Follow-up Report: Indian Cultural Center

In 2012, the Joint Legislative Program Evaluation Oversight Committee (JLPEOC) directed the Program Evaluation Division (PED) to evaluate options for the future disposition of the North Carolina Indian Cultural Center site located in Maxton, NC. The original concept for the site was a theme park-like attraction dedicated to the history, culture, and heritage of North Carolina American Indians. The North Carolina Indian Cultural Center, Inc. held the lease on the property and was the nonprofit charged with implementing the concept.

PED found that the Cultural Center had not become what was once envisioned. The site’s geography, condition, and size constrained development, and the lease structure of the property hindered accountability and state oversight. PED determined that options for the future disposition of the site were limited to property allocation and sale.

PED recommended that the General Assembly

- terminate the property leases;
- direct the Department of Administration on the disposition of the four parcels of land; and
- direct the Commission of Indian Affairs to develop a new strategic vision for the preservation and promotion of North Carolina American Indian culture.

Based on PED’s report recommendations, the General Assembly enacted S.L. 2013-186, which

- terminated the State’s leases for the Indian Cultural Center site and the Riverside Golf Course property; and
- provided instructions to the Department of Administration for the disposal and allocation of the Cultural Center parcels.

The legislation required the Department of Administration to first offer Parcel 1 (See Exhibit 1) to the Lumbee Tribal Administration for purchase, subject to restrictive covenants. The department and the Lumbee reached an agreement for the sale of the property on December 17, 2013. Consultation from JLPEOC was required for the sale to be finalized. On February 10, 2014, JLPEOC accepted the Department of Administration’s transaction report, completing its consultation requirement. The transaction was then reviewed and approved by Government Operations and the Council of State.

The Tribal Council authorized the Lumbee Tribal Administration to purchase Parcel 1 in late March 2014. The tribe secured a $351,000 loan to purchase it. Meanwhile, the State Property Office completed the reallocation of Parcels 2, 3, and 4 to the Department of Environment and Natural Resources, and Lumber River State Park is now managing the property (See Exhibit 2).

As directed by the General Assembly, 25% of the proceeds from the sale of Parcel 1 were appropriated to the Department of Environment and Natural Resources. According to the department’s Division of Parks and Recreation, assessments and approvals for the demolition of dilapidated and unneeded structures on the property are underway. The next task will be to create a plan for recreational development of the property in coordination with the Lumbee Tribal Administration. Implementation of the plan, including construction of public recreation facilities, will be completed as funding becomes available.
Exhibit 1: The North Carolina Indian Cultural Center Site was Composed of Four Individual Parcels

Source: Program Evaluation Division based on Robeson County Tax Office data.
### Exhibit 2: Current Status of the Four Former Indian Cultural Center Parcels

<table>
<thead>
<tr>
<th>Parcel</th>
<th>Deeded acres</th>
<th>Assessed value</th>
<th>Current ownership</th>
<th>Current/proposed usage</th>
</tr>
</thead>
</table>
| 1      | 384.1        | $1,675,000     | Lumbee Tribal Administration purchased in March 2014 for $351,000, subject to restrictive covenants and reversion to the State as provided in Section 4(a) of S.L. 2013-186 | • Proposed name is Lumbee Tribal Cultural Complex  
• Plan to improve lake site (adding camping and RV areas)  
• Cultural/recreational grounds will be used for pow wows, outdoor concerts, and special events  
• Covered stage area will be improved for musical performances  
• Plan to improve amphitheater for musical and theatrical productions such as Strike at the Wind  
• Plan to improve pool area |
| 2      | 91.5         | $174,000       | Division of Parks and Recreation | • Allocated to Division of Parks and Recreation to be used as part of Lumber River State Park  
• Plan for recreational development of property will be created with public input and in coordination with owners of Parcel 1 |
| 3      | 42           | $374,500       | Division of Parks and Recreation | • Allocated to Division of Parks and Recreation to be used as part of Lumber River State Park  
• Plan for recreational development of property will be created with public input and in coordination with owners of Parcel 1 |
| 4      | 10           | $47,000        | Division of Parks and Recreation | • Allocated to Division of Parks and Recreation to be used as part of Lumber River State Park  
• Plan for recreational development of property will be created with public input and in coordination with owners of Parcel 1 |

Source: Program Evaluation Division based on information from the Robeson County Tax Office, Lumbee Tribal Administration, and N.C. Division of Parks and Recreation.
Exhibit 3: Timeline for the Sale of Indian Cultural Center Property to Lumbee Tribal Administration

- June 3, 2013—Department of Administration (DOA) receives an appraisal of $1,170,000 for Parcel 1 unencumbered by restrictive covenants or reversionary interest in favor of the State
- June 26, 2013—S.L. 2013-186 directs DOA to terminate leases at the Indian Cultural Center site and sell or allocate portions of the property
- July 9, 2013—North Carolina Indian Cultural Center, Inc. (NCICC) files for issuance of a temporary restraining order and preliminary injunction to enjoin the enforcement of S.L. 2013-186
- July 10, 2013—Notice of termination sent to NCICC and Lumbee Land Development, Inc.
- August 30, 2013—Judge grants State’s motion to dismiss NCICC’s July 9, 2013 complaint for lack of jurisdiction
- August 22, 2013—DOA receives an appraisal of $351,000 for Parcel 1 encumbered by restrictive covenants and reversionary interest in favor of the State
- September 6, 2013—NCICC’s September 3, 2013 motion denied
- September 13, 2013—DOA takes possession of the property
- September 19, 2013—Three copies of the appraisal of Parcel 1, as encumbered, and a proposed Purchase and Sale Agreement, delivered to the Lumbee Tribal Administration
- December 16, 2013—Lumbee Tribal Administration delivers a revised contract to DOA
- December 17, 2013—Terms of the Purchase and Sale Agreement finalized and circulated
- February 19, 2014—Joint Legislative Program Evaluation Oversight Committee accepts DOA’s transaction report, completing consultation on the sale of the Indian Cultural Center
- March 2014—Tribal Council authorizes Lumbee Tribal Administration to purchase property

For more information on this follow-up report, please contact the lead evaluator, Sean Hamel, at sean.hamel@ncleg.net.

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