



NC STATE

THINK AND DO
THE EXTRAORDINARY

Administrative Leadership Meeting

Randy Woodson

Chancellor

Tuesday, July 9, 2019

Upcoming ALMs

September 10, 2019	An Overview of Graduate Education: From Enrollment through Graduation	Titmus
November 19, 2019	Strategic Plan Report Card	Titmus

Board of Trustees Appointments

- Board of Governors
 - Stan Kelly
 - Dewayne Washington
 - Chip Andrews
 - Ed Stack
- North Carolina General Assembly
 - Ann Goodnight
 - Jimmy Clark



Legislative Update

- House Bill 966, 2019 Appropriations Act
 - Capital
 - \$80M authorization from the State Capital and Infrastructure Fund (the “Pay As You Go” plan) for a \$160M Integrative Sciences Building
 - Year 1 – \$14,000,000
 - Year 2 – \$21,000,000
 - Year 3 – \$25,000,000
 - Year 4 – \$20,000,000
 - \$2M for a new Apiculture (bee) facility
 - Enrollment
 - \$75 million set aside in a reserve for future enrollment growth funding for the UNC System, NC Community Colleges, and public schools

- Facilities

- \$80 million and \$50 million respectively in years one and two of the biennium for Repairs and Renovation (R&R) to address the backlog of issues throughout the System
- Increases the ability of the university to carry forward any funds remaining at the end of the year from 2.5% to 5% for the next four years
- Increases Chancellors' approval authority on R&R projects up to \$1 million

- Employees

- Funding for salary increases (0.5/1%) for university employees pursuant to policies adopted by the Board of Governors
- A one-time additional five days of non-expiring annual leave for eligible state employees
- Removal of Board of Governors approval of salary increases of more than 5% for salaries of more than \$100k and creation of positions of more than \$70,000

