



Item: V.a. AF: A-9

Tuesday, June 19, 2012

SUBJECT: APPROVAL OF AN AMENDED DEBT RESOLUTION FOR THE UNDERGRADUATE HOUSING PROJECT

PROPOSED BOARD ACTION

Recommend approval of an amended debt resolution for the 2012 undergraduate housing project.

BACKGROUND INFORMATION

On March 15, 2012, the Board of Trustees approved a debt resolution: (i) authorizing the FAU Finance Corporation ("FAUFC"), an FAU direct support organization, to issue debt in an amount not to exceed \$50,000,000 (the "Debt") for the purpose of financing and constructing a new 614 bed residence hall on the Boca Raton campus (the "Project"), (ii) requesting the Florida Board of Governors ("BOG") to approve the issuance of the Debt, and (iii) authorizing appropriate officials of the University and FAUFC to execute all documents and take all steps and other actions necessary or desirable in connection with the execution, sale and delivery of the Debt (collectively, the "March Resolution").

The Division of Bond Finance has requested that certain clarifying language be added to the March Resolution and its supporting Description of Security to specify that the Debt is secured by a pledge of revenues net of operating expenses needed for the Project. No other change to the March Resolution or its supporting materials (which may be viewed on the BOT's web archive of the March meeting:

[http://www.fau.edu/bot/meetings/03_15_2012_fullboardmeeting/AF_A5_Undergraduate Housing Project Financing Plan.pdf](http://www.fau.edu/bot/meetings/03_15_2012_fullboardmeeting/AF_A5_Undergraduate_Housing_Project_Financing_Plan.pdf)) is being requested.

IMPLEMENTATION PLAN/DATE

The Debt issuance will be presented to the BOG for approval on June 21, 2012. If the BOG approves the issuance, the closing will occur shortly thereafter to achieve Project completion for the Fall of 2013.

FISCAL IMPLICATIONS

There are no fiscal implications from the proposed amendments to the previously approved resolution.

Supporting Documentation: Proposed Amended Resolution and Description of Security

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