

GENERAL ASSEMBLY OF NORTH CAROLINA
1997 SESSION

S.L. 1997-425
SENATE BILL 833

AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING OF
CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT
INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. The purpose of this act is (i) to authorize the construction by certain constituent institutions of The University of North Carolina and the University of North Carolina - General Administration, of the capital improvements projects listed in the act for the respective institutions, and (ii) to authorize the financing of these projects with funds available to the institutions from gifts, grants, receipts, self-liquidating indebtedness, or other funds, or any combination of these funds, but not including funds appropriated from the General Fund of the State. However, the funding amounts in Section 2 of this act are the maximum authorized amounts for these projects subject to changes allowed under Section 4 of this act.

If the General Assembly appropriates funds for all or part of any project authorized by Section 2 of this act, then the funds may be used as part of the project, but shall be subject to the maximum authorized amounts as set forth in Section 2 of this act. No appropriations from the General Fund shall be used for a project authorized by this act, except as provided in this paragraph.

Section 2. The capital improvements projects authorized by this act to be constructed and financed as provided in Section 1 of this act are as follows:

1.	Appalachian State University	
	Small Group Housing	\$10,748,300
	Bookstore Renovation and Expansion	3,710,200
2.	East Carolina University	
	Renovations to Jarvis Residence Hall	4,644,800
	Life Safety Improvements in Nonacademic Facilities	3,550,500
	Repairs to Dowdy-Ficklen Stadium	3,467,100
3.	North Carolina A & T State University	
	Parking Deck	6,528,000
4.	North Carolina State University	
	Installation of Air Conditioning and Sprinkler Systems - Five Residence Halls	14,187,000
	Partners Building IV	16,200,000

	Centennial Campus Infrastructure	8,164,000
5.	The University of North Carolina at Chapel Hill	
	Replace Coal Silos at the Cogeneration Facility	7,358,200
	Residence Hall Video Network & Communications Wiring	6,646,800
	Renovation of Graham Memorial (Center for Undergraduate Excellence)	5,208,400
	Building for the Institute for the Arts and Humanities	4,096,700
	Paul J. Rizzo Conference Center	15,507,700
6.	The University of North Carolina at Charlotte	
	Student Housing Phase VII Apartments	18,851,000
	Student Recreation Fields	1,355,700
7.	The University of North Carolina at Wilmington	
	200-Bed Housing	6,351,100
	Parking Deck	7,069,500
8.	The University of North Carolina - General Administration	
	Systemwide Sprinkler and Fire Detection Systems	18,402,000.

Section 3. With respect to three projects at the University of North Carolina at Chapel Hill among those identified in Section 2 of this act, the institution may, in addition to those means of construction and financing authorized under Section 1 of this act, accomplish construction and financing through lease arrangements to and from nonprofit corporations, as follows:

1. Renovation of Graham Memorial through lease with the University of North Carolina at Chapel Hill Arts and Sciences Foundation, Incorporated
2. Building for the Institute for Arts and Humanities through lease with the J.R. Hyde, III Family Foundation
3. Renovation and buildings for the Paul J. Rizzo Conference Center through lease with the Kenan-Flagler Business School Foundation.

The term of each lease may be for such duration as the parties agree, not to exceed the longer of the period of capital improvement, and, if the nonprofit corporation incurs indebtedness to finance construction, the period required to retire the indebtedness. For the purposes of contracting for the design, construction, and equipping of these facilities, the University of North Carolina at Chapel Hill may enter into an agreement that provides for the leasing nonprofit corporation to serve as the construction management agent, having general supervision of the construction and equipping of the facility. Each leasing nonprofit corporation and the University of North Carolina at Chapel Hill may enter into combined contracts for project design, construction, and construction management. For purposes of financing construction, the University of North Carolina at Chapel Hill may enter into a long-term lease from the leasing nonprofit corporation. If the General Assembly appropriates funds for some portion of one of these projects, the University of North Carolina at Chapel Hill and the leasing

nonprofit corporation acting as the construction management agent for that project shall not enter into a construction contract without first consulting with the Office of State Construction. No appropriated funds may be used for lease payments or operating costs during this financing period. When a lease to a nonprofit corporation authorized by this section ends, the University of North Carolina at Chapel Hill shall have the option (i) to receive the premises as improved, unencumbered facilities of the institution if the premises as improved meet all applicable standards for possession and use by the institution as a State facility, or (ii) to receive the premises and to remove or demolish the improvements made under the prior lease.

Section 4. At the request of The University of North Carolina Board of Governors and upon determining that it is in the best interest of the State to do so, the Director of the Budget may authorize an increase or decrease in the cost of, or a change in the method of funding, a project authorized by this act. In determining whether to authorize a change in cost or funding, the Director of the Budget shall consult with the Joint Legislative Commission on Governmental Operations.

Section 5. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 13th day of August, 1997.

s/ Dennis A. Wicker
President of the Senate

s/ Harold J. Brubaker
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 2:18 p.m. this 22nd day of August, 1997