

124E.22 BUILDING LEASE AID.

(a) When a charter school finds it economically advantageous to rent or lease a building or land for any instructional purposes and it determines that the total operating capital revenue under section 126C.10, subdivision 13, is insufficient for this purpose, it may apply to the commissioner for building lease aid for this purpose. The commissioner must review and either approve or deny a lease aid application using the following criteria:

- (1) the reasonableness of the price based on current market values;
- (2) the extent to which the lease conforms to applicable state laws and rules; and

(3) the appropriateness of the proposed lease in the context of the space needs and financial circumstances of the charter school. The commissioner must approve aid only for a facility lease that has (i) a sum certain annual cost and (ii) a closure clause to relieve the charter school of its lease obligations at the time the charter contract is terminated or not renewed; the closure clause must not be constructed or construed to relieve the charter school of its lease obligations in effect before the charter contract is terminated or not renewed.

A charter school must not use the building lease aid it receives for custodial, maintenance service, utility, or other operating costs.

(b) The amount of annual building lease aid for a charter school shall not exceed the lesser of (1) 90 percent of the approved cost or (2) the product of the pupil units served for the current school year times \$1,314.

History: *1Sp1997 c 4 art 5 s 13; 1998 c 397 art 2 s 164; art 11 s 3; 1998 c 398 art 1 s 12; 1999 c 241 art 5 s 12; 1Sp2001 c 6 art 2 s 27; 1Sp2003 c 9 art 2 s 28; 1Sp2011 c 11 art 2 s 30; 2013 c 116 art 4 s 4; 2014 c 272 art 3 s 42; 1Sp2015 c 3 art 4 s 10*