



NORTHWEST FLORIDA STATE COLLEGE

Memo

To: Board of Trustees
From: Dr. Devin Stephenson, President
Date: August 16, 2022
Re: Emerald Coast Autism Center Expansion: Notice of Loan

In 2015, the Board of Trustees leased land on the Niceville Campus to Emerald Coast Autism Center and approved ECAC to take out a loan to finance the construction of its building. Under the terms of the 2015 lease and accommodation agreement, the Board permitted ECAC to finance its construction under the terms that the College will not be responsible for the debt and, if ECAC were to default, the lender (CCB Community Bank) must collaborate with the College to find a replacement tenant that aligns with the College's mission and use of the Niceville Campus.

Seven years later, ECAC is ready to expand. In August 2021, the Board of Trustees approved ECAC to build another building within its original leased footprint after viewing the conceptual design for the expansion. ECAC intends to finance this expansion with CCB as well. Section 16 of the lease reserves to the Board of Trustees the right to review and approve any financing. The total amount of the loan from CCB will be \$5.8 million dollars to fund the addition, which includes the outstanding principal and interest from the prior loan (approximately \$432,000) with a new advance of \$5,367,009.59. This loan is made under the same terms as the 2015 lease and accommodation agreement: the College is not responsible for the debt and, if ECAC were to default, CCB must collaborate with the College to find a replacement tenant that aligns with the College's mission and use of the Niceville Campus. Additionally, the College would also file a notice consistent with § 713.10, F.S., to further protect the College's interest in the property. To complete closing of the loan, ECAC and CCB request that the Board approve the loan. ECAC will also submit to the College final plans and specifications, consistent with the terms of the lease.

RECOMMENDATION:

The Board of Trustees approves the Emerald Coast Autism Center loan information, as presented, and authorizes the Board Chair and the President to execute any and all documents necessary for the College to acknowledge the loan and protect its interest in the property.