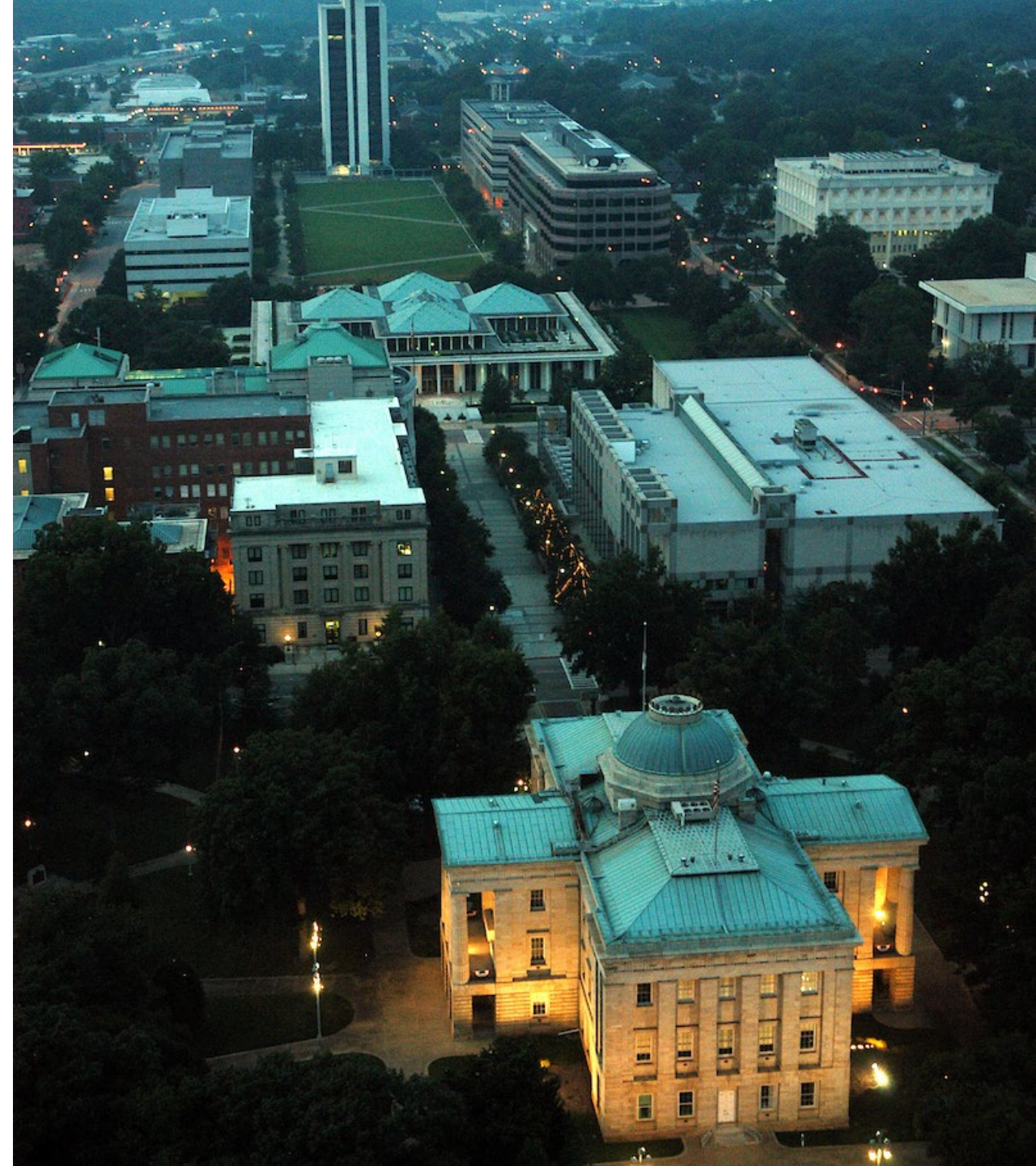


- Other
 - \$2 million each year of the biennium for NIIMBL
 - \$6 million in the first year of the biennium and \$11.4 million in the second year for Faculty Recruitment and Retention efforts
 - \$200,000 recurring for two new Agricultural Education Coordinators
 - Targeted funding for Cooperative Extension Service operations in Avery and Franklin Counties

- Provisions Removed
 - \$4M recurring Facilities and Administrative Receipts cut
 - Unfavorable enrollment funding language

House Bill 389, ABC/Univ Athletic Facility:

- Allows for the sale of beer and wine in athletic venues pending approval by the Board of Trustees



Questions?



THE ENDOWMENT FUND OF NC STATE UNIVERSITY

The Innovation District on Centennial Campus



July 9, 2019

Establishment of the Endowment Fund

1971: North Carolina
legislature passed
General Statute §116-36

Granted authority to each
constituent institution's
Board of Trustees to
establish an investment
board to be known as the
***BOT of the Endowment
Fund*** of the constituent
institution.



Endowment Fund Facts

- The Endowment Fund was statutorily created by the State of North Carolina Legislature in 1977
- The Endowment Fund is governed by a nine-member Board of Trustees of the Endowment Fund
- The Endowment Fund is subject to annual review by State of North Carolina auditors and is reported in the University's financial statements
- The Endowment Fund utilizes the investment services of the NC State Investment Fund

