



NORTHWEST FLORIDA STATE COLLEGE

Memo

To: Board of Trustees
From: Dr. Devin Stephenson, President
Date: January 17, 2023
Re: Sikes Center Potential Lease

In 2022, Congressman Gaetz's office inquired if the College had available space to lease in Crestview to serve as the Congressman's District Office. The College has historically provided office space to state and federal representatives to provide constituents services, and leasing space for a Congressional District Office bolsters our community service by ensuring constituents have easy access to their representative.

After discussions between the Congressman's office and the College's Facilities Department, the College proposes to lease approximately 3390 square feet at the Sikes Center to serve as the District Office. Most of the leased space does not house College classes or staff, operating solely as a historical representation of the late Congressman Robert L.F. Sikes' offices. The unoccupied space will be renovated only as necessary to meet regulatory requirements and operate as a modern office, but will preserve its legacy as the late Congressman Sikes' office. The College will also continue to preserve and exhibit the late Congressman's documents, materials, and historical memorabilia. The leased space includes three College offices, one classroom, and the ancillary storage space, which the College can accommodate with minor renovations to other space within the building.

The College's Facilities Department currently estimates the renovation and operational costs as follows:

- Annual Operational Expenses: Approximately \$30,000
- Initial Renovation: Approximately \$10,000
 - This cost reflects painting, wall repairs, electrical/data labor and materials, furniture relocations, minor second floor restrooms renovation, security requirements, and related minor renovations.
- Capital Improvement Cost: Approximately \$300,000
 - The capital improvement cost reflects the work necessary to bring the leased space into compliance with regulatory requirements, including front door replacement, installing accessibility features, and renovating the first floor restrooms and elevator for accessibility.

The College recommends \$37,290 as the annual lease amount with \$3,107.50 monthly payments, which is based on Facilities' preliminary cost estimate, the current condition of the facility, and available data on commercial office leases in the area. The College intends to seek one-time funding to further offset the cost of renovation in the short term, guarding against the potential that the lease does not continue for 10 years to cover the capital improvement cost. The lease term would tentatively begin March 3, 2023, and conclude at the end of the Congressman's term in 2025 with opportunity to renew should the Congressman be reelected and choose to continue in the space as his District Office.

The enclosed floorplans illustrate the leased space, and the enclosed form lease shows the U.S. House of Representative's requirements for a District Office lease. If the Board is supportive of this project, the College would submit a final lease for approval at the February meeting.