

## **APPENDIX E1**

### **E-Occupancy**



City Of Santa Fe  
PO BOX 909  
Santa Fe NM, 87504

# City of Santa Fe, New Mexico

## BUSINESS LICENSE

THIS BUSINESS IS IN COMPLIANCE WITH THE CITY OF SANTA FE LIVING WAGE ORDINANCE, 428-1 SFYC 1987

Official Document  
Please Post

Business Name: **NM CONNECTIONS ACADEMY**

Location: **4001 OFFICE COURT DR 201**

Class: **BUSINESS REGISTRATION - STANDARD**

Comment: **CHARTER SCHOOL**

Control Number: 0064452

License Number: 17-00125171

Issue Date February 02, 2017

Expiration Date December 31, 2017

**NM CONNECTIONS ACADEMY  
4001 OFFICE COURT DR STE 201**

**SANTA FE NM 87507**

THIS IS NOT A CONSTRUCTION PERMIT OR SIGN PERMIT. APPROPRIATE PERMITS MUST BE OBTAINED FROM THE CITY OF SANTA FE BUILDING PERMIT DIVISION PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION OR THE INSTALLATION OF ANY EXTERIOR SIGN.

THIS REGISTRATION/LICENSE IS NOT TRANSFERABLE TO OTHER BUSINESSES OR PREMISES.



## **APPENDIX E2**

### **New Mexico Condition Index Letter from PSFA**

A letter dated May 15, 2017 from the New Mexico Public School Facilities Authority states that PCA does not need to meet the requirements for Educational Occupancy.

May 15, 2017

RE: Pecos Connections Academy- potential facility at 115 South Canyon Road

Principal Jed Duggan,

On April 24<sup>th</sup> the Public Schools Facility Authority (PSFA) received correspondence from Aimee Miller, a representative of Pecos Connections Academy, requesting that PSFA perform an assessment of three potential school facilities in Carlsbad, New Mexico. The Pecos Connection Academy is considering occupying one of these facilities for its district-chartered charter school. Per our last conference call with you and members of the Pecos Connection Academy on April 14<sup>th</sup> 2016, we understand the district does not have any available space in which to house Pecos Connections Academy. To satisfy our requirements, PSFA respectfully requests correspondence from you re-affirming this statement. We also understand the charter cap for this school is 2,000 students. PSFA understands that current enrollment is 691.

Your district authorized charter will provide students a virtual education that they access online. Since the education program is an online virtual curriculum, students will not need to access the school's facility in person. When Pecos Connections Academy meets with their students they will meet in locations other than the proposed sites listed below for the Pecos Connections Academy;

1. 115 South Canyon Street in Carlsbad, NM 88220
2. 1500 W Pierce Street in Carlsbad, NM 88220, and
3. 809 Pierce Street in Carlsbad, NM 88220

As a result, your school does not require educational spaces and will not need to meet the requirements for Educational Occupancy. This facility will be classified as a Business Occupancy and permitted through the City of Carlsbad. Without being an Educational Facility we cannot issue a weighted New Mexico Condition Index Score.

Once you have obtained your Certificate of Occupancy from the City of Carlsbad, please provide it to this office as well as a set of the 100% permitted Construction Documents.

If you have any questions regarding this letter, please feel free to contact me. I can be reached at (505) 468-0274.



Martica Casias  
Planning & Design Manager  
Public Schools Facilities Authority

Cc; Norma Ahlskog, PSFA Financial Specialist  
Aimee de Pontbriand, Pecos Connections Academy



## **APPENDIX E3**

### **Lease Agreement**

Per NMSA 22-8B-12 (6) and NMAC 6.80.4.13 (6), 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.

## SHOPPING CENTER LEASE

THIS LEASE ("Lease") made and entered into as of the 24 day of May, 2017 by and between 1340 East 9th Street Realty Corporation ("Landlord") and Pecos Connections Academy ("Tenant").

### ARTICLE I REFERENCE PROVISIONS, SHOPPING CENTER, LEASED PREMISES AND TERM

#### Section 1.1 Reference Provision

(a) LEASED PREMISES -- CROSS HATCHED AND/OR DESIGNATED AS SPACE as indicated on Exhibit "A" and containing approximately 2,200 square feet (the "Leased Premises") located at 1503 West Pierce Street, in the City of Carlsbad, State of New Mexico (the "Shopping Center").

(b) TERM: The initial term of this Lease shall be for a period of four (4) years plus the period commencing upon the date of full execution of this Lease ("Lease Commencement Date") through June 30, 2017, and continuing through and including June 30, 2021 (together with any renewal terms, the "Term" or "Lease Term"). Tenant's obligation to pay rent shall commence on July 1, 2017 (the "Rent Commencement Date").

So long as Tenant is not in default (after the expiration of any applicable cure period), Tenant shall have the right, at its option, to extend the term of this Lease for two additional periods of three year each (each, a "Renewal Term") upon Tenant giving written notice to Landlord at least ninety (90) days prior to the expiration of the original term or renewal term, as applicable. Each Renewal Term shall be on the same terms and conditions of this Lease except that Base Rent during such Renewal Term shall be dictated by Section 1.1 (c) below.

(b) MONTHLY BASE RENT:

Year 1-2 (July 1, 2017 through June 30, 2019): **\$2,750.00 per month**

Year 2-4 (July 1, 2019 through June 30, 2021): **\$2,887.50 per month**

(c1) LEASE TYPE: Gross. The parties acknowledge and agree that Monthly Base Rent constitute "gross rent" and includes Tenant's share of any and all common area maintenance charges, operating expenses, real estate taxes and insurance for the Center, and other than Tenant's obligation to pay Base Rent, Tenant shall have no liability for such charges or expenses.

(c2) OPTION RENT. Monthly Base Rent during a Renewal Term shall be adjusted to the greater of: (i) fair market rental rate as mutually agreed by the parties, or (ii) 105% of the Base Rent in effect during the month immediately preceding the applicable Renewal Term.

(c) TENANT'S SHARE OF CAM and REAL ESTATE TAXES: N/A

(d) USE; EXCLUSIVITY; RESTRICTIONS. Landlord hereby represents and warrants to Tenant that Tenant's use, which is an administration office for charter schools and ancillary purposes related thereto, is permitted under applicable zoning codes and laws. Tenant shall be entitled to use the Leased Premises for any purpose permitted under applicable zoning law. Throughout the Lease Term (including any Renewal Terms), Landlord shall lease, license, assign or enter into other arrangements for occupancy or use of any space in the Center to tenants of similar use as to those are already occupying space in the Center as of the commencement date of this Lease and shall not enter into any leases, licenses or other arrangements that may violate the foregoing restriction (for example, without limitation, no businesses in the alcohol or sex industry). If there is any prospective tenant that violates or may violate the foregoing restrictions, Landlord shall not lease, license or agree to the use or occupancy of such space for such use without first obtaining Tenant's prior written approval, which may be withheld in Tenant's sole discretion. Tenant shall have the exclusive right to operate an administrative office for school or educational facilities at the Center subject to the rights of any pre-existing tenant rights. Landlord shall provide Tenant with a list of any tenants within the Building that may compete with Tenant's use.

(e) SECURITY DEPOSIT: NONE



**(f) NOTICE AND PAYMENT ADDRESS -**

**TO LANDLORD:**  
1340 East 9<sup>th</sup> Street Realty Corp.  
184 New Egypt Road  
Lakewood, NJ 8701

**TO TENANT:**  
Pecos Connections Academy  
1503 W. Pierce Street  
Carlsbad, NM 88220  
Attn: Gloria Lopez

With a copy to:

Connections Education, LLC  
8830 Stanford Boulevard  
Columbia, MD 21045  
Attn: Aimee Miller

- (g) COMMENCEMENT DATE – Upon full execution of the Lease  
(h) EXPIRATION DATE – 06/30/2021  
(i) RENT COMMENCEMENT DATE – 07/01/17

**Section 1.2 Shopping Center, Leased Premises and Term.** Landlord hereby leases to Tenant and Tenant rents from Landlord those certain premises in the Shopping Center described in Section 1.1(a) and shown in Exhibit A annexed hereto and made a part hereof. The Term (as described in Section 1.1 (b)) shall commence on the date set forth in Section 1.1(k) above and shall expire on the date set forth in Section 1.1(l) unless renewed or extended in accordance with the terms of this Lease. Notwithstanding the preceding sentence, Tenant shall be bound by all of the provisions of this Lease, except for the payment of rent, from the date of the first occupancy of the Leased Premises by Tenant or its agents for any purpose prior to the commencement of the Term.

The Leased Premises shall extend to the exterior faces of exterior walls or to the building line where there is no wall, or the center line of those walls separating the Leased Premises from other premises in the Shopping Center, together with the appurtenances specifically granted in this Lease, but reserving and excepting to Landlord the right to install, maintain, use, repair and replace pipes, ductwork, conduits, utility lines and wires through hung ceiling space, column space, and partitions, in or beneath the floor slab or above or below the Leased Premises or other parts of the Shopping Center, except that Landlord shall not unreasonably interfere with or interrupt the business operations of Tenant within the Leased Premises, and except where necessary as determined by Landlord's architect, no pipes, conduits, utility lines or wires installed by Landlord shall be exposed in the sales area of the Leased Premises, if applicable.

**Section 1.3 Acceptance of Leased Premises.** As often as may be requested by Landlord but no more than once each calendar year except in connection with a sale or financing of the Shopping Center, within ten (10) business days following Landlord's written request therefor, Tenant shall execute, acknowledge and deliver to Landlord and/or Landlord's mortgagee a written acceptance or estoppel certificate with respect to the Leased Premises in form and substance reasonably acceptable to Landlord.

**ARTICLE II  
RENT AND OTHER CHARGES**

**Section 2.1 Base Annual Rent.** Commencing on the Rent Commencement Date, Tenant shall pay to Landlord without previous demand therefor and without any setoff or deduction whatsoever, the Base Annual Rent provided in Section 1.1 (c), payable in equal monthly installments, in advance, on the first day of each and every calendar month throughout the Term. If the Term commences on a date other than the first day of a month Tenant shall pay Landlord on the first day of the term, a pro-rata portion of such Minimum Annual Rent, calculated on a thirty (30) day calendar month. A fifty dollar (\$50.00) handling fee will be imposed on all Tenant checks returned to Landlord for insufficient funds, and after the third occurrence of receipt of any such returned check by Landlord, all future payments due pursuant to this Lease will be made with certified funds or a cashier's check.

**Section 2.2 Common Area and Other Charges.** All common areas and other common facilities



(hereinafter collectively called "common areas") made available by Landlord, in or about the Shopping Center shall be subject to the exclusive control and management of Landlord, expressly reserving to Landlord, without limitation, the right to erect and install within the common areas, kiosks, planters, pools, sculpture, free-standing buildings, additional stories to buildings, or otherwise. Common areas (as initially constructed or as the same may at any time thereafter be enlarged or reduced) shall mean all areas, space, facilities, equipment, signs and special services from time to time made available by Landlord for the common and joint use and benefit of Landlord, the Tenant and other tenants and occupants of the Shopping Center and their respective employees, agents, subtenants, concessionaires, licensees, customers and invitees. Landlord hereby expressly reserves the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to the common areas and the use to be made thereof. Landlord shall operate, manage, equip, light and maintain the common areas in such a manner as Landlord may from time to time determine. Tenant is hereby given a license (in common with all others to whom Landlord has or may hereafter grant rights) to use, during the Term, the common areas of the Shopping Center as they may now or at any time during the Term exist. Tenant hereby acknowledges consents and agrees that any and/or all services, facilities and access by the public to the Leased Premises and/or to the Shopping Center may be suspended in whole or in part.

