

Disposition of Property by Ground Lease – North Carolina State University

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 State University Board of Trustees is requesting authorization to enter into a ground lease with the United States Department of Agriculture, Agriculture Research Service (USDA ARS) for property located at Lake Wheeler Field Lab for the purpose of constructing a new field research building. The new facility will include a 50,000 GSF field research building, two 7,000 GSF greenhouses, and associated drive and parking areas. USDA will construct the new facilities, which will be subject to review and approval through NC State's standard design approval process. The parcel to be ground leased will be between twelve and fifteen acres, located at the intersection of Lake Wheeler Road and Inwood Road, and the final acreage will be determined by survey. The ground lease term will be for twenty years for a nominal one-time payment of \$1.00, with an option to extend for an additional twenty years. The lease may be terminated by the tenant at any time, following a twelve-months written notice. The building will house USDA and NC State personnel, including faculty from the Biochemistry, Plant and Microbial Biology, and Crop and Soil Science departments. The USDA ARS program has been an important long-term partner and the project will foster and promote greater collaboration between the USDA and NC State on interdisciplinary plant research.

North Carolina State University's Board of Trustees approved the request at the November 13, 2020 meeting.

RECOMMENDATION

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

Form PO-2
Rev. 10/01
Original and one copy to State Property Office

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

Institution or Agency: North Carolina State University

Date: November 12, 2020

The Department of Administration is requested, as provided by GS 146-28 to dispose of the real property herein described by ~~(sale)~~, ~~(lease)~~, ~~(rental)~~, or ~~(land exchange)~~:

This disposition is recommended for the following reasons:

The subject property is being ground leased to the United States Department of Agriculture, Agriculture Research Service (USDA ARS). The USDA ARS program is an important long-term government partner for the University. The building constructed by the USDA on the land will strengthen NC State's partnership with a federal program that has a close and unique relationship with the faculty in our departments. It is anticipated that several NC State faculty from different departments (Biochemistry, Plant and Microbial Biology, and Crop and Soil Science) will also be housed in this building, which will encourage even greater collaboration in interdisciplinary plant research.

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

Not more than 15 acres, as determined by survey, on land known as Lake Wheeler Field Lab Located at the corner of Lake Wheeler Road and Inwood Road.

Estimated value: N/A

Where deed is filed, if known: Wake County Register of Deeds

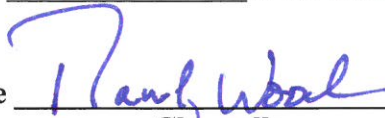
If deed is in the name of agency other than applicant, state the name: N/A

Rental income, if applicable, and suggested terms: Lease will be for nominal value

Funds from the disposal of this property are recommended for the following use:

Action recommending this transaction was taken by the Board of Trustees at its meeting held on November 13th, 2020.

Signature


Chancellor

**DISPOSITION
OF REAL PROPERTY**

GROUND LEASE

GRANTOR State of North Carolina on behalf of North Carolina State University

GRANTEE USDA Agricultural Research Service

LOCATION Intersection of Lake Wheeler Road and Inwood Road (Lake Wheeler Field Lab)

SIZE Not to exceed 15 acres

RATE \$1.00

TERM 20 years, with Grantee option to extend for an additional 20 years

USE Construction and operation of a new Agricultural Research Services building which would house USDA and NCSU personnel.

TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form

Number: PO-2

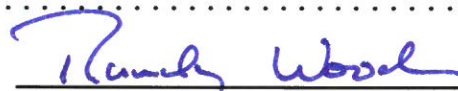
Preparation

Date: 11/12/2020

Request: Assent to ground lease of up to 15 acres of property at Lake Wheeler Field Lab located at the intersection of Lake Wheeler Road and Inwood Road being acquired by the USDA Agricultural Research Service.

Institution NORTH CAROLINA STATE UNIVERSITY

RECOMMENDED BY CHANCELLOR, NCSU


(Chancellor's Signature)

RECOMMENDED BY COMMITTEE ON
BUILDINGS AND PROPERTY

DocuSigned by:

(Chairman's Signature)

