

Disposition of Property by Lease – Appalachian State University

ISSUE OVERVIEW

The University of the North Carolina System institutions and affiliates 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 Appalachian State University Board of Trustees requests authorization to acquire property by deed of 15.5 acres located at 800 17th Street NW, Hickory, North Carolina. The property was acquired by the Board of Trustees of the Endowment Fund (BOTEF) of Appalachian State University and will be gifted to App State. The 225,800 square foot building was constructed in 1962 and is the former Corning Optical Communications building. The property also includes parking for approximately 700 vehicles. The 2023 tax assessment value is \$16,902,200.

The site is approximately 40 miles southeast of Appalachian State's main campus. In 2021, the North Carolina General Assembly appropriated \$9 million for repairs and renovation. Repair and renovation projects include interior renovations to academic spaces, parking lot resurfacing, HVAC system upgrades, lighting upgrades, and roof replacement. The Department of Insurance and the State Construction Office are required to review the condition of property before acceptance by the State. The State Construction Office visited the property on April 6, 2023, and completed a facilities condition assessment program (FCAP) report. The Department of Insurance performed an annual inspection on June 7, 2023. App State has received copies of both reports and is responding.

The Appalachian State University Board of Trustees approved the acquisition of the property by deed on August 25, 2023.

RECOMMENDATION

It is recommended that the Board of Governors approve this request. This item requires concurrence from the Department of Insurance and State Construction Office and approval by the Council of State.

**STATE OF NORTH CAROLINA
DEPARTMENT OF ADMINISTRATION**

***ACQUISITION OF REAL PROPERTY**

Institution or Agency: **Appalachian State University**

Date: **August 25, 2023**

The Department of Administration is requested, as provided by GS §146-22 et seq., to acquire the real property herein described by *purchase, lease, rental, or other (specify)*. **Gift**

This Property is needed for the following reasons and purposes: *(Attach additional pages if needed.)*

To establish a campus of Appalachian State University in Hickory, NC.

Name and Address of Present Owner: **Board of Trustees of the Endowment Fund of**
Appalachian State University
c/o Vice Chancellor for Finance and Operations
BB Dougherty Administration Building, 3rd Floor
438 Academy Street, Boone, NC 28608

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

Approximately 15.5 acres and improvements in Hickory, NC. and recorded in Deed Book 3705, Page 0169 of Catawba County, NC. Improvements include a five-story, 225,800 +/- sf office / classroom building including cafeteria and assembly areas. AKA Campus Building Number: #484; SPO Asset ID: BA-2259

Estimated value: **\$16,902,200 tax assessed value 2023** Rental price *(if applicable)*: **N/A**

Funds for the acquisition of this property are available in our budget under Code: **N/A**, Item: **N/A**, Other: **N/A**

In the event the above described real property is not acquired, is there other real property available, owned by the State or otherwise, that you believe would, if acquired, fulfill the requirements of your agency? If so, give details.,9

Property is uniquely situated to accommodate underserved community in NC.

(Complete if Agency has a Governing Board.)

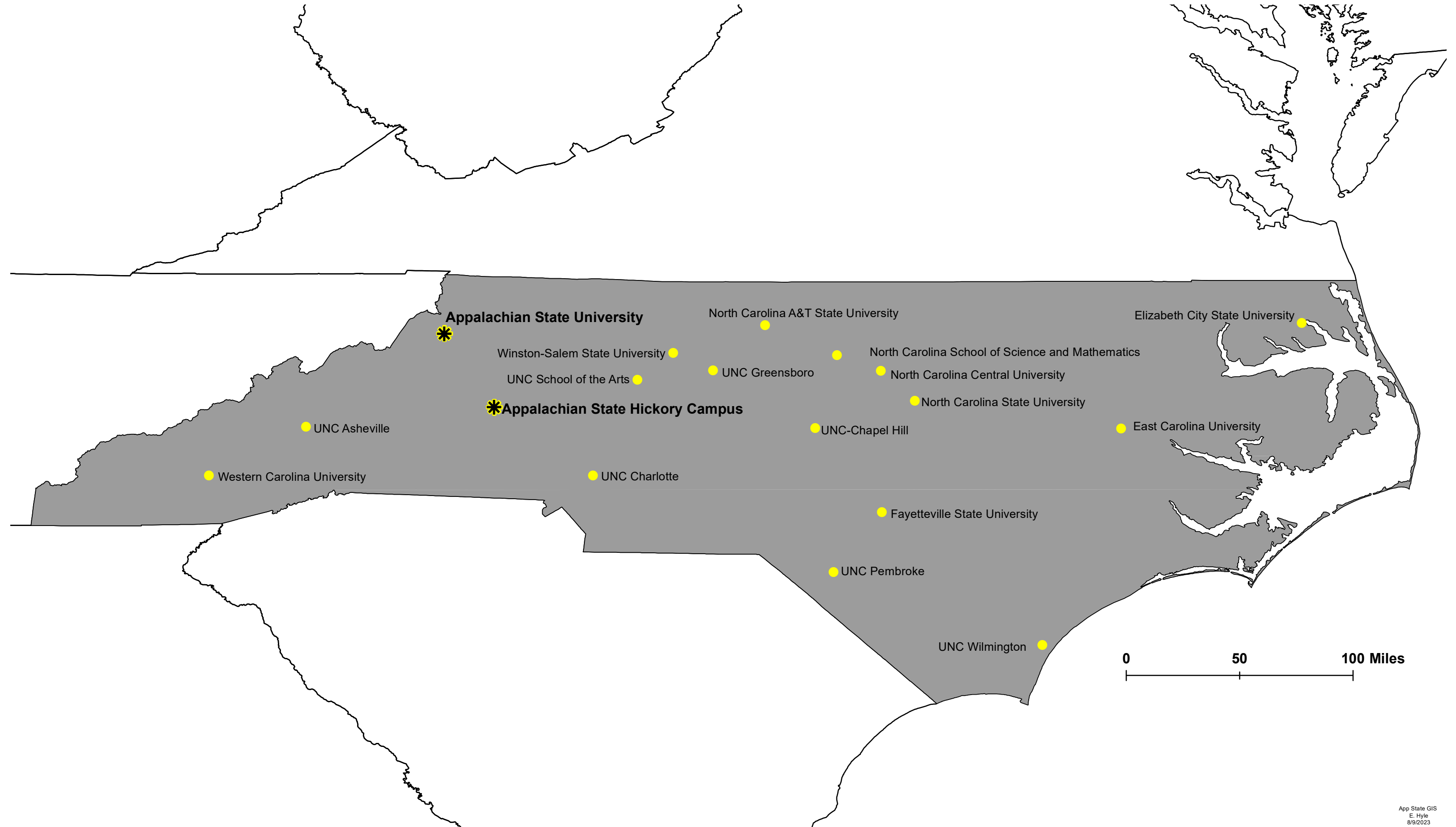
Action recommending the above request was taken by the Governing Board of **Appalachian State University** and is recorded as a resolution thereof on **August 25, 2023** *(date)*.