**Section 2.3 Utilities Charges.** Tenant shall pay promptly, as and when the same become due and payable, all water rents, rates and charges, all charges for electricity, gas, heat, steam, air conditioning, ventilating, lighting systems, sprinkler systems and other utilities supplied the Leased Premises. Landlord shall have no liability to Tenant for disruption of any utility service, and in no event shall such disruption constitute constructive eviction or entitle Tenant to an abatement of rent or other charges. Tenant shall also pay any meter, tap or connection fees and any security deposits required by any utility company to provide service in Tenant's name.

### **ARTICLE III CONDITION OF PREMISES**

Tenant acknowledges that it has examined and inspected the Leased Premises and is familiar with the physical condition thereof. Tenant further acknowledges (i) that Landlord has not made and does not hereby make any representations regarding the physical condition of the Leased Premises or the Shopping Center, and (ii) that there are no warranties, either express or implied, regarding the condition of the Leased Premises and/or the Shopping Center except as expressly set forth in this Lease. Notwithstanding the foregoing, Landlord represents, warrants and covenants that to the best of Landlord's knowledge as of the date hereof, (1) the Shopping Center and Leased Premises are in compliance with all applicable laws, codes and ordinances, including the Americans with Disabilities Act (ADA) or is otherwise exempt from such compliance, (2) that the equipment and building systems serving the Leased Premises are in good working order, and (3) there are no asbestos containing materials, mold, or other Hazardous Substances in the Leased Premises or on the Shopping Center in violation of applicable law. If required by law, Landlord shall be responsible, at its expense, for removing any such materials found in the Leased Premises, other than those first brought into the Leased Premises by Tenant. Landlord shall maintain compliance in the common areas with all laws, and regulations, including the ADA, throughout the term of the Lease and any renewals. In the event any latent defects are discovered which interfere with Tenant's use of the Leased Premises, Landlord shall take reasonable steps to promptly remediate the condition. Landlord guarantees the base building from latent defects throughout the Lease Term. Notwithstanding any items constructed by Tenant, or base building items affected by Tenant's construction, throughout the Lease Term, Landlord shall repair, maintain and replace all structural and capital items of the Shopping Center.

### **ARTICLE IV USE OF LEASED PREMISES**

**Section 4.1 Use of Leased Premises.** Subject to and in accordance with all rules, regulations, laws, ordinances, statutes and requirements of all governmental authorities, the Fire Insurance Rating Organization, the Board of Fire Insurance Underwriters and Landlord's Insurance Carrier, Tenant shall use the Leased Premises solely for the use as provided for in Section 1.1 (g) and for no other purpose. Tenant shall not use the Leased Premises or any portion thereof for any use which would violate any restrictive use or exclusive use provision contained in any other leases in the Shopping Center.

**Section 4.2 Continuous Operation by Tenant.** Intentionally Deleted.

**Section 4.3 Additional Covenants of Tenant.** Tenant's use of the Leased Premises and the common areas shall be subject at all times during the Term to reasonable rules and regulations adopted by Landlord governing the use of the Leased Premises, parking areas, malls, walks, driveways, passageways, signs, exteriors of buildings, lighting and other matters affecting other tenants in and the general management and appearance of the Shopping Center. Tenant agrees to comply with all such rules and regulations upon written notice to Tenant from Landlord.

**Section 4.4 Retail Restriction Limit.** Intentionally Deleted.

**Section 4.5 Signs, Awnings and Canopies.** Landlord may erect and maintain such suitable signs as it in its sole discretion may deem appropriate to advertise the Shopping Center. Tenant may erect and maintain only such



signs as Landlord may approve as specified in Exhibit "C" [DRAFTING NOTE: Landlord to provide Exhibit C; location to be pre-approved, if possible] of this Lease. Tenant shall submit to Landlord detailed drawings of any proposed sign for review and approval by Landlord prior to erecting any signs on the Leased Premises. Tenant, at Tenant's expense, shall be entitled to monument signage at the entrance of the Shopping Center consistent with the Shopping Center's standard signage criteria as mutually agreed upon by Landlord and Tenant. In addition, Tenant shall have the right to place signage on the exterior of the building in which the Leased Premises are located so long as such signage complies with applicable building and zoning codes and ordinances. Tenant shall keep insured and maintain any sign or signs in good condition, repair and operating order at all times. If any damage is done to Tenant's sign, Tenant shall commence to repair same within fifteen (15) days or Landlord may, at its option, after ten days written notice to Tenant and Tenant's failure to repair the same, at Tenant's expense.

Except as otherwise expressly permitted herein, Tenant shall not place or permit to be placed or maintained on any door, exterior wall, or window of the Leased Premises any sign, awning, or canopy or advertising matter or other thing of any kind, and shall not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Leased Premises without first obtaining Landlord's written consent which consent shall not be unreasonably withheld so long as such signage complies with applicable zoning and building codes and ordinances. Tenant further agrees to maintain any such signs, awnings, canopies, decorations, lettering, advertising matter or other things as may be approved by Landlord in good condition, operating order and repair at all times. All signs of Tenant visible from the common areas of the Shopping Center shall be in shall conform to the standards of design, motif, and decor from time to time established by Landlord for the Shopping Center.

## **ARTICLE V INSURANCE REQUIRED OF TENANT**

**Section 5.1 Insurance Required of Tenant.** Tenant shall obtain and provide, on or before the earlier of the Lease Commencement Date or Tenant's entering the Leased Premises for any purposes, and keep in force at all times thereafter, the following insurance coverages with respect to the Leased Premises: (a) Commercial General Liability Insurance, with contractual liability endorsement, relating to the Leased Premises and its appurtenances on an occurrence basis with a minimum single limit of One Million Dollars (\$1,000,000.00); (b) such other insurance as may be carried on the Leased Premises and Tenant operation thereof, as may be reasonable determined by Landlord. Landlord may increase the limits of coverage during the term of this Lease, but not more often than every three (3) years, so long as Landlord is then carrying the same limits on the common areas of the Shopping Center.


All of the aforesaid insurance include Landlord as an additional insured (and any designee(s) of Landlord) and Tenant and shall be written by one or more responsible insurance companies authorized to do business in the state in which the Leased Premises are located.

**Section 5.2 Waiver.** Notwithstanding anything to the contrary in this Lease, neither Landlord nor Tenant shall be liable to the other for any damage by fire or other peril includable in the coverage afforded by any insurance policy carried or required to be carried under this Lease by either party, no matter how caused, including without limitation, a party's negligence.

## **ARTICLE VI REPAIRS AND MAINTENANCE**

**Section 6.1 Repairs by Landlord.** Landlord shall make structural repairs and replacements, including plumbing and roofing, foundation, and all building systems serving the Shopping Center including those serving the Leased Premises. Landlord shall maintain and repair, including all replacements, necessary to keep the Shopping Center, and all common areas thereof, in good condition and repair, including without limitation all life safety, plumbing, electrical, air conditioning, ventilation, heating, and security systems and any equipment related thereto serving the Shopping Center or any part thereof. Landlord shall provide working HVAC units.

**Section 6.2 Repairs and Maintenance by Tenant.** Except for Landlord's obligations under this Lease, Tenant shall make and pay for all repairs to the Leased Premises (but not replacements thereof), and all equipment and systems exclusively serving the Leased Premises which are necessary to keep the same in good state of repair and operating order, such as (and without limitations to) all fixtures, furnishings, lighting, and store signs of Tenant. Tenant shall also maintain, and keep in good repair, operating order, and without limitation all air conditioning, ventilating, plumbing, sprinkler, ceilings, inside walls and carpeting and floor surfaces within or solely to the extent exclusively serving the Leased Premises. Tenant shall at all times keep the Leased Premises and all exterior entrances, exterior walls, glass and show moldings, partitions, doors, floor surfaces, fixtures, equipment and appurtenances thereof in good order, condition and repair, and in a reasonably satisfactory condition of cleanliness. Tenant covenants and agrees that he will, at all times during the term hereof, keep the Leased Premises in clean and neat condition. Tenant shall place all trash, rubbish and garbage in a proper closed receptacle designated by Landlord. There shall be no roof penetrations made by Tenant, unless completed by Landlord's roofing contractor, without express, written approval of Landlord. If the foregoing is violated, Tenant shall be liable for any damage done to roof and roof warranty.



If (i) Tenant does not repair property as required hereunder and to the reasonable satisfaction of Landlord, or (ii) Landlord, in the exercise of its reasonable discretion, determines that emergency repairs are necessary, or (iii) repairs or replacements to the Shopping Center and/or common areas or to the Leased Premises are made necessary by any negligence of Tenant, its agents, employees, subtenants, assignees, concessionaires, contractors, invitees, licensees or visitors, then in any of such events Landlord may make such repairs without liability to Tenant for any loss or damage that may accrue to Tenant's fixtures, or other property or to Tenant's business by reason thereof, and upon completion thereof, Tenant shall pay Landlord's actual costs for making such repairs plus ten percent (10%) for overhead, upon presentation of a bill therefor, as additional rent. Tenant covenants that Tenant will, at Tenant's own expense, take such steps as shall be necessary to keep the Leased Premises free of termites, roaches, rodents, insects, and other pests and that he will save Landlord harmless from any damage caused thereby.

**Section 6.3 Inspection; Tenant's Access Requirements.** Subject to compliance with Tenant's Access Requirements (as hereinafter defined) and upon at least two (2) business days' prior notice to Tenant (except in emergencies), Landlord, or its representatives, shall have the right to enter the Leased Premises during any business day (and in emergency at all times) during the Term hereof. Landlord acknowledges that Tenant keeps privileged and confidential student records and information at the Leased Premises and that Landlord has no right to access such student information and that if Landlord has a right to and/or is afforded such access to the Leased Premises under this Lease, Landlord shall comply with Tenant's reasonable security measures with respect to Landlord's access to the Leased Premises ("Tenant's Access Requirements"). For purposes of clarification, "Tenant's Access Requirements" are collectively, the following: (i) Landlord will be accompanied by a Tenant representative (except in an emergency) when students are present and Landlord will timely notify Tenant and coordinate its access to the Leased Premises with the Tenant when students are present so that Tenant can arrange to have a representative available to accompany Landlord or its representatives (it being understood that if a Tenant representative is not available at the requested time and if students are present, Landlord shall not have access to the Leased Premises (except in an emergency)); (ii) Landlord shall have no access whatsoever to privileged and confidential student records and information kept by Tenant at the Leased Premises, and (iii) Landlord shall not show the Leased Premises to prospective lenders, purchasers or tenants while students are present without the prior consent of, and during mutually agreed upon time with, Tenant.


## **ARTICLE VII ADDITIONS AND ALTERATIONS**

**Section 7.1 by Landlord.** In the event Landlord shall hereafter determine during the Term to erect additional structures, add stories to existing buildings (or any portions thereof as may be designated by Landlord) as said Shopping Center may be enlarged or reduced at the sole option of Landlord by addition(s) to the Shopping Center of land and/or buildings or by the diminution thereof, Tenant hereby consents thereto and to the performance of work necessary to effect the same and any inconvenience caused thereby.

**Section 7.2 by Tenant.** Subject to the prior written approval of Landlord, which consent shall not be unreasonably withheld if such alterations are nonstructural and do not affect the building systems, Tenant may from time to time (if Tenant shall not then be in default after the expiration of any cure period), at its own expense, alter, renovate or improve only the nonstructural interior of the Leased Premises provided the same be performed in a good and workmanlike manner; in accordance with accepted building practices and applicable laws; and so as not to weaken or impair the strength of the building in which the Leased Premises are located. Tenant shall at all times be responsible for maintaining the interior of the Leased Premises in compliance with all governmental requirements, including, but not limited to the American's With Disabilities Act.

