



North Carolina Department of Administration


Pat McCrory, Governor
Bill Daughtride, Jr., Secretary

State Property Office

March 26, 2015

MEMORANDUM

TO: Senator Philip Berger, President Pro Tempore
Representative Tim Moore, Speaker of House of Representatives
Co-Chairmen of the Joint Legislative
Commission on Governmental Operations

FROM: Speros J. Fleggas 
Senior Deputy Secretary

SUBJECT: Notification of Land Transactions

Attached are real property matters requiring reporting and consultation.

SJF/tm

Cc: Bill Daughtride, Jr., Secretary
Fiscal Research Division

Mailing Address:
1321 Mail Service Center
Raleigh, N.C. 27699-1321

Telephone (919) 807-4650
Fax (919) 733-1431
State Courier #52-71-78

Location:
116 West Jones Street
Raleigh, North Carolina
27603-8003

GOVERNMENTAL OPERATIONS AGENDA INDEX

March 26, 2015

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

1. The Conservation Fund (AGRICULTURE) Caldwell County
2. The Conservation Fund (AGRICULTURE) Caldwell County
3. Harriett Hurst Turner & John Henry Hurst (DENR-PARKS) Onslow County
4. Randy H. Davis & Kelly R. Davis (DENR-WILDLIFE) Buncombe County
5. The Nature Conservancy (DENR-WILDLIFE) Pender County
6. Robert Helms & Dorothy Helms (NCA&TSU) Guilford County
7. Robert Helms & Dorothy Helms (NCA&TSU) Guilford County
8. ERSI Enterprises LLC (NCCU) Durham County
9. Robert O. Kelley & Johnea Kelley (NCCU) Durham County
10. Janice G. Williams (NCCU) Durham County

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

11. Town of Morehead City (ADMINISTRATION) Carteret County

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

12. County of Warren (PUBLIC SAFETY) Warren County
13. Broadway Fire Department, Inc. (PUBLIC SAFETY) Wilkes County
14. Eta Kappa Housing Corporation of Delta Gamma Fraternity (NCSU) Wake County

DISPOSITION BY SUBLEASE: The following items are for consultation pursuant to NCGS 146-29.1

15. County of Columbus (PUBLIC SAFETY) Columbus County
16. County of Warren (PUBLIC SAFETY) Warren County

ACQUISITION BY DEED

ITEM 1

GRANTOR: The Conservation Fund

GRANTEE: State of NC, Department of Agriculture and Consumer Services,
NC Forest Service

LOCATION: South of Blowing Rock, Caldwell County

AREA: ± 108 acres (subject to survey)

UNIT COST: \$9,116.79/acre

CONSIDERATION: \$984,614 (subject to survey)

COMMENTS: State Forest Addition. Property proposed for acquisition will insure the protection of high quality mountain habitat and will be managed as part of the State Forest system. The property, known as Backbone Ridge, is adjacent to the Pisgah National Forest. The State's acquisition will be completed in phases as funds become available. Funding for this phase is provided by the Clean Water Management Trust Fund.

ITEM 2

GRANTOR: The Conservation Fund

GRANTEE: State of NC, Department of Agriculture and Consumer Services,
NC Forest Service

LOCATION: South of Blowing Rock, Caldwell County

AREA: ± 27 acres (subject to survey)

CONSIDERATION: Gift

COMMENTS: State Forest Addition. Property proposed for acquisition is contiguous to state-owned land known as Backbone Ridge, adjacent to the Pisgah National Forest. Acquisition of this site will insure the protection of additional high quality mountain habitat and will be managed as part of the State Forest system.

ACQUISITION BY DEED

ITEM 3

GRANTOR: Harriett Hurst Turner and John Henry Hurst

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

LOCATION: Hammocks Beach Road, Swansboro Township, Onslow County

AREA: ± 199.37 acres (portion of a ± 290.1 acre tract)

UNIT COST: $\pm \$34,919.78/\text{acre}$

CONSIDERATION: $\pm \$6,961,957$

COMMENTS: State Park Addition. Property proposed for acquisition is for inclusion in Hammocks Beach State Park. Acquisition of this property provides protection of water quality and subaquatic vegetation in Queen's Creek and protection of scenic resources along the Intracoastal Waterway. It would also expand the ability to provide environmental education and interpretive activities. The subject property is a portion of a ± 290.1 -acre tract and is contiguous to ± 33 acres of State-owned land on the mainland. The State obtained two appraisals of the ± 290.1 -acre tract in June 2012 for \$2,800,000 and \$3,950,000. Additional appraisals were completed for the Grantor (\$27,000,000 in December 2012) and for The Conservation Fund (\$10,132,500 in June 2013).