Key Attributes of the Endowment Fund

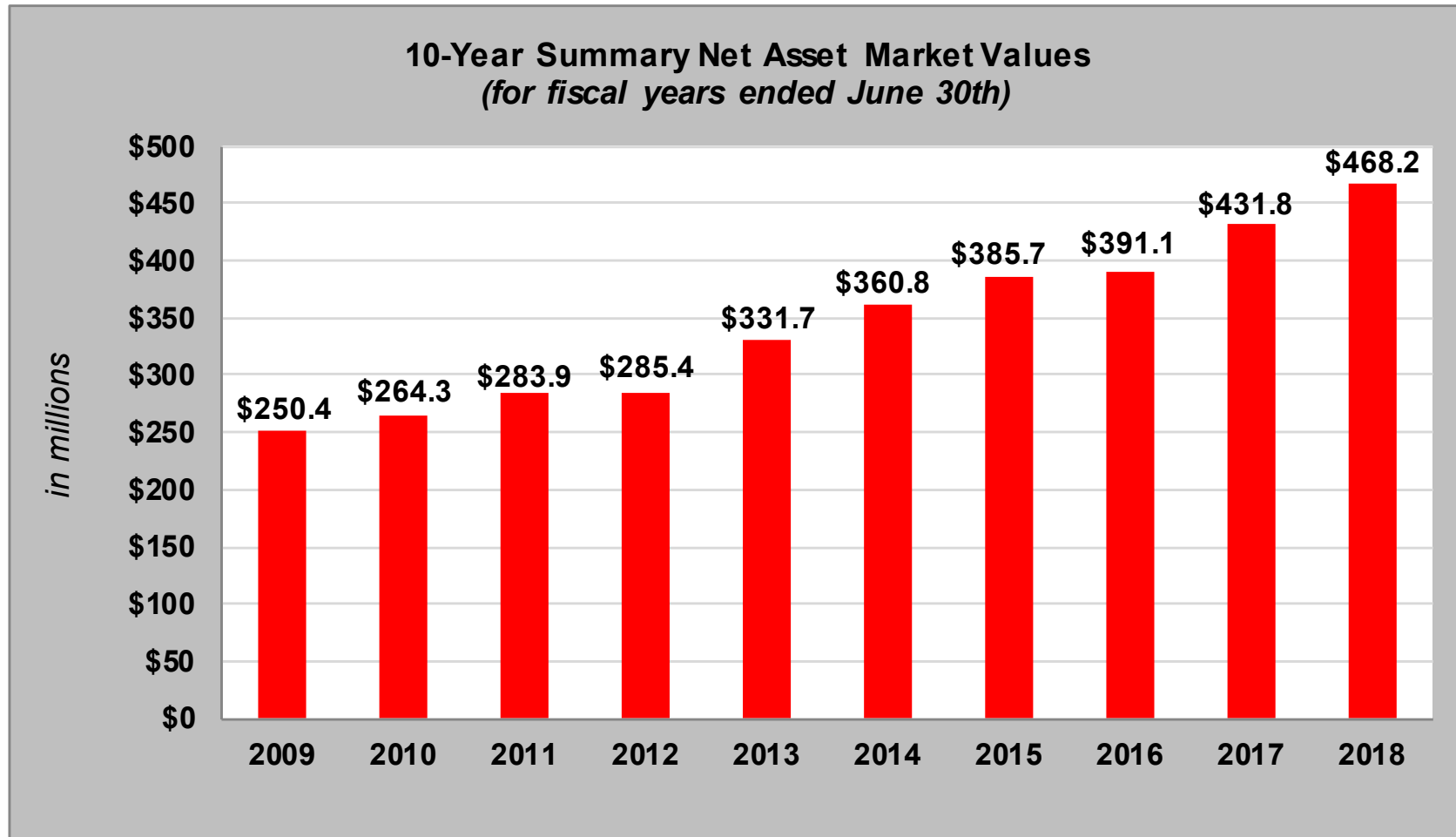
- May receive property of any kind from any source
- May hold title to real property
- Power to buy, sell, lease, develop, exchange, lend, transfer, or otherwise acquire and dispose of property
- In doing so, exempt from state overlays, public works, construction and competitive solicitation
- Subject to NC Public Records Act; not subject to the NC Open Meetings Act
- Sovereign immunity

Board of Trustees of the Endowment Fund

Fiscal Year 2018-19

Jimmy D. Clark <i>Chair</i>	Stan Kelly <i>Vice Chair</i>	W. Randolph Woodson <i>Chancellor</i>
Larry D. Barbour	Lawrence Davenport	Benjamin P. Jenkins
Gayle Lanier	James W. Owens	Art Raymond

Endowment Fund Growth (a portion of the University's total endowment)



Note: Includes long-term pooled investments, Hofmann Forest endowment, other directly owned assets, Bell Tower Holdings, and cash.