## **ARTICLE VIII DAMAGE, DESTRUCTION OR CONDEMNATION OF THE LEASED PREMISES**

**Section 8.1 Damage or Destruction.** If all or any part of the Leased Premises shall be damaged or destroyed by fire or other casualty, the Lease shall continue in full force and effect, unless terminated as hereinafter provided, and Landlord shall not be obligated to commence such repair, restoration or rebuilding until insurance proceeds are received by Landlord, and Landlord's obligation hereunder shall be limited to the proceeds received by Landlord under its insurance policy. Within 60 days following the date of casualty, Landlord shall give Tenant written notice of Landlord's reasonable estimate for restoration of the Leased Premises. If Landlord's notice provides that the Leased Premises cannot be restored within 180 days from the date of casualty, Tenant may, at its option, terminate the Lease upon giving Landlord written notice within thirty (30) days after the date of Tenant's receipt of Landlord's repair estimate. In addition, if Landlord's estimate provides that Landlord can repair the Leased Premises within 180 days, but Landlord fails to do so, Tenant may terminate this Lease by giving Landlord written notice of such failure and if Landlord fails to complete the restoration of the Leased Premises within 15 days of Tenant's notice, then Tenant may terminate this Lease. In the event the Leased Premises shall be untenable or unusable for Tenant's use, the Base Annual Rent and other sums payable hereunder shall abate until the date which Landlord has fully restored the Leased Premises to the condition prior to the casualty or damage and the Leased Premises are otherwise ready for re-occupancy by Tenant for its intended use.



Notwithstanding anything else to the contrary contained in this Section 8.1 or elsewhere in this Lease,

Landlord, at its option, may terminate this Lease on sixty (60) days' notice to Tenant if (a) the Leased Premises and/or building in which the Leased Premises are located shall be damaged or destroyed as a result of an occurrence which is not fully covered by Landlord's insurance; (b) the Leased Premises shall be damaged or destroyed during the last year of the Term; or (c) any or all of the buildings or common areas of the Shopping Center are damaged (whether or not the Leased Premises are damaged) to such an extent that, in the sole judgment of Landlord, the Shopping Center cannot be operated as an economically viable unit so long as a majority of other tenant leases in the Shopping Center are also terminated.

Tenant shall give to Landlord and to all mortgagees (or which Tenant has been given written notice of) of record prompt written notice of any damage to or destruction of any portion of the Leased Premises resulting from fire or other casualty.

**Section 8.2 Condemnation.** If the entire Leased Premises shall be appropriated or taken under the power of eminent domain by any public or quasi-public authority, or conveyance shall be made in lieu thereof, this Lease shall terminate and expire as of the date of such taking, and the parties shall thereupon be released from any further liability hereunder. If a portion of the Leased Premises is taken, or conveyance made in lieu thereof, Landlord may at its option terminate this lease on thirty (30) days written notice. If this lease is not terminated then the Minimum Annual Rent shall be ratably apportioned according to the space so taken, and Landlord shall, at its own expense, restore the remaining portion of the Leased Premises to a single architectural unit. The cost of Landlord's obligation hereunder shall be limited to the net proceeds of the condemnation award actually received and retained by Landlord.

Landlord and Tenant shall each be entitled to receive and retain such separate awards and portions of lump sum awards, including severance damages, if any, as may be allocated to their respective interests in any condemnation proceedings. Each party solely shall be entitled to any award to it for depreciation to or loss of and cost of removal of any furniture or equipment. Termination of this Lease pursuant to this section shall not affect the rights of the party to such awards. Each party agrees to execute and deliver all instruments that may be reasonably required to effectuate the provisions of this section.

It is mutually agreed that (i) any reduction in the parking area, number of parking spaces in the Shopping Center, and/or restriction on the number of motor vehicles that may enter the Shopping Center by action or order of any governmental authority, quasi-governmental authority, and/or by any court having jurisdiction over the premises shall not constitute such a taking or condemnation under this Lease that would entitle Tenant to terminate the lease, (ii) any such environmental condemnation and/or compliance by Landlord with any order, rule or regulation of any such authority, with any such judicial decree, and/or any such existing or future law shall not constitute a default under this Lease by Landlord so as to entitle Tenant to terminate the Lease and the lease shall remain in full force and effect, and (iii) as between Landlord and Tenant, Landlord may but shall not be obligated to comply with any such order, rule, regulation, judicial decree or law.

## **ARTICLE IX MORTGAGE FINANCING**

If any lending institution with which Landlord has negotiated or may negotiate interim or long term financing for the Shopping Center or part thereof shall require change(s) in this Lease as a condition or one of the conditions of its approval of this Lease for such financing; within fifteen (15) days after notice from Landlord, Tenant shall execute with Landlord such amendment or amendments to this Lease accomplishing the change(s) which are stated by Landlord to be needed in connection with approval of this Lease for purposes of such financing so long as such changes do not increase Tenant's obligations hereunder, including its rent obligations, nor adversely affect Tenant's rights and use of the Leased Premises or its rights hereunder. Notwithstanding anything contained herein to the contrary, Tenant shall not be required to agree, to any modification of the provisions of this Lease relating to the amount of Base Annual Rent reserved, the size and/or location of Leased Premises, the duration and/or Lease Commencement Date of the Term, any exclusive rights or restrictions placed on Landlord with respect to other tenants' uses, or reducing improvements to be made by Landlord to the Leased Premises prior to tender of possession.

Tenant shall, within ten (10) business days of receipt of the written request of Landlord and/or the holder of any mortgage on the Shopping Center, execute and deliver such instruments as may be reasonably required by Landlord and such holder to make this Lease either superior or subordinate to any mortgages now or hereafter placed upon Landlord's interest in the premises or future additions thereto. Tenant hereby attorns to any purchaser at a foreclosure sale or sale in lieu of foreclosure, and agrees to execute all agreements reasonably required by any such purchaser affirming such attornment. With respect to future mortgagees, any such attornment shall contain a commercially reasonable non-disturbance agreement in favor of Tenant. In addition, within thirty (30) days of mutual execution of this Lease, Landlord shall obtain from any existing mortgagee or lender of the Shopping Center as of the Lease Commencement Date a non-disturbance agreement in form and substance reasonably acceptable to Tenant.

Upon request of any mortgage of record, Tenant shall use reasonable efforts to give prompt written notice in the manner provided in Section 12.10 of any default of Landlord hereunder, and Tenant shall allow such mortgagee a reasonable length of time (in any event, not less than thirty (30) days from the date of such notice) in which to cure any such default. Any such notice shall be sent to the mortgagee at the last notice address provided to Tenant by Landlord in writing.

## ARTICLE X DEFAULT BY TENANT

**Section 10.1 Default.** If Tenant fails to pay any Rent due hereunder within five (5) days after Landlord's written notice thereof, or if Tenant defaults in fulfilling any of the other covenants of this Lease within thirty (30) days after Landlord's written notice thereof (provided, however, if such default cannot reasonably be cured within 30 days and so long as Tenant has commenced such cure within the foregoing 30-day period, Tenant shall have such additional time as is reasonably necessary to cure such default). Landlord shall have all of the rights enumerated in Section 11.2 hereof, and Tenant shall continue liable under this Lease for the payment of rent and all other sums due hereunder.

If there shall be filed by or against Tenant or any successor tenant then in possession or any guarantor of either under this Lease, a petition (i) in bankruptcy, (ii) alleging insolvency, (iii) for reorganization; or (iv) for the appointment of a receiver, or if a similar type of proceeding shall be filed, Landlord may terminate Tenant's rights under this Lease by notice in writing to Tenant, and thereupon Tenant shall immediately quit and surrender the Leased Premises to Landlord, but Tenant shall continue liable for the payment of rent and all other sums due hereunder.

If the Landlord shall not be permitted to terminate this Lease as hereinabove provided because of the provisions of Title 11 of the United States Code relating to Bankruptcy as amended ("Bankruptcy Code"), then Tenant or any trustee for Tenant agrees promptly, within no more than fifteen (15) days upon request by Landlord to the Bankruptcy Court, to assume or reject this Lease and Tenant agrees not to seek or request any extension or adjournment of any application to assume or reject this Lease by Landlord with such Court. In such event, Tenant or any trustee for Tenant may only assume this Lease if (i) it cures or provides adequate assurance that the trustee will promptly cure any default hereunder, (ii) compensates or provides adequate assurance that the Tenant will promptly compensate Landlord for any actual pecuniary loss to Landlord resulting from Tenant's default, and (iii) provides adequate assurance of future performance under this Lease by Tenant including without limitation with respect to the Permitted Use and Tenant's Trade Name. In no event after the assumption of this Lease by Tenant or any trustee for Tenant shall any then existing default remain uncured for a period in excess of ten (10) days. Adequate assurance of future performance of this Lease shall include, without limitation, adequate assurance (a) of the source of Rent required to be paid by Tenant hereunder, (b) that assumption or permitted assignment of this Lease will not breach any provision hereunder.

**Section 10.2 Landlord's Rights on Default.** If Tenant shall not have cured its default in the manner provided in Section 10.1 hereof, Landlord shall be entitled to apply the security deposit specified in Section 1.1 (i), if any, to its own purposes without thereby diminishing or affecting any of Tenant's obligations hereunder for the payment of rent or otherwise, and Landlord may reenter the Leased Premises and remove all persons and all property therefrom, by any suitable action or proceeding at law, or by force or otherwise, without being liable for any prosecution therefrom or damages resulting therefrom, and repossess and enjoy the Leased Premises, together with all additions, alterations and improvements, and Landlord may, at its option repair, alter, remodel and/or change the character of the Leased Premises or any part or parts thereof, as the agent of Tenant or otherwise. The exercise by Landlord of any right granted in the sentence immediately preceding shall not relieve Tenant from the obligations to make all rental payments, and to fulfill all other covenants required by this lease, at the time and in the manner provided herein, and if Landlord so desires all current and future rent and other monetary obligations shall become due and payable immediately. Tenant throughout the remaining term hereof shall pay Landlord, each month during the term, the then current excess, if any, of the sum of the unpaid rentals and costs, including reasonable attorneys' fees, to Landlord resulting from such default by Tenant over the proceeds, if any, from reletting.

**Section 10.3 Non-Waiver Provisions.** The failure of Landlord to insist upon a strict performance of any of the terms conditions and covenants herein shall not be deemed to be a waiver of any subsequent breach or default in the terms, conditions and covenants herein contained except as may be expressly waived in writing.

**Section 10.4 Inability to Perform.** If Landlord is delayed or prevented from performing any of its obligations under this Lease by reason of strike or labor troubles or any cause whatsoever beyond Landlord's reasonable control, the period of such delay or such prevention shall be deemed added to the time herein provided for the performance of any such obligation by Landlord.

**Section 10.5 Landlord's Expenses.** If Tenant shall at any time be in default (after the expiration of any cure period) hereunder, and if Landlord shall deem it necessary to engage attorneys to enforce Landlord's rights hereunder, the determination of such necessity to be in the sole discretion of Landlord, Tenant will reimburse Landlord for the reasonable expenses incurred thereby, including but not limited to court costs and reasonable attorney's fees.

