



Finance and Administration Committee

September 22, 2020

8:00 am

[Zoom link](#)

Information Item

FAC-4 Annual Report on Property Purchased and/or Leased July 1, 2019 through June 30, 2020

Background Information

The Board of Governors, at its meeting on November 13, 1981, adopted a resolution on delegation of leasing authority within the University and on May 22, 2019 adopted a revised Policy on Authority for Real Property Transactions - 600.1.3 and 600.1.3[R]. The policy reaffirmed the authorization to each Board of Trustees to delegate to its Chancellor some authority to acquire or dispose of real property. This Board at its meeting on June 15, 1994 took that action and expanded upon it on September 27, 2019, delegating authority for the Chancellor to authorize and execute certain real property transactions consistent with UNC Policy 600.1.3[R]. The Board also directed that a report on properties purchased or leased in the previous fiscal year be presented by the Vice Chancellor for Finance and Administration to the Board at its fall meeting.

The UNCG Board of Trustees, at its meeting on November 21, 1985, authorized the administration to pursue acquisition of all land not owned as of that date (which was within the boundaries of the campus as proposed in the Long-Range Master Plan) and to request funding from the Board of Governors for this purpose. On February 20, 2014, the Board of Trustees approved the 2013 Campus Master Plan Update and, with that approval, reaffirmed the authorization to acquire land to expand the campus as proposed in the updated Master Plan.

To fulfill our reporting requirements and to keep the Board updated on land purchases and lease arrangements during the July 1, 2019 through June 30, 2020 fiscal year, we provide this report and the following information:

Property Acquisition by Deed

All real property acquisitions other than leases for the benefit of UNCG are transacted through the Department of Administration's State Property Office. UNCG's Real Estate Office serves as a conduit between the University and State. The University submits a request to the State Property Office for acquisition by deed for property purchased under the Chancellor's delegated authority or Board of Trustees approval, as required. UNCG also sends a request to the UNC System Office requesting approval under the President's delegated authority or the Board of Governors, if required. Following approval by the President or Board of Governors, the State Property Office takes UNCG's request to the Governor and his Council of State for approval. Following all approvals, the State Property Office moves forward with the transaction.

Properties Purchased Between July 1, 2019 and June 30, 2020

There were no property acquisitions during this time.

Properties Leased Between July 1, 2019 and June 30, 2020

By delegation of the Board of Governors and this Board, the Chancellor may authorize the lease of space with an annual value less than \$50,000 and a term less than 10 years.

Leases where the rent does not exceed \$5,000 annually and the term does not exceed three years, including renewals, are referred to as Agency Leases and are authorized and executed internally. Four (4) such leases were executed during this reporting period.

1. Lessee: Center for Housing and Community Studies
Lessor: CG Holdings, LLC
Location: 2209E Apache Street, Greensboro, NC
Lease Term: This is a one-year lease from 1/1/20 through 12/31/20, with two (2) 1-year renewal options
Space: 660 net square feet community center
Annual Rate: \$5,000
Status: Active through 12/31/20

2. Lessee: Information Technology Services (ITS)
Lessor: 111 West Lewis, LLC
Location: 111 West Lewis Street (HQ Greensboro)
Lease Term: This is a 1-year lease for 02/01/20 through 01/31/21 with two (2) 1-year renewal options.
Space: 230 net square feet of dedicated office space (suite 202) and 2,115 square feet of shared conference room and event space
Annual Rate: \$5,000
Status: Active through 01/31/2021

3. Lessee: Center for New North Carolinians
Lessor: K Colonial, LLC
Location: 201 N. Westgate Drive, Greensboro, NC
Lease Term: This is a one-year lease from 10/1/19 through 9/30/20
with two (2) one-year renewal options
Space: 1,500 net square feet of space for a community center
Annual Rate: \$1.00
Status: Active through 09/30/20

4. Lessee: UNCG Bookstore
Lessor: 300 South Elm, LLC
Location: 300 B South Elm Street, Greensboro, NC
Lease Term: This is a one-month lease from 11/28/19-12/27/19
Space: 1,817 net square feet of retail space
Annual Rate: \$2,000
Status: Expired

Leases where the rent exceeds \$5,000 annually but does not exceed \$25,000* annually and the term does not exceed three years, including renewals, are referred to as Department of Administration Leases and are executed by the State Property Office in Raleigh. No such leases were executed during this reporting period.

Leases where the rent exceeds \$25,000 annually or the lease term will exceed three years in length must be advertised and competitively bid through the State Property Office. Two such leases were executed during this reporting period.

1. Lessee: School of Art – Greensboro Project Space (GPS)
Lessor: The Dixie Building NC, LLC
Location: 111 East February One Place, Greensboro, NC
Lease Term: This is a 3-year initial term with two three-year renewal options –
initial term 05/01/20 - 04/30/23
Space: 2,005 net square feet of office/exhibition space
Annual Rate: \$34,800
Status: Active through 04/30/23

2. Lessee: University Advancement
Lessor: 101 South Elm Street, LLC
Location: 101 South Elm Street
Lease Term: This is a 5-year initial term with three-year and 2-year renewal
options – initial term 05/01/20 - 04/30/25
Space: 8,445 net square feet of office space
Annual Rate: \$133,515.45
Status: Active through 04/30/25

Leases on a Millennial Campus or Kannapolis Research Campus, as defined by N.C.G.S. 116-198 Article 21 B may be entered at the campus level with delegation from the Board of Governors and reported to the Department of Administration. One such lease was executed during this reporting period.

1. Lessee: UNCG Center for Translational Biomedical Research
- Lessor: Dole Food Company Inc.
- Location: 600 Laureate Way, Kannapolis, NC
- Lease Term: 02/01/2020 – 10/31/2028
- Space: 7,504 net square feet of laboratory and office space
- Annual Rate: \$54,811 for UNCG's portion of the rent
- Status: Active through 10/31/2028

*Effective November 6, 2019, Senate Bill 433/Session Law 2019-241 Section 12 adjusted the value requiring a public advertisement and bid for leased space from \$25,000 to \$40,000; however, the Council of State has not yet delegated authority to the Department of Administration to administer and execute leases up to this value.



Bob Shea
Vice Chancellor for Finance and Administration