Endowment Fund

Significant Directly-Owned Assets

Besides pooled investments, several endowments own other assets warranting board updates:

Centennial Campus Land – approx. 75 acres owned by University Enhancement Endowment
Hofmann Forest – approx. 79,000 acres of managed forest located in Jones and Onslow counties, owned by endowment of same name. Net income from the operation of the Hofmann Forest may only be used for support of the College of Natural Resources. A contract for a \$78 million dollar timber deed for 50 years was secured and \$78 million was received 6/30/16.

Maiden Lane – parking lot that is currently used as rental property and is located adjacent to campus

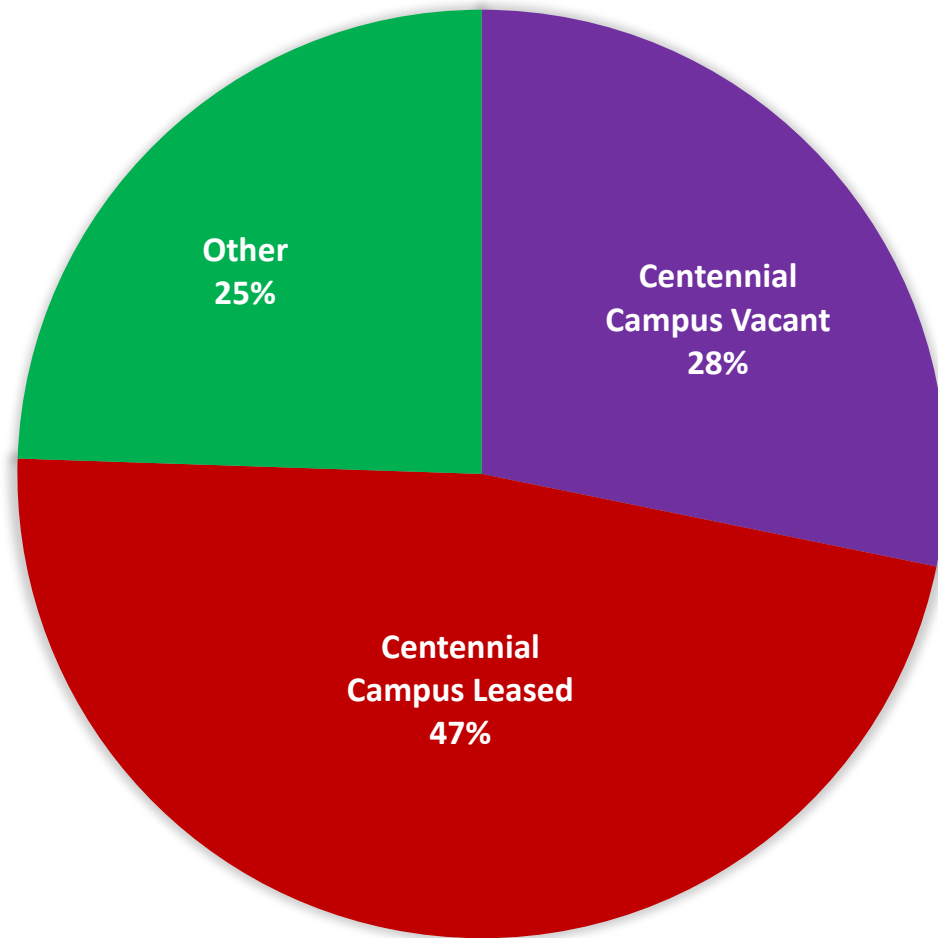
Raymond P. Cunningham – used by the College of Agriculture and Life Sciences as part of a research station used to conduct research and teaching

Marine Aquaculture Research Center (MARC) – property being used by the College of Agriculture and Life Sciences for research and teaching purposes

W.N. Reynolds Faculty House – lodging facility in Kannapolis, NC owned by the William N. Reynolds professorship

Trinity Road – approx. 23 acres owned by the University Enhancement Endowment

Endowment Fund Real Estate (Excludes Programmatic)



