

Acquisition of Space by Lease – North Carolina State University

The Board of Trustees of North Carolina State University has requested approval to lease 10,000 square feet of space in the Centennial Campus Laboratory building to be constructed on the Centennial Campus to support the research activities of the College of Engineering.

Currently, wet lab space available for research activities on Centennial Campus is 100% occupied. Additional research space is needed to attract and retain quality faculty for the College of Engineering (COE) and to compete for research grants on the national level.

With the proposed Centennial Campus Laboratory building, NCSU is providing new wet lab and research space that could support COE research, including the Governor's electric car initiative and, if successful, a National Science Foundation grant in which NCSU is now one of eight final proposals competing nationally.

The Centennial Campus Laboratory building will be built on land owned by the NCSU Endowment on Centennial Campus by a private development company on the basis of a ground lease from the Endowment. Because of the Endowment ownership of the land, NCSU expects to have the development agreement and ground lease in place by mid-July 2008. NCSU will designate the COE as the anchor tenant for this facility.

COE would commit to lease 10,000 square feet in the new building at market terms, subject to approval by the State Property Office. The term of the lease is anticipated to be ten years with one, five year renewal option. Lease payments would be paid from Facilities and Administrative Receipts. This lease will be accomplished within the guidelines, procedures, and policies of the North Carolina Department of Administration and will be approved by the Council of State.

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