## ARTICLE XI OTHER PROVISIONS

**Section 11.1 Definition and Liability of Landlord.** The term "Landlord" as used in this lease means only the owner or mortgagee in possession for the time being of the Shopping Center in which the Leased Premises are located or the owner of a leasehold interest in said Shopping Center and/or the land thereunder (or the managing agent of any such owner or mortgagee) so that in the event of sale of said Shopping Center or leasehold interest or an assignment of this lease, or a demise of said Shopping Center and/or land, Landlord shall be and hereby is entirely freed and relieved



of all obligations of Landlord subsequently occurring so long as Landlord's successor in interest or assignee has assumed Landlord's obligations hereunder in writing.

It is specifically understood and agreed that there shall be no personal liability of Landlord in respect to any of the covenants, conditions or provisions of this Lease; in the event of a breach or default by Landlord of any of its obligations under this Lease, Tenant shall look solely to the interest of the Landlord in the Shopping Center (including sale, insurance and condemnation proceeds) for the satisfaction of Tenant's remedies.

**Section 11.2 Security Deposit.** Intentionally Deleted.

**Section 11.3 Indemnity.** Tenant agrees with respect to claims by third parties, to indemnify, defend and hold Landlord harmless and its partners, officers and employees harmless from and against any claim, loss or expense arising out of injury, death or property loss or damage from any cause relating to Tenant's occupancy of the Premises (excluding acts of Tenant's invitees), except to the extent caused by the negligent act or intentional misconduct of Landlord or its partners, officers, agents, or employees or property manager. Landlord agrees to indemnify, defend and hold Tenant harmless and its partners, officers and employees harmless from and against any claim, loss or expense arising out of injury, death or property loss or damage occurring in the common areas of the building in which the Premises is located, including without limitation, occurring on the sidewalks and parking areas, and other areas adjacent to the Premises, except to the extent caused by the negligent act or intentional misconduct of Tenant, or its partners, officers, agents, or employees.

**Section 11.4 Damage to Property or Persons.** Landlord shall not be liable for any injury or damage to persons or property or the interior of the Leased Premises resulting from any cause of whatsoever nature.

**Section 11.5 Assignment or Subletting.**

Tenant shall have the right to sublease and assign all or any portion of its Leased Premises, subject to Landlord's consent, which consent shall not be unreasonably withheld or delayed. There will be no sharing with the Landlord any profits gained from the sublease of the Leased Premises or assignment of this Lease. Tenant may assign or sublet the Premises, or any portion thereof, without Landlord's consent, to any entity which controls, is controlled by or is under common control with Tenant, or to any entity resulting from the merger or consolidation with Tenant, or to any person or entity which acquires all the assets of Tenant as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of Tenant under this Lease.

**Section 11.6 Surrender of Premises and Holding Over.** At the expiration of the tenancy hereby created, Tenant shall surrender the Leased Premises in the same condition as the Leased Premises were in upon delivery of possession thereof to Tenant, reasonable wear and tear and damage by casualty excepted. All door keys shall be promptly returned to Landlord. Should Tenant hold over after the expiration or termination of this Lease, Tenant shall become a tenant from month to month upon each and all of the terms contained herein other than the payment of rent, and any such holding over shall not constitute an extension of this Lease. During such holding over Tenant shall pay 125% the amount of rentals provided for herein.

Prior to the expiration or sooner termination of this lease Tenant shall remove any and all trade fixtures, equipment and other unattached items which Tenant may have installed or stored in the Leased Premises. Tenant shall repair any damage to the Leased Premises caused by its removal of such fixtures and movables. Tenant shall not remove any plumbing or electrical fixtures or equipment, heating or air conditioning equipment, floor coverings (including but not limited to wall to wall carpeting), walls or ceilings or anything else which may be deemed to constitute a part of the freehold and/or leasehold interest of Landlord, nor shall Tenant remove any fixtures or machinery that were furnished or paid for by Landlord (whether initially installed or replaced).

**Section 11.7 Interest.** Whenever this lease refers to "Interest", same shall be computed at a rate equal to the Prime Rate (as hereinafter defined) plus two percent (2%). If, however, payment of interest at such rate by Tenant (or by the tenant then in possession having succeeded to the Tenant's interest in accordance with the terms of this Lease) should be unlawful, that is, violative of usury statutes or otherwise, then "Interest" shall, as against such party, be computed at the maximum lawful rate payable by such party.

"Prime Rate" shall mean the rate as published in the Wall Street Journal being charged at the time in question by Citicorp of New York for short term (90 day) unsecured loans made to its preferred customers.

**Section 11.8 Late Payments.** Should Tenant fail to pay when due, confirmed by postmark by the 5<sup>th</sup> day of the month, any installment of Minimum Annual Rent or any other sum payable to Landlord under the terms of this lease, a Late Charge of 5% to cover the extra expense involved in handling such delinquency shall be paid by Tenant to Landlord at the time of payment of delinquent sum. Notwithstanding the foregoing, on the first occurrence each calendar year of any such late payment, if Tenant pays such delinquent sum within five (5) days after receipt of Landlord's written notice of such failure, the foregoing late charge shall not apply or be assessed.

**Section 11.9 Waiver of Right of Redemption.** Tenant hereby expressly waives any and all rights of

redemption conferred by statute or otherwise.

**Section 11.10 Notices.** Whenever notice shall or may be given to either of the parties by the other, each such notice shall be by personal delivery or certified mail with return receipt requested, at the respective addresses of the parties as contained herein or to such other address as either party may from time to time designate in writing to the other. Any notice under this lease shall be deemed to have been given at the time it is placed in the mails with sufficient postage prepaid or personally delivered to the address specified herein. Any notice not given in accordance with the requirements of this paragraph shall be ineffective.

**Section 11.11 Broker.** Landlord acknowledges that CBRE, Inc. represents Tenant. Landlord agrees to pay Dunagan and Associates a market leasing commission pursuant to the terms and conditions of a separate agreement between Dunagan and Associates and Landlord. Such commission shall be shared equally between CBRE and Dunagan and Associates.

**Section 11.12 Short Form Lease.** Tenant agrees not to record this Lease without the express written consent of Landlord and further agrees to execute, acknowledge and deliver at any time after the date of this lease, at the request of Landlord, a "short form lease" suitable for recording.

**Section 11.13 Entire and Binding Agreement.** This Lease contains all of the agreements between the parties hereto, and it may not be modified in any manner other than by agreement in writing signed by all the parties hereto or their successors in interest. The terms, covenants, and conditions contained herein shall inure to the benefit of and be binding upon Landlord and Tenant and their respective successors and assigns, except as may be otherwise expressly provided in this Lease.

**Section 11.14. Relationship of the Parties.** Nothing contained in this lease shall be deemed or construed as creating the relationship of principal and agent or of partnership or joint venture between the parties hereto, it being understood and agreed that neither the method of computing rent nor any other provision contained herein nor any acts of the parties hereto shall be deemed to create any relationship between the parties other than that of Landlord and Tenant.

**Section 11.15 Consents.** With respect to any provision of this Lease which either provides or is held to provide that Landlord shall not unreasonably withhold or unreasonably delay any consent or approval, Tenant shall not be entitled to make any claim for, and Tenant hereby expressly waives, any claim for damages, it being understood and agreed that Tenant's sole remedy therefor shall be an action for specific performance.

**Section 11.16 Provisions Severable.** If any term or provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

**Section 11.17 Captions.** The captions contained herein are for convenience and reference only and shall not be deemed as part of this lease or construed as in any manner limiting or amplifying the terms and provisions of this lease to which they relate.

**Section 11.18 Mechanic's Liens.** Notwithstanding any provision of this lease relating to improvements, additions, alterations, repairs and/or reconstruction of or to the Leased Premises, the Landlord and the Tenant hereby agree and confirm that (a) the Landlord has not consented and will not consent to the furnishing of any labor or materials to the Leased Premises that would or may result in any mechanics' or materialmen's liens attaching to the Landlord's interest in the Leased Premises, (b) the Tenant is not the agent of the Landlord for the purposes of any such improvements, additions, alterations, repairs and/or reconstruction, and (c) except as expressly provided herein, the Landlord has retained no control over the manner in which any such improvements, additions, alterations, repairs and/or reconstruction are or is accomplished, and has made no agreement to make or be responsible for any payment to or for the benefit of any person furnishing labor and/or materials in connection therewith. No such person furnishing labor and/or materials to or for the account of the Tenant shall be entitled to claim any lien against the interest of the Landlord in the Leased Premises and such person(s) shall look solely to the Tenant and the leasehold interest of the Tenant under this Lease for satisfaction of any such claims.

**Section 11.19 Personal Interest Disclosure.** Intentionally Deleted.

**Section 11.20 Environmental Conditions.**

(1) **Hazardous Substances.** The term "Hazardous Substances," as used in this lease, shall include, without limitation, flammables, explosives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority.

(2) **Tenant's Restrictions.** Tenant shall not cause or permit to occur:

(a) Any violation of any federal, state, or local law, ordinance, or regulation now or hereafter enacted, related to environmental conditions on, under, or about the Leased Premises, or arising from Tenant's use or occupancy of the Leased Premises, including, but not limited to, soil and ground water conditions; or

(b) The use, generation, release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under, or about the Leased Premises, or the transportation to or from the Leased Premises of any Hazardous Substance, except as specifically disclosed on Schedule A to this Lease.

**(3) Environmental Clean-up.**

(a) Tenant shall, at Tenant's own expense, comply with all laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances ("Laws").

(b) Tenant shall, at Tenant's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities (the "Authorities") under the Laws.

(c) Should any Authority or any third party demand that a cleanup plan be prepared and that a clean-up be undertaken because of any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Leased Premises, or which arises at any time from Tenant's use or occupancy of the Leased Premises, then Tenant shall, at Tenant's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Tenant shall carry out all such cleanup plans except with respect to Landlord Environmental Conditions or Existing Environmental Conditions (both as hereinafter defined).

(d) Tenant shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances that is reasonably requested by Landlord. If Tenant fails to fulfill any duty imposed under this Paragraph (3) within a reasonable time (meaning, at least 30 days after Landlord's written request therefor), Landlord may do so; and in such case, Tenant shall cooperate with Landlord in order to prepare all documents Landlord deems necessary or appropriate to determine the applicability of the Laws to the Leased Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly upon Landlord's request. No such action by Landlord and no attempt made by Landlord to mitigate damages under any Law shall constitute a waiver of any of Tenant's obligations under this Paragraph (3).

(e) Tenant's obligations and liabilities under this Paragraph (3) shall survive the expiration of this Lease.

**(4) Tenant's Indemnity.**

(a) Except for Landlord Environmental Conditions and Existing Environmental Conditions, Tenant shall indemnify, defend, and hold harmless Landlord, the manager of the Shopping Center, and their respective officers, directors, beneficiaries, shareholders, partners, agents, and employees from all fines, suits, procedures, claims, and actions of every kind, and all costs associated therewith (including attorneys' and consultants' fees) arising out of or in any way connected with any deposit, spill, discharge, or other release of Hazardous Substances that occurs during the term of this Lease, at or from the Leased Premises, or which arises at any time from Tenant's use or occupancy of the Leased Premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws.

(b) Tenant's obligations and liabilities under this Paragraph (4) shall survive the expiration of this Lease.

(c) If Tenant's use is dry cleaning, Tenant must obtain continuous Environmental Liability Insurance which names Landlord as an additional insured provides Landlord such insurance certificate initially and throughout the Term of this Lease.

