



Roy Cooper, Governor

North Carolina
Department of Administration
State Property Office


Machelle Sanders
Secretary

Tim Walton
Director

November 30, 2017

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: Tim Walton 
Director

SUBJECT: Notification of Land Transactions

Attached are real property matters requiring reporting.

TW/tm

Cc: Machelle Sanders, Secretary
Mark Edwards, Deputy Secretary
Fiscal Research Division

GOVERNMENTAL OPERATIONS AGENDA INDEX

November 30, 2017

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

1. The Conservation Fund (AGRICULTURE) Transylvania County
2. Department of Transportation (DEQ-WILDLIFE) Tyrrell County
3. David Herman (NCCU) Durham County
4. Johnnie H. Price & Janice L. Price (NCCU) Durham County
5. Mountain Area Health Education Center, Inc. (UNC-CH) Buncombe County

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

6. Center for Agricultural and Food Entrepreneurship (AGRICULTURE)
Buncombe County
7. The Museum of the Albemarle, Inc. (DNCR-HISTORIC) Pasquotank County
8. NC Transportation Museum Foundation (DNCR-HISTORIC) Rowan County
9. Cabarrus County (PUBLIC SAFETY & UNC-TV) Cabarrus County

ACQUISITION BY DEED

ITEM 1

GRANTOR: The Conservation Fund

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

LOCATION: Cascade Lake Road, Brevard, Transylvania County

AREA: ±753 acres

UNIT COST: \$531/acre

CONSIDERATION: \$400,000

COMMENTS: State Forest Expansion. Property proposed for acquisition is adjacent to the DuPont Recreational State Forest. Acquisition of this property will provide additional forest management opportunities for the Forest Service. Funding for this acquisition is provided by the Clean Water Management Trust Fund.

ITEM 2

GRANTOR: State of NC, Department of Transportation, Natural Environmental
Section

GRANTEE: State of NC, Department of Environmental Quality,
Division of Wildlife Resources Commission

LOCATION: Palmetto Pear Tree Preserve, Little Alligator River, Albemarle Sound, Tyrrell County

AREA: ±9,732 acres

CONSIDERATION: Gift

COMMENTS: Game Land Addition. Property proposed for acquisition is for inclusion in the Alligator River Game Land. Acquisition of this property will protect wildlife habitat and provide additional wildlife recreational opportunities for the public. There are 25 known clusters of the federally endangered Red-cockaded woodpecker on this site.

ACQUISITION BY DEED

ITEM 3

GRANTOR: David Herman

GRANTEE: State of NC, North Carolina Central University

LOCATION: 918 Dupree Street, Durham, Durham County

AREA: ±8,276 sq. ft. or 0.189 acre improved with a single-family dwelling containing 998 sq. ft. constructed in 1940

UNIT COST: \$3.62/sq. ft.– land
\$60.12/sq. ft. – improvements

CONSIDERATION: \$90,000

COMMENTS: Campus Expansion. Property proposed for acquisition is needed for the construction of a new School of Business in accordance with the campus master plan. The existing improvements will be severed in preparation of the new construction. Demolition will be handled by the contractor. Funding for this acquisition is provided by funds authorized in Session Law 2015-280, Connect NC Bond Act.

ITEM 4

GRANTOR: Johnnie H. Price and wife, Janice L. Price

GRANTEE: State of NC, North Carolina Central University

LOCATION: 1204 S. Alston Street, Durham, Durham County

AREA: ±6,970 sq. ft. or 0.16 acre improved with a single-family dwelling containing 1,652 sq. ft. constructed in 1920

UNIT COST: \$2.15/sq. ft.– land
\$48.42/sq. ft. – improvements

CONSIDERATION: \$95,000

COMMENTS: Campus Expansion. Property proposed for acquisition is needed for the construction of a new School of Business in accordance with the campus master plan. The existing improvements will be severed in preparation of the new construction. Demolition will be handled by the contractor. Funding for this acquisition is provided by funds authorized in Session Law 2015-280, Connect NC Bond Act.

ACQUISITION BY DEED

ITEM 5

GRANTOR: Mountain Area Health Education Center, Inc. (MAHEC)
Jeffery E. Heck, Registered Agent

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

LOCATION: Mountain Area Health Education Center, 121 Hendersonville Road, Asheville,
Buncombe County

AREA: ±19,602 sq. ft. or ±0.45 acre

CONSIDERATION: Gift

COMMENTS: Section 37.1 of Session Law 2016-94 appropriated \$8,000,000 for the UNC School of Medicine / Western School of Medicine. The property proposed for acquisition will be the site of a new medical education building for the Western School of Medicine. The property will be conveyed subject to restrictions that limit its use to health and medical education programs. Construction of the medical education building will be administered by the State Construction Office. Upon completion, the building and grounds will be leased to MAHEC under terms that will be submitted to the Governor and Council of State for approval. The medical education building will be operated by a consortium consisting of UNC-Chapel Hill, UNC-Asheville (School of Public Health Campus), Western Carolina University, MAHEC and Mission Hospital. Authorization is also requested without further approval by the Council of State to grant all utility easements (water, sewer, electrical, etc.) necessary for construction of the new building and access easements, if needed.

