

NWFSC Foundation Board of Directors Meeting
June 14, 2021 2:00 p.m.
Morell Room 302, SSC, Niceville Campus

Directors Present:

Bo Arnold
Wayne Campbell
Cindy Frakes
Chad Hamilton
Heather Kilbey
Gordon King

Don Litke
Jonathan Ochs
J.D. Peacock
Rhonda Skipper
Stephen Wolfrom
Alan Wood

Directors Present Via Zoom Teleconference:

Destin Cobb
Tyler Jarvis

Staff Present:

Shiri Brandenburg
Kelly Copeland
Cristie Kedroski

Kira Magruder
Carla Reinlie

Others Present:

Mike Chesser
William Earnhardt
Gloria Frazier
Ramsey Ross

Whitney Rutherford
Devin Stephenson
Randy White
Keith Wood

Call to order:

Mr. Peacock called the meeting to order at 2:02 p.m.

Welcome Board Members and Guests:

Mr. Peacock welcomed board members and guests.

Approval of Teleconference:

Members Destin Cobb and Tyler Jarvis were present via Zoom teleconference. **Motion to approve teleconference Mr. Wolfrom; Second, Dr. Arnold. Motion carried unanimously.**

Sale and Leaseback of College Courtyard Apartments:

Ms. Frakes recused herself from this discussion. Mr. Ochs stated the June 14th Special Meeting of the Foundation was called in order to review and discuss a counter offer from BAF Associates, Inc. Mr. Ochs provided a brief overview of the original contract the College Board of Trustees approved on May 18th. BAF Associates, Inc. agreed to purchase the College Courtyard Apartments for \$6.9 million with a three year leaseback of Raider Housing to the College with rent beginning at \$400,000 and increasing 3% annually. The listing agent and Counsel worked diligently with BAF and negotiated a more favorable contract for all parties. Mr. Ochs presented the updated proposed contract to the Board which includes a purchase price of \$6.4 million and an additional \$100,000 deposit (total deposit of \$200,000). Due diligence original end date was June 1, however BAF hired a firm to complete a Phase 1 Environmental Report by June 17. It may terminate the contract if it finds environmental deficiencies in that report; otherwise, the deposit is non-

refundable. Rent increased from \$400,000 to \$420,000 in the first year with a 3% annual increase. BAF will complete immediate capital improvements on the property, and still remains responsible for closing costs and property maintenance. All other terms are unchanged. Mr. Ochs emphasized net proceeds after a three-year leaseback is estimated at \$1,220,667. Various board members questioned the cost of repairs, loan repayment, and use of proceeds. Ms. Rutherford advised BAF received numerous bids to determine price of repairs. Ms. Kedroski advised Board members after closing costs and the internal load is repaid, remaining proceeds will be sent to the College for future student housing needs. **Motion to approve recommendation for the Foundation Board of Directors to adopt the Amendment to the Purchase, Rider, and Lease; authorizes the Executive Director to sign the Amendment; and authorizes the Executive Director to make necessary amendments to the foregoing, except for amendments to the principal terms outlined in this memorandum. Mr. Campbell; Second, Mr. Wampler. Motion to approve recommendation that the Foundation Board authorizes all net proceeds estimated at \$2,960,418 prior to leaseback, from the sale of the College Apartments to be provided to the College for expenses associated with the lease, utilities, and future student housing needs, Mr. Wampler; Second, Mr. Wolfrom. Motion carried unanimously.**

Public Comments:

Dr. Stephenson announced the Aviation Center of Excellence will have a ribbon cutting June 23rd at 5:00 p.m. in Crestview with over 100 people attending, including guest speaker Don Gaetz.

Announcement:


Next regularly scheduled Board meeting is August 3, 2021 at 8:00 a.m.

Adjournment:

There being no further business, the meeting adjourned at 2:35 p.m.




Ken Wampler, Chair



Date



Cristie Kedroski, Secretary



Date