

Acquisition of Property by Lease – The University of North Carolina

The University of North Carolina General Administration requests the authority to lease laboratory, office and support space at the North Carolina Research Campus for use by North Carolina Central University, North Carolina Agricultural & Technical University, the University of North Carolina at Chapel Hill, the University of North Carolina at Charlotte, and the University of North Carolina at Greensboro.

UNC-GA proposes to lease newly constructed space at the North Carolina Research Campus, Kannapolis, Cabarrus County, North Carolina from Castle & Cooke North Carolina, LLC. This lease would provide UNC campuses with full use of the approximately 125,000 square foot UNC Nutrition Research Building.

The lease would be for a single 20-year term after which the leased facilities would be gifted to the State for use by the University. The base lease cost is expected to be \$3,360,447 per year or \$26.89 per square foot, not including utilities, custodial services and other operational costs identified in the November 30, 2006 Memorandum of Understanding. The base lease cost will not increase over the term of the lease. Lease payments would be met with appropriations and other funds budgeted and available for this purpose.

It is recommended that this request be approved and transmitted to the Council of State for final action.