

## **Disposition of Property by Lease – North Carolina State University**

### **ISSUE OVERVIEW**

The North Carolina State University Board of Trustees is requesting approval for disposition by lease of approximately 14 acres to the NC State University Centennial Development, LLC for the purpose of expanding the existing golf course. In 2007, NC State University entered into a 99-year lease with the NC State University Centennial Development, LLC for the disposition of approximately 195 acres for the Lonnie Poole golf course. The proposed lease amendment will increase the total leased area to approximately 209 acres and will accommodate a new short-game facility and club house for the NC State golf team. The new facilities will require the redesign of a portion of the existing golf course. The exact metes and bounds of the additional leased acreage will be determined by final survey. The additional property will be added to the existing lease by amendment and the lease term will end April 30, 2106, coterminous with the existing lease. The additional acreage will not affect the current lease rate of \$1.

The NC State Board of Trustees approved the lease amendment on February 18, 2022.

### **RECOMMENDATION**

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

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:** February 18, 2022

**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:**

NC State University Centennial Development, LLC is requesting additional acreage be added to the current lease for Lonnie Poole Golf Course to allow for the addition of a short-game facility and club house for use by the NC State Golf Team. The new facilities will also require the redesign of the second hole of the existing golf course.

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

NC State University Centennial Development, LLC currently leases 195 acres on Centennial Campus for operation of the Lonnie Poole Golf Course. The proposal is for an amendment to the lease to add an additional +/- 14 acres, bringing the total leased area to approximately 209 acres, as generally depicted on the attached map. Exact acreage and location of lease boundaries to be determined by final survey following facility design.

**Estimated value:** \$3,200,000.00

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

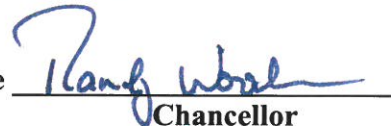
**If deed is in the name of agency other than applicant, state the name:** N/A

**Rental income, if applicable, and suggested terms:** N/A

**Funds from the disposal of this property are recommended for the following use:** N/A

**Action recommending this transaction was taken by the Board of Trustees at its meeting held on February 18, 2022.**

Signature

  
Chancellor

**DISPOSITION  
OF REAL PROPERTY**

**LEASE**

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

**GRANTEE** NC State University Centennial Development, LLC

**LOCATION** Centennial Campus

**SIZE** +/- 14 acres

**RATE** \$1

**TERM** Cotermious with existing lease which will terminate April 30, 2106

**USE** The subject property will be added to the existing lease agreement for operation of the Lonnie Poole Golf Course. This addition will allow for the addition of a short-game facility and club house for use by the NC State Golf Team. The new facilities will also require the redesign of the second hole of the existing golf course.

TRANSMITTAL OF REQUEST FOR ACQUISITION/DISPOSITION OF REAL PROPERTY

Form

Number: PO-2

Preparation

Date: 2/18/2022

**Request:** Assent to addition of approximately 14 acres of property on Centennial Campus to the existing lease with NC State University Centennial Development, LLC for Lonnie Poole golf course to bring the total leased area to 209+/- acres.

**Institution** NORTH CAROLINA STATE UNIVERSITY

RECOMMENDED BY CHANCELLOR, NCSU

  
(Chancellor's Signature)

RECOMMENDED BY COMMITTEE ON  
BUILDINGS AND PROPERTY

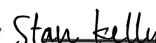
DocuSigned by:

  
F4E0D998B51402

(Chairman's Signature)

RECOMMENDED BY BOARD OF TRUSTEES  
NCSU

DocuSigned by:

