



North Carolina Department of Administration

Beverly Eaves Perdue, Governor
Moses Carey, Jr., Secretary

State Property Office

August 31, 2010

MEMORANDUM

TO: Senator Marc Basnight, President Pro Tempore
Representative Joe Hackney, Speaker of House of Representatives
Co-Chairmen of the Joint Legislative
Commission on Governmental Operations

FROM: Speros J. Fleggas 
Deputy Secretary

SUBJECT: Notification of Land Transactions

Attached are real property matters requiring reporting and consultation.

SJF/tm

Cc: Moses Carey, Secretary
Fiscal Research Division

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GOVERNMENTAL OPERATIONS AGENDA INDEX

August 31, 2010

ALLOCATION: The following item is for consultation pursuant to NCGS 143-341(4)g

1. Department of Environment and Natural Resources, Forest Resources (DENR-WILDLIFE) Pamlico County

ACQUISITION BY DEED: The following items are reported pursuant to NCGS 146-22

2. Eric M. Larsen (AGRICULTURE) Moore County
3. The Lake Gaston Group, LLC (DENR-FOREST) Halifax County
4. The Little Bank, Inc. (DENR-NC AQUARIUMS) Carteret County
5. The Nature Conservancy (DENR-PARKS) Avery County
6. Southern Appalachian Highlands Conservancy (DENR-PARKS) Avery County
7. The Nature Conservancy (DENR-PARKS) Rutherford County
8. The Nature Conservancy (DENR-PARKS) Rutherford County
9. Reginald McMillan (NCCU) Durham County
10. Susan Lombarbo (UNC-CH) Orange County
11. Lofts on Lee, LLC (UNC-G) Guilford County

DISPOSITION BY DEED: The following item is for consultation pursuant to NCGS 146-27

12. City of Kinston (AGRICULTURE) Lenoir County

DISPOSITION BY LEASE: The following items are reported pursuant to NCGS 146-29.1

13. The Enola Group, Inc. (DHHS) Burke County
14. County of Chatham (UNC-PUBLIC TV) Chatham County
15. County of Orange (UNC-PUBLIC TV) Chatham County

ALLOCATION

ITEM 1

GRANTOR: State of NC, Department of Environment and Natural Resources,
Division of Forest Resources

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: Intracoastal Waterway North of Highway 33, Hobucken, Pamlico County

AREA: ±3.45 acres

CONSIDERATION: N/A

COMMENTS: This property was allocated to the Division of Forest Resources in 1971 from the Wildlife Resources Commission for use as a landing craft anchorage and maintenance base adjacent to the Intracoastal Waterway. The property formerly housed dry dock operations for landing craft used to ferry tractor plow units to places that were inaccessible by roads. Forest Resources now has road access and the property is no longer needed by Forest Resources.

ACQUISITION BY DEED

ITEM 2

GRANTOR: Eric M. Larsen and wife, Karen S. Larsen

GRANTEE: State of NC, Department of Agriculture and Consumer Services, Plant Protection Program

LOCATION: Beulah Hill Church Road, West End, Moore County

AREA: ±36 acres (subject to survey)

UNIT COST: \$12,000/ acre

CONSIDERATION: \$432,000 (subject to survey)

COMMENTS: Property proposed for acquisition is for expansion of the Eastwood Plant Conservation Preserve. Acquisition of this property will protect the Sandhills Lily (*Lilium pyrophilium*) as well as other plant species found in upland longleaf pine forests. The North Carolina Plant Conservation Program will use this site for educational purposes, passive recreation, and ecological research and restoration. Funding for this acquisition is provided by a grant from the Natural Heritage Trust Fund.

ITEM 3

GRANTOR: The Lake Gaston Group, LLC
Geoffrey E. Wiggins, Manager

GRANTEE: State of NC, Department of Environment and Natural Resources
Division of Forest Resources

LOCATION: Oak Grove Church Road, Littleton Township, Halifax County

AREA: Two non contiguous tracts totaling 149.16 acres

UNIT COST: N/A

CONSIDERATION: Gift

COMMENTS: Property proposed for acquisition comprises two tracts of land to be used for the establishment of a State Forest. The property is subject to a working forest conservation easement held by Marine Learning Institute and was certified by the Division of Forest Resources under the conservation tax credit program. The easement will be gifted to the State.

