

**RESOLUTION OF BOARD OF GOVERNORS OF THE STATE OF FLORIDA APPROVING THE FINANCING OF THE COSTS OF THE ACQUISITION AND CONSTRUCTION OF AN INTERDISCIPLINARY RESEARCH BUILDING AND A MULTI-TENANT OFFICE BUILDING IN THE RESEARCH PARK ADJACENT TO THE TAMPA CAMPUS OF THE UNIVERSITY OF SOUTH FLORIDA (THE "UNIVERSITY") AS DESCRIBED HEREIN, BY THE UNIVERSITY OF SOUTH FLORIDA RESEARCH FOUNDATION, INC. (THE "RESEARCH FOUNDATION"), A UNIVERSITY DIRECT SUPPORT ORGANIZATION; APPROVING THE ISSUANCE BY THE RESEARCH FOUNDATION OF REVENUE BONDS IN MULTIPLE SERIES IN AN AGGREGATE AMOUNT NOT EXCEEDING \$40,000,000 TO FINANCE THE PROJECT; APPROVING THE PURPOSES AND EXISTENCE OF THE RESEARCH FOUNDATION; RECOMMENDING THAT THE STATE BOARD OF EDUCATION APPROVE SAID BONDS; AUTHORIZING CHANCELLOR AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THE RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

The undersigned, being the duly acting and appointed Board of Governors (the "Board of Governors") of the State of Florida (the "State") at a meeting duly held pursuant to notice and a quorum being present, do hereby make the following resolutions:

**BE IT RESOLVED:**

**1. Findings.** The Board of Governors hereby finds as follows:

(A) Effective July 1, 2004, the Legislature of the State has approved the Project (as hereinafter defined) in the General Appropriations Act and Summary Statement of Intent for Fiscal Year 2004-2005.

(B) The University of South Florida Research Foundation, Inc., a Florida not-for-profit corporation (the "Research Foundation"), was created for the purpose of providing direct support to the University of South Florida (the "University") and is certified by The University of South Florida Board of Trustees (the "University Board") as a "university direct-support organization" as defined in Section 1004.28, Florida Statutes.

(C) The Research Foundation proposes to issue its Revenue Bonds in multiple series (the "Bonds") payable solely from and secured by a pledge of the rental revenues derived from leasing the Project (hereinafter defined) and other legally available funds of the Research Foundation (collectively, the "Pledged Funds"). The proceeds of the Bonds will be used to finance the cost of: (i) retiring

bridge loans obtained from Bank of America, N.A. (the "Bank") to provide interim financing for the Project); (ii) construction and development of an Interdisciplinary Research Building ("IDRB") and a Multi-Tenant Office Building ("MTOB") in the Research Foundation's research park adjacent to the Tampa campus of the University (the "Project"), (iii) capitalized interest, and (iv) certain costs of issuance of the Bonds.

(D) The University Board has approved the issuance of the Bonds by the Research Foundation and has requested the Board of Governors to approve such issuance pursuant to Article IX, Section 7, Florida Constitution.

(E) The Board of Governors declares that (i) the construction of the Project will serve a public purpose by providing research facilities at the University and (ii) the issuance of the Bonds by the Research Foundation to finance the Project will serve a public purpose.

**2. Approval of the Project.** The Board of Governors hereby approves construction of the Project by the Research Foundation. Title to the underlying property shall remain with the Trustees of the Internal Improvement Trust Fund and title to the Project shall vest in the State of Florida in accordance with the Lease Agreement dated November 8, 1982, from the Board of Trustee of the Internal Improvement Trust Fund of the State of Florida (the "TIIF"), as landlord, to the Tampa Bay Area Research and Development Authority, as tenant, as modified by the Lease Modification Agreement, dated October 1, 1985, and as assigned to the Research Foundation pursuant to the Assignment and Assumption of TIIF Lease, Development Agreement, Infrastructure Lease, Subleases and Easements as of October 31, 2000 (the "Ground Lease").

**3. Approval of Bonds and the Research Foundation.** The Board of Governors hereby approves, and recommends that the State Board of Education (the "State Board") of the State approve, issuance of the Bonds by the Research Foundation, acting for the benefit of the University and the University Board, for the purposes described herein, in multiple series in an aggregate principal amount not to exceed \$40,000,000, said Bonds to have a final maturity not to exceed thirty-two (32) years from the date thereof and at an interest rate or rates acceptable to the Research Foundation. The Board of Governors further affirms its approval of the existence and purposes of the Research Foundation. This approval is subject to the understanding that the Bonds do not create any obligation, direct or contingent, on the part of the University, the University Board, the State Board of Education, the Board of Governors, the State of Florida, or any political subdivision, department or agency thereof, to pay any part of the principal or purchase price of, premium, if any, or interest on the Bonds, or to levy ad valorem taxation or any other form of taxation to repay the same, but rather such Bonds shall be payable solely from (a) rentals derived from the Project by the Research Foundation and (b) other legally available funds of the Research Foundation. Title to the Project shall vest in the State of Florida in accordance with the Ground Lease and the Bonds

shall be used exclusively to finance or refinance the cost of the Project and certain related costs.

**4. Representation of the Research Foundation.** The Research Foundation acknowledges that use of variable interest rate financing involves the assumption of risk associated with an increase in interest rates. Accordingly, the Research Foundation has agreed to take appropriate actions to reduce such risk including:

(a) Closely monitoring the variable interest rate market to enable rapid response to changes in interest rates;

(b) Use of interest rate caps or swap transactions will be utilized if deemed appropriate;

(c) Maintenance of sufficient fund balance within the Research Foundation to provide for payment of extraordinary operating expenses and, if necessary, payment of debt service.

**5. Repealing Clause.** All resolutions of the Board of Governors, or parts thereof, in conflict with the provisions herein contained, to the extent they conflict herewith, are, to the extent of such conflict, hereby superseded and repealed.

**6. Authorization of Further Actions Consistent Herewith.** The Chancellor of the Board of Governors, attorneys, engineers or other agents or employees of the Board of Governors are hereby authorized and directed to do all acts and things required of them by this resolution, or desirable or consistent with the requirements thereof, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Bonds, and this resolution including execution of such documents, certificates, contracts and legal opinions and other material delivered in connection with construction of the Project, the sale of the Bonds or as necessary to preserve the tax-exemption thereon to the extent issued with the intent that interest thereon shall be excluded from gross income for federal income tax purposes.

**7. Effective Date.** This resolution shall become effective immediately upon passage.

**CERTIFICATE OF THE CORPORATE SECRETARY**

The undersigned, Corporate Secretary of the Board of Governors of Education, does hereby certify that the attached resolution relating to the issuance of Bonds by the University of South Florida Research Foundation, Inc. is a true and accurate copy as adopted by the Board of Governors on \_\_\_\_\_, 2004.

**BOARD OF GOVERNORS**

By: \_\_\_\_\_  
Corporate Secretary

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