This property has been the subject of litigation for several years. The Grantor received title per an Order Vesting Title filed January 26, 2015. The terms of this transaction are included in a negotiated settlement agreement between the Department of Environment and Natural Resources, Parks and Recreation, The Hammocks Beach Corporation, and the Hursts. Terms of this agreement include:

- Approximately 27.17 acres of this property will be reserved for three years to provide an opportunity for the Grantor to enter into a 25-year lease agreement with the State for the operation of a youth camp. Proposed lease is expected to be at no cost, with any future improvements to become property of the State at the end of the lease term.
- All ad valorem taxes due ($\pm \$313,867$), all transfer taxes ($\pm \$13,924$) and other seller costs outside of the Grantor's attorney fees (i.e., deed preparation, recording fees) are to be paid by the State. The amount of ad valorem taxes represents unpaid taxes, interest, and fees since 2006.
- The purchase price of the total 290.1 acres is \$10,130,000. If closing on this property does not occur prior to April 26, 2015, the purchase price of the total 290.1 acres will become \$11,000,000.

Funding for this acquisition is provided by the Parks and Recreation Trust Fund (\$3,961,957) and using general obligation bonds authorized in Session Law 2014-100, Two-Thirds Bonds Act of 2014 (\$3,000,000). The Conservation Fund has agreed to purchase the remaining ± 90.7 acres, which the State will purchase at a later date.

ACQUISITION BY DEED

ITEM 4

GRANTOR: Randy Hughes Davis and wife, Kelly Reece Davis

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

LOCATION: Sandy Mush Game Land, Off of Old Turkey Creek Road, Leicester, Buncombe
County

AREA: ± 27.8 acres

UNIT COST: \$9,500/acre

CONSIDERATION: \$264,000

COMMENTS: Game Land Addition. Property proposed for acquisition will be incorporated into the Sandy Mush Game Land. Acquisition of this property will provide additional wildlife habitat, educational, and public recreational opportunities. Funding is provided by Pittman-Robertson Federal Assistance Grant (\$198,000) and private donation from Southern Appalachian Highlands Conservancy (\$66,000).

ITEM 5

GRANTOR: The Nature Conservancy

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

LOCATION: Cape Fear River Wetlands Game Land, Holly Shelter Estates Road,
Pender County

AREA: ± 73 acres

CONSIDERATION: Gift

COMMENTS: Game Land Addition. Property proposed for acquisition is for inclusion in the Cape Fear River Wetlands Game Land. Acquisition of this site will provide protection of wildlife habitat, and will also provide public opportunities for hunting and other wildlife recreation.

ACQUISITION BY DEED

ITEM 6

GRANTOR: Robert E. Helms and wife, Dorothy Helms

GRANTEE: State of NC, North Carolina A&T State University

LOCATION: 400 Banks Street, Greensboro, Guilford County

AREA: 5,120 sq. ft. or 0.12 acre improved with a duplex containing 1,400 sq. ft.
constructed in 1955

UNIT COST: \$1.56/sq. ft. – land
\$28.21/sq. ft. – improvements

CONSIDERATION: \$47,500

COMMENTS: Campus Expansion. Property proposed for acquisition is contiguous to campus and is needed for future expansion in accordance with the campus master plan. The improvements will be severed and the site will be used short term for parking. Funding for this acquisition will be provided by Title III Education Funds.

ITEM 7

GRANTOR: Robert E. Helms and wife, Dorothy Helms

GRANTEE: State of NC, North Carolina A&T State University

LOCATION: 1009 Salem Street, Greensboro, Guilford County

AREA: ±4,992 sq. ft. or 0.12 acre improved with a duplex containing 1,400 sq. ft.
constructed in 1955

UNIT COST: \$1.60/sq. ft. – land
\$28.21/sq. ft. – improvements

CONSIDERATION: \$47,500

COMMENTS: Campus Expansion. Property proposed for acquisition is contiguous to campus and is needed for future expansion in accordance with the campus master plan. The improvements will be severed and the site will be used short term for parking. Funding for this acquisition will be provided by Title III Education Funds.

ACQUISITION BY DEED

ITEM 8

GRANTOR: ERSI Enterprises LLC

GRANTEE: State of NC, North Carolina Central University

LOCATION: 1315 S. Alston Avenue, Durham, Durham County

AREA: ±11,761 sq. ft. or 0.27 acre improved with a single family dwelling containing 2,309 sq. constructed in 1948

UNIT COST: \$1.57/sq. ft. – land
\$51.31/sq. ft. – improvements

CONSIDERATION: \$137,000

COMMENTS: Campus Expansion. Property proposed for acquisition is contiguous to campus and is needed for future expansion in accordance with the campus master plan. Funding for this acquisition is provided by Title III Education Funds.

ITEM 9

GRANTOR: Robert O. Kelley and wife Johnea Kelley

GRANTEE: State of NC, North Carolina Central University

LOCATION: 1710 Fayetteville Street, Durham, Durham County

AREA: ±7,405 sq. ft. or 0.17 acre improved with a single family dwelling containing 1,944 sq. constructed in 1900

UNIT COST: \$2.08/sq. ft. – land
\$8.54/sq. ft. – improvements

CONSIDERATION: \$32,000

COMMENTS: Campus Expansion. Property proposed for acquisition is contiguous to campus and is needed for future expansion in accordance with the campus master plan. Funding for this acquisition is provided by Title III Education Funds.