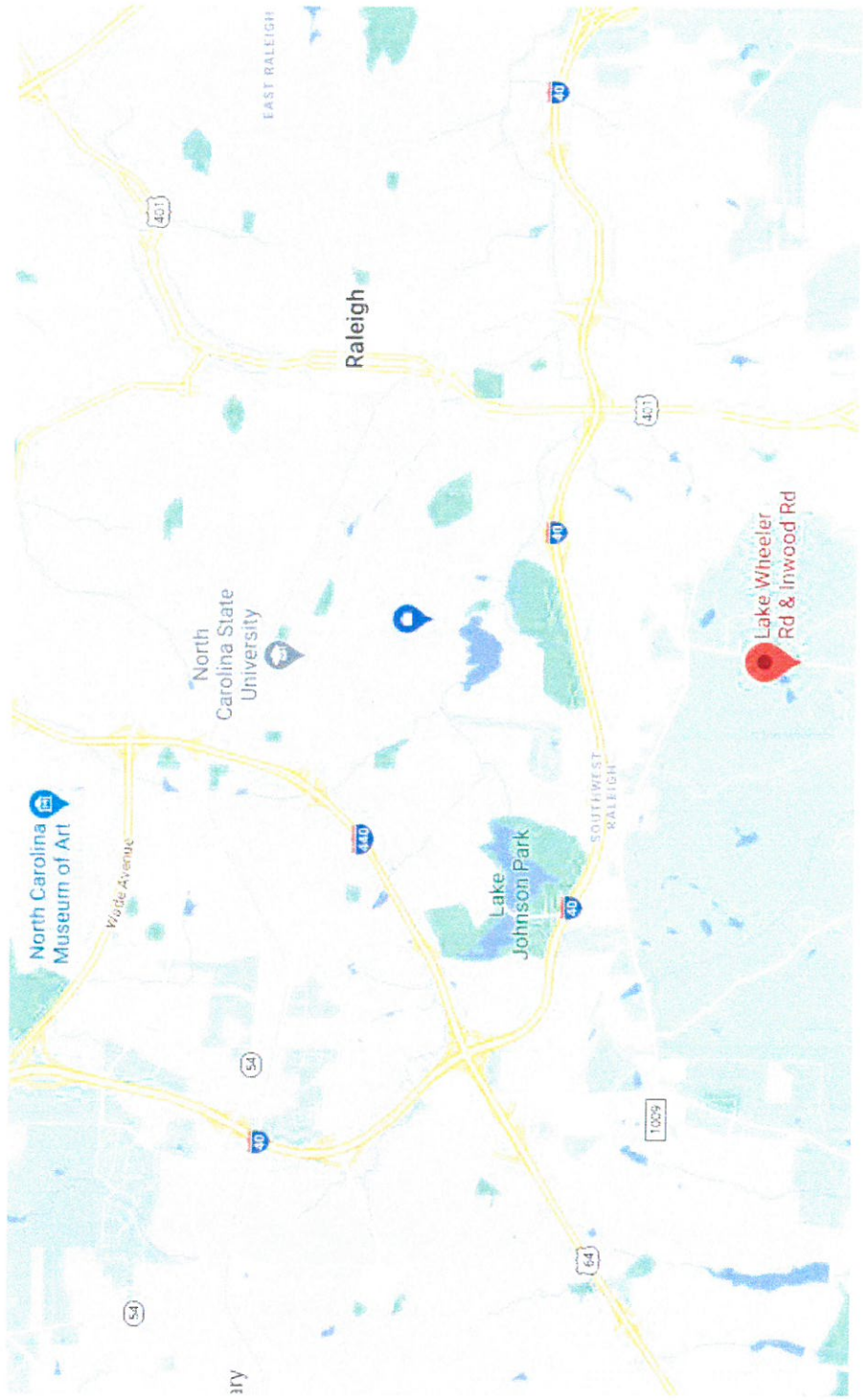
RECOMMENDED BY BOARD OF TRUSTEES,
NCSU


(Chairman's Signature)

