

APPENDIX F

Out-Lease of Land – North Carolina A&T State University

The Board of Trustees of North Carolina A&T State University has requested approval to lease 2.5 acres of State land to the NCA&TSU Foundation, LLC, for the purpose of constructing an Events Center. The Events Center, a component of the Foundation's campus housing development plan, will provide needed support space for a growing number of on-campus residents and an increasing number of University-related activities due to continued enrollment growth. The Foundation would contract with a construction firm to build the 30,000 square-foot Center (i.e. conference, meeting, and office space to support housing activities). The land for the Events Center is located at the corner of Luther Street and Bluford Street.

Also requested is approval to combine the property under two existing ground leases between the State and the NCA&TSU Foundation, LLC (i.e., a 2001 lease for Aggie Terrace/Aggie Suites/Fitness and Wellness Center and a 2004 lease for Aggie Pride) into this encompassing ground lease, including the Events Center, which would allow the University and the Foundation to simplify their leasehold interests under one common ground lease, an arrangement that would be most efficient with the anticipated financing structure.

The \$1 per term lease would be for a single term of up to 46.5 years. Upon the expiration of the lease, the land and any improvements upon the land would revert to the State. The lease of land will be accomplished within the guidelines, procedures, and policies of the North Carolina Department of Administration and must be approved by the Council of State. Construction documents will be reviewed by the State Construction Office and the Department of Insurance.

It is recommended that the request of the Board of Trustees of North Carolina A&T State University be approved and transmitted to the Council of State for final action.