



**BOARD OF TRUSTEES
RESOLUTION**

Number: R16-174

Subject: University Transportation and Parking Services Bond Issuance

Date: June 9, 2016

A RESOLUTION REQUESTING THE ISSUANCE OF BONDS TO FINANCE THE CONSTRUCTION OF A NEW MULTI-LEVEL PARKING GARAGE FACILITY ON THE CAMPUS OF THE UNIVERSITY OF FLORIDA; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF TRUSTEES:

Section 1. The Board of Trustees (the “Board of Trustees”) of the University of Florida (the “University”) hereby requests the Florida Board of Governors to request the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) to issue bonds in an amount not exceeding \$19,700,000 (the “Bonds”) for the purpose of financing (i) the construction of a multi-level parking garage (the “Project”) on the campus of the University, (ii) capitalized interest, if any, (iii) a debt service reserve fund, if necessary, and (iv) certain costs associated with issuing the Bonds.

Section 2. The Project will consist of approximately 752 parking spaces. The Project is reflected on the approved master plan for the University and is consistent with the mission of the University because it will mitigate the anticipated loss of parking spaces in the medium term due to future campus development. Construction of the Project is expected to begin in January of 2017 and to be completed by January of 2018. Proceeds of the Bonds are not anticipated to be sufficient to complete the construction of the Project without the use of additional funds. Additional necessary funding in the amount of \$1,300,000 will be obtained from the University’s Parking and Transportation Services reserve funds. Legislative approval of the Project has been

obtained pursuant to section 1010.62, Florida Statutes. No proceeds of the Bonds will be used to finance operating expenses of the University.

Section 3. The Bonds are to be secured by the Parking System Revenues, on parity with the University's outstanding Parking Facility Revenue Bonds, after deducting therefrom the Administrative Expenses, the Current Expenses and the Rebate Amount, if any (the "Pledged Revenues"). The Parking System Revenues include all fees, rentals or other charges and income received by the University from students, faculty members and others using or being served by or having the right to use, or having the right to be served by, the parking system of the University, and all parts thereof, except the transportation access fee and fines collected by the Student Traffic Court, and specifically including, without limiting the generality of the foregoing, parking decal fees, parking fines, toll parking fees, bus service fees, metered parking fees, and any special rental fees or charges for services or space provided. The Administrative Expenses include fees or charges of the State Board of Administration of Florida and the Division. Current Expenses include all necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated shares of charges for insurance and all other expenses of the Board of Governors or the University incident to the operation of the parking system of the University, but excludes depreciation, all general administrative expenses of the Board of Governors or the University, the expenses of operation of auxiliary facilities the revenues of which are not pledged as security for the Bonds and the payments into any parking system maintenance and equipment reserve fund. The Rebate Amount, if any, is the excess investment earnings which may be required to be paid to the federal government pursuant to Section 148 of the Internal Revenue Code of 1986, as amended. The Bonds will be secured by a first lien on the Pledged Revenues. The Bonds may also be secured by such other revenues as may be designated by the Board of Trustees and approved by the Board of Governors from time to time. The University is legally authorized to secure the Bonds with the revenues to be pledged pursuant to section 1010.62, Florida Statutes. The University is also committed to ensuring that sufficient revenues will be generated to fulfill the University's obligations with respect to the Bonds.

Section 4. The Bonds will mature not more than 20 years after issuance, including any extensions or renewals thereof. The Project has an estimated useful life of 30 years, which is beyond the anticipated final maturity of the Bonds. The Bonds will bear interest at a fixed interest rate.

Section 5. The Board of Trustees will comply, and will require the University to comply, with all requirements of federal and state law relating to the Bonds, including but not limited to, laws relating to maintaining any exemption from taxation of interest payments on the Bonds and continuing secondary market disclosure of information regarding the Bonds.

Section 6. The University will comply with the Debt Management Guidelines adopted by the Board of Governors on April 27, 2006, as subsequently amended, and the debt management policy of the University.

Section 7. The University President, University Vice President and Chief Financial Officer, University Vice President for Business Affairs, and other authorized representatives of

the University and the Board of Trustees are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other actions as they may deem necessary or desirable, in connection with the execution, sale and delivery of the Bonds.

Section 8. In making the determination to finance the Project, the Board of Trustees has reviewed the information described in Appendix A.

Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted this 9th day of June, 2016.



Steven M. Scott, Chair



W. Kent Fuchs, President
and Corporate Secretary

Appendix A

The following documents have been reviewed by the Board of Trustees prior to the execution of this Resolution:

- a. the project program, feasibility study, or consultant report;
- b. a draw schedule for the project;
- c. sources and uses of funds for the project;
- d. an estimated debt service schedule;
- e. debt service schedules for any outstanding debt with a lien on the pledged revenues;
- f. a schedule showing estimated compliance with any additional bonds requirement set forth in the documents governing the outstanding debt;
- g. a description of the security supporting repayment and the lien position the debt will have on that security;
- h. a five year history, if available, and a five year projection, of the pledged revenues and the debt service coverage;
- i. an analysis which provides quantitative metrics justifying the need for the construction or acquisition of the project and explains why the project is essential to the university's core mission;
- j. a detailed assessment of private sector alternatives and a determination of whether the private sector can offer a comparable alternative at a lower cost, which may be included as part of a project feasibility study or may be a stand-alone report; and
- k. an analysis which calculates the expected return on investment or internal rate of return for a revenue-generating project or another appropriate quantitative measure for a non-revenue generating project.