  
F499066B5C94B0

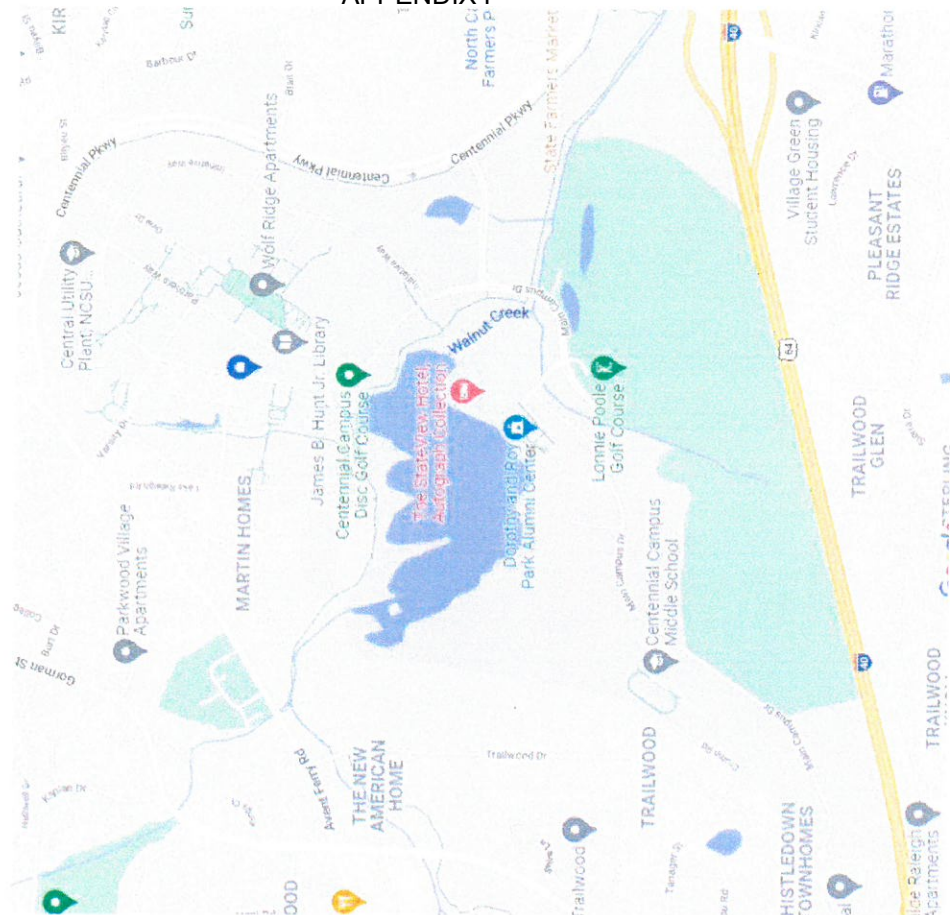
(Chairman's Signature)

RECOMMENDED BY BOARD OF GOVERNORS

(Secretary's Signature)



# Disposition by Lease





## NC STATE UNIVERSITY

### Amendment to Lonnie Poole Golf Course Lease Agreement Background Information

- The State of North Carolina leases land to NC State University Centennial Development, LLC (an affiliated entity of NCSU) for operation of Lonnie Poole Golf Course
  - 195 acres
  - Lease through April 30, 2106
- NC State University Centennial Development, LLC is working with NCSU Athletics on a project to develop enhanced practice facilities for the NCSU Golf Team, including a short game facility and a player clubhouse, which requires additional land
- NCSU golf practice facilities are currently split between Lonnie Poole Golf Course (driving range/simulation) and NCSU University Club (short-course facility and clubhouse)
  - Impacts from the I-440 widening project have significantly impacted the NCSU University Club land and resulted in negative impacts to the short-course and practice facilities located there
    - Complete loss of tree buffer between the clubhouse and the (planned, under construction) exit ramp from I-440 to Hillsborough Street
    - Significant increase in noise and impacts from adjacent traffic



Lonnie Poole Golf Course – View to Downtown Raleigh



Historic View of UClub Practice Facilities from I-440 (2019)



Present-Day View of UClub Practice Facilities from I-440; clearing has occurred and roadway offramp to widen toward facility, currently under construction (2021)

# Amendment to Lonnie Poole Golf Course Lease Agreement Proposed Lease Amendment

- Proposed amendment adds approximately 14 acres to the existing lease, bringing the total to approximately 209 acres
  - ~6 acres previously earmarked for a contemplated new I-40 interchange (no longer planned)
  - ~8 acres of additional land on the northern boundaries of the course, adjacent to the existing operation, south of Main Campus Drive
- Additional land will accommodate a golf practice facility, a relocation/redesign of Hole 2 on the golf course and other minor modifications to reflect current conditions/operations
- No change to other terms of the existing Lease