To Landlord's knowledge, there currently exists no Hazardous Substances in the Shopping Center or the Leased Premises. Tenant shall not be responsible for any remediation or removal of any unlawful Hazardous Substances that exist within the Leased Premises or Shopping Center prior to the Lease Commencement Date ("Existing Environmental Conditions"). Landlord hereby indemnifies Tenant from any liability resulting from the presence of any unlawful Hazardous Materials existing in the Leased Premises or the Shopping Center to the extent existing prior to the Lease Commencement Date ("Existing Environmental Conditions") hereof or resulting from or arising out of the acts or omissions of Landlord, its agents, and employees ("Landlord Environmental Conditions").

**Section 11.22 Americans with Disabilities Act of 1990.** Tenant shall, at Tenant's expense, comply with all laws, rules, regulations, requirements and recommendations of the Americans with Disabilities Act of 1990 (the "ADA") as they solely relate to the Leased Premises and the specific use of Tenant's business therein. Tenant acknowledges that its obligations hereunder include, but are not limited to, removing barriers to accessibility to the extent such barriers are located in the Leased Premises and such



removal is required by the ADA. Tenant further acknowledges that such barriers removal obligations may require Tenant to make permanent replacements and capital improvements to the Leased Premises that (i) have expected useful lives extending beyond the term of this Lease, and (ii) would otherwise be Landlord's responsibility. To the extent required by the ADA, Tenant shall also place appropriate accessibility signage (with respect to the Leased Premises) on the interior of the Premises, and with Landlord's prior written consent, on the exterior of the Premises. All alterations, additions and improvements made by Tenant pursuant to this section shall be subject to the requirements of Section 7.1 hereof concerning Landlord's right to approve Tenant's alterations, additions and improvements. Tenant agrees to indemnify Landlord for all damages, losses, fines and expenses, including reasonable attorney's fees, incurred by Landlord as a result of Tenant's failure to comply with any provision of this section.

#### **Section 11.23 Additional Provisions.**

##### **RIGHT OF FIRST REFUSAL**

Tenant shall have the Right of First Refusal on all contiguous space that becomes available in the Building (including on floors below or above the Leased Premises). Landlord shall notify Tenant of space availability and the terms related thereto, Tenant shall have ten (10) business days to respond, and Tenant shall have thirty (30) days to lease the space. Notwithstanding the foregoing, Landlord shall lease Tenant the right of first refusal space at fair market rent including a tenant improvement allowance. The term of any contiguous space shall be co-terminus with the Lease Term. Tenant requests that Landlord provide Tenant with a list of any pre-existing rights of other tenants with respect to such contiguous space.

##### **TERMINATION RIGHT**

Tenant shall have an ongoing right to terminate this Lease if and only if, absent a default by Landlord, if the School District (and all other applicable governmental bodies having jurisdiction over Tenant or the School) in the State of NM, including their respective assigns or successors, the authorizer of the Tenant's (including its successors and assigns) or School's right to operate a school (collectively, the "Authorizer"), suspends, revokes, limits, conditions, fails to renew, or takes any other action so that Tenant's (including its successors and assigns) or Schools' right to operate a school is suspended, revoked, non-renewed, substantially limited or conditioned as to make Tenant's or School's business unviable, voided or terminated. Tenant may invoke the right to an early termination of the Lease upon 180 days' written notice to Landlord and shall pay to Landlord a termination fee equal to the then unamortized amount of the real estate commissions (amortized over a 60-month period at the rate of 8% per annum) pursuant to an amortization schedule which will be attached as an exhibit to the Lease.

##### **PARKING**

Landlord will provide Tenant with at least 4-5 parking spaces throughout the Lease Term (including Renewal Terms), at no cost to Tenant.

##### **SECURITY**

Tenant will have the right to put their own security system in the Leased Premises.

##### **CONNECTIVITY RIGHTS**

Tenant shall have the right to use existing telecom conduits or construct new conduits, install cables, equipment and other related telecommunications facilities for Tenant's network into the Building and Shopping Center.

Tenant shall have the right to install its telecommunication, voice/data, surveillance, and audio/visual systems within the Leased Premises subject to Landlord's reasonable approval.

##### **RELOCATION**

Landlord shall not have the right to relocate Tenant during the Lease Term including any Renewal Terms.

**IN WITNESS WHEREOF**, Landlord and Tenant have duly executed this lease as of the day and year first above written, each acknowledging receipt of an executed copy hereof.



Checks are to be mailed and made payable to:

1340 East 9<sup>th</sup> Street Realty Corp.  
184 Lakewood New Egypt Rd  
Lakewood NJ 08701

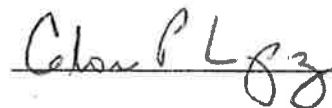
LANDLORD:

1340 East 9<sup>th</sup> Street Realty Corporation.  
CEO: Charles Pinter

A handwritten signature in black ink, appearing to read "Charles Pinter", is written over a horizontal line.

TENANT:

Pecos Connections Academy

A handwritten signature in black ink, appearing to read "Carlos P. Lopez", is written over a horizontal line.

## LEASE AMENDMENT

### NO. I

THIS LEASE AMENDMENT ("First Amendment") is made on this 19<sup>th</sup> day of June 2017, by and between 1340 East 9<sup>th</sup> Street Realty Corp. (the "Landlord"), having a business address of 184 New Egypt Road, Lakewood, NJ 08701, and Pecos Connections Academy (the "Tenant"), having a business address of 8830 Stanford Boulevard, Columbia, MD 21045.

### WITNESSETH:

WHEREAS, by a Lease dated May 24, 2017 (collectively, the "Lease"), Landlord leased to Tenant certain premises being identified in the Lease as 1503 West Pierce Street, Carlsbad, NM 88220 (the "Premises") located in the Northgate Shopping Center.

WHEREAS, Landlord and Tenant now desire to amend and modify the Lease to, among other things, adjust the Gross Leasable Area ("GLA") of the Premises from 2,200 rentable square feet to 2,070 rentable square feet to exclude the back area of the Premises, the Shared Restroom Facilities and hallway (collectively, the "common area");

NOW, THEREFORE, in consideration of the mutual covenants contained herein and in the Lease as amended and modified hereby, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, the parties hereby agree that the Lease is hereby amended as follows:

1. The GLA Square Footage of the Premises is 2,070 square feet. Any and all references to the GLA or the square footage of the Premises shall refer to the GLA as amended herein.
2. Notwithstanding any provisions contained in the Lease to the contrary, Tenant's Lease Term amount is hereby modified as follows:

Years 1-2: July 1, 2017 through June 30, 2019:	\$2,587.50 per month
Year 2 -4: July 1, 2019 through June 30, 2021:	\$2,716.87 per month

3. The common area shall be and remain available to Tenant, without additional charge, throughout the entire Lease Term, including any renewals thereof. The tenant in the space adjacent to the Premises currently occupied by H & R Block (the "Adjacent Tenant") shall also have access to and use of the common area. Minor, routine maintenance of the common area (clogged drain, etc.) shall be shared equally by Tenant and any Adjacent Tenant. Landlord shall include such responsibility and obligation in any lease or amendment thereof with the current and any future Adjacent Tenant. Any major repairs or replacements shall remain the sole responsibility of Landlord. For avoidance of doubt, in no event shall Tenant be responsible for any repairs to the common area in excess of \$1,000 per calendar year.
4. Option Term: Same as stated in original lease.
5. Further, all terms, covenants, and conditions applicable to the Lease Term, will be equally applicable to the Original Lease Term except as hereinafter modified. Except as modified herein, all the other terms, covenants, and conditions of the Lease shall remain in full force and effect.

This Lease Amendment shall bind and inure to the benefit of not only the parties hereto, but also their successors and assigns.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease Amendment as of the day and year first above written.

1340 East 9<sup>th</sup> Street Realty Corp.

By: [Signature] (signature)

Name: CHARLES PINTER

Title: CEO

Date: 6/19/17

Gloria Lopez, Pecos Connections Academy

By: [Signature] (signature)

Name: Gloria P. Lopez

Title: Business Manager

Date: 6/22/2017

KPO

**LEASE AMENDMENT  
NO. 1**

THIS LEASE AMENDMENT is made on this 10<sup>th</sup> day of February 2021, by and between 1340 East 9<sup>th</sup> Street Realty Corp. (the "Landlord"), having a business address of 184 New Egypt Road Lakewood NJ 08701, and PECOS CONNECTIONS ACADEMY with its principal offices at 1503 West Pierce Street Carlsbad NM 8822, (the "Tenant").

WITNESSETH:

WHEREAS, by a Lease dated May 9<sup>th</sup>, 2017 (collectively, the "Lease"), Landlord leased to Tenant certain premises being identified in the Lease with the address 1503 West Pierce Street Carlsbad NM 8822 (the "Premises"), located in the Northgate Shopping Center.

This agreement requires that Lessee shall pay the Lessor the sum of \$2,716.87 per month.

WHEREAS Landlord and Tenant now desire to amend and modify the Lease in certain respects.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and, in the Lease, as amended and modified hereby, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties, it is hereby mutually agreed as follows:

1. Notwithstanding any provisions contained in the Lease to the contrary, Tenant's Lease Term is hereby extended for a period of One (1) year commencing upon July 1<sup>st</sup>, 2021 and ending on June 30, 2022.
2. Further, all terms, covenants, and conditions applicable to the Lease Term will be equally applicable to the Extended Lease Term except as hereinafter modified. The phrase "Lease Term" wherever it appears in the Lease shall be deemed to include the original Lease Term and the Extended Lease Term.

Except as modified herein, all the other terms, covenants, and conditions of the Lease shall remain in full force and effect.

This Lease Amendment shall bind and inure to the benefit of not only the parties hereto, but also their successors and assigns.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease Amendment as of the day and year first above written.

Lessor:

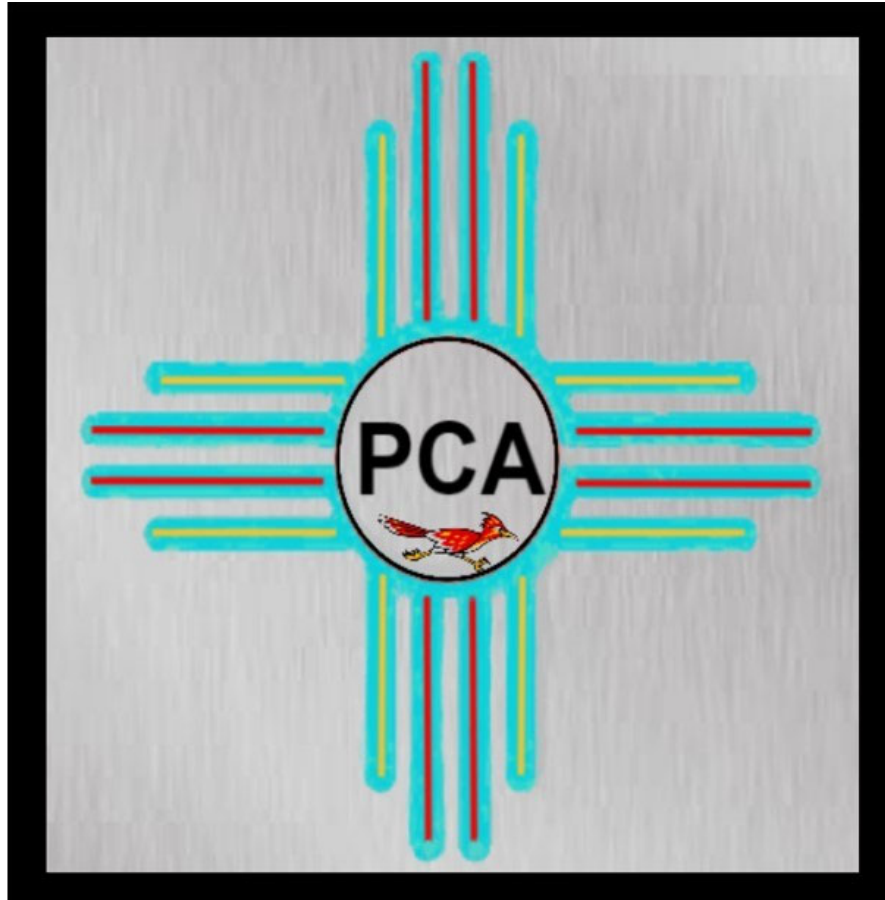
1340 East 9<sup>th</sup> Street Realty Corp.

