



CURRENT LEASING AGREEMENTS, POTENTIAL LEASING AGREEMENTS, AND RENT AT OKLAHOMA WORKS OFFICE FOR WIOA TITLE I STAFF

The office rent for the WIOA Title I staff in the Northwestern OK Area American Job Centers (AJC)/Oklahoma Works Offices is a “system cost” and paid out of WIOA Title I formula funds by the Fiscal Agent. A team of Northwestern Oklahoma Workforce Board (NOWB) members met with Board Staff and the Fiscal Agent to study the issue.

The goal is to always strive to take the steps needed to keep the WIOA Title I staff co-located with partners but it may be necessary to move the WIOA Title I Staff out of the American Job Centers for a short period as infrastructure cost models are being developed to share expenses across all partners. The Area must move closer to the requirement of by the Governor’s Council to have 40% of available program funds be spent on training activities. The NOWB, Fiscal Agent, and Service Provider budgets have all taken huge cuts over the past 3 years to accommodate for all the needed changes with WIOA and to support the system.

In order of most expensive and most needed review, the following office detail was discussed with the team:

1. The Stillwater AJC has the highest rent request. Other space is available that is more affordable and is co-located with a community action agency. A leasing agreement has not yet been signed for WIOA Title I Staff. OESC is the main lease holder at the current location.
2. The Enid AJC staff still do not have internet at all workstations in spite of the landlord providing free high speed internet. Rent was supposed to be less than \$250 per person per month when the space was first being considered, the proposed rent is over \$300 per person per month. A leasing agreement has not yet been signed for WIOA Title I Staff. There is limited space available for expanding the partner’s co-location possibilities. OESC is the main lease holder at the current location.
3. The Woodward AJC leasing agreement was signed in April 2016 at a budgeted rent amount. The office affords extremely limited space available for expanding the partner’s co-location possibilities. OESC is the main lease holder at the current location.
4. The Guymon AJC leasing agreement was signed in March of 2016 at a slightly above budgeted rent amount. The rent may go up as other staff move out of the office. The current office has been plagued with major flooding and structural damage as well as insect infestations. Temporary relocations were also unsuitable. A new location has been reviewed; OESC will be the main lease holder.
5. The Ponca City AJC does not have a leasing agreement signed and rent has not been negotiated/ proposed. Other space that would allow for more partners to co-located has been reviewed. OESC is the main lease holder at the current location.

The NOWB team developed the following recommendation for the NOWB to consider:

- A. The Northwestern Oklahoma Workforce Board needs to continue to look for more affordable space as the WIOA Title I program budget is shrinking and move WIOA Staff as soon as possible for those offices where rent is beyond what was budgeted (around \$250 per person per month all inclusive):
 - i. Stillwater – move the WIOA Title I Staff out of the office to a more affordable location, temporarily as needed, until rent can be renegotiated or a new office located with more partners to allow for a more affordable rent.
 - ii. Enid – since the high speed free internet is already available in the building the WIOA Title I Staff do not need to be charged for other internet or the NOWB will allow for \$250 per person per month all-inclusive rent.
 - iii. Woodward – as long as rent stays at \$20 per month per person all-inclusive, continue with the leasing agreement. If rent increase, find a new location where other partners could co-locate.
 - iv. Guymon - negotiate rent at \$250 or less per person per month all-inclusive or move WIOA Title I staff to a more affordable location.

- v. Ponca City – negotiate rent at \$250 or less per person per month all-inclusive or move WIOA Title I Staff to a more affordable location.
- B. For offices that rent is not affordable, move the WIOA Title I Staff, at least temporarily, to a more affordable space and build in a 30 day “out option” with the new space/landlord/partner agency.
- C. Since the “system” will be a forever bill all partners are requested to begin negotiating the possibilities of co-location and shared infrastructure costs of the system to include the bricks and mortar AJCs.
- D. Allow the Fiscal Agent to sign leasing agreements at or around the budgeted amount for WIOA Title I rent as a system cost focusing on a goal of keeping average rent across the Area around \$250 per person per month all-inclusive.