

Acquisition of Property by License – NCCU

ISSUE OVERVIEW

UNC System institutions are required to request authority from the Board of Governors to proceed with certain acquisitions and dispositions of real property.

The North Carolina Central University Board of Trustees has requested authorization to acquire space for fall and spring semesters to meet student housing needs. All NCCU freshmen are required to live on campus, and with a projected freshman class of 1,212, a current housing inventory of 2,828 beds for all students, and the need to maintain a balance of on-campus residents across all class levels, existing space is insufficient.

Space acquired by license will involve a maximum of 40 double occupancy and 26 single occupancy hotel rooms, beginning no earlier than August 10, 2018 and ending no later than May 11, 2019. Competitive proposals were solicited by the State Property Office with resulting rates of \$85 per room per night and no minimum guarantee requirement. With seven (7) days written notice, NCCU may reduce the number of beds and receive rent credit without additional penalty or charge.

NCCU

Property Acquisition - License

LICENSOR:	Double Tree Suites by Hilton Raleigh Durham
LICENSEE:	State of North Carolina, North Carolina Central University
LOCATION:	2515 Meridian Parkway, Durham, NC
LICENSE AMOUNT:	Maximum of \$1,542,750
DESCRIPTION:	Maximum of 66 rooms (40 double occupancy, 26 single occupancy)
LICENSE TERM:	Nine (9) months, beginning August 10, 2018
LICENSE EXPIRATION:	May 11, 2019

The acquisition of this property by license is pending approval by the North Carolina Central University Board of Trustees, anticipated at its meeting on May 17, 2018.

RECOMMENDATION

It is recommended that the Board of Governors approve this request.