

**Resolution**  
**Dillard Drive Flex Space Operating Lease**

**WHEREAS**, the Wake County Board of Education wishes to enter into a ten-year lease with Chaucer Investments LLC for administrative space under N.C. General Statute 115C-530; and,

**WHEREAS**, the Wake County Board of Education is obligated to pay Chaucer Investments LLC, \$87,024 during fiscal year 2016 which will be funded from their existing budget;

**WHEREAS**, Per 115C-530, if an operational lease is approved by the board of county commissioners, in each year the county commissioners shall appropriate sufficient funds to meet the amounts to be paid during the fiscal year under the lease; and

**WHEREAS**, Because WCPSS states that there are insufficient funds in their local budget to absorb the operating costs, by approval of the operating lease, the Board of Commissioners is approving recurring additional funds to WCPSS to support the lease and additional operating costs of the facility estimated as shown below; and

<b>Fiscal Year</b>	<b>Lease Square Footage</b>	<b>TICAM</b>	<b>Utilities</b>	<b>Janitorial</b>	<b>Total</b>
2017	\$ 348,096		\$ 29,385	\$ 29,948	\$ 407,430
2018	356,798	2,353	30,414	30,996	420,561
2019	365,718	4,788	31,478	32,081	434,066
2020	374,861	7,309	32,580	33,204	447,954
2021	384,233	9,917	33,720	34,366	462,237
2022	393,839	12,617	34,901	35,569	476,926
2023	403,685	15,412	36,122	36,814	492,033
2024	413,777	18,304	37,386	38,103	507,570
2025	424,121	18,945	21,298	39,436	503,800
2026	434,724	19,608	24,396	40,816	519,545
	\$ 3,899,852	\$ 109,254	\$ 311,680	\$ 351,334	\$ 4,672,121

**WHEREAS**, The landlord has provided a tenant allowance in the amount of up to \$326,340 for up-fit. If costs exceed this amount, additional funds will be identified in the WCPSS operating budget, and

**WHEREAS**, North Carolina General Statutes §115C-530 requires that operational leases for school buildings and school facilities be approved by the Board of County Commissioners and Local Government Commission; and

**WHEREAS**, the Wake County Board of Commissioners finds that the proposed contract is necessary and expedient; is preferable to a bond issue for the same purpose; the sums to fall due under the contract are adequate and not excessive for the proposed purpose; and that an increase in taxes, if any, necessary to meet the sums to fall due under the contract will not be excessive;

**NOW, THEREFORE, BE IT RESOLVED** that the Wake County Board of Commissioners hereby agrees to appropriate sufficient funds to the Wake County Board of Education to meet the Chaucer Investments LLC lease obligations. Said funds shall in addition to regular appropriations made to the Wake County Board of Education beginning with the FY 2017 operating budget. The Wake County Board of Commissioners finds that because the property is not for sale, and because the school system desires adjacencies to their existing administrative space for programmatic purposes, an operating lease was deemed the most desirable option and approves the operating lease and approves the lease funding and associated operating costs of the lease.

Adopted this the 19th day of January 2016.

Wake County Board of Commissioners

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James West, Chairman