

A RESOLUTION OF THE STATE BOARD OF EDUCATION (THE "STATE BOARD") SUPPLEMENTING THE RESOLUTION OF THE BOARD OF REGENTS ADOPTED ON MAY 24, 2001, AS AMENDED, ENTITLED:

"RESOLUTION OF THE BOARD OF REGENTS OF THE STATE OF FLORIDA (THE "BOARD") APPROVING THE FINANCING OF THE COSTS OF THE ACQUISITION AND CONSTRUCTION OF CERTAIN STUDENT RESIDENCE FACILITIES ON THE TAMPA CAMPUS OF THE UNIVERSITY OF SOUTH FLORIDA (THE "UNIVERSITY") AS DESCRIBED HEREIN, BY THE UNIVERSITY OF SOUTH FLORIDA FOUNDATION, INC. (THE "FOUNDATION"), A UNIVERSITY DIRECT SUPPORT ORGANIZATION, AND, IF FINANCIALLY ADVANTAGEOUS, THE REFUNDING OF ALL OR A PORTION OF THE UNIVERSITY OF SOUTH FLORIDA HOUSING FACILITY REVENUE BONDS, SERIES 1996A AND, IF NECESSARY, THE REFUNDING OF THE UNIVERSITY OF SOUTH FLORIDA REVENUE BONDS OF 1983, BOTH ISSUED ON BEHALF OF THE UNIVERSITY; APPROVING FORMS OF A FIRST AMENDATORY MASTER GROUND LEASE AGREEMENT AND A FIRST AMENDATORY MASTER OPERATING LEASE; APPROVING THE ISSUANCE BY THE FOUNDATION OF CERTIFICATES OF PARTICIPATION, IN AN AMOUNT NOT EXCEEDING \$22,000,000 TO FINANCE THE PROJECTS AND IN AN AMOUNT NOT EXCEEDING \$12,200,000 TO FINANCE THE REFUNDINGS; APPROVING THE PURPOSES AND EXISTENCE OF THE FOUNDATION; AUTHORIZING CHANCELLOR AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THE RESOLUTION; AND PROVIDING AN EFFECTIVE DATE."

BY APPROVING THE ISSUANCE BY THE FOUNDATION OF CERTIFICATES OF PARTICIPATION, SERIES 2003, IN AN AMOUNT NOT TO EXCEED \$36,000,000 TO FINANCE THE RENOVATION OF AN EXISTING 295-BED DORMITORY STYLE STUDENT RESIDENCE FACILITY (BETA HALL) AND THE CONSTRUCTION OF A NEW 602-BED SUITE AND APARTMENT STYLE STUDENT RESIDENCE FACILITY (MAPLE II) ON THE CAMPUS OF THE UNIVERSITY OF SOUTH FLORIDA BY THE

**UNIVERSITY OF SOUTH FLORIDA FOUNDATION, INC.
(THE "FOUNDATION"), A UNIVERSITY DIRECT
SUPPORT ORGANIZATION; AUTHORIZING CHAIRMAN,
VICE CHAIRMAN, CHIEF FINANCIAL OFFICER AND
OTHER AUTHORIZED OFFICERS OF THE STATE BOARD
TO TAKE FURTHER ACTIONS CONSISTENT WITH THE
RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.**

The undersigned, being the duly acting and appointed State Board of Education (the "State Board") 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 State Board hereby finds as follows:

(A) The Board of Regents of the State of Florida (the "Board of Regents") has authorized the issuance of certificates of participation, in two or more installments, to finance certain improvements to the housing system (the "Housing System") of the University by its resolutions adopted: (i) on March 13, 1998 in an aggregate principal amount not to exceed \$25,000,000 for the acquisition of two apartment style residence halls totaling approximately 726 beds (Holly I and Holly II) ("Phase IA Improvements"), (ii) on May 27-28, 1999 in an aggregate principal amount not to exceed \$25,000,000 for the acquisition and construction of an apartment style residence hall totaling approximately 501 beds (Magnolia I) and the renovation of an existing 361 bed residence hall (Gamma) (Magnolia I and Gamma collectively referred to as "Phase IB Improvements"), and (iii) on May 24, 2001, as amended by a resolution of the Florida Board of Education adopted on February 26, 2002 (collectively, the "Prior Resolution"), in an aggregate principal amount not to exceed \$36,200,000 for the acquisition and construction of certain student residence facilities (the "Phase II Improvements") and certain refundings. The initial portion of the Phase II Improvements provided for the construction of a new 230-bed suite and apartment style student residence facility (Andros Corners Community) and a new 344-bed duplex style student residence facility for members of special purpose student organizations (Special Purpose Housing) (collectively, the "Phase IIA Improvements"). The second portion of the Phase II Improvements consists of the renovation of an existing 295-bed dormitory style student residence facility (Beta Hall)(the "Phase IIB Improvements").

