

RESOLUTION OF THE FLORIDA BOARD OF EDUCATION OF THE STATE OF FLORIDA APPROVING THE FINANCING OF THE COSTS OF THE CONSTRUCTION OF A NEW 280-BED APARTMENT STYLE STUDENT RESIDENCE FACILITY (PHASE V) ON THE CAMPUS OF FLORIDA GULF COAST UNIVERSITY BY THE FLORIDA GULF COAST UNIVERSITY FOUNDATION, INC. (THE "FOUNDATION"), A UNIVERSITY DIRECT SUPPORT ORGANIZATION; AUTHORIZING EXECUTION AND DELIVERY OF A FOURTH AMENDATORY MASTER GROUND LEASE AGREEMENT AND APPROVING THE FORM OF A FOURTH AMENDATORY MASTER OPERATING LEASE; APPROVING THE ISSUANCE BY THE FOUNDATION OF CERTIFICATES OF PARTICIPATION, SERIES 2002A, EVIDENCING AN UNDIVIDED PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN BASE RENT PAYMENTS TO BE MADE UNDER A MASTER OPERATING LEASE, IN AN ADDITIONAL AMOUNT NOT TO EXCEED \$9,000,000 TO FINANCE THE PROJECT; APPROVING THE PURPOSES AND EXISTENCE OF THE FOUNDATION; AUTHORIZING CHAIRMAN AND STAFF TO TAKE FURTHER ACTIONS CONSISTENT WITH THE RESOLUTION; AND PROVIDING AN EFFECTIVE DATE.

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

(a) Pursuant to Chapter 229, Florida Statutes, the Florida Board has succeeded the Board of Regents (the "Board") of the Division of Universities of the Department of Education of the State of Florida (the "State") and will operate on an interim basis under the direction of the State Board of Education. The Florida Board assumed all of the Board's powers, duties, property, moneys and existing contracts effective July 1, 2001.

(b) The Florida Board is primarily responsible for adopting system-wide rules and policies; planning for the future needs of the State University System; planning the programmatic, financial and physical development of the system; reviewing and evaluating the instructional, research, and service programs at the State universities; coordinating program development among the State universities; and monitoring the fiscal performance of the Universities.

(c) The State Legislature has approved the Project (as hereinafter defined) in the General Appropriations Act and Summary Statement of Intent for Fiscal Year 2002-2003.

(d) The Florida Gulf Coast University Foundation, Inc., a Florida not-for-profit corporation (the "Foundation"), was created for the purpose of providing direct support to Florida Gulf Coast University (the "University"), and was designated by the Board as a "University Direct Support Organization" as defined in Florida Statutes, Section 240.299 and continues to be so designated by the Florida Board.

(e) The Foundation has previously caused its Certificates of Participation, Series 2000, in the aggregate principal amount of \$22,000,000 and its Certificates of Participation, Series 2002, in the aggregate principal amount of \$8,000,000 (collectively, the "Prior Certificates") to be issued to finance certain improvements to the University's housing system.

(f) The Foundation proposes to issue Certificates of Participation, Series 2002A (the "Series 2002A Certificates"), in an aggregate principal amount not to exceed \$9,000,000, 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 Prior Certificates. The Series 2002A Certificates will be issued to finance the costs of: (i) the acquisition and construction of an addition to the housing system of the University consisting of a new 280-bed apartment style student residence facility (Phase V) (the "Project"), (ii) capitalized interest, and (iii) certain costs of issuance.

(g) In order to provide for the repayment of the Series 2002A Certificates, the Foundation has requested that the Florida Board: (i) amend the Master Ground Lease Agreement, dated as of August 1, 1997, as heretofore amended and supplemented (collectively, the "Original Master Ground Lease"), to include the Project as an addition to all prior improvements to the housing system and to construct the Project on certain land located on the main campus of the University and subleased by the Foundation from the Florida Board, as provided in a Fourth Amendatory Master Ground Lease Agreement, dated as of December 1, 2002, between the Florida Board, as successor in interest to the Board, acting for and on behalf of the University, and the Foundation and attached hereto as Exhibit "A" (the "Fourth Amendatory Master Ground Lease Agreement" and, together with the Original Master Ground Lease, are collectively referred to herein as the "Master Ground Lease"), and (ii) approve amendment of the Master Operating Lease, dated as of August 1, 1997, as heretofore amended and supplemented (collectively, the "Original Master Operating Lease"), under which (a) the Foundation will construct the Project in accordance with plans approved by the Florida Board, and lease same, together with the Housing System, to The Florida Gulf Coast University Board of Trustees (the "University Board"), acting for and on behalf of the University and (b) the University Board, acting for and on behalf of the University, shall pay "additional" base rent in amounts sufficient to pay the principal or purchase price of, premium, if any, and interest on the Series 2002A Certificates when the same shall become due and payable, as provided in a Fourth Amendatory Master Operating Lease, dated as of December 1, 2002, between the University Board, its successors or assigns, acting for and on behalf of the University, and the Foundation and attached hereto as Exhibit "B" (the "Fourth Amendatory Master Operating Lease" and, together with the Original Master Operating Lease, are collectively referred to herein as the

“Master Operating Lease”). The University Board, acting for and on behalf of the University, under the Master Operating Lease, is obligated to pay base rent equal to the debt service on the Certificates. Such rent shall be payable solely from Housing System Revenues which will be pledged therefore on a parity with the Prior Certificates. As used herein, the term "Housing System Revenues" shall mean generally, all fees, rentals or other charges and income received by the University from operation of the Housing System.