Signed By: [Signature]  
Printed Name: Charles Pinter  
Title: CEO  
Date: 2/10/21

Tenant:

Pecos Connections Academy

Signed By: [Signature]  
Printed Name: Gloria P. Lopez  
Title: Business Manager  
Date: 2/10/2021



**APPENDIX E4**

**Facility Master Plan**

**State-Authorized Charter School Applicant  
Facilities Master Plan/Educational  
Specifications**

**Submitted**

**to**

**Public School Facilities Authority**

**Draft Submitted**

**Final Revision Submitted**



## State-Authorized Charter School Applicant Facilities Master Plan/Educational Specifications Checklist

### GENERAL

- ☐ Clear and Concise
- ☐ Clearly presented major ideas
- ☐ Clearly labeled tabs
- ☐ Contact information

### CHARTER SCHOOL OVERVIEW

- ☐ Year of the initial charter
- ☐ First renewal, if any

\_\_\_\_\_ is a proposed charter school with an anticipated opening Fall 2016 pending approval Fall 2015. The founding board anticipates using Connections Academy's educational products and services. The application will be submitted by the statutory deadline of July 1, 2015.

We acknowledge that we have reviewed the Statewide Adequacy Standards NMAC 6.27.30 and Charter-Alternative School Statewide Adequacy Standard Variance.

\_\_\_\_\_

### ACROYNMS/DEFINITIONS

- ☐ Abbreviations, acronyms, and uncommon terms identified

Definition of Terms: The description of the \_\_\_\_\_ educational philosophy and program as outlined in the charter application that follows includes some unique terminology, as defined below:

- **Teacher:** A highly specialized, New Mexico–certified teacher specially trained in online delivery and individualized instruction. The majority of the teachers will be physically located in the teaching/learning center in Albuquerque delivering instruction to an online classroom of students and working one-on-one with students through highly interactive, technology-facilitated communication tools.
- **Connexus® Education Management System (EMS):** The platform for organizing and managing the entire Connections educational environment. This proprietary, web-based software, created by Connections Education specifically for K-12 online instruction, delivers every assignment and tracks every activity (whether conducted online or offline), monitoring the completion of individual lessons as well as mastery of discrete skills and knowledge. Connexus operates within a very secure and robust technology infrastructure which protects all data from loss and intrusion while maintaining a safe environment in which students, parents, and teachers can interact with each other. Parents and students must access the online EMS to organize, document, and interact in the learning experience, ensuring an unprecedented level of time-on-task documentation.
- **Learning Coach:** A parent, extended family member, or similarly qualified adult designated by the parent/guardian who works in person with the Connections student under the guidance

of the licensed professional teacher. The Learning Coach and student interact with the teacher via telephone, WebMail message (see below), LiveLesson sessions (see below), and a rare in-person meetings. The school provides ongoing training to help Learning Coaches carry out their important role while making optimum use of the available technology tools and professional teacher support to do so.

- **LiveLesson® session:** A real-time web conferencing tool that allows teachers to work synchronously (in real time) with individual or groups of students using voice over IP, chat, electronic whiteboard, and shared web surfing based on Adobe® Connect™.
- **Multi-tiered Intervention:** Connections employs a multi-tiered intervention model so that every student has access to the resources they need to be successful: Tier 1 – Core Instructional Program; Tier 2 – Supplemental Programs and Supports; Tier 3 – Alternative Programs. The school’s Student Support Team meets regularly to discuss students who are struggling academically to develop an intervention plan and strategies for improvement.
- **Personalized Performance Learning™:** The instructional process used by Connections to create a unique learning experience for each student. This process begins during enrollment when counselors review students’ past records and performance to properly place them in the program, and also includes a “Personalized Learning Plan” developed collaboratively by the teacher, Learning Coach, and student for each student to maximize achievement and to tailor curriculum and instruction in keeping with this plan. Throughout the year teachers monitor students’ progress and make adjustments to their learning programs to focus on areas where students need to improve and to build on students’ strengths.
- **Student Status/Escalation Process:** Connections tracks and reports ongoing student progress based on the objective numeric data generated by the EMS. This is currently analyzed in four to five areas, including attendance, participation, performance, assessment submissions, and contact with the teacher. The status is displayed on the Learning Coach and teacher home pages for instant identification of potential problem areas. The Escalation Process goes into effect when students are in statuses other than ‘On-Track’ in order to ensure students continue to gain the full benefits of this educational option and are being educated appropriately through this unique school choice.
- **WebMail:** The proprietary private email system included in the EMS. Because this system is “closed,” Connections Academy students, Learning Coaches and teachers may only use it to communicate with each other, and are protected from spam, contact from strangers, and other mainstream email issues.

## 1. GOALS / MISSION

### 1.1.1 Mission

#### ☐ Describe the desired state of *school’s* educational programs

The mission of the school is to create a personalized, learner-centered preparatory approach leveraging online learning and New Mexico-certified teachers resulting in academic and personal success for students in grades K-12 and beyond. The mission will include serving students statewide, for a period of time, using online education who are not well served by existing educational options. The school will provide a literacy focus for students in grades K-6, a career and college preparatory focus for students in

grades 7-12, and a focus on parental involvement and personalized instruction for students in all grade levels.

### **1.1.2 Describe the general educational philosophy**

The school will be a high-quality, high-tech, high-touch virtual “school without walls” that brings out the best in every student through Personalized Performance Learning. Every \_\_\_\_\_ student will have a Personalized Learning Plan and an entire team of experts committed to the student’s successful fulfillment of that plan. The school will embody multiple hallmarks of excellence: a rigorous, proven K-12 virtual curriculum that is aligned to Common Core and New Mexico Content Standards; top-quality teachers who are New Mexico-certified, highly qualified under NCLB, and specially trained to excel in a virtual environment; a unique Education Management System (EMS) designed specifically for this K-12 virtual school to provide 360-degree accountability through comprehensive data collection, analysis and reporting; use of a nationally recognized virtual school program and an established track record in increasing academic achievement for previously low-performing students.

We believe that children in the 21st century must become literate and articulate, mathematically competent, scientifically and technologically adept and have the opportunity to develop their creative and physical abilities. The school recognizes its responsibility to generate enthusiasm and excitement for the lifelong process of learning by providing highly engaging and trained teachers, a curriculum that is relevant, integrated, age-appropriate and aligned to state and Common Core academic content standards. The school seeks to engage students through individualized instruction with NM certified teachers and will strive to provide a critical foundation for academic and lifelong success.

Through a Personalized Performance Learning (PPL) approach—a dynamic process through which the student’s strengths and needs are evaluated- individual approaches are developed that work for the student along with the curriculum—all year long

The course offerings will allow for both self-paced and structured learning, and include core lessons, as well as supplementary practice modules. The instruction combines individual study with interactive group sessions. In addition, both cutting-edge online resources and the most highly rated and time-tested textbooks and materials are used throughout the program.

Student exchange and interaction is a critical part of the overall instructional process. While most of the instruction is asynchronous (supporting anytime/anywhere learning), students also participate in a live online virtual classroom environment through LiveLesson technology.

### **1.1.3 Serving the Community**

#### **☐ Describe the desired interaction with school's community**

Real connections are an important component so all students have the opportunity to participate regularly in both face-to-face and virtual community activities. Face-to-face activities include regular field trips and community outings facilitated by the Community Coordinators – parent volunteers which are supported in organizing such activities for families who live in their nearby

community. The majority of the face-to-face activities are curriculum and learning objective focused offered throughout the state and provide an avenue for important student-teacher and peer-to-peer social interaction.

Field trips anticipated for New Mexico families include visits to the State Capitol in Santa Fe; The National Museum of Nuclear Science & History in Albuquerque ; White Sands National Monument at Holloman AFB; the Bradbury Science Museum in Los Alamos; and the Fort Union National Monument in Watrous. Technology related activities include Book Club, Environmental Club, Robotics Club, Debate Club and Student Literary Magazine to name just a few.

Parents and family involvement is absolutely central to the model. There are many benefits to parent involvement in education. Parent participation in a child's education can lead to:

- Improved grades and test scores
- Higher graduation rates
- Greater enrollment in post secondary education

Parents are crucial to the planning process of the school, as well as its operation. Interested parents have already played an important role in encouraging the formation of the school, and will remain involved leading to the school's opening. Without any formal outreach, approximately 300 K-3 families have requested the Connections program in New Mexico. Parental feedback is also an important hallmark of the school's outreach and information sessions in the community. The school will take full advantage of this valuable communication with families to ensure that the school reflects their unique needs and creative ideas.

The community consists of the teachers, staff, administration, students and the Learning Coach. The Learning Coach can be a parent, extended family member, or similarly qualified adult designated by the parent/guardian who works in person with the Connections student under the guidance of the licensed professional teacher. The Learning Coach and student interact with the teacher via telephone, WebMail, LiveLesson sessions, and the rare in-person meeting. The school provides ongoing training to help Learning Coaches carry out their important role while making optimum use of the available technology tools and professional teacher support to do so. This greater school community is an integral part of the learning process.

In addition to involvement focused on their own children's learning needs, the school's parents will have multiple opportunities to shape the overall school experience such as parent representation on the governing council, ad hoc committees, community coordinators, and providers of ongoing, action oriented feedback.

The School Community Coordinators and staff will reach out to community-based organizations and businesses to coordinate face-to-face community service and field trip opportunities for students. In addition, the school Counselor will work with post-secondary institutions to arrange college explorations for the students. The school will draw upon the deep and diverse community connections represented on the Governing Council – whose members represent business and education entities across the state to ensure that Charter School students have multiple opportunities to benefit.

The proposed school redefines the physical boundaries of school and community and lives it out in the community.

## **1.2 Process**

### **1.2.1 Describe process for data gathering and analysis**

The school anticipates limited capital needs except for the initial build out of the facility which would include furniture and workstation materials. Parental input and participation are important to the success of the school and is encouraged through school committees, community coordinators, feedback through the StarTrack System (an integrated rating system allowing every student and Learning Coach to rate each lesson from a low of one star to a high of five stars) and External Evaluation, fieldtrips and other activities.

As a virtual charter school, the school will also gather, monitor, analyze and report more granular data about its effectiveness than most traditional, brick and mortar schools find necessary. The unique Education Management System designed specifically for this K-12 virtual school is intended to provide 360-degree accountability through comprehensive data collection, analysis and reporting to all stakeholders.

With high-quality curriculum and strong accountability measures integrated throughout the program, student's academic success is consistently monitored, evaluated and a point of focus for all the stakeholders-parents, teachers, students and administrators. Teachers communicate regularly with students and deliver highly interactive real-time lessons with students. The school's performance will be measured and communicated continuously to parents and reported regularly to its Governing Council.

Additionally, the Governing Council is responsible for ensuring that all aspects of the financial and programmatic accountability systems fulfill the school's obligations to the Charter School Division of the New Mexico Public Education Department.

