

Disposition of Property by Lease — NC State University

ISSUE OVERVIEW

The University of the North Carolina System institutions are required to request authority from the University of North Carolina Board of Governors to proceed with certain acquisitions and dispositions of real property. The NC State University Board of Trustees requests authorization to amend the disposition of property by lease for the Carter-Finley Stadium, 4600 Trinity Road, Raleigh, North Carolina.

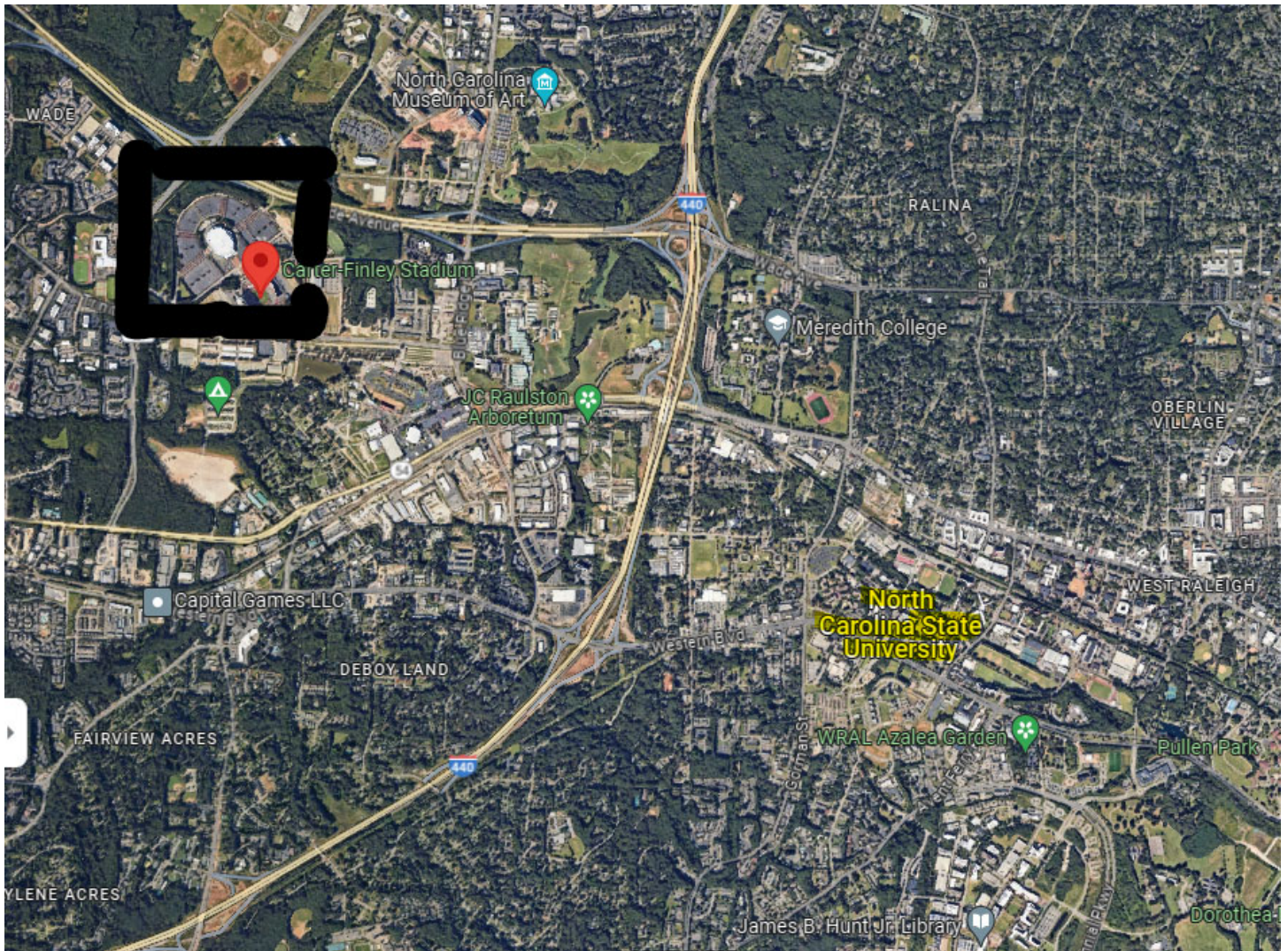
Since 2013, NC State has leased space at Carter-Finley Stadium for a vendor-provided and -operated distributed antenna system (DAS) to provide Wi-Fi internet connectivity through cellular networks, licensing the use of conduit pathways and telecom rooms in the stadium. With four years remaining in the last five-year option term, the university seeks to amend the agreement by adding an additional five-year term and incentivizing the vendor to upgrade the DAS. The amendment would provide a conditional five-year term based on achieving goals related to increased coverage and additional service providers and provides additional license revenue.

If the service is upgraded with the existing cellular provider within 18 months of the amendment, the vendor will receive a three-year extension to the term. Additionally, if the service is upgraded to bring in an additional cellular provider within 18 months of the amendment, the vendor will receive a five-year extension to the term. The potential five-year term ends March 27, 2034, and NC State receives between \$90,000 and \$225,000 in additional revenue, depending on the upgrades achieved by the vendor.

The NC State Board of Trustees approved the amendment to dispose by lease on July 18, 2024.

RECOMMENDATION

It is recommended that the Board of Governors approve this request. This item will need approval by the Council of State.



DAS Location Map

**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION
DISPOSITION OF REAL PROPERTY**

Institution or Agency: North Carolina State University Date: June 14, 2024

The Department of Administration is requested, as provided by GS §146-28 et seq., to dispose of the real property herein described by *purchase, lease, rental, or other (specify)*. **Amendment to License Agreement**

This disposition is recommended for the following reasons:

The extension of the existing license agreement provides opportunity for service enhancements at Carter Finley stadium prior to the expiration of the existing license agreement, enhancing the game-day experience for patrons of NC State Athletics.

Description of Property: *(Attach additional pages if needed.)*

Carter Finley Stadium and adjacent infrastructure areas, 4600 Trinity Road, Raleigh, NC

Estimated value:

Annual license fees to Licensor estimated at an average of ~\$30,000 - \$45,000/year to be determined upon Licensee's service upgrades

Where deed is filed, if known: N/A

If deed is in the name of agency other than applicant, state the name: N/A

Rental income, if applicable, and suggested terms:

No change to existing license agreement rental terms, which specify 50% of Aggregate License fees payable to Licensor, plus, \$70,000 payment to Licensor for each new Sublicense entered into by Licenses.

Additional conditional term extension of three (3) to five (5) years anticipated to generate aggregate license fees of \$90,000 to \$225,000 dependent upon the service upgrades entered into by Licensee (and corresponding additional term granted through amendment.)

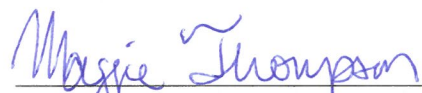
Funds from the disposal of this property are recommended for the following use: Net Proceeds to be retained by Athletics.

(Complete if Agency has a Governing Board.)

Action recommending the above request was taken by the Board of Trustees and is recorded in the meeting minutes thereof on 7/18/24 (date).

Signature:

Title:


Assistant Secretary, Board of Trustees