### GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 1997**

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### SENATE BILL 833\*

Short Title: UNC Nonappropriated Capital Projects.

(Public)

Sponsors: Senators Kerr; and Hoyle.

Referred to: Finance.

# April 14, 1997

| 1  | A BILL TO BE ENTITLED   |
|----|---|
| 2  | AN ACT TO AUTHORIZE THE CONSTRUCTION AND THE FINANCING,                                     |
| 3  | WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN                                    |
| 4  | CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT  |
| 5  | INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.   |
| 6  | The General Assembly of North Carolina enacts:  |
| 7  | Section 1. The purpose of this act is (i) to authorize the construction by certain          |
| 8  | constituent institutions of The University of North Carolina and the University of North    |
| 9  | Carolina - General Administration, of the capital improvements projects listed in the act   |
| 10 | for the respective institutions, and (ii) to authorize the financing of these projects with |
| 11 | funds available to the institutions from gifts, grants, receipts, self-liquidating          |
| 12 | indebtedness, or other funds, or any combination of these funds, but not including funds    |
| 13 | appropriated from the General Fund of the State.  |
| 14 | Section 2. The capital improvements projects authorized by this act to be                   |
| 15 | constructed and financed as provided in Section 1 of this act are as follows:               |
| 16 |   |
| 17 | 1. Appalachian State University   |
| 18 | Small Group Housing \$10,748,300  |
| 19 | Bookstore Renovation and Expansion 3,710,200  |
| 20 | 2. East Carolina University   |

## GENERAL ASSEMBLY OF NORTH CAROLINA

| 1  | Renovations to Jarvis Residence Hall 4,644,800   |
|----|--|
| 2  | Life Safety Improvements in Nonacademic Facilities 3,550,500                                   |
| 3  | Repairs to Dowdy-Ficklen Stadium 3,467,100   |
| 4  | 3. North Carolina A & T State University   |
| 5  | Parking Deck 6,528,000   |
| 6  | 4. North Carolina State University   |
| 7  | Installation of Air Conditioning and Sprinkler   |
| 8  | Systems - Five Residence Halls 14,187,000  |
| 9  | Partners Building IV 16,200,000  |
| 10 | Centennial Campus Infrastructure 8,164,000   |
| 11 | 5. The University of North Carolina at Chapel Hill   |
| 12 | Replace Coal Silos at the Cogeneration Facility 7,358,200                                      |
| 13 | Residence Hall Video Network & Communications  |
| 14 | Wiring 6,646,800   |
| 15 | Renovation of Graham Memorial (Center for  |
| 16 | Undergraduate Excellence)5,208,400   |
| 17 | Building for the Institute for the Arts and  |
| 18 | Humanities 4,096,700   |
| 19 | Paul J. Rizzo Conference Center 15,507,700   |
| 20 | 6. The University of North Carolina at Charlotte   |
| 21 | Student Housing Phase VII Apartments 18,851,000  |
| 22 | Student Recreation Fields 1,355,700  |
| 23 | 7. The University of North Carolina at Wilmington  |
| 24 | 200-Bed Housing 6,351,100  |
| 25 | Parking Deck 7,069,500   |
| 26 | 8. The University of North Carolina - General  |
| 27 | Administration   |
| 28 | Systemwide Sprinkler and Fire Detection Systems 18,402,000.                                    |
| 29 |  |
| 30 | Section 3. With respect to three projects at the University of North Carolina at               |
| 31 | Chapel Hill among those identified in Section 2 of this act, the institution is authorized, in |
| 32 | addition to those means of construction and financing authorized under Section 2 of this       |
| 33 | act, to accomplish construction and financing through lease arrangements to and from           |
| 34 | nonprofit corporations, as follows:  |
| 35 | 1. Renovation of Graham Memorial through lease with the University of                          |
| 36 | North Carolina at Chapel Hill Arts and Sciences Foundation,                                    |
| 37 | Incorporated   |
| 38 | 2. Building for the Institute for Arts and Humanities through lease with the                   |
| 39 | J.R. Hyde, III Family Foundation   |
| 40 | 3. Renovation and buildings for the Paul J. Rizzo Conference Center                            |
| 41 | through lease with the Kenan-Flagler Business School Foundation.                               |
| 42 | The term of each lease may be for such duration as the parties agree, including the period     |
| 43 | of capital improvement, and, if the nonprofit corporation incurs indebtedness to finance       |

### GENERAL ASSEMBLY OF NORTH CAROLINA

construction, including the period required to retire the indebtedness. For the purposes of 1 2 contracting for the design, construction, and equipping of these facilities, the University 3 of North Carolina at Chapel Hill may enter into an agreement that provides for the 4 leasing nonprofit corporation to serve as the construction management agent, having 5 general supervision of the construction and equipping of the facility. Each leasing 6 nonprofit corporation and the University of North Carolina at Chapel Hill may enter into 7 combined contracts for project design, construction, and construction management. For 8 purposes of financing construction, the University of North Carolina at Chapel Hill may 9 enter into a long-term lease from the leasing nonprofit corporation. When a lease to a 10 nonprofit corporation authorized by this section ends, the University of North Carolina at Chapel shall have the option (i) to receive the premises as improved, unencumbered 11 12 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 13 to remove or demolish the improvements made under the prior lease. 14

15 Section 4. At the request of The University of North Carolina Board of 16 Governors and upon determining that it is in the best interest of the State to do so, the 17 Director of the Budget may authorize an increase or decrease in the scope of, or a change 18 in the method of funding, the project authorized by this act. In determining whether to 19 authorize a change in scope or funding, the Director of the Budget may consult with the 20 Joint Legislative Commission on Governmental Operations. In no event may 21 appropriations from the General Fund be used for a project authorized by this act.

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

22

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