75 Acres on Centennial Campus:
47 Acres Leased
28 Acres Un-leased

24.3 Acres:
0.686 Acre -- Maiden Ln
23.22 Acres -- Trinity Rd
0.13 Acre -- Hope St
0.24 Acre -- Trailwood Dr

99.3 Total Acres

Center for Technology and Innovation (CTI) – Ground Lease

Opened January 2017

105,000 Square Feet

Tenants:

- The Nonwoven Institute
- DELTA
- Bandwidth
- 15,000 sq. ft. unoccupied



Biomedical Partnership Building (BPC) – Ground Lease

Opened April 2017

44,500 Square Feet

Tenants:

- Vet School/Provost
- Smithfield Foods (Murphy Brown)
- Hipra
- Adrenas
- 2,433 sq. ft. unoccupied



StateView Hotel: Autograph Marriott Collection – Ground Lease

Opened October 2017

168 Rooms



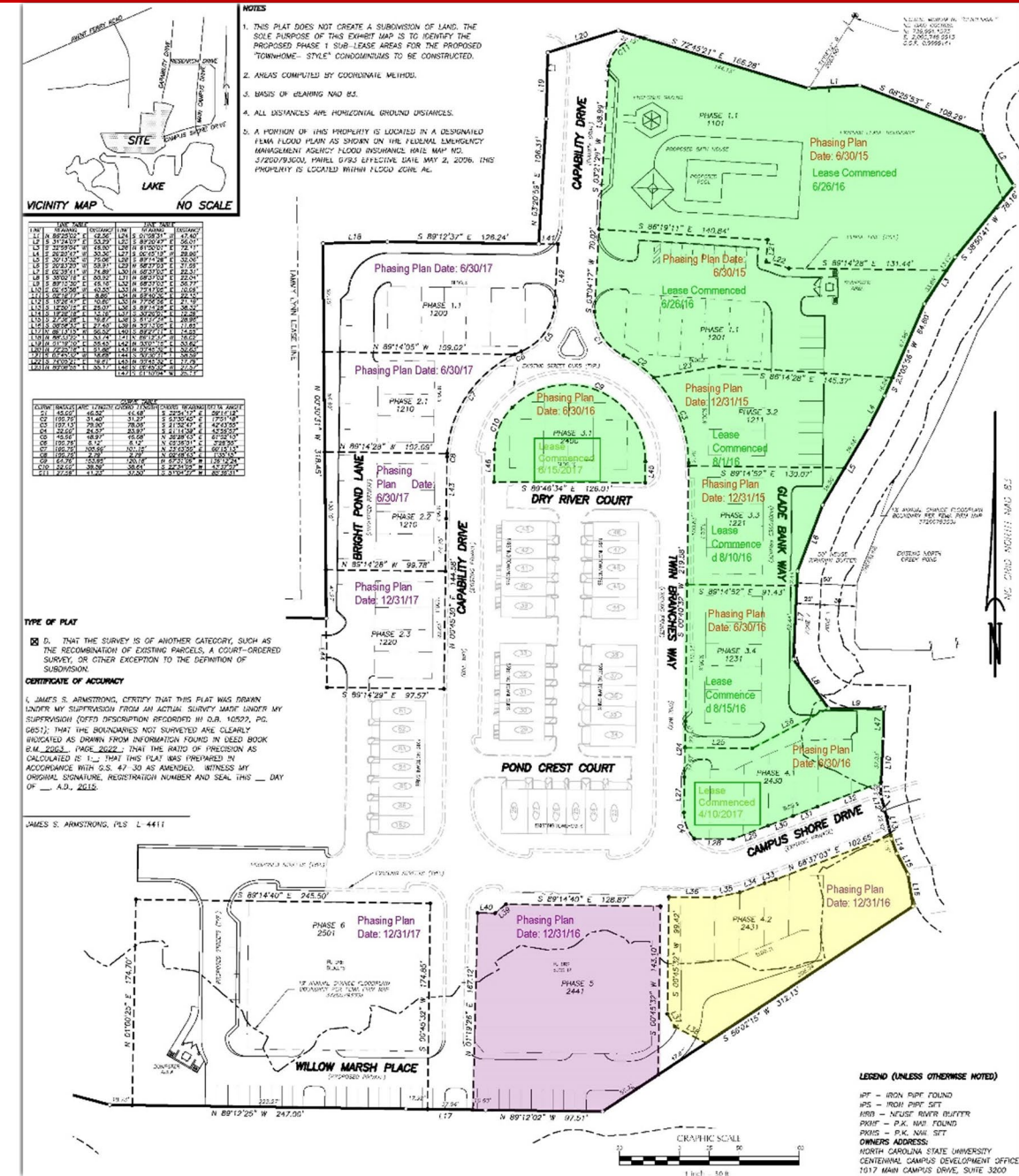
North Shore Community – Ground Lease

64 town homes complete

Future:

35 unit condo building planned

16 additional town homes



The Innovation District

32-acre phased
development

Mixed Use
Innovation District

Negotiations with
developer underway





**The Innovation District
at Centennial Campus**



20th Century Suburban Campus



21st Century Innovation District





Innovation Districts Are...

... the ultimate mash up of entrepreneurs and educational institutions, start-ups and schools, mixed-use development... bike-sharing and bankable investments—all connected by transit, powered by clean energy, wired for digital technology, and fueled by caffeine.

