

Facility Renovations

In accordance with the Charitable Gaming Policies Handbook (CGPH) 4.11, groups that provide a facility for public use may be eligible to use gaming proceeds for the purchase, rental, capital, leasehold, and operating costs, and renovations. AGLC approval is required for renovations that exceed \$100,000 per calendar year to a facility the group owns or leasehold improvements to a facility the group leases.

Gaming proceeds must not be used to renovate commercial space or areas intended to generate income.

Groups that receive additional funding (such as donations or grants) for the purpose of renovations or leasehold improvements to a facility, must use these funds prior to the use of gaming proceeds.

RENOVATIONS TO A FACILITY THE GROUP OWNS (CGPH 4.4.11d):

The group must submit a renovation plan to AGLC for approval at least 30 days before the start of the renovation. The renovation plan should include the following:

- A copy of membership or executive meeting minutes at which the renovation was approved
- Reason for the renovation
- Change in the use of the facility (if applicable)
- Renovation budget and timelines
- Amount of any new debt and implied interest rate
- A breakdown of gaming and non-gaming funds used to renovate the facility

LEASEHOLD IMPROVEMENTS TO A FACILITY the GROUP LEASES (CGPH 4.4.11c):

Groups that have a legal right to occupy and control a facility through a contractual agreement such as a long-term lease may be approved to use gaming proceeds for leasehold improvements to that facility, in accordance with their lease agreement, including, but not limited to:

- Interior partitions, drywall, and painting
- Millwork
- Acoustic material
- Restroom fixtures
- Window coverings
- Lighting fixtures
- Interior flooring

A renovation plan must be submitted to AGLC at least 30 days before the start of the renovation. The following must be included in the project plan:

- A copy of the minutes from the membership or executive meeting at which the project plan was approved;
- Reason for the proposed improvements
- Description of proposed improvements, budget, and project timelines
- A breakdown of gaming and non-gaming funds to be used for the project
- Written approval from the landlord authorizing the proposed improvements

Gaming proceeds must not be used to enhance the leased facility beyond what is required for the licensed group's charitable program.

When a group has used gaming proceeds for facility leasehold improvements and vacates the facility less than one year after the completion of the improvements, the group must reimburse the gaming account, on a prorated basis, the gaming proceeds used to pay for the cost of the leasehold improvements.