

Declaration of Emergency Leases of Student Housing – ECU and WSSU

The Chancellors of East Carolina University and Winston-Salem State University have informed the President of the need to invoke emergency procedures to immediately enter into lease arrangements to accommodate students requesting to live on campus for the fall semester because of an unforeseen surge of enrollment.

ECU: The North Carolina Department of Administration's State Property Office, using its emergency procedures, secured two leases in Greenville for the fall semester. Each lease can be renewed, on an as-needed basis, for the 2009 spring semester. The first lease is with The Bellamy, owned by Phoenix Greenville, LP (Manager: David C. Garrett, III), and will provide 116 beds at a cost of \$1,468 per bed per semester. The second lease is with North Campus Crossing, LLC (Manager: William G. Garner) and North Campus Crossing II, LLC (Manager: Amy Allston Wells), and will provide the 128 beds at \$1,729 per bed per semester. Estimated at \$391,600 per semester, the total cost of the two leases will be funded from student housing receipts. It is expected that the total cost of the leases will be completely offset by rents charged to the students living in these locations. Rents charged to the students will be consistent with comparable on-campus housing.

WSSU: The State Property Office, using its emergency procedures, secured three leases in Winston-Salem for the fall semester. Each lease can be renewed, on an as-needed basis, for the spring semester. The first lease with the Wingate Inn, owned by Southeastern Hospitality Hotels (Chairman: Don Gray Angell), will provide 129 beds at a cost of \$3,454 per bed per semester. The second lease with the Hawthorne Inn and Conference Center, owned by Wake Forest University Baptist Medical Center (CEO: John D. McConnell), will provide 75 beds at a cost of \$3,754 per bed per semester. The third lease with the Brookstone Inn, owned by

Southeastern Hospitality Hotels (Chairman: Don Gray Angell), will provide 46 beds at a cost of \$3,476 per bed per semester.

Rent charged to the students will be consistent with comparable on-campus housing rates. The total cost of the leases will not be completely offset by rents charged to the students living in these locations. Total requirements are estimated at \$1,119,000 (\$887,000 for the leases plus \$232,000 for on-site security and transportation). WSSU estimates the deficit to be \$601,000, which will be paid from available reserves in housing and dining operations and institutional trust funds.

Recognizing the negative impact on both academic and fiscal affairs that is caused by emergency arrangements to accommodate students requesting to live on campus, President Bowles has directed appropriate staff in UNC–General Administration and on the campuses to address the problem and produce guidelines and best practices to more appropriately address emergency housing needs before the start of the Fall 2009 semester.