Signature: _____
Title: **Sheri Everts, Chancellor**

*The term "real property" includes timber rights, mineral rights, etc. (GS §146-64)



North Carolina Higher Education Institutions



Appalachian State University Hickory Campus



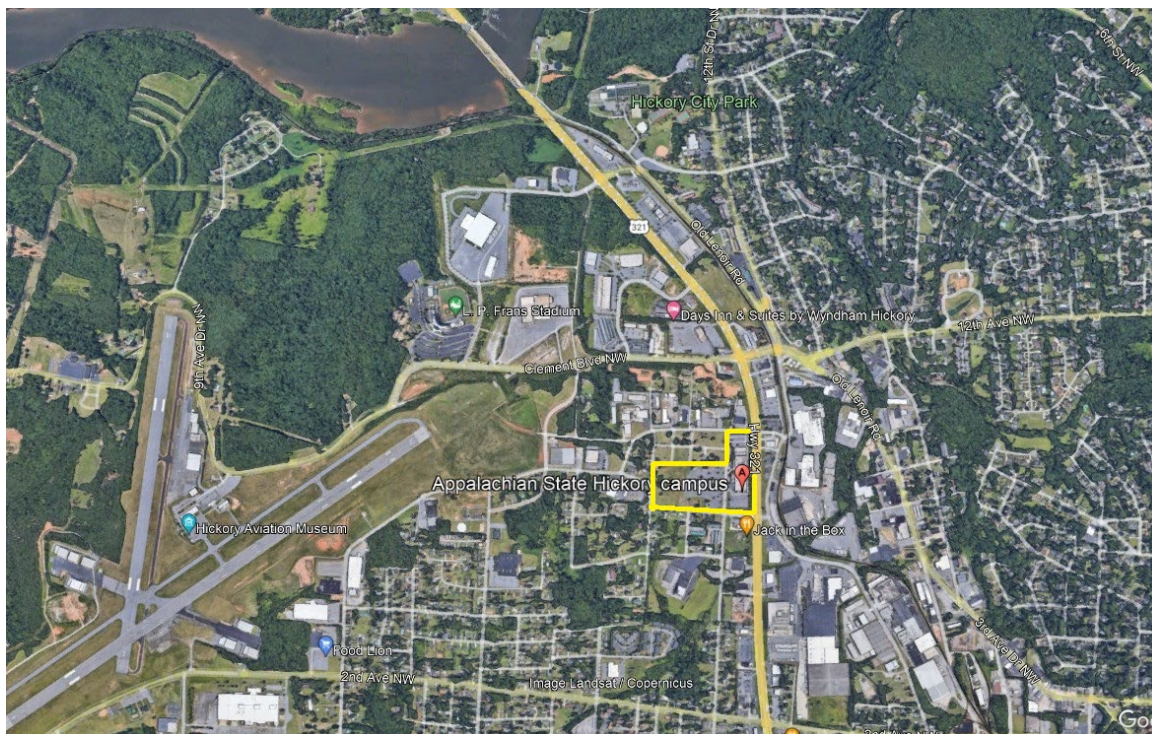
FIGURE 1: BUILDING ELEVATIONS



Appalachian State University Hickory Campus



FIGURE 2: BUILDING FRONTS MAJOR HIGHWAY, SHORT DISTANCE TO AIRPORT, RIVER AND BASEBALL STADIUM



Appalachian State University Hickory Campus



FIGURE 3: STUDENT COMMONS AREA & MEDIA CENTER

