ACTIONS ITEM:
Amendment to Previously Approved Disposition of Property and Lease of Spring Garden Apartments

BACKGROUND INFORMATION:
In April 2005, the Council of State, at the request of the Board of Governors and the UNCG Board of Trustees, approved a ground lease of state-owned land and a long-term lease that allowed the University of North Carolina at Greensboro to enter into an agreement with the Capital Facilities Foundation, Inc. to construct facilities on the campus to be used by the University for student housing. Capital Facilities Foundation, Inc. is a corporation formed to enhance UNCG’s educational mission, including assisting with the acquisition, development, financing, construction, management, and operation of capital assets for UNCG.

The Capital Facilities Foundation entered into a tax-exempt bank loan to provide financing for the project (Spring Garden Apartments) with the expectation that repayment of the loan would occur when the University purchased the project sometime prior to May 2008. The processes required to complete this purchase will not be finalized in time to meet the May 2008 term.

The following recommended action allows the agreements for the University’s Spring Garden Apartments project to be amended to extend the repayment date by one year to a date prior to May 1, 2009. It is recommended that the following action be approved.

RECOMMENDED ACTION:
That The Board of Trustees of the University of North Carolina at Greensboro approves:

Amendments to the April 1, 2005 agreements related to the construction of the private housing and parking facilities (Spring Garden Apartments) on the campus of The University of North Carolina at Greensboro extending the loan repayment date by one year to a date prior to May 1, 2009.

______________________________
Reade Taylor
Vice Chancellor for Business Affairs