

# FNSBSD Building Rentals

Rental Rate Adjustment



Fairbanks North Star Borough School District



# Serving the Community

The School District supports community organizations by offering our facilities for public use, strengthening community ties.

- Non-profit organizations with a key role in the Interior community
- Offer programs directly benefiting District students
- School gyms used for athletic activities
- District theatres host community performances



# Cost - Benefit

While the District supports community non-profits, hosting these activities comes with inherent costs.

## **Utility Costs**

Costs associated with operating a facility in providing heat, lights, ventilation, etc. as opposed to reducing utility use during unoccupied status

## **Service Costs**

These costs include expenses for employee coverage to manage building access, monitor activities, ensure security, and handle cleanup after events



# Utility Costs

Utility use & costs is tracked on a monthly basis by the Facilities Maintenance Department.

An hourly cost can be calculated by adding up all utility expenditures and dividing the total by the number of hours within a specific time period.



Secondary School's Average Utility Cost	\$59.84/hr.
Primary School's Average Utility Cost	\$24.75/hr.

# Service Costs

Service costs are generated by the need to have District employees onsite during rental activities

2024 Average Custodial Cost      \$40.87/hr.

Theatre Technician      \$55.00\*





# Additional Expenditures

- Administrative Staff (Theatre Manager & Building Rentals Specialist)
- Event Management Software
- Damages
- General Wear
- Overtime Staffing



# Current Rental Charges

Hourly Rental Rates					
Fee Category	Gym Secondary	Gym Elementary	Special Rooms	Regular Classroom	Weekend Custodial Charge
Non-Profit Youth	\$5.00	\$3.00	\$3.00	\$1.00	\$50.00
Non-Profit Adult	\$25.00	\$20.00	\$20.00	\$20.00	\$55.00
Commercial/Other	\$200.00	\$150.00	\$100.00	\$50.00	\$55.00

Theatre Rental Rates				
	Non-Profit Organizations		For-Profit Organizations	
Location	1st Event	2nd Event	1st Event	2nd Event
<b>NPH Oehring Auditorium</b>	\$330.00	\$220.00	\$990.00	\$660.00
Event Prep. Days	\$110/day		\$330/day	
<b>WVH DeWild Theater NPM Auditorium</b>	\$110.00	\$85.00	\$330.00	\$250.00
Event Prep. Days	\$45/day		\$135/day	
<b>LHS Hering Auditorium</b>	\$825.00	\$600.00	\$3,025.00	\$2,475.00
Event Prep. Days	\$275/day		\$825/day	
<b>WVH Performing Arts Center</b>	\$495.00	\$330.00	\$1,650.00	\$1,210.00
Event Prep. Days	\$175/day		\$660/day	



# Current Rental Charges

- Rental groups are charged based on the type of space used.
- Events requiring theatre operations staff are charged \$50.00 - \$55.00 per hour.
- Weekend activities require a monitor/custodian at a rate of \$50.00 - \$55.00 per hour.
- Hosting rental activities is a valued community service, but it comes at a cost to the District.
- Rental income alone cannot cover the full cost of hosting these activities.

**The District seeks to reduce operational costs during rental hours through shared contributions from both rentals and the District.**





# **Rental Rate Adjustment Proposal**



# Breakeven Rates

In order for user groups to independently meet the utility cost of District facilities during rental hours, the below rates would be required

Non Profit Youth Breakeven							
Room Type	Hourly Utility Cost	FY24 Rental Hours	0% Subsidized	Rental Charge	Potential Revenue	Utility Expense	District Net
Elementary Gym	\$24.75	4451.75	\$24.75	\$25.00	\$111,293.75	\$110,180.81	<b>\$1,112.94</b>
Secondary Gym	\$59.84	2937.5	\$59.84	\$60.00	\$176,250.00	\$175,780.00	<b>\$470.00</b>
Non Profit Adult Breakeven							
Room Type	Hourly Utility Cost	FY24 Rental Hours	0% Subsidized	Rental Charge	Potential Revenue	Utility Expense	District Net
Elementary Gym	\$24.75	150	\$24.75	\$25.00	\$3,750.00	\$3,712.50	<b>\$37.50</b>
Secondary Gym	\$59.84	527.75	\$59.84	\$60.00	\$31,665.00	\$31,580.56	<b>\$84.44</b>
							<b>\$1,704.88</b>

The District recognizes that the cost would likely be unsustainable for most community non-profits and could negatively impact the community overall. Therefore, the District does not propose a breakeven rate, but instead suggests a moderate rate increase to help reduce its costs in supporting rental activities.