(h) The Florida Board declares that (i) the construction of the Project will serve a public purpose by providing additional residential facilities at the University and (ii) that in order to provide for repayment of the proposed Series 2002A Certificates, it is necessary to execute and deliver the Fourth Amendatory Master Ground Lease Agreement and the Fourth Amendatory Master Operating Lease.

2. Approval of the Project. The 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 vest in the State of Florida in accordance with the Master Ground Lease. The Project shall be used exclusively by the University in accordance with the Master Operating Lease.

3. Authorization of Fourth Amendatory Master Ground Lease Agreement. In order to provide for issuance of the Series 2002A Certificates to finance the Project, the Florida Board is hereby authorized to amend the Original Master Ground Lease through the execution and delivery of the Fourth Amendatory Master Ground Lease Agreement whereby the Project will be included as an addition to all prior improvements to the University’s housing system facilities and such Project will be constructed on certain land set aside and located on the main campus of the University. The Fourth Amendatory Master Ground Lease Agreement, in substantially the form attached hereto as Exhibit "A", with such changes, alterations and corrections as may be approved by the Chairman or the Chief Financial Officer of the Florida Board, such approval to be conclusively evidenced by the execution thereof by either the Chairman or the Chief Financial Officer, are hereby approved by the Florida Board, and the Florida Board hereby authorizes and directs said Chairman or the Chief Financial Officer to execute, and the Secretary of the Florida Board to attest under the seal of the Florida Board, the Fourth Amendatory Master Ground Lease Agreement, all of the provisions of which, when executed and delivered by the Florida Board as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein.

4. Approval of Fourth Amendatory Master Operating Lease. In order to provide for repayment of the Series 2002A Certificates issued to finance the Project, the Florida Board hereby approves the amendment of the Original Master Operating Lease through the delivery by the University Board of the Fourth Amendatory Master Operating Lease, in substantially the form attached hereto as Exhibit "B". The Fourth Amendatory Master Operating Lease further provides for the pledge of the Housing System Revenues for the payment of the Series 2002A Certificates on a parity with the Prior Certificates and provides that the University shall charge such rates and fees for the use of the dormitory facilities to produce an amount each year equal to one hundred percent (100%) of the cost of operating and maintaining the dormitory facilities plus one hundred twenty percent (120%) of the interest, principal

or purchase price of, and premium, if any, that may be due on the Series 2002A Certificates.

5. **Approval of Series 2002A Certificates and the Foundation.** The Florida Board hereby approves issuance of the Series 2002A Certificates by the Foundation acting on behalf the University and the University Board, for the purposes described herein, in an amount not to exceed \$9,000,000, said Series 2002A 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. The Florida Board further affirms its approval of the existence and purposes of the Foundation. This approval is subject to the understanding that the Series 2002A Certificates do not create any obligation, direct or contingent, on the part of the University, the Florida 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 2002A Certificates, or to levy ad valorem taxation or any other form of taxation to repay the same, but rather such Series 2002A Certificates shall constitute undivided fractional interests in the obligation to pay base rent pursuant to the Master Operating Lease. Title to the Project shall vest in the State of Florida in accordance with the Master Ground Lease and the Series 2002A Certificates shall be used exclusively in the operation of the University's housing program.

6. **Repealing Clause.** All resolutions of the Florida 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.

7. **Authorization of Further Actions Consistent Herewith.** The members of the Florida Board, attorneys, engineers or other agents or employees of the Florida Board are hereby authorized and directed to do all acts and things required of them by this resolution, the Fourth Amendatory Master Ground Lease Agreement and the Fourth Amendatory Master Operating Lease, or desirable or consistent with the requirements thereof, for the full, punctual and complete performance of all the terms, covenants and agreements contained in the Series 2002A Certificates, the Fourth Amendatory Master Ground Lease Agreement, the Fourth Amendatory Master Operating Lease, and this resolution including execution of such documents, certificates, contracts and legal opinions and other material delivered in connection with construction of the Project, the sale of the Series 2002A Certificates or as necessary to preserve the tax-exemption thereon.

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

CERTIFICATE OF THE CORPORATE SECRETARY

The undersigned, Corporate Secretary of the Florida Board of Education, does hereby certify that the attached resolution relating to the issuance of Series 2002A Certificates by the Florida Gulf Coast University Foundation, Inc. is a true and accurate copy as adopted by the Florida Board of Education on December ____, 2002.

FLORIDA BOARD OF EDUCATION

By: _____
Corporate Secretary

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