

MINUTES
STATE UNIVERSITY SYSTEM OF FLORIDA
BOARD OF GOVERNORS
FACILITIES COMMITTEE
VIRTUAL MEETING
SEPTEMBER 8, 2023

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Governor Charles Lydecker, Chairman, convened the Board of Governors Facilities Committee meeting at 2:09 p.m. (ET) on September 8, 2023. The following members were present: Edward Haddock, Brian Lamb, Craig Mateer, and Eric Silagy. Other Board members present included Tim Cerio, Manny Diaz, Aubrey Edge, Patricia Frost, Jack Hitchcock, Jose Oliva, and Amanda Phalin

1. Call to Order and Opening Remarks

Chairman Lydecker called the meeting to order.

2. 2024-25 Fixed Capital Outlay Legislative Budget Request and PECO Preliminary Selection Group

Chairman Lydecker presented the agenda's first item: the proposed FY24-25 Fixed Capital Outlay Legislative Budget Request and PECO Preliminary Selection Group, CITF funding for student activities and recreational amenities, as well as continued funding to address the remaining backlog of deferred capital renewal/replacement needs.

Chairman Lydecker recognized the Board of Governors' Director of Finance and Facilities, Mr. Kevin Pichard, to provide an overview of the proposal.

Mr. Pichard advised the Committee that the annual State University System (SUS) Fixed Capital Outlay Legislative Budget Request (FCO LBR) represents the Board's request for legislative appropriation of funds for continued capital outlay support to renovate, remodel, maintain existing physical plant, as well as fund the construction of new capital projects. The boards of trustees have approved the universities' annual Capital Improvement Plans (CIPs), the building blocks for the FCO LBR.

This year's Preliminary Selection Group includes thirty-five proposed projects, most of which have received a partial funding appropriation. The proposed request has been prepared following statutory requirements and Board-adopted guidelines.

Additionally, Mr. Pichard advised them that PECO funding is estimated at \$367M this year, including \$99.8M Sum-of-Digits funding, leaving \$267M for ten capital projects.

Chairman Lydecker opened the floor to discussion; hearing none asked for a motion to approve the 2024-25 Fixed Capital Outlay Budget Request and PECO Preliminary Selection Group. Governor Lamb made a motion to approve, and Governor Silagy seconded the motion, and the motion was carried.

3. Authorization to Issue Debt by USF Financing Corporation for a Stadium

Chairman Lydecker introduced the next item on the agenda, a proposal by the University of South Florida to authorize the issuance of debt in the amount of \$200M to finance the construction of a stadium on its Tampa campus. Again, Chairman Lydecker recognized Mr. Pichard to provide a summary of the proposed project and financing.

Mr. Pichard advised the Committee that the total cost is approximately \$340M. Of that total cost, \$200M of that will be financed. The remaining \$140M will be provided via university equity, which includes gifts, donations, and a pledge of Student Capital Improvement Fees (CITF). Other sources include proceeds from ticket sales, the sale of broadband spectrum licenses, and unrestricted reserves from several auxiliaries. USF contracted a leading advisory and planning firm specializing in consulting services related to convention sport and entertainment industries. USF engaged CSL to prepare a market and feasibility study of the stadium project. Financing will be in the form of a 20-year note comprised of 3 years of interest only for the construction phase, followed by a 17-year loan.

Mr. Pichard noted that the financing appears to comply with Florida Statutes and the State University Systems' Debt Management Guidelines. It is included in the approved Campus Master Plan, and the project was approved by the USF Board of Trustees last June.

Chairman Lydecker recognized Mr. Will Weatherford, University of South Florida Board of Trustee Chair, to provide additional information on the USF Stadium Project.

Mr. Weatherford shared how this project will have a transformational impact on the University of South Florida and a significant impact on the community. This on-campus stadium will be used to host a variety of events and will serve as a destination venue for the community and the city. The stadium will host football games, women's lacrosse, concerts, festivals, and other gatherings within the community. The facility will bring jobs for our students and residents, tourism dollars, and other opportunities to fuel the economic growth of the Tampa Bay region and the state of Florida. The stadium will also elevate USF Athletics programs, raising the visibility of the brand and maximizing future opportunities. Mr. Weatherford stated that, most importantly, the stadium will be a rallying point that brings people together as it will help connect our 50,000 students and the over 400,000 alumni to help and inspire generations of current and future Bulls fans far and wide.

Chairman Lydecker opened the floor to discussion, and Governor Lamb said he supports the project.

Hearing no further discussion, Chairman Lydecker asked for a motion to adopt a resolution authorizing the issuance of taxable debt not exceeding \$200M by the University of South Florida Financing Corporation to finance the construction of a new stadium on the Tampa campus. Governor Lamb motioned to approve, Governor Jones seconded, and the motion carried.

4. Authorization to Issue Debt by the University of North Florida for an Honors College Residential Hall

Chairman Lydecker presented the next item on the agenda, a request by the University of North Florida to adopt a resolution authorizing debt in the amount of \$86.7M to construct a new Honors Dorm.

Chairman Lydecker again recognized Mr. Pichard to provide the Committee with an overview of the project.

Mr. Pichard provided the Committee with an overview of the project and financing. Mr. Pichard advised the Committee that the proposed financing complies with Florida Statutes governing university debt issuance.

Chairman Lydecker opened the floor for questions or comments; hearing none, he requested a motion to adopt a resolution authorizing debt in the amount of \$86.7 million for the University of North Florida to construct a new Honors Dorm.

Governor Haddock moved to approve, Governor Silagy seconded, and the motion carried.

5. Amended Resolution Authorizing Debt Issuance by Florida State University Athletics Association, Inc. for a Football Operations Facility

Chairman Lydecker introduced the last item on the agenda, a request to Amend the resolution authorizing debt issuance of \$116M by the Florida State University Athletics Association, Inc. for a football operations facility.

Chairman Lydecker advised the Committee that at the last meeting in June 2023, the request was approved for the issuance of up to \$116M in bonds by the Division of Bond Financing (DBF) to finance the construction of this project. This previously adopted resolution included a typical provision that authorized the Division of Bond Finance DBF to refinance existing debt when appropriate. However, the relevant provision did not completely capture all the athletic-related debt. Nor all the pledged revenues that secure it. Consequently, DBF has proposed amending the resolution to describe pledge revenues and authorize debt refinancings as appropriate.

Chairman Lydecker opened the floor to questions or comments from the Committee; hearing none, the Chairman requested a motion to approve the amended resolution

authorizing debt issuance by the Florida State University Athletics Association, Inc. for a football operations facility.

Governor Jones moved to approve, Governor Lamb seconded, and the motion carried.

6. Concluding Remarks and Adjournment

With no further business, Chairman Lydecker adjourned the meeting at 2:44 p.m. (ET) on September 8, 2023.

Kevin Pichard, Director of Finance, and
Facilities

Charles Lydecker, Chairman