

Guidelines

Facility Renovations

Groups that provide a facility for public use may be eligible to use gaming proceeds for the purchase, rental, capital, leasehold, and operating costs, including renovations. AGLC approval is required for renovations to an owned facility or leasehold improvements to a leased facility, where costs exceed \$50,000 per calendar year in accordance with the Charitable Gaming Policies Handbook (CGPH). 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 AN OWNED FACILITY (CGPH 5.15.27-32):

The group must submit a plan to AGLC for approval at least 30 days before the start of the renovation. The renovation plan must 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 any)
- 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 LEASED FACILITY (CGPH 5.15.6):

A group that has a contractual agreement, such as a long-term lease or rental agreement for a facility, may be eligible to use gaming proceeds for leasehold improvements, including, but not limited to, interior partitions, millwork, acoustic materials, restroom accessories, electric light fixtures and interior flooring.

- Prior AGLC approval is required for leasehold improvement(s) that exceed \$50,000 per calendar year. A project 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; and
 - 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 to conduct its charitable programs, including interior/exterior capital repairs and renovations.
- When a group uses gaming proceeds for leasehold improvements and vacates a facility:
 - Less than one year, 100% of proceeds must be paid back into the gaming account
 - More than one year, but less than two years, 50% of proceeds must be paid back into a gaming account
 - More than two years, no reimbursement is required