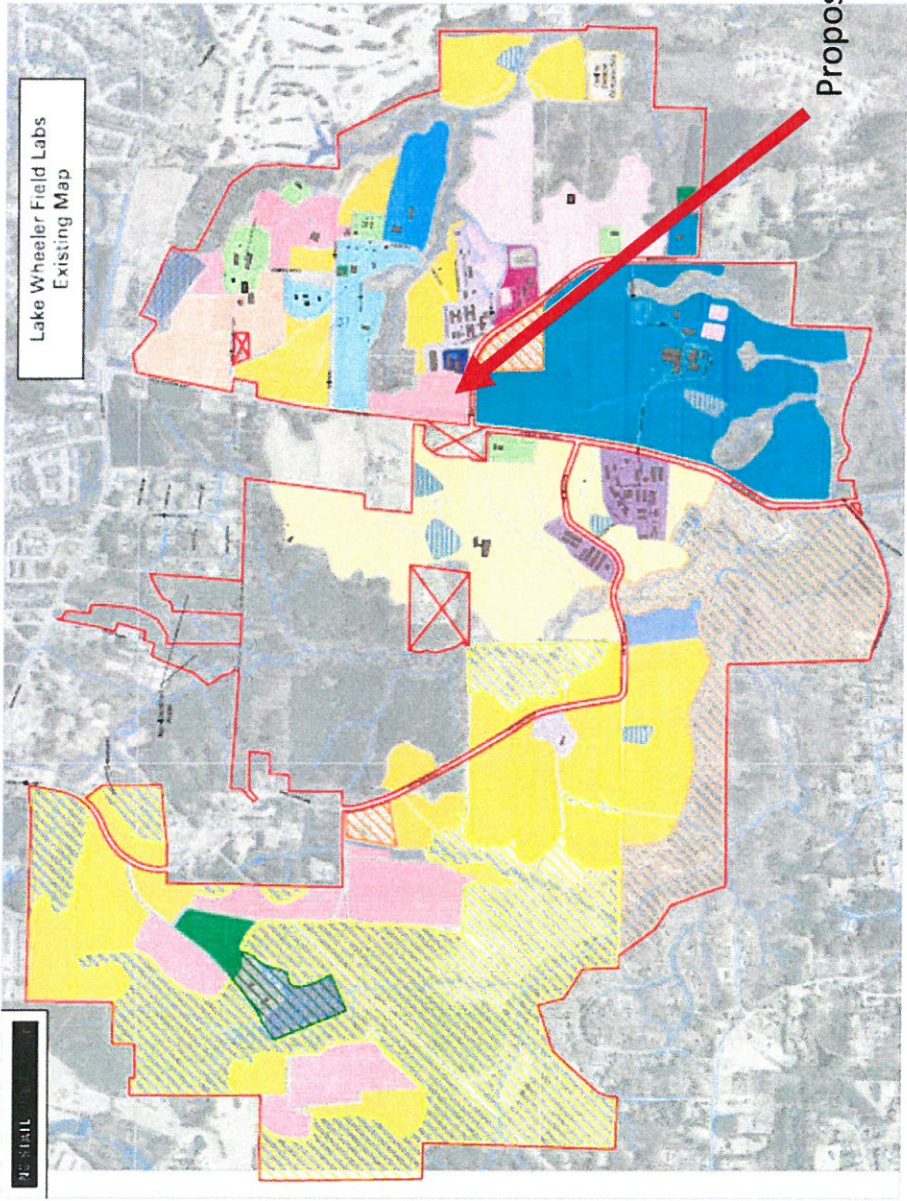
RECOMMENDED BY BOARD OF GOVERNORS

(Secretary's Signature)

PO2 for USDA ARS Facility at Lake Wheeler Field Lab
Vicinity Map



Lake Wheeler Field Lab



Interdisciplinary Programs		Plant Programs	
Lake Wheeler Maintenance Ops		Crop Science	
Irrigation		Agro Ecology Teaching	
Stormwater		Crop Science Teaching	
Animal Programs		Interdisciplinary Turfgrass Teaching & Research	
Animal & Poultry Waste Research		Research Fields (Rotational)	
Animal Feed		Soil Science Research & Extension	
Animal Science Beef Teaching		USDA	
Animal Science Swine Research		Yates Mill Historic Park	
Animal Waste Management Area		NCSU - Former DHHS Temporarily assigned to CALS Space Request 13-18	
Applied Ecology Research		NCSU - Former NCDA Temporarily assigned to CALS Space Request 13-19	
Entomology Research			
Food Science Dairy Teaching & Research			
Poultry Science Research			
Poultry Science Teaching			

PO2 for USDA ARS Facility at Lake Wheeler Field Lab





Office of Finance and Administration
University Real Estate & Development

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October __, 2020

David Marshall
USDA Agriculture Research Service (ARS)
3411 Gardner Hall – Campus Box 7613
Raleigh, NC 27695
Via Email: david.marshall@usda.gov

Re: Lease Proposal at Lake Wheeler Field Lab

Dear David,

On behalf of North Carolina State University, I am pleased to present the following for USDA to consider leasing the above referenced property based on the following terms and conditions:

Landlord: The State of North Carolina by and for North Carolina State University

Tenant: USDA Agriculture Research Service

Premises: 12-15 acres, final acreage to be determined by survey
Intersection of Lake Wheeler Road and Inwood Road, Raleigh, NC
Land area may not exceed 15 acres

Rent: One Dollar (\$1), one-time payment

Term: Twenty (20) years, with an option for an additional twenty (20) years

Termination Rights: Tenant may terminate the lease at any time, following twelve (12) months written notice

Construction Plans: Tenant will construct at its own cost and expense:

1. GSF Field Research Building, approximately 50,000 GSF
2. Two (2) greenhouses, each approximately 7,000 GSF
3. Access drive and parking facilities

Construction planned on the site will require review and approval through Landlord's standard design approval process.