ACQUISITION BY DEED

ITEM 4

GRANTOR: The Little Bank, Inc.
Vincent Jones, President

GRANTEE: State of NC, Department of Environment and Natural Resources,
NC Aquariums

LOCATION: NC Highway 58, Emerald Isle, Carteret County

AREA: ±1.442 acres

UNIT COST: \$5.89/sq. ft.

CONSIDERATION: \$370,000

COMMENTS: Property proposed for acquisition is located in close proximity to the NC Aquariums, Emerald Isle Pier project. This site is needed for the installation of a drain field to serve the new pier facility. Funding for this acquisition is provided by the Waterfront Access and Marine Industry Fund.

ITEM 5

GRANTOR: The Nature Conservancy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: Off Henson Creek Road, Cane Creek Township, Mitchell County and
Roaring Creek Township, Avery County

AREA: ±465.93 acres

UNIT COST: ±\$2,615.20/acre

CONSIDERATION: \$1,218,500

COMMENTS: Property proposed for acquisition is for inclusion in the Yellow Mountain State Natural Area. Acquisition of this property provides protection of natural and scenic resources and water quality in Yellow Mountain State Natural Area. Funding for this acquisition is provided by the Natural Heritage Trust Fund.

ACQUISITION BY DEED

ITEM 6

GRANTOR: Southern Appalachian Highlands Conservancy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: Off Hanging Rock Creek Road, Toe River Township, Avery County

AREA: 297.59 acres

UNIT COST: ±\$268.83/acre

CONSIDERATION: ±\$80,000

COMMENTS: Property proposed for acquisition is a bargain sale and will be included in the Yellow Mountain State Natural Area. Acquisition of this property provides protection of natural and scenic resources and water quality. Funding for this acquisition is provided by the Parks and Recreation Trust Fund.

ITEM 7

GRANTOR: The Nature Conservancy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: Rumbling Bald Mountain, Rutherford County

AREA: 16.53 acres

UNIT COST: \$29,000/acre

CONSIDERATION: \$479,370

COMMENTS: Property proposed for acquisition is for inclusion in the Chimney Rock State Park. This property acquisition will protect natural and scenic resources at the Park. The Nature Conservancy (TNC) will be reimbursed overhead, interest, and direct expenses associated with this transaction. Funding for this acquisition is provided by Parks and Recreation Trust Fund (\$46,869), Natural Heritage Trust Fund (\$239,685), and using special indebtedness (COP's) authorized in Session Law 2007-323, Land for Tomorrow, State Park Land acquisition to be repaid by Parks and Recreation Trust Fund (\$112,268) and using special indebtedness (COP's) authorized under Session Law 2008-107, Land for Tomorrow, to be repaid by appropriations from the general fund (\$80,548).

ACQUISITION BY DEED

ITEM 8

GRANTOR: The Nature Conservancy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: Rumbling Bald Mountain and south slope of Bald Mountain, Rutherford County

AREA: Tract 1 - 75 acres
Tract 2 - 162.48 acres

UNIT COST: Tract 1 -\$29,000/acre
Tract 2- GIFT

CONSIDERATION: \$2,175,000

COMMENTS: Property proposed for acquisition is for inclusion in the Chimney Rock State Park. This acquisition will protect natural and scenic resources at the Park. The Nature Conservancy (TNC) will be reimbursed overhead and direct expenses associated with this transaction. TNC purchased Tract 2 for \$626,000 in 2003 and 2005. Funding for this acquisition is provided by Parks and Recreation Trust Fund receipts (\$1,087,500) and Natural Heritage Trust Fund receipts (\$1,087,500).

ITEM 9

GRANTOR: Reginald V. McMillan

GRANTEE: State of NC, North Carolina Central University

LOCATION: 413 East Lawson Street, Durham, Durham County

AREA: ±0.179 acre or 7,800 sq. ft. improved with a 1,411 sq. ft. one story brick house and a one story detached garage

UNIT COST: \$2.56/sq. ft. – land
\$30.47/sq. ft. – improvements

CONSIDERATION: \$63,000

COMMENTS: Property proposed for acquisition is needed for future campus expansion in accordance with the master plan. The improvements will be severed by the Department of Administration, State Surplus Property. Initially, the site will be utilized for parking and future use will be for the construction of an academic building. Funding for this acquisition is provided by Capital Improvement Project Funds derived from the NCCU's School of Nursing.