# Building Rentals Rate Proposal – Gyms & Rooms

## Current - Hourly Rental Rates Summary

Group Category	Primary Gym	Secondary Gym	Special Rooms Commons, Library, etc.	Standard Classroom	Weekend Service Charge
Non-Profit Youth	\$3.00	\$5.00	\$3.00	\$1.00	\$50.00
Non-Profit Adult	\$20.00	\$25.00	\$20.00	\$20.00	\$55.00
Commercial-Other	\$150.00	\$200.00	\$100.00	\$50.00	\$55.00

## Proposed - Hourly Rental Rates Summary

Group Category	Primary Gym	Secondary Gym	Special Rooms Commons, Library, etc.	Standard Classroom	Weekday Service Charge (Hourly)	Weekend Service Charge
Non-Profit Youth	\$6.50	\$15.00	\$6.50	\$5.00	\$5.00	\$50.00
Non-Profit Adult	\$20.00	\$25.00	\$20.00	\$20.00	\$5.00	\$50.00
Commercial-Other	\$150.00	\$200.00	\$100.00	\$50.00	\$25.00	\$50.00

# Non-Profit Youth Contributions

## Weekdays

### Primary Gym (Hourly)

**Utility Cost**      **\$24.75**  
**Service Cost**      **\$5.00**

**User Contribution**      **\$11.50**      **(26.26%)**  
**District Contribution**      **\$18.25**      **(73.74%)**

## Weekends

### Primary Gym (Hourly)

**Utility Cost**      **\$24.75**  
**Service Cost**      **\$41.00**      \_\_\_\_\_  
**Total Cost**      **\$65.75**

**User Contribution**      **\$56.50**      **(85.93%)**  
**District Contribution**      **\$9.25**      **(14.07%)**

### Secondary Gym (Hourly)

**Utility Cost**      **\$59.84**  
**Service Cost**      **\$5.00**

**User Contribution**      **\$15.00**      **(25.07%)**  
**District Contribution**      **\$18.25**      **(74.93%)**

### Secondary Gym (Hourly)

**Utility Cost**      **\$59.84**  
**Service Cost**      **\$41.00**      \_\_\_\_\_  
**Total Cost**      **\$100.84**

**User Contribution**      **\$65.00**      **(64.49%)**  
**District Contribution**      **\$35.84**      **(35.51%)**



*Most often used by NPY groups on weekends*

# Non-Profit Adult Contributions

## Weekdays

### Primary Gym (Hourly)

**Utility Cost            \$24.75**

User Contribution	\$20.00	(80.81%)
District Contribution	\$4.75	(19.19%)

### Secondary Gym (Hourly)

 **Utility Cost            \$59.84**

User Contribution	\$25.00	(41.78%)
District Contribution	\$34.84	(58.22%)

*Most often used by NPA groups*

## Weekends

### Primary Gym (Hourly)

Utility Cost	\$24.75	
Service Cost	\$41.00	_____
Total Cost	\$65.75	

User Contribution	\$70.00	(106.46%)
District Contribution	\$9.25	(0%)

### Secondary Gym (Hourly)

Utility Cost	\$59.84	
Service Cost	\$41.00	_____
Total Cost	\$100.84	

User Contribution	\$75.00	(74.38%)
District Contribution	\$25.84	(25.62%)



# Building Rentals Rate Proposal - Theatres

## Hering Auditorium, Non-Profits

- 8-Hour Event Charge \$825.00
- Additional Hour \$100.00/hour
- Theatre Technician \$50.00/hour
- Custodial \$50.00/hour
- Weekend Operational Fee \$200.00/day  
(Friday – Sunday only)

## WVH Performing Arts Center, Non-Profits

- 8-Hour Event Charge \$495.00
- Additional Hour \$100.00/hour
- Theatre Technician \$50.00/hour
- Custodial \$50.00/hour
- Weekend Operational Fee \$200.00/day  
(Friday – Sunday only)

## Oehring Auditorium, Non-Profits

- 8-Hour Event Charge \$330.00
- Additional Hour \$100.00/hour
- Theatre Technician \$50.00/hour
- Custodial \$50.00/hour
- Weekend Operational Fee \$200.00/day  
(Friday – Sunday only)

## DeWild & NPM Auditorium, Non-Profits

- 8-Hour Event Charge \$110.00
- Additional Hour \$100.00/hour
- Custodial \$50.00/hour
- Operational Fee \$100.00/day  
(Friday - Sunday)

# Conclusions

- The District recognizes the value of supporting external activities & non-profits in the Interior community
- The cost of operations illustrates a need to cooperatively meet these inherent costs
- A rate increase would be within reason with the District continuing to contribute a considerable majority of costs while asking user groups to make a contribution to reduce overall costs associated with their use of School District facilities

# Questions?