(B) The Board of Regents, acting on behalf of the University, caused its University of South Florida Revenue Bonds of 1983 and the Foundation caused its \$23,100,000 Certificates of Participation, Series 1999 (Phase IA Improvements), \$24,045,000 Certificates of Participation, Series 2000 (Phase IB Improvements), and \$22,655,000 Certificates of Participation, Series 2002 (Phase IIA Improvements) (collectively, the "Parity Obligations") to be issued to finance certain improvements to the Housing System.

(C) The Foundation desires to finance the cost of: (i) the Phase IIB Improvements and, (ii) the acquisition and construction of a new improvement to the Housing System consisting of a 602-bed suite and apartment and suite style student residence facility (Maple II) (the “Phase III Improvements” together with the Phase IIB Improvements collectively referred to as the “Project”) with the proceeds of a second installment of the Certificates.

(D) The Foundation proposes to issue certificates to finance the Project in an aggregate principal amount not to exceed \$36,000,000, and designated “Certificates of Participation, Series 2003” (the “Series 2003 Certificates”). The Series 2003 Certificates shall be payable solely from and secured by a pledge of the net revenues of the Housing System of the University (the "Housing System Revenues") on a parity with the Parity Obligations and subordinate to the University of South Florida Dormitory, Dining and Auxiliary Enterprises Revenue Certificates of 1965 and the University of South Florida Housing Facility Revenue Bonds, Series 1996A. The proceeds of the Series 2003 Certificates will be used to finance or reimburse the cost of: (i) the Project, (ii) capitalized interest, and (iii) certain costs of issuance of the Series 2003 Certificates.

(E) The State Board declares that the issuance of the Series 2003 Certificates to finance the construction of the Project will serve a public purpose by providing additional residential facilities at the University.

2. Approval of the Project. The State Florida Board hereby approves construction of the Project by the Foundation. Title to the underlying property shall remain with the Trustees of the Internal Improvement Trust Fund and title to the Project shall, upon payment of the Series 2003 Certificates, vest in the State of Florida. The Project shall be used exclusively by the University.

3. Approval of Series 2003 Certificates. The State Board hereby approves issuance of the Series 2003 Certificates by the Foundation, acting on behalf the University and the University Board, for the purposes described herein, in an amount not to exceed \$36,000,000, said Series 2003 Certificates to have a final maturity not to exceed thirty (30) years from the date thereof and at an interest rate or rates acceptable to the Foundation. This approval is subject to the understanding that the Series 2003 Certificates do not create any obligation, direct or contingent, on the part of the University, the University Board, the State Board, 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 Series 2003 Certificates, or to levy ad valorem taxation or any other form of taxation to repay the same, but rather such Series 2003 Certificates shall be payable solely from the Gross Revenues pledged therefor and the Series 2003 Certificates shall be used exclusively to finance the cost of the Project and certain related costs.

4. Repealing Clause. All resolutions of the State Board, 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.

5. Authorization of Further Actions Consistent Herewith. The members of the

State Board, attorneys, engineers or other agents or employees of the State Board 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 Series 2003 Certificates and this resolution including execution of such documents, certificates, contracts and legal opinions and other material delivered in connection with construction, sale or leasing of the Project for use by the University, the issuance of the Series 2003 Certificates or as necessary to preserve the tax-exemption thereon.

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

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the State Board of Education, does hereby certify that the attached resolution relating to the issuance of Series 2003 Certificates by the University of South Florida Foundation, Inc. is a true and accurate copy as adopted by the State Board of Education on February 18, 2003.

STATE BOARD OF EDUCATION

By: _____
Corporate Secretary

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