ACQUISITION BY DEED

ITEM 10

GRANTOR: Susan A. Lombardo

GRANTEE: State of NC, University of North Carolina at Chapel Hill

LOCATION: 6627 Maynard Farm Road, Chapel Hill, Orange County

AREA: $\pm 183,387$ sq. ft. or ± 4.21 acres improved with a $\pm 1,730$ sq. ft. house

UNIT COST: \$0.35/sq. ft. – land
\$121.38/sq. ft. – improvements

CONSIDERATION: \$275,000

COMMENTS: Property proposed for acquisition is adjacent to the Bingham Facility and will be utilized for buffer purposes. The improvements will be severed by the Department of Administration, State Surplus Property. Funding for this acquisition is provided by Facilities and Administrative receipts.

ITEM 11

GRANTOR: Lofts on Lee, LLC
Ken Baucom, Manager

GRANTEE: State of NC, University of North Carolina at Greensboro

LOCATION: 915 West Lee Street and 917 & 919 Union Street, Greensboro,
Guilford County

AREA: Two non contiguous parcels containing a total of $\pm 85,567$ sq. ft. or ± 1.96 acres improved with three three-story apartment buildings containing $\pm 46,406$ sq. ft. comprised of 32 units (± 69 beds) and retail space constructed 2009

UNIT COST: \$6.00/sq. ft. – land
\$71.24/sq. ft. – improvements

CONSIDERATION: \$3,820,000

COMMENTS: Property proposed for acquisition will be utilized to expand the University's Student Housing in accordance with the master plan. Funding for this acquisition is provided by Housing System Revenues (non-State funds).

DISPOSITION BY DEED

ITEM 12

GRANTOR: State of NC, Department of Agriculture and Consumer Services

GRANTEE: City of Kinston

LOCATION: Hill Farm Road, Caswell Research Station, Lenoir County

AREA: $\pm 77,537$ sq. ft. or ± 1.78 acres (subject to survey)

CONSIDERATION: \$49,800 (subject to survey)

UNIT PRICE: $\pm \$28,000/\text{acre}$

COMMENTS: Property proposed for disposition is a portion of the Caswell Research Station. The City of Kinston wishes to utilize the site for construction of a fire station. The City is responsible for all costs associated with the transaction including a survey and all closing costs. Disposition of this site will not impede research operations.

DISPOSITION BY LEASE

ITEM 13

LESSOR: State of NC, Department of Health and Human Services,
Division of Mental Health, Developmental Disabilities and
Substance Abuse, J. Iverson Riddle Developmental Center

LESSEE: The Enola Group, Inc.
Louis Pugh, Executive Director

LOCATION: J. Iverson Riddle Developmental Center, Morganton, Burke County

TERM: Three years effective September 1, 2010

AREA: ±0.75 acre of land

UNIT COST: \$1.00 for the term

COMMENTS: New Lease. Lessee will place two modular classrooms on the leased property to provide a Head Start program in Burke County. Property is to be leased 'as is'. Parking will be provided by existing spaces around the leased area and not included in the lease agreement. Approval is also requested for any necessary easements for the construction and operation of the facility.

ITEM 14

LESSOR: State of NC, University of North Carolina, Center for Public Television

LESSEE: County of Chatham
Charlie Horne, County Manager

LOCATION: 4401 Jones Ferry Road, Chapel Hill, Chatham County

TERM: Five years effective August 1, 2010 or possession

AREA: Tower space

RENTAL: \$1.00

COMMENTS: Renewal lease for tower space which will be used to provide first responder communications for Chatham County.

DISPOSITION BY LEASE

ITEM 15

LESSOR: State of NC, University of North Carolina, Center for Public Television

LESSEE: County of Orange
Frank Clifton, County Manager

LOCATION: 4401 Jones Ferry Road, Chapel Hill, Chatham County

TERM: Five years effective August 1, 2010 or possession

AREA: Tower space

RENTAL: \$1.00

COMMENTS: New lease for tower space which will be used to provide first responder communications for Orange County.