Specific plans for monitoring and reporting on the effectiveness of curriculum, teachers, instructional methods and practices during Year 1 follow:

- **Student achievement.** One of the important measures of accountability will be student achievement. The school will measure student achievement through a number of lenses: measurable learning gains, performance on the state standardized tests, and other measures. Student performance, as measured through internal assessments in the EMS, is reported to the Governing Council.
- **Parent satisfaction.** The families will be given an annual opportunity to participate in a thorough parent satisfaction survey, conducted by an independent market research firm. The school's goal is that at least 90% of families rate the school an "A" or a "B." The survey results are reported to the Governing Council and all stakeholders. One of the most important components is teacher effectiveness and communication with students.
- **School growth.** \_\_\_\_\_ Charter School has a plan for school growth that is both scalable and thoughtful, wanting to offer this program to as many students as possible each academic year while growing the program in a fashion that positions both the students and the school for future

success. The schools hopes to grow from 500 students (Year 1) to up to 2,000 (Year 5) through a combination of parent outreach, serving its existing families well (student retention), and strong word-of-mouth (current families attracting new families).

- **Compliance with state law.** The school will measure itself against compliance with New Mexico state law regarding public education, charter schools specifically under the Charter School Act, 2011 NMSA 1978 (unannotated)/NMSA 1978 (unannotated)/CHAPTER 22 Public Schools /ARTICLE 8B Charter Schools, and other objective compliance criteria. This compliance will include the timely and accurate reporting of required state data.
- **Fiscal accountability.** The school is fully committed to fiscal accountability. Its budget reflects its commitment to cost control, responsible growth, and regular audits.

### **1.2.2 Authority and Facilities Decision Making**

☐ **Identify individual representing the school authorized as contact on issues and questions related to this submission**

Kyla Anderson, wktwanderson@gmail.com

☐ **Identify process for capital planning and decision-making**

The Governing Council of the charter school is responsible for the policy decisions of the school. The Governing Council shall meet regularly (approx. 10 times per year) in open, public meetings to fulfill its duties, and may from time to time create subcommittees or task forces to carry out special tasks. Special and emergency meetings shall be held as needed. All meetings involving a quorum of the Governing Council shall be noticed and conducted in accordance with the Open Meetings Act. The Governing Council shall keep written or digital or tape recorded minutes of all its meetings. The minutes shall include, at a minimum, the date, time and place of the meeting, the names of members in attendance and absent, the substance of the proposals considered and a record of any decisions and votes taken that show how each member voted. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the Governing Council. All minutes shall be made available for public inspection.

The Governing Council is ultimately responsible for the overall financial management of the school. The Governing Council plans to designate one of its members to serve as the Treasurer of the school. This individual will have a financial or business background to enable her/him to perform this function. The Treasurer and the entire Governing Council will participate in regular training with an emphasis on fiscal management and oversight and will ensure that the Business Administrator participates in NM PED charter school training, when appropriate.

The school will follow these detailed fiscal procedures, which comply with Generally Accepted Accounting Principles (GAAP) and will ensure sound financial management.

***Budget process:*** The school will begin the annual budgeting process and set enrollment targets by the Governing Council. The school's Business Official will coordinate the development of revenue and expenditure assumptions based upon this enrollment target. This will be a very

iterative process and involve the appropriate stakeholders– Business Official, Governing Council, Principal, teachers, and others. Once an initial budget, based on planned events, has been drafted, it will be tested against a lower enrollment level to ensure the school can withstand lower-than-expected enrollment. As more information is learned, assumptions will be revised and the impact discussed with the Governing Council.

The following is a plan for the annual budget development process :

- Starts in February with Governing Council-set Enrollment Target
- Key Assumptions are Determined
  - ✓ Student:teacher ratio
  - ✓ Teacher compensation (base salary, merit increases, new positions)
  - ✓ Physical expansion
  - ✓ New initiatives (e.g., additional grades)
  - ✓ Per pupil funding rates – regular ed, special ed, add-ons
- Business Official Develops a Draft Budget
  - ✓ Very iterative process
  - ✓ Includes a financial narrative that explains all of the key assumptions and results
- The Governing Council Designates Individual(s) to Review Draft Budget and Narrative
  - ✓ Usually done via one or more conference calls
- Business Official Presents Revised Draft Budget to Governing Council for Adoption
- Business Official will Revise Budget at Start of School
  - ✓ Reflect updating of key assumptions like enrollment and actual salaries
  - ✓ Governing Council may elect to adopt this revised budget as its official school budget for the year

**□ Identify how community input is considered**

The school offers multiple Information Sessions –in person and “virtually,” using its LiveLesson technology – for families throughout the state. Families are notified of the *Information Sessions* via email, earned media in newspapers across New Mexico and flyers distributed in local communities. The school plans to use these sessions to provide a complete array of information about the different ways parents can get involved (as described above), its program, including its curriculum, teaching methods, and technology resources.

Outreach to business and community members began in response to groups and individuals in NM requesting interest in improving educational options for students throughout New Mexico on the Connections website and via the phone.

**□ Describe the nature of Steering committee involvement**

- *Identify members of the steering committee*

Kyla Anderson, [wktwanderson@gmail.com](mailto:wktwanderson@gmail.com)



## **2. PROJECTED CONDITIONS**

### **2.1 Programs and Delivery Methods**

#### **2.1.1 Programs Overview**

##### **☐ Provide overview of proposed educational programs and facilities (if applicable)**

The school requires a physical location for the teachers with “classrooms” for delivery of highly interactive, real-time virtual lessons with students and one-on-one individualized communication for students and learning coaches. Students are not physically present at the facility but are “present” through voice, audio, video, virtual whiteboards, text chat, and/or other means. Day-to-day virtual learning is occurring at the facility and the facility is crucial for the bridging the instructional distance between students and teachers. Students will work from the setting of their families’ choice, such as the home or a supervised community location.

The school will lease permanent space for a principal(s), teachers, counselors, and special education staff, to serve as a “teaching/learning center” where the school’s administrative and teaching staff will work to further the instructional mission of the school. The initial physical facility will need to be flexible for growth and future needs. Students will not physically attend the teaching/learning center; however, they will be attending the school through virtual means both synchronously and asynchronously.

Parent involvement is paramount to the school’s educational philosophy. This involvement includes supervising lessons to participating in field trip planning, to collaborating with our teachers. Parents will communicate with the teacher via email or phone.

##### **☐ Identify and describe any potential shared/joint use facilities with public or private entities**

The school has analyzed locations, including any potential shared/joint use facilities, based upon criteria needed to run an effective online school. The following are some of the criteria the school used to analyze facilities:

- Central location
- Easy access from major roadways, allowing teachers and staff from various areas to reach it easily. The facility needs adequate space for teacher/s classroom space, a Principal’s office, a conference room, and a break room/kitchenette.
- The facility will have a certificate of occupancy, be air-conditioned, heated and illuminated with fluorescent lights, provide male and female bathrooms and parking, will be handicapped accessible, and will be fully equipped with state-required fire safety equipment.
- The facility will provide the necessary infrastructure to support the required computer network.
- The school estimates approximately 125 square feet per person to meet its minimum requirements, allowing for necessary common space, online classrooms, egress, typical build out for conference room and kitchen(ette).

- Teaching/Learning Center's space is in compliance with or capable of modification to bring it into compliance with all local building, zoning and health and safety requirements.
- Teaching/Learning Center is located close to at least one main thoroughfare to allow for ease of access.
- Teaching/Learning Center meets all local minimum Americans with Disabilities Act (ADA) standards.
- Teaching/Learning Center has ample parking accommodations.
- Teaching/Learning Center is available to move-in within 3 months from the selection of the facility.
- Teaching/Learning Center is comprised of primarily open area for online classrooms and dividers.
- Depending upon the availability of sites, the identified location, and the budget, it is possible that the school may consider a "testing room" for periodic required state testing.

Because students will be present in the school headquarters only on the rare occasion, and will not gather there for instructional activities, no special zoning will be required beyond standard commercial use.

The school administrative assistant and the locally based teaching staff will teach and work from this facility. Some staff members may work from remote locations and will report to the principal regularly. Because of the technological infrastructure in place, providing long distance support will be both effective and efficient. In addition, in the future, the school may open additional teaching/learning centers statewide if there is a need for them as determined by input of staff and families and upon consultation, review, funding, and approval by PSFA and the Public Education Commission. The school will provide all required notification to the district of all teaching/learning centers that it operates.

#### ☐ **Describe the school's proposed instructional program**

The school believes that children in the 21st century must become literate and articulate, mathematically competent, scientifically and technologically adept and have the opportunity to develop their creative and physical abilities. The school recognizes its responsibility to generate enthusiasm and excitement for the lifelong process of learning by providing a curriculum that is relevant, integrated and age-appropriate while at the same time is aligned to state and Common Core academic content standards.

The teacher will deliver instruction typically from a workstation out of the teaching/learning center. The teacher requires a telephone and basic technology including a computer and Internet access. The teachers will deliver synchronous and asynchronous instruction to an online classroom of students and work one-on-one with students through highly interactive, technology-facilitated communication tools.

#### ☐ **Describe the general instructional organization (grade levels, groups, academies)**

The school will serve students in grades K-12. The traditional sense of class periods, and bell schedules does not exist in a virtual classroom.

The Connections program offers a multi-tiered intervention model so that every student has access to the resources they need to be successful. Students who qualify will be eligible to receive technology resources, including computer and Internet connection. In addition, the multi-tiered intervention consists of: Tier 1 – Core Instructional Program; Tier 2 – Supplemental Programs and Supports; and Tier 3 – Alternative Programs. The Student Support Team may recommend placement of a student into Tier 2 for a specified period or longer-term placement into Tier 3.

In grades K-9, gifted and talented courses are offered in language arts, mathematics and science. These challenging courses give students more opportunities to interact with specialized teachers, take part in special projects, and develop higher-level thinking skills.

Connections' curriculum challenges gifted high school students to stretch their abilities and sharpen their critical thinking skills. With a wide array of honors courses, the budding historian or writer is engaged as well as the math whiz and scientist. With eighteen Advanced Placement (AP) courses ranging from Art History to Macroeconomics to World History, students are prepared for the national AP tests that can earn them college credit.

If allowed, advanced students also may take courses at a local university and earn credit toward both high school graduation and college.

Neither regular education, gifted education, nor special education students will be present in the teaching/learning center on a regular basis. Students will work from the setting of their families' choice and will be provided with appropriate resources in order to insure their success.

**□ Describe scheduling approach (periods, block schedule)**

All daily lesson plans are provided to students and families online, directing them step-by-step through use of the comprehensive set of online textbooks, physical trade books, manipulatives, and consumables that the school will ship to them. Periods in the traditional sense do not apply in a virtual classroom.

The students who enroll in the K-8 program and elect to continue into high school will notice that the high school introduces increased structure and a pacing system that encourages all the students in a single class to move forward at a similar speed. The high school program includes a significant amount of computer-facilitated learning and live lessons with teachers. While hard copy textbooks are provided in some courses (generally along with an enhanced online version of the text as well), students may also take several courses that are completely online. In high school the pacing for core courses follows an asynchronous/fixed schedule (which means that the schedule is fixed and students must all move at a similar pace). This does not take away the ability of the teachers to personalize the curriculum for students; however, it does add accountability, structure, and significant peer and teacher interaction that is necessary for a quality high school program.

