

**Central Office Location
Lease vs Own - Costs Savings**

	LEASE Leasing & vacate Doyle	OWN Utilize Doyle capacity	Assumptions & notes:
Costs - Recurring			
Rent (Gross rent \$15.50 + electricity estimated at \$1/sf)	\$ (247,500)	n/a	15,000 square feet for staff. This excludes board meeting room, professional development training rooms and the PREP program. Doyle totals 39,000 square feet
Doyle ongoing operating/maintenance and repair costs	n/a	(135,000)	Based on a 5 year review of electricity, gas, water, custodial, interior/exterior mtce, grounds, snow and capital repairs/improvements that included roofing & asphalt within this time period so this may be a high average. Note this is for the entire 39,000 square foot facility
Doyle room rental revenue	-	25,000	Room rental currently helps offset operating costs
Annual recurring costs	\$ (247,500)	\$ (110,000)	

Costs - Non recurring

Buildout in leased space or renovation costs of Doyle	\$ -	\$ (800,000)	Note that this presumes the landlord will pay for the buildout. Estimated landlord portion is \$25-30/sf for tenant improvements. If the buildout is more, some have said up to \$50/sf, the District may have to incur the additional costs
Move head-end from Doyle to BHS owned property	(125,000)	-	Moving to Andover site is least costly option
Non recurring costs	\$ (125,000)	\$ (800,000)	
	10	10	Amortize over 10 years for a simple annual comparison
Amortized annual amount of non-recurring costs	\$ (12,500)	\$ (80,000)	
Annual cost comparison using 10 years	\$ (260,000)	\$ (190,000)	\$ 700,000

Gross rent/square foot to be comparable:

Difference between lease and own:	(\$70,000)
Divided by square footage:	15,000
Difference in cost per square foot:	(\$4.67)
Gross lease cost per square foot from above:	\$15.50
Gross lease cost to be comparable:	\$10.83

Other considerations:

Location of PREP program	?	Doyle
Board meeting location	?	Doyle
Professional development/training locations	?	Doyle

Retaining and utilizing Doyle does not preclude the District from possibly subdividing and selling land

Various other costs & savings were considered and determined not to differ between lease/own, such as moving costs that would be incurred either way, etc.

**Central Office Location
Lease vs Own - Costs Savings**

20 year overview:

Annual recurring costs	\$	(247,500)	\$	(110,000)
Non recurring costs	\$	(125,000)	\$	(800,000)
		20		20
Amortized annual amount of non-recurring costs		(6,250)		(40,000)

Annual cost comparison using 20 years	\$	(253,750)	\$	(150,000)
---------------------------------------	----	-----------	----	-----------

Net 20 year difference between Doyle & Leasing - Leasing being more expensive
2,075,000

Gross rent/square foot to be comparable:

Difference between lease and own:	\$	(103,750)		
Divided by square footage:		15,000		
Difference in cost per square foot:	\$	(6.92)		
Gross lease cost per square foot from above:	\$	15.50		
Gross lease cost to be comparable:	\$	8.58		