-- *Brookings Institution*

**KENDALL SQUARE
MIT
CAMBRIDGE, MA**



**CORTEX INNOVATION
COMMUNITY
WASHINGTON UNIVERSITY
& ST LOUIS UNIVERSITY
ST LOUIS, MO**



**INNOVATION
QUARTER
WAKE FOREST
WINSTON SALEM, NC**

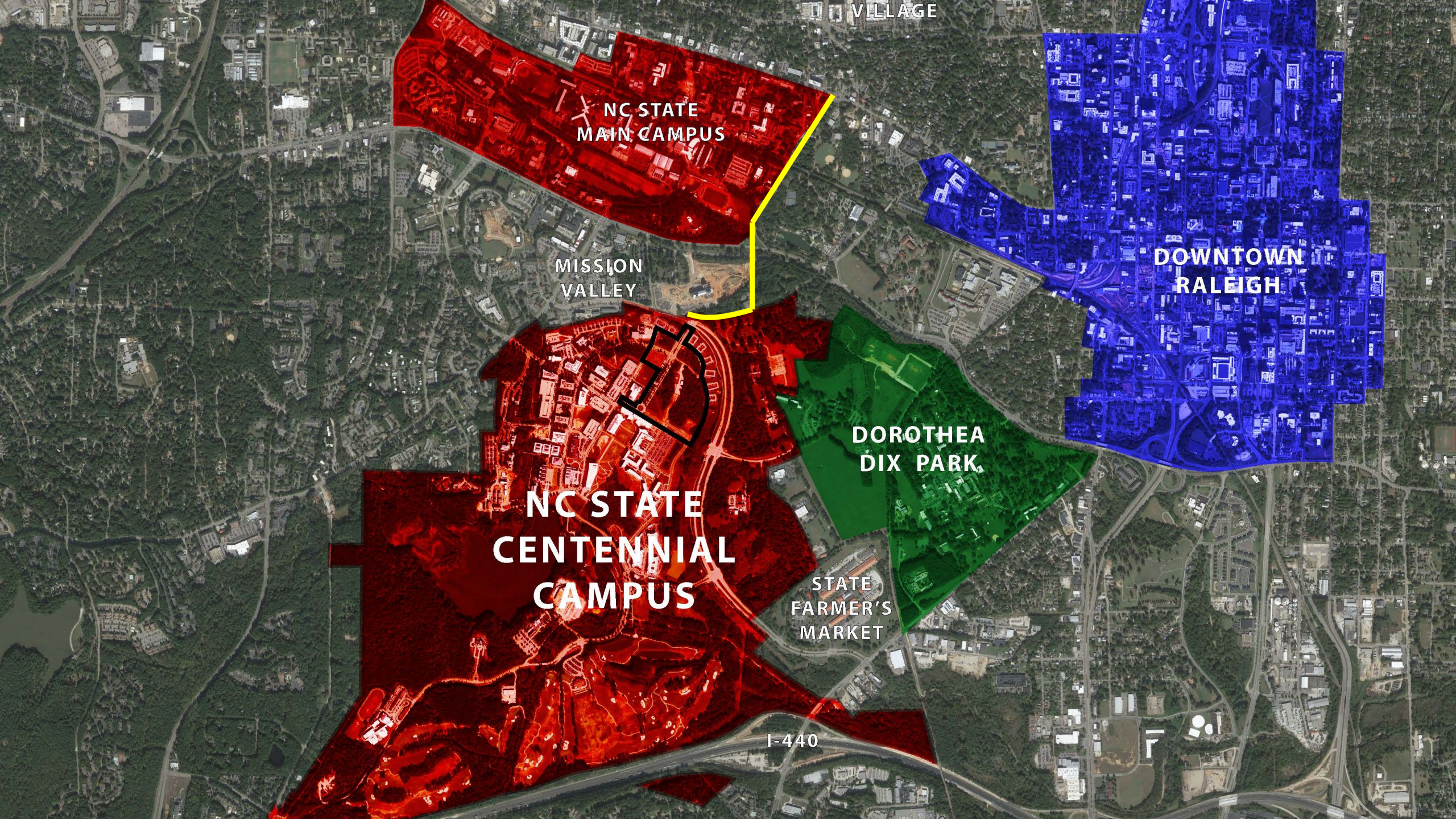


**VIRGINIA TECH
INNOVATION CAMPUS
VIRGINIA TECH
ALEXANDRIA, VA**

**TECH SQUARE
GEORGIA TECH
ATLANTA, GA**



**NOVUS INNOVATION
CORRIDOR
ARIZONA STATE
TEMPE, AZ**



VILLAGE

NC STATE
MAIN CAMPUS

MISSION
VALLEY

DOWNTOWN
RALEIGH

DOROTHEA
DIX PARK

NC STATE
CENTENNIAL
CAMPUS

STATE
FARMER'S
MARKET

I-440



US-1/ HWY 64

AVENT FERRY MULTI-USE PEDESTRIAN TUNNEL
COMMITTED PROJECT (YRS 1-5)

