

COVER MEMO

Briefing Date/Time: June 22, 2026
Staff Contact/Title: Chris Paolini, Airport Senior Manager, 360.528.8074,
chrisp@portolympia.com
Subject: New Market Skills Center Lease
Purpose: Information Only Decision Needed

Type of Agenda Item:

- Advisory

Background:

In June 2025, Port staff connected with the Executive Director of the New Market Skills Center (NMSC) to explore the feasibility of a partnership with the Port to create a new high school aviation program. The initial response was extremely positive leading to further discussions on what that program would look like and how the Port might support such a program and partner with the NMSC to provide new opportunities for our local high school students.

Currently, the New Market Skills Center is seeking to provide an aviation class for Thurston County high school students. This program will be offered between the hours of 7:30am and 2:00pm, Monday through Friday. The intention of this class is to introduce high school students to aviation career opportunities within the Science, Technology, Engineering, and Mathematics (STEM) fields. The class will include hands-on experiences within the aviation ecosystem to include introductions to aircraft airframe and powerplant mechanics, interactions with aviation professionals including helicopter and airplane pilots, airport design and planning, airport management and operations, and more. The hands-on component will also include use of flight simulators, one or more of which will meet the technical requirements for Federal Aviation Administration (FAA) approval.

One of the hurdles the NMSC is facing to start new programs is the lack of available classroom space on their campus. For an aviation related program, the airport's 4,570-square-foot terminal building can support office and classroom needs while providing high school students access to the surrounding aviation environment. The terminal building is located at 7702 Terminal St, a short commute from the NMSC campus, and is available since the previous tenant, WSDOT Aviation, moved out in 2025 as part of the State's office space consolidation efforts. While the facility is larger than NMSC needs for an aviation program, we were simultaneously exploring the relocation of the airport administration office to the terminal building due to existing customer interest in leasing, or buying, the existing airport office building on Old Hwy 99. Co-locating with NMSC in the terminal building would provide NMSC with sufficient space to offer an exciting new

high school aviation program while also providing the Port with two new revenue opportunities, increased meeting space to hold conferences, seminars, and provide faster response times, via direct airfield access, in case of airfield emergencies.

Summary and Financial Impact:

A lease with NMSC would create new airport revenue by occupying a portion of the airport's vacant terminal building. The proposed lease to NMSC would include exclusive use of approximately 1,610 square feet of office and classroom space and access to, and shared use of, approximately 1,396 square feet of common area. The airport administration office would occupy the remaining 1,564 square feet of office space on the north side of the building. As mentioned, this arrangement would also allow the airport to vacate its current office building, making it available for lease.

In addition to direct revenue benefits, this lease provides an important partnership opportunity for the Port to support NMSC, and the community, in offering a new high school aviation program that introduces students to various career paths available within the aviation industry.

The NMSC has requested an initial lease term of two years with three one-year renewal options. Initial monthly rent for 1,610sqft of office space will be \$2,334.50 plus fifty percent of utilities and maintenance services. Annual rent revenue will be \$28,014.00 and anticipated total annual revenue, including utility and maintenance fees, will be \$39,404.76.

After tonight's presentation, Port and NMSC staff will continue finalizing the draft lease agreement and bring the lease before the Commission as an action item at the July 13th Commission meeting. This timeline aligns with the desired lease commencement date of August 1, 2026.

Alignment with Vision 2050:

This project aligns with the following Vision 2050 focus areas, goals, and action items:

Countywide Economic Development and Real Estate Framework

Goal: Leverage the Port's unique statutory authority to catalyze economic opportunities in partnership with local jurisdictions and economic development organizations.

- Action Item #25: Participate in workforce training partnerships with K-12 and higher education institutions, Pac Mtn Workforce Development Council, local chambers and the Thurston Economic Development Council.

Airport Functions

Goal: Maximize the economic and community value of the Olympia Regional Airport in accordance with FAA Master Plan regulations.

- Action item #30: Research strategies used by other airports of similar size to determine best practices and opportunities.

Environmental Considerations and Review:

There will be no environmental impacts due to this lease.

Staff Recommendation:

No action requested, as tonight's presentation is informational only.

Document(s) Attached:

None