



**BOARD OF TRUSTEES
RESOLUTION**

Number: R16-184

Subject: University Transportation and Parking Services Bond Issuance

Date: December 1, 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; REQUESTING THE REDEMPTION OF CERTAIN STATE OF FLORIDA, BOARD OF REGENTS, UNIVERSITY OF FLORIDA PARKING FACILITY REVENUE BONDS, SERIES 1998; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Trustees (the “Board of Trustees”) of the University of Florida (the “University”) previously adopted its Resolution R16-174 requesting that the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) issue bonds to finance the construction of a new 762-space multi-level parking garage facility that was to be located at the southwest corner of the intersection of Newell Drive and McCarty Drive on the University’s main campus;

WHEREAS, the Board of Trustees has determined that it is in the best interest of the University to change the location of the proposed parking garage facility to an existing surface lot located immediately south of the University’s Reitz Union at the southwest corner of the intersection of Museum Road and Center Drive on the University’s main campus in order to (i) enable the construction of a larger parking garage facility containing a greater number of spaces, and (ii) remove the need for an encroachment into University conservation areas and an amendment to the University’s Campus Master Plan;

WHEREAS, because of the increased size of the proposed parking garage facility, the cost of such facility has also increased, which in turn results in an increase in the anticipated not to

exceed principal amount of the proposed tax-exempt bonds that will be issued to finance the facility; and

WHEREAS, the Board of Trustees desires to adopt the new resolution to account for such change in circumstances, to renew its request to the Division to issue bonds for the purposes described herein, and to request the Division to redeem, utilizing University Funds, certain outstanding bonds.

BE IT RESOLVED BY THE BOARD OF TRUSTEES:

Section 1. The Board of Trustees of the University hereby requests the Division to issue bonds in an amount not to exceed \$37,200,000 (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 1,520 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 July of 2017 and to be completed by January of 2019. 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 21¹ 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, acting singly, 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. The Board of Trustees further requests the Board of Governors to request the Division take action necessary to redeem certain State of Florida, Board of Regents, University of Florida Parking Facility Revenue Bonds, Series 1998. The University anticipates that it will provide cash to accomplish the redemption.

Section 10. This Resolution shall take effect immediately upon its adoption.

Adopted this 2nd day of December, 2016.

1. The 21 year term will consist of a projected interest-only payment of \$1,240,000 due in 2017-18, followed by 20 equal payments consisting of both principal and interest beginning in 2018-19 and continuing through 2037-38.

Appendix A

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

Attachment (a) – Consultant Report-Davis Architects

- the project program, feasibility study, or consultant report;

Attachment (b) – Draw Schedule

- a draw schedule for the project;

Attachment (c) – Sources and Uses of Funds

- sources and uses of funds for the project;

Attachment (d) – Debt Service Schedule

- an estimated debt service schedule;

Attachment (e) – Debt Service Schedule with Lien on Pledged Revenue

- debt service schedules for any outstanding debt with a lien on the pledged revenues;

Attachment (f) – Schedule of Estimated Compliance

- a schedule showing estimated compliance with any additional bonds requirement set forth in the documents governing the outstanding debt;

Attachment (g) – Description of Security

- a description of the security supporting repayment and the lien position the debt will have on that security;

Attachment (h) – Five Year History and Projection

- a five year history, if available, and a five year projection, of the pledged revenues and the debt service coverage;

Attachment (i) 1 – Project Justification

Attachment (i) 2 – Decal and Space Calculations

- 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;

Attachment (j) – Private Sector Feasibility – Walker Parking Consultants

- 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;

Attachment (k) – Analysis IRR

- 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.