



J. BEN WATKINS III
DIRECTOR

STATE OF FLORIDA
DIVISION OF BOND FINANCE

RON DeSANTIS
GOVERNOR

ASHLEY MOODY
ATTORNEY GENERAL

JIMMY PATRONIS
CHIEF FINANCIAL OFFICER

WILTON SIMPSON
COMMISSIONER OF AGRICULTURE

MEMORANDUM

To: Board of Governors

From: J. Ben Watkins III

Date: October 18, 2023

Re: Florida State University Athletics Association ("FSUAA") Football Stadium Improvements Project

The stadium project at Florida State University will involve certain private uses which cannot be financed with tax-exempt bonds e.g., skyboxes, concessions, naming rights etc. One of the goals for the financing is to minimize taxable debt and maximize tax-exempt bonds to lower the borrowing cost on the financing. In its tax analysis, the tax attorneys for the transaction (Bryant Miller Olive) have determined that the stadium and the previously approved football operations facility can be combined for tax purposes in order to allocate certain cash contributions to private uses associated with the stadium. This may allow more of the stadium debt to be issued on a tax-exempt basis, which brings a lower interest rate.

The tax attorneys have asked that the Board of Governors adopt one reimbursement resolution that allows for reimbursement of costs from the tax-exempt bond proceeds for the stadium and football operations building. Treasury Reg. § 1.150-2 provides for reimbursement of costs, and reimbursement language is typically included in a resolution approving a project. Because the stadium and football operations building were approved in separate board resolutions, we have created a separate reimbursement resolution to allow for reimbursement to support the position that the stadium and football operations building are one project for tax purposes.

cc: Ray Rodrigues, Chancellor, Board of Governors
Kevin Pichard, Director, Board of Governors