PULLEN RD EXTENSION COMPLETE

WESTERN BLVD

SOUTH
CAMPUS

1.0 MILE
20 MIN WALK

0.5 MILE
10 MIN WALK

AVENT FERRY RD

CENTENNIAL
CAMPUS

LAKE
RALEIGH

GORMAN ST

I-40 WIDENING

LONNIE
POOLE
GOLF
COURSE

CENTENNIAL
PKWY

SPRING
HILL

0.5 MILE
10 MIN. WALK

PULLEN RD

HILLSBOROUGH ST

ASHE AVE

1.0 MILE
20 MIN WALK

DOROTHEA
DIX PARK

FARMERS
MARKET

LAKE WHEELER RD

MAYWOOD AVE + LAKE WHEELER RD
SIDEWALK IMPROVEMENTS

FUTURE GREENWAY
CONNECTION

US-401

Centennial Campus Innovation District

32+
Acres

3M+
Square
Feet

5+
Phases

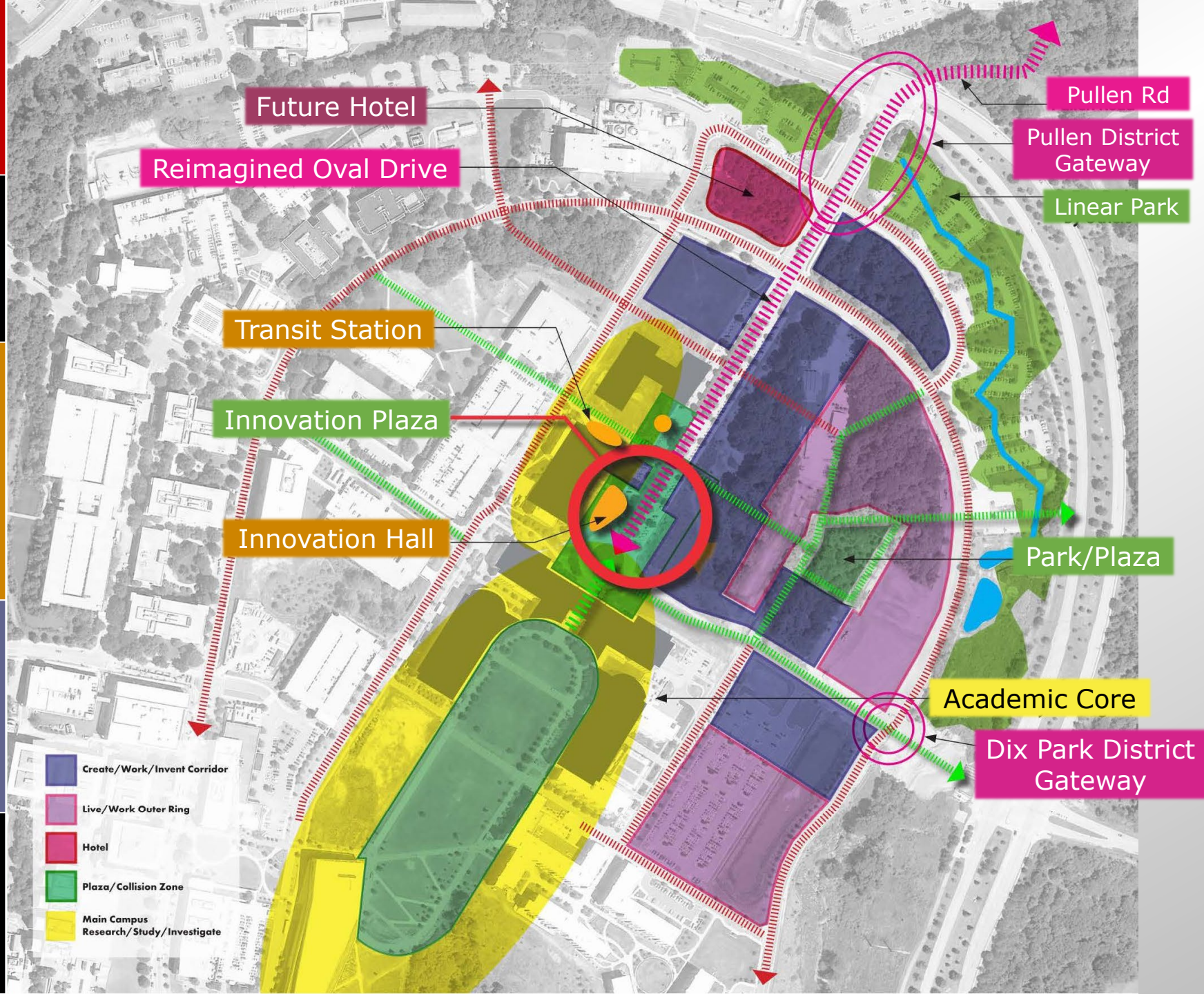
Innovation Ecosystem
Regional Destination
High Visibility
Mixed-Use Urban Village

Office
Lab
Start-Up Space
Residential
Innovation Hall

Retail
Restaurant
Meeting Space
Fitness
Innovation Plaza

Key Terms:

15-year option to lease
99-year ground lease term
100% self-parked
Infrastructure installed by developer



A FREE CONCERT SERIES

LIVE @ LAKE RALEIGH

SIDECAR SOCIAL CLUB
SEPT 13 / 6 PM
OPENING BAND: TBD

THE FRITZ
OCT 11 / 6 PM
OPENING BAND: TBD

FOOD TRUCKS AT 5:30PM

LAKERALEIGH / CENTENNIALCAMPUS
LIVEATLAKERALEIGH.COM



A Community Mural Project

SPLATTERFEST 2018

Oct. 6th
10 AM - 3 PM

Food Trucks

Family Fun

Art

A collage of images showing children painting murals, a child with face paint, and people participating in art activities. The images are set against a background of colorful paint splatters.

Food Truck Rodeos

Questions?