

§ 146-29. Procedure for sale, lease, or rental.

(a) General Procedure. – If, after investigation, the Department of Administration determines that it is in the best interest of the State that land be sold, leased, or rented, the Department shall proceed with its sale, lease, or rental, as the case may be, in accordance with rules adopted by the Governor and approved by the Council of State. If an agreement of sale, lease, or rental is reached, the proposed transaction shall then be submitted to the Governor and Council of State for their approval or disapproval. Every conveyance in fee of land owned by the State or by any State agency shall be made and executed in the manner prescribed in G.S. 146-74 through 146-78.

(b) Limitations on Certain Leases. – The Department of Administration shall not enter into a lease or lease renewal of the following types unless specifically authorized to do so by the General Assembly:

- (1) A lease of real property for a period of more than 30 years, or a renewal of a lease of real property, if the renewal would make the total term of the lease exceed 30 years.
- (2) A lease of real property, or a renewal of a lease of real property, for any term if both of the following conditions are satisfied:
 - a. State personnel or State functions would need to be relocated as a result of the lease or renewal.
 - b. The agency to which the property is currently allocated possesses insufficient operating funds to cover the cost of both the relocation and the ongoing provision of State functions affected by the relocation.

(c) Reporting Required. – The Department of Administration shall report to the Joint Legislative Commission on Governmental Operations at least 30 days prior to entering or renewing any lease described in subdivision (b)(1) of this section or any lease or renewal that will require the relocation of State personnel or State functions. The report shall include all of the following:

- (1) If the lease or lease renewal will require State personnel or State functions to be relocated, a statement of the legislation authorizing the lease or lease renewal or a detailed statement of the operating funds that will be used to cover the cost of both the relocation and the ongoing provision of State functions affected by the relocation, as applicable.
- (2) If the lease or lease renewal will have a term of more than 30 years, a statement of the legislation authorizing the lease or lease renewal.

(d) Exemptions. – This section shall not apply to the following:

- (1) The granting of utility easements, including the lease of interests in real property pursuant to G.S. 146-29.2.
- (2) Leases for student housing projects, including a ground lease to a university endowment for the purpose of facilitating the construction of student housing.
- (3) Leases made as part of the Voice Interoperability Plan for Emergency Responders (VIPER) project being managed by the Department of Public Safety. (1957, c. 584, s. 6; G.S., s. 146-110; 1959, c. 683, s. 1; 2016-94, s. 37.7(b).)