**□ List anticipated special curricular and extracurricular activities to be accommodated in the facility, if any**

N/A

### **2.1.2 Anticipated Changes in Programs (THIS SECTION IS NO LONGER REQUIRED BUT WE WANTED TO INCLUDE IT)**

#### **□ Identify projected changes in programs that impact use/need for facilities**

The teachers will educate students both remotely and from a “teaching/learning center”, where the school’s administration, some teachers, and staff are located. This mix of remote and teaching/learning center-based teachers provides maximum flexibility to handle changes in program needs. The school will expand and shrink its remote teacher base and, in the event of growth, will either expand its teaching facility or add teaching/learning center(s) in other New Mexico localities.

#### **□ With regard to School Size, Class Size, Grade Level Configuration, Schedule Discuss opportunities for continuing or increasing shared/joint use in the future**

The growth plan is scalable and thoughtful but may require a change in or additional facilities based upon growth in student enrollment and the appropriate student-teacher ratio balance. One of the benefits to full time virtual education is the ability to quickly react and adapt to changing needs. Since teaching and learning can occur anywhere and are not bound by geographic limitations, it is critical that flexibility be built into the system and infrastructure to adapt to changing student learning needs.

## **2.2 Proposed Enrollment**

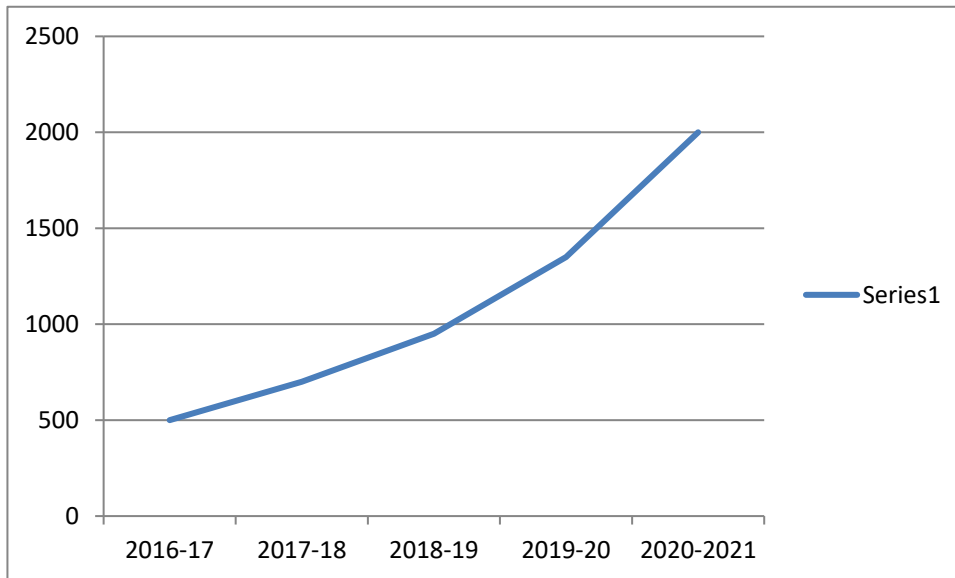
### **2.2.1 Indicate proposed enrollment cap**

The proposed enrollment cap is 2000 students at the end of five years.

### **2.2.2 Describe any plans for phased enrollment**

**The school plans to offer grades K-8 in 2016-17 and add one grade per year until K-12 by 2020-2021 school year.**

☐ **Provide a graph of projected enrollment cap, if incremental**



☐ **Identify by grade level, the five-year post occupancy projection of attendance to be accommodated by any proposed facility**

As mentioned in 2.1.2 above, the school will employ a flexible teaching model whereby teachers can educate students remotely from the primary teaching/learning center or from multiple teaching/learning centers. This maximizes expansion and contraction potential, as needed, and eliminates the need for excessive, under-utilized space.

#### **2.2.4 Classroom Loading Policy**

☐ **Identify anticipated class loading requirements or district policy**

The school staff anticipates an overall school ratio of 40:1 including Advisory, Special Education, and elementary/secondary teachers. The traditional sense of class periods, and bell schedules does not exist in a virtual classroom.

#### **2.2.5 Classroom Needs**

☐ **Identify anticipated classroom needs, including the number of classrooms to accommodate the projected enrollment. Provide supporting analysis.**

The virtual school model anticipates 6-25 online classrooms in the facility. Accommodation of teachers and their online teaching space is the primary concern from a facilities perspective, and the school's flexible model allows expansion and contraction as needed throughout the charter period.

☐ **Itemize the quantity and sizes of other spaces required to accommodate the instructional program**

Not applicable

## 2.3 Site and Facilities

### 2.3.1 Location/site

- ☐ **Include Map(s) which identify the location of any existing and proposed facilities**

Query survey attached.

- ☐ **Provide a description of sites and facilities, existing or proposed**

The site/facility for teachers and staff will be a typical office building in a safe, easily accessible area. The description of sites/facilities is more completely captured in Section 3 below.

### 2.3.4 Facility Evaluation (If Applicable)

- ☐ **Provide a Summary of the facility condition evaluation (FAD Executive Summary Report)**

A summary will be prepared following evaluation and selection of the appropriate facility for the school operations.

***o Has PSFA evaluated the proposed facility for code and adequacy? If so, summarize PSFA/Code analysis of any existing facilities that are proposed for future use and include in this section.***

Since the facility has not yet been selected, PSFA has not evaluated the facility. Given that the facility will house teachers and staff, the school does not believe PSFA/Code analysis is required for the facility and a waiver is warranted from those requirements. Students will rarely, if ever, enter the office space.

## 3. FACILITY REQUIREMENTS (Ed Spec)

### 3.1 Facility Goals and Concepts

#### 3.1.1 What are your goals to be met by your school facility?

- ☐ **Outline plan for being in a public building by 2015 in compliance with HB-283.**

Upon approval of the charter, we will investigate and examine facilities that meet the 2015 requirements and our site requirements as outlined in this document with the intention of meeting the requirements. If we are unable to identify suitable facilities, then we may seek a waiver due to students rarely being in the school facility based upon a thorough investigation of sites.

#### 3.1.2 Concepts

- ☐ **Identify and describe major facility goals and concepts including safety, security, sustainability, flexibility, community use, utilities, and any other issues or special considerations that impact space requirements and/or costs**

The school will lease space in a typical office building, through a standard, negotiated office lease, and this space will be used to house teachers and staff. From this space, and from remote locations for remote employees, Teachers will teach students virtually. Students will

rarely, if ever, enter the office space. As previously mentioned, accommodation of teachers is the primary concern from a facilities perspective, and the school's flexible model allows expansion and contraction as needed throughout the charter period.

The school does not anticipate community use and foresees no additional issues that would lead to special considerations. Requirements for the selected site, including safety and security, are discussed below.

### **3.2 Space Requirements**

#### **3.2.1 Space Summary**

Provide a summary list of all individual space needs and sizes.

The facility/suite selected for the school operations will be approximately 4,000 rentable SF and will be located in standard office space. The school will enter into a -TBD-year lease with extension options at the school's election. Key factors considered in the selection process that will be included but may not be limited to:

- ADA compliance
- Suite layout
- Stability of Landlord
- Ability of Landlord to provide a turn-key solution
- Cost on an annual and a full term basis
- Security for both the facility and the surrounding area
- Safety for teachers and staff
- Ease of access (location) for teachers and staff
- Special termination provisions in the event of charter suspension or revocation
- Technology availability, including bandwidth for school operations
- Lighting (natural and otherwise)

#### **3.2.2 Describe site requirements**

##### **Spaces**

☐ **Provide a graphic diagram illustrating the relationship between the program areas**

To be determined once site is selected.

### **4. CAPITAL PLAN**

Our build-out will be a straight Teaching/Learning center environment. We'll look to the landlord to provide a turn-key solution with standard building finishes based on our CAD test fit, we anticipate capital outlay to occupy the leased space to be fairly minimal and limited to furniture and equipment, not Leasehold Improvements.

### **5. MASTER PLAN SUPPORT MATERIAL**

#### **5.1 Sites and Facilities Data Table**

☐ **Provide a table summarizing characteristics of site and facilities**

See Teaching/Learning center space characteristics in 3.2.1 above.

☐ **Name of facility**



- o **State identification number** - To be determined
- o **Physical address** – To be determined
- o **Date of opening** – Approximately one month prior to school opening
- o **Dates of major additions and renovations** – Not applicable
- o **Facility Condition Index (FCI) and N.M. Facility Condition Index (NMCI), if available** – To be determined.
- o **Site owned or leased** - Leased
- o **Total building area gross sq/ ft.** – To be determined. o **Site acreage** – To be determined.
- o **Total number of permanent Teaching Stations** – Seventeen, primarily in teaching stations and conference room spaces. Facility will not house students.
- o **Total number of permanent specialty Teaching Stations** – Eight, in teaching offices/live lesson/conference rooms. Facility will not house students.
- o **Total number of portable classrooms** – None. Facility will not house students.
- o **Total number of classrooms** – None. Facility will not house students.
- o **Percentage of portable classrooms compared to total number of permanent classrooms** – Not applicable
- o **Total enrollment current year (40th day count), if available (may not be available for a newly chartered school)** – Not applicable.
- o **Number of gross sq. ft per student per school facility** – Not applicable

## **5.2 Site Plan**

### ☐ **Scaled School Site Plan**

Will be provided on site selection

## **5.3 Floor Plan**

### ☐ **Scaled school floor plan(s) with rooms numbers to match inventory**

Will be provided on site selection

### ☐ **FAD forms updated**

Not applicable

## **5.8 Detailed Space and Room Requirements (Ed Spec), if applicable**

Not applicable

### **5.8.1 Technology and Communications Criteria**

Not applicable for students. Selected site will have sufficient technology and bandwidth for teacher/staff teaching operations. The teaching/learning center will include an IT room and storage space. The school-based needs are minimal and simple – just a server and phone system hardware. No stand-alone air conditioning is required. No full-time IT person will be required. It is anticipated that we will partner with a virtual education provider that has an extensive IT and tech support staff. We do not anticipate contracting out IT services except on rare occasions. Nearly all IT actions can be handled either remotely or with communications between the IT group and school staff.”

Teachers will have standard HP laptops or desktops, often have dual monitors for Live Lesson delivery, a microphone, video camera, and a phone. The teaching stations will be equipped with data ports and we will equip the Teaching/Learning center with 2 data ports each. The landlord will provide the power we need to operate our equipment.

### **5.8.2 Power Criteria**

Not applicable for students. Selected site will have sufficient power capability for teacher/staff teaching operations.

### **5.8.3 Lighting and day lighting Criteria**

Not applicable for students. Selected site will have sufficient lighting for teacher/staff teaching operations.

### **5.8.4 Environmental Conditioning Criteria**

Not applicable for students. Selected site will have sufficient conditioning for teacher/staff teaching operations.

### **5.8.5 Classroom Acoustics Criteria**

Not applicable for students. Selected site will have sufficient acoustics for teacher/staff teaching operations.

### **5.8.6 Furnishing and Equipment Criteria**

Not applicable for students. Selected site will have sufficient furnishings and equipment for teacher/staff teaching operations. In our initial space, we expect to establish approximately teaching/instructional work areas in a variety of configurations. This equates to a space allocation, given common area/s such as server/storage room and break room, of roughly 150 square feet per work area.

- o Server room needs; Minimal. Planned server room is approximately 100 square feet
- o It is anticipated that a break room/kitchenette may be available.

### **5.8.7 Table types**

Not applicable for students. Selected site will have sufficient tables/work surfaces for teacher/staff teaching operations.

### **5.8.8 Storage types**

Not applicable for students. Selected site will have sufficient storage for teacher/staff teaching operations.

### **5.8.9 Criteria Sheets**

See attached.

## **5.9 Submission**

**5.9.1 Final hardcopy placed in a three-ring binder.**

**5.9.2 Final electronic copy.**