAND OF RANCHITOS SHOPPING CENTER BEING A REPLAT OF TRS 25A1, 25B2A, 26A3A2, 26A4A, 26A3B3, 1

☐ **Conditional as Noted:**

Approved By: 10/5/2018

X *John Massey*

Building Official or Designee

Signed by: John Massey

Date: Friday, October 05, 2018

Approved By:

Kimberly J. Jorgensen
Authorized Village of Los Ranchos Zoning Official

Date:

Oct. 5, 2018

**State of New Mexico
Public School Facilities Authority**



Robert A. Gorrell, Director
Rocky Kearney, Deputy Director

Santa Fe Office
410 Don Gaspar Ave.
Santa Fe, NM 87501
(505) 988-5989
(505) 988-5933 (Fax)

Albuquerque Field Office
1312 Basehart Drive, SE
Suite 200
Albuquerque, NM 87106
(505) 843-6272
(505) 843-9681 (Fax)

July 20, 2016

Mr. Ray Barton
Chief Operating Officer
North Valley Academy Charter School
7939 4th Street NW
200 Broadway NE
Albuquerque NM, 87114

VIA E-MAIL

Greetings Mr. Barton

Public School Facilities Authority (PSFA) has assessed the proposed facilities for the North Valley Academy Charter School. This assessment was conducted pursuant to NMAC 22-8B-4.2 (C) and (D).

PSFA performed assessment on May 18, 2016 at the location indicated above.

PSFA is pleased to advise you that this assessment has resulted in a weighted New Mexico Condition Index (wNMCI) score of 6.45 % which is better (lower is better) than the current wNMCI statewide average of 18.98% as required by this statute. If you decide to move to this facility, PSFA understands that plans will be produced by a licensed architect registered in the state of New Mexico. These plans will demonstrate the required Educational Occupancy, which must be acquired prior to occupancy.

Please feel free to contact me if you have any questions or concerns regarding this correspondence. I can be reached at (505) 468-0274.

Respectfully,

A handwritten signature in black ink, appearing to read "M Casias".

Martica Casias, Planning & Design Manager
Public School Facilities Authority



Part E—Description of the Charter School Facilities and Assurances*

(A description of the charter school facilities and assurances that the facilities are in compliance with the requirements of Section 22-8B-4.2 § NMSA 1978)

* All schools must provide a response for this section of the application.

E. Facility and Assurances

A description of the charter school facilities and assurances that the facilities are in compliance with the requirements of Section 22-8B-4.2 § NMSA 1978.
<p>The school must provide a copy of the facility lease agreement in APPENDIX D – Lease Agreement.</p> <p>The school must provide a narrative description of its facilities. The school should attach any facility plans or the school’s Facility Master Plan in Appendix H –Facility Master Plan.</p> <p>In addition, attach a copy of the building E Occupancy certificate and a letter from the PSFA with the facility NMCI Score as Appendix I – E-Occupancy certificate and Appendix J – New Mexico Condition Index letter from PSFA, indicating that the school facility meets the requirements of 1978 NMSA §22-8B-4.2(C)</p> <p>If the charter school is relocating or expanding to accommodate more students, the school must also provide assurances that the facilities are in compliance with the requirements of 1978 NMSA §22-8B-4.2, – Additional Facility Assurance.</p>

School response:

North Valley Academy is located in the heart of the North Valley in the Village of Los Ranchos de Albuquerque. The campus is on 6 ½ acres with 12 individual building classroom pods and one full sized gymnasium. The average pod has 4 classrooms, each approximately 815 sq feet. This gives our educators and students ample space to create the most productive learning environment possible. A few of these classrooms are used for spaces like a computer lab, a library, a music room, a STEAM lab, a book room and one entire building (6 classrooms and common area) is dedicated to servicing students with special needs.

NVA has a full-size gymnasium. This space is critical to our focus on Health & Wellness, not only for year round access to physical education and other large group activities, but also space to provide after-school sports such as the partnership with the Bernalillo County basketball program. This space doubles as NVA's food service space and is used to provide healthy meal options to our students, including a full salad bar with fresh fruit and vegetables daily as part of the National School Lunch program.

A large scale project proposed in NVA's 5 year Facilities Master Plan includes expanding our current warming kitchen into a fully certified production kitchen where more foods can be prepared from scratch for healthier eating and a focus on nutrition.

NVA has 3 large playgrounds with slides, age appropriate climbing activities, climbing bars and swings that offer cognitive, social, emotional and physical benefits to all students for better performance in the classroom environment. A ½ mile track surrounding a large grass field also provides students the opportunity to run and play. Another two full-size, outdoor basketball court areas give students the opportunity to play in groups and learn the necessary skills of organized sports.

NVA also leases a large space in the adjacent shopping center that is used for our performing and fine arts space. This area contains a large stage that is also utilized for student performances or displays.

North Valley Academy is in compliance with all facilities and occupancy requirements as noted in Appendix documents.