

Out-Lease of Space – North Carolina State University

In 1998, the General Assembly passed House Bill 1737 to provide North Carolina State University with expanded flexibility for the development of the Centennial Campus. One of the changes included in the Bill enabled the Board of Governors to approve certain out-leases of space on the Centennial Campus and then report the leases to the Council of State rather than secure the approval of the Council of State in advance. This change provided the University with the ability to execute leases in a shorter time period than had previously been possible. Once the Board had approved a lease, the Vice President for Finance was authorized to execute the lease on behalf of the Chairman of the Board of Governors.

The Board of Trustees of North Carolina State University has requested approval of the out-lease of space to Talecris Biotherapeutics, Inc. This lease will provide 21,364 square feet of office and laboratory space in Partners I Building on the Centennial Campus. The term of the lease is five years with one, five-year renewal option. The initial annual rent is \$548,307 or \$25.66 per square foot, including building operating costs, and will be adjusted annually thereafter by increases up to 3%.

It is recommended that the request of the Board of Trustees be approved and, once executed, reported to the Council of State.