ACQUISITION BY DEED

ITEM 10

GRANTOR: Janice G. Williams

GRANTEE: State of NC, North Carolina Central University

LOCATION: 2106 Fayetteville Street, Durham, Durham County

AREA: ±8,712 sq. ft. or 0.20 acre improved with a single family dwelling containing
2,216 sq. ft. constructed in 1933

UNIT COST: \$1.88/sq. ft. – land
\$44.52/sq. ft. – improvements

CONSIDERATION: \$115,000

COMMENTS: Campus Expansion. Property proposed for acquisition is contiguous to campus and is needed for future expansion in accordance with the campus master plan. Funding for this acquisition is provided by Title III Education Funds.

DISPOSITION BY DEED

ITEM 11

GRANTOR: State of NC, Department of Administration

GRANTEE: Town of Morehead City

LOCATION: Evans and 4th Street, Morehead City, Carteret County

AREA: 1) $\pm 29,403$ sq. ft. or (± 0.675 acre) waterfront and riparian rights; includes nine boat slips of $\pm 65'$ in length and one boat slip of $\pm 95'$ in length, including all docks, piers, pilings and concrete bulkhead

2) $\pm 10,000$ sq. ft. or (± 0.23 acre) 4th Street Lot

3) $\pm 75,969$ sq. ft. or (± 1.74 acres) Station and former industrial lot

UNIT COST: $\pm \$30.50/\text{sq. ft.}$ or ($\pm \$1,328,580/\text{acre}$)

CONSIDERATION: To be paid in twenty (20) annual installments equal to \$175,907.35 or \$3,518,147

COMMENTS: Pursuant to Session Law 2014-100, Section 34.20.(a) – 34.20.(d), the Town of Morehead City was given the right of first refusal to acquire the subject parcels at fair market value. The Town has agreed to accept the right of first refusal and wishes to acquire the property. The consideration was determined based upon the current appraised value of \$2,605,000 for twenty (20) years at 3.05%. The net proceeds will be deposited in the Freight Rail & Rail Crossing Safety Improvement Fund of the Highway Fund.

DISPOSITION BY LEASE

ITEM 12

LESSOR: State of NC, Department of Public Safety, Division of Law Enforcement, State Highway Patrol

LESSEE: County of Warren

LOCATION: Manson Tower located at 379 Collins Road, Manson, Warren County

TERM: Two years effective July 22, 2015 with 89 automatic annual renewals

AREA: Tower and building space

RENTAL: \$1.00 for the term

COMMENTS: New Lease. New lease for tower space and building space to install supporting communications equipment.

ITEM 13

LESSOR: State of NC, Department of Public Safety, Division of Law Enforcement, State Highway Patrol

LESSEE: Broadway Fire Department, Inc.

LOCATION: Rendevous Mountain Tower, 585 Wyatt Road, Millers Creek, Wilkes County

TERM: Twenty years effective June 1, 2015 or possession

AREA: Tower and building space

ANNUAL RENTAL: Benefits

COMMENTS: New Lease. New lease for tower space to install supporting communications equipment.

DISPOSITION BY LEASE

ITEM 14

LESSOR: North Carolina State University

LESSEE: Eta Kappa Housing Corporation of Delta Gamma Fraternity

LOCATION: 2701 W. Fraternity Court, Raleigh, Wake County

TERM: Forty years effective April 1, 2015 or possession, plus one (1)
40-year renewal option

AREA: ±16,802 sq. ft. of land

RENTAL: \$1.00

COMMENTS: New Lease. New lease for the construction of a Greek House. Lessee will construct the house and parking lot, maintain the building and pay all utilities and their portion of the infrastructure fees.

DISPOSITION BY SUBLEASE

ITEM 15

SUBLESSOR: State of NC, Department of Public Safety, Division of Law Enforcement, State Highway Patrol

SUBLESSEE: County of Columbus
William S. Clark, County Manager

LOCATION: Highway 905, Nakina, Columbus County

TERM: Ninety-nine years effective June 1, 2015 or possession

AREA: Tower and building space

ANNUAL RENTAL: Benefits

COMMENTS: New Sublease. New sublease for tower space to install supporting communications equipment.

ITEM 16

SUBLESSOR: State of NC, Department of Public Safety, Division of Law Enforcement, State Highway Patrol

SUBLESSEE: County of Warren

LOCATION: Hosley Forest Tower located at the terminus of Thomas Jones Road, Centerville, Franklin County

TERM: Ninety-three years effective May 1, 2015 or possession

AREA: Tower and building space

ANNUAL RENTAL: Benefits

COMMENTS: New Sublease. New sublease for tower space and building space to install supporting communications equipment.