

A RESOLUTION REQUESTING THE DIVISION OF BOND FINANCE TO ISSUE REVENUE BONDS ON BEHALF OF FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY AND AUTHORIZING THE TRUSTEES OF FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY TO PARTICIPATE IN THE UNITED STATES DEPARTMENT OF EDUCATION'S HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM FOR THE PURPOSE OF REFINANCING AND RESTRUCTURING EXISTING OUTSTANDING DEBT AND CONSTRUCTING A NEW RESIDENCE HALL AND A NEW DINING FACILITY ON THE MAIN CAMPUS OF FLORIDA AGRICULTURAL AND MECHANICAL UNIVERSITY IN A TOTAL AMOUNT NOT TO EXCEED \$125,000,000; AND PROVIDING AN EFFECTIVE DATE.

The duly acting and appointed Board of Governors (the "Board of Governors") of the State University System of Florida 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) Pursuant to Article IX, Section 7 of the Florida Constitution, the Board of Governors is vested with the power to operate, regulate, control and manage the State University System of Florida. The Board of Governors is further vested with the authority to approve the issuance of revenue bonds by Florida Agricultural and Mechanical University pursuant to Section 1010.62(2), Florida Statutes.

(B) The Board of Trustees of Florida Agricultural and Mechanical University (the "University") has requested approval from the Board of Governors to enter into one or more loan agreements with the United States Department of Education ("USDOE") in connection with USDOE's Historically Black College and University Capital Financing Program (the "Loan") and authorize the Division of Bond Finance to issue one or more series of revenue bonds in an amount not exceeding \$125,000,000 (the "Bonds") for the purpose of financing (i) the refunding and restructuring of all the University's existing housing revenue bonds (ii) construction and equipping of a new student housing facility and a new dining facility (collectively, the "Project") on the main campus of the University; (iii) capitalized interest; (iv) a debt service reserve fund and (v) certain costs associated with issuing the Bonds. The foregoing plan to finance the refunding and restructuring of the outstanding housing debt and the construction of the Project is collectively referred to herein as the "Financing Plan".

(C) The housing portion of the Project will be part of the housing system at the University, and will consist of approximately 700 beds.

(D) Upon consideration of the Financing Plan, the Board of Governors further finds that the issuance of the Bonds is for a purpose that is consistent with the mission of the University; is structured in a manner appropriate for the prudent financial management of the University; is secured by revenues adequate to provide for all debt service payments; has been properly analyzed by the staffs of the Board of Governors and the Division of Bond Finance; and is consistent with the Board of Governors' Debt Management Guidelines.

(E) The Board of Governors declares that the Project will serve a public purpose by providing housing and dining facilities at the University.

(F) The Project is included in the master plan of the University.

(G) The portion of the Bonds and Loan allocated to refund and restructure the outstanding housing system revenue bonds, and fund an associated debt service reserve fund and costs may not exceed \$55,000,000. The portion of the Bonds and Loan allocated to fund the Project, and fund associated debt service reserve fund, capitalized interest and costs, may not exceed \$70,000,000.

2. Approval of the Project. The Project is approved by the Board of Governors as being consistent with the strategic plan of the University and the programs offered by the University.

3. Approval of the Bonds. The Board of Governors hereby approves and requests the Division of Bond Finance State Board of Administration of Florida (the "Division") to issue the Bonds for the purpose of funding the Financing Plan in an amount not to exceed \$125,000,000; and to take such other steps as may be needed for the University to enter into the HBCU Loan. Proceeds of the Bonds may be used to pay the costs identified in the Financing Plan. The Bonds are to be secured by the net revenues of the housing system of the University and such other security as may be required by the HBCU Loan Program. The Division shall determine the amount of the Bonds to be issued and the date, terms, maturities, and other features of a fiscal or technical nature necessary for the issuance of the Bonds. Proceeds of the Bonds and other legally available monies shall be used for the refunding and restructuring of the outstanding housing debt and the construction of the Project, which is authorized by Section 1010.62, Florida Statutes. The issuance of Bonds by the Division for the purpose of reimbursing the University for capital expenditures paid for the Project from legally available funds of the University is hereby authorized.

4. Refunding Authority. Authority is further granted for the issuance of bonds for the purpose of refunding all or a portion of any bonds secured by the revenues described, if it is deemed by the Division to be in the best financial interest of the Florida Agricultural and Mechanical University. The limitation on the amount authorized for the Bonds in Section 1 above shall not apply to such refunding bonds. Other terms of this resolution shall apply to any such refunding bonds as appropriate.

5. Compliance. The Board of Governors will comply, and will require the University to comply, with all covenants and other legal requirements relating to the Bonds and the Loan.

6. Deferred Maintenance. As a condition of Board of Governors' approval of the proposed Financing Plan, the Board of Governors hereby requires the University to report its progress in addressing its Housing System Deferred Maintenance needs, as shown in the Facility Condition Assessment Executive Summary prepared by ISES Corporation in February 2018, to the Board of Governors on an annual basis. In addition, the University may not transfer any housing system moneys from the housing system for non-housing system purposes, except for the housing system's reasonable share of general University overhead expenses, until such time as all existing Housing System Deferred Maintenance has been addressed. The University may not request any additional housing system debt, or request approval to enter into housing-related public private partnership arrangements, until 1) the completion of the Project, and 2) a Facility Condition Assessment is performed which indicates that the University is making substantial progress in addressing Housing Deferred Maintenance.

7. Fees. As provided in Section 215.65, Florida Statutes, the fees charged by the Division and all expenses incurred by the Division in connection with the issuance of the Bonds (except for periodic arbitrage compliance fees, if any, which shall be paid from other legally available funds) shall be paid and reimbursed to the Division from the proceeds of the sale of such Bonds. If for any reason (other than a reason based on factors completely within the control of the Division) the Bonds herein requested to be authorized are not sold and issued, the Board agrees and consents that such fees, charges and expenses incurred by the Division shall, at the request of the Division, be reimbursed to the Division by the University from any legally available funds of the University.

8. Authorization. The Division is hereby requested to take all actions required to issue the Bonds and obtain the Loan for the University.

9. 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.

10. Authorization of Further Actions by the Board. The members of the Board of Governors, attorneys, 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 hereof, to assure 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 the refunding and restructuring of the outstanding housing debt and the construction or financing of the Project for use by the University, the issuance of the Bonds or as necessary to preserve the exemption from the taxation of interest on any of the Bonds which are tax-exempt, in such form and content as the Chair, Vice Chair or authorized officers executing the same deem necessary, desirable or appropriate.

10. Authorization of Further Actions by the University. The University President and other authorized representatives of the University and the Board of Trustees are hereby authorized to take all actions needed to execute all instruments, documents and contracts and to take all other actions they deem necessary or desirable, in connection with the execution of the Loan and the issuance of the Bonds, and the entering into the loan agreement with the United States Department of Education.

11. Effective Date. This resolution shall become effective immediately upon its adoption.

Adopted this 13th day of September, 2018.

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the Board of Governors, does hereby certify that the attached resolution relating to the issuance of Bonds by the Division of Bond Finance of the State Board of Administration of Florida on behalf of Florida Agricultural and Mechanical University is a true and accurate copy as adopted by the Board of Governors on September 13, 2018, and said resolution has not been modified or rescinded and is in full force and effect on the date hereof.

**STATE UNIVERSITY SYSTEM OF
FLORIDA BOARD OF GOVERNORS**

Dated: _____, 2018

By: _____
Corporate Secretary

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