

APPENDIX C

Lease of Student Housing – North Carolina Central University

The Board of Trustees of North Carolina Central University has requested permission to extend an existing lease or enter into a new lease to accommodate students seeking on-campus housing.

North Carolina Central University has experienced continued enrollment growth over the past three years and demand for university housing remains high. Further, nearly 800 beds were removed from service when the campus closed Chidley and Latham Residence Halls in 2005. At that time, NCCU received approval to lease space at Campus Crossing to restore much of that lost capacity.

NCCU is working with the State Property Office to seek competitive bids for the lease of student housing equivalent to that currently being rented. NCCU will enter into a new lease at a suitable location for a similar term subject to public bid through the 2009-10 academic year. Based on the current lease with Campus Crossing Apartments Community, it is estimated that the new lease will cost \$3.2 million or \$20.00 per bed per day including utilities, janitorial services, transportation, security, and furnishings. Office space for NCCU staff and apartment complex common spaces would be included at no additional charge. The cost of the lease will be funded from student housing receipts and housing reserves.

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