



Fayette County Public Schools

Executive Summary Fayette County Public Schools Board Meeting Agenda Item

MEETING: Planning

DATE: May 11, 2026

TOPIC: Declaration of Surplus and Approval of Initial BG-1 for the Lease of Classrooms and Common Areas of Edythe J. Hayes Middle School on Saturdays to Central Kentucky Japanese School (260 Richardson Place) BG# 26-250

PREPARED BY: Myron Thompson, Chief Operating Officer @ 422-0383

Recommended Action on: 5/11/26
Consent Item for Vote (REGULAR MEETING)

Superintendent Prior Approval: Yes

Recommendation/Motion: A motion is in order to approve portions of Edythe J. Hayes Middle School (as described in the attached Lease Agreement,) as surplus to the educational program of the district for the purpose of a long-term lease to the Central Kentucky Japanese School (CKJS) on Saturdays, and approve an initial BG-1 Application in the amount of \$1,272,465.60 (One Million, Two Hundred Seventy-two Thousand, Four Hundred Sixty-five Dollars and Sixty Cents), subject to approval of the Kentucky Department of Education.

Background/Rationale: 702 KAR 4:090(6) states that disposition by lease requires review by the Kentucky Department of Education of an initial BG1, along with a declaration assuring that the disposal shall not affect the integrity or usefulness of property crucial to the educational needs of the district. In 2006, the Central Kentucky Japanese School constructed and donated to the Board certain improvements (known as the CKJS Building) to Edythe J. Hayes Middle School, a portion of which building was used by the Board during the week and CKJS on Saturdays. The proposed new lease agreement is for a total of 20 years. The rent for the first 10 years will be paid in a lump sum total of \$1,272,465.60 (\$127,246.56 per year) calculated using current facility usage rates, waiving the rental portion of the fee per administrative procedure since CKJS is a nonprofit corporation providing a benefit to FCPS and/or the community as a whole, and applying a discount for the long-term nature of the lease and upfront payment for the first 10 years. For the second ten-year period, the rent shall be readjusted as set out in paragraph B of the Lease Agreement.

The Board's approval of an initial BG-1 in the amount of \$1,272,465.60 is requested to allow for KDE's approval. Once approved by KDE, the agreement will be presented to the Board for final action.

	Initial BG-1 Project Application Budget
Disposition (Lease) Revenue (10 years):	\$1,272,465.60
Total Estimated Lease Revenue:	\$1,272,465.60

Strategic Priority:

- Student Achievement Unity, Belonging & Student Efficacy
- Highly Effective & Culturally Responsive Workforce
- Outreach & Engagement Organizational Health & Efficiency

Data Considerations: District Facility Plan

Policy: 702 KAR 4:090

Fiscal Impact: \$1,272,465.60 revenue

Attachment(s): Initial BG-1 FACPAC Form
Draft Lease Agreement