The second level will house clinical space for the MAHEC Psychiatry Residency programming, as well as offices for the Center for Health Professions Education, student study spaces and a café/student lounge/special events area.

The third level will house classroom and office space for the School of Medicine, Center for Health Professions Education, and School of Public Health programs.

DISPOSITION BY LEASE

ITEM 6

LESSOR: State of NC, Department of Agriculture and Consumer Services,
Markets Division

LESSEE: Center for Agricultural and Food Entrepreneurship, (CAFÉ)
a 501 (c)(3) non-profit
Charles Smithson Mills, President

LOCATION: Western North Carolina Farmers Market, 570 Brevard Road,
Asheville, Buncombe County

TERM: Fifteen years effective January 1, 2018 or possession with three 5-year
renewal options, renewable upon mutual consent.

AREA: ±12,000 sq. ft. of land

ANNUAL RENTAL: \$20,000 initial year, with rental increases subject to CPI increases capped at 3% annually
during the term and renewals. Rent begins at the earlier of the construction
commencement date or within 4 years of the lease execution.

COMMENTS: New Ground Lease. New lease for the construction of a 12,000-square foot building to be used
by individuals or small businesses to help start new food businesses. The Lessee is a non-profit incubator kitchen
facility that allows entrepreneurs to produce value added food products to sell for public consumption. Its clients
would purchase fresh produce from the Farmers Market for use in their products resulting in additional sales of
farm products for the market. All costs of improvements on leased premises will be borne by the Lessee. Lessee
must provide successful documentation of construction fundraising activities within 3 years of lease execution.
Construction must begin within 4 years of lease execution.

DISPOSITION BY LEASE

ITEM 7

LESSOR: State of NC, Department of Natural and Cultural Resources,
Division of State Historic Sites and Properties, North Carolina Museum
of the Albemarle

LESSEE: The Museum of the Albemarle, Inc.,
dba Friends of the Museum of the Albemarle
a 501 (c)(3) non-profit
Dr. Ben Speller, President

LOCATION: Rooms 146 & 147, Museum of the Albemarle, 501 South Water Street,
Elizabeth City, Pasquotank County

TERM: Ten years effective December 1, 2017 or possession

AREA: ±858 sq. ft. of office, gift shop, and storage space

ANNUAL RENTAL: \$1.00

COMMENTS: Renewal Lease. The Lessee operates the gift shop, conducts fund-raising activities and is organized exclusively for historical, educational and charitable purposes to foster and promote the growth, progress and general welfare of the North Carolina Museums. As consideration of the lease, the Lessee will use the net profits from the operation of the gift shop and fund-raising activities for the promotion and broadening of the influence of the Museum and the Division. In addition, the gift shop provides valuable service to the Museum visitors by providing educational materials and an additional outlet to learn about North Carolina history.

DISPOSITION BY LEASE

ITEM 8

LESSOR: State of NC, Department of Natural and Cultural Resources,
Division of State Historic Sites and Properties, North Carolina Transportation Museum

LESSEE: North Carolina Transportation Museum Foundation,
a 501 (c)(3) non-profit
Steven Mersch, President

LOCATION: 411 South Salisbury Avenue, Spencer, Rowan County

TERM: Three years effective December 1, 2017 or possession

AREA: ±58,901 sq. ft. of office, workshop, gift shop, storage and gift shop space

ANNUAL RENTAL: \$4,800 plus a percentage of gross sales

COMMENTS: Renewal Lease. The Foundation will operate a gift shop, tourist train and assist with the execution of special events at the Museum. In addition, the Foundation restores and collects rail cars, locomotives, and other rail related cars and equipment in order to further the mission of the Museum and interpret the history of transportation in North Carolina.

ITEM 9

LESSOR: The State of NC, Department of Public Safety, Stonewall Jackson Training School and
the University of North Carolina Center for Public Television

LESSEE: Cabarrus County
Michael K. Downs, County Manager

LOCATION: Frank Liske Park, Stough Road, Concord, Cabarrus County

TERM: Twenty-nine years effective February 23, 2024

AREA: ±232.037 acres

ANNUAL RENTAL: \$1.00 for the term

COMMENTS: Renewal and Consolidation. Renewal and consolidation of two existing long term leases consisting of ±191 acres and ±39.60 acres. Early renewal allows for expansion of amenities at park by Lessee. Lessee is responsible for all costs of construction and operation of the park.