

**THE FLORIDA INTERNATIONAL UNIVERSITY
BOARD OF TRUSTEES**

June 4, 2010

Subject: A Resolution Requesting the Issuance of Debt/Bonds through the Florida Facilities Pool Revenue Bond Program to Finance the Construction of the Miami-Dade Academic Health Department Facility on the Campus of Florida International University, Providing an Effective Date.

BE IT RESOLVED BY THE FLORIDA INTERNATIONAL UNIVERSITY BOARD OF TRUSTEES:

Section 1. The Board of Trustees of the Florida International University (the “University”) hereby requests the Florida Board of Governors to request that the Department of Management Services of the State of Florida (“DMS”) and/or the Division of Bond Finance of the State Board of Administration of Florida (the “Division”) issue bonds through the Florida Facilities Pool Revenue Bond Program in an amount not exceeding \$32,500,000 (the “Bonds”) for the purpose of financing (i) the construction of a facility to house the state’s first Academic Health Department (the “Project”) on the Modesto A. Maidique campus of the University, (ii) capitalized interest, (iii) a debt service reserve and (iv) certain costs of issuing the bonds. An Academic Health Department is an organized partnership between schools of public health, medicine, nursing and allied health sciences with public health departments. These partnerships create dynamic academic-practice collaborations, which effectively pool the assets of all institutions involved.

Section 2. The Project, one of three components in the University’s Stempel Complex Project BT-877, will consist of an approximately 90,000 square foot joint-use facility comprised of administrative offices, laboratories and clinical space. The other two components of BT-877 include a previously funded \$23.3 million Robert Stempel College of Public Health and Social Work academic facility and a new \$10.0 million Ambulatory Care Center funded by a grant from Miami-Dade County. The Project will be located within the University’s Academic Health Sciences Center, which includes the Herbert Wertheim College of Medicine, the Robert Stempel College of Public Health and Social Work, the College of Nursing and Health Sciences, and the College of Arts and Sciences. The Project will consolidate the administrative offices of the Miami-Dade County Health Department/Florida Department of Health (“MDCHD/FDOH”). Furthermore, the Project will allow for collaborative teaching, research and clinical training with the University. The Project is reflected on the approved master plan for the University and is consistent with the mission of the University because it will (1) increase joint teaching, research, and clinical training opportunities for FIU students, faculty and health professionals in the health department, (2) expand opportunities for both institutions to collaborate in attracting grants that can help improve health care in the region and (3) potentially create internship opportunities for FIU students to work with public health experts in a clinical and research environment. The facility will include a public health teaching clinic with an environmental laboratory and a nutrition/ breastfeeding program. By consolidating administrative offices at the University, the MDCHD/FDOH is expected to save the state at least \$8 million over the next 25 years from operating efficiencies. Construction of the Project is expected to begin in May/June 2011 and to be completed by December 2012/January 2013. Proceeds of the Bonds are anticipated to be sufficient to complete the construction of the Project without the use of additional funds.

Legislative approval of the Project has been obtained pursuant to Section 40 of the 2010-2011 General Appropriations Act (HB 5001) and Section 68 of the Implementing Act (HB 5003).¹ No proceeds of the Bonds will be used to finance operating expenses of the University.

Section 3. The Bonds are to be secured by payments paid by or on behalf of FIU from lease payments received from the MDCHD/FDOH under a Lease Agreement between FIU and the MDCHD/FDOH to the DMS for deposit into the Public Facilities Financing Trust Fund. The DMS, the Division and the University are legally authorized to secure the Bonds with the revenues to be pledged pursuant to Section 40 of the 2010-2011 General Appropriations Act (HB 5001) and Section 68 of the Implementing Act (HB 5003). The University is also committed to ensuring that sufficient revenues will be generated to fulfill the obligations with respect to the Bonds.

Section 4. The Bonds will mature not more than 30 years after issuance, including any extensions or renewals thereof. The Project has an estimated useful life of 60 years, which is beyond the anticipated final maturity of the Bonds. The Bonds will bear interest at a fixed interest rate.

Section 5. The Bonds will be sold through competitive sale by the Division on behalf of and at the request of DMS. Any selection of underwriters or financial advisors will be accomplished by the Division through a competitive selection process. Any bond insurance or other credit enhancement will be chosen through a competitive selection process analyzing the cost of the insurance or credit enhancement and the expected interest cost savings resulting from their use.

Section 6. The Board of Trustees will assist the DMS and the Division in ensuring compliance with all requirements of federal and state law relating to the Bonds, including but not limited to, laws relating to maintaining the exemption from taxation of interest payments on the Bonds and continuing secondary market disclosure of information regarding the Bonds.

Section 7. The University President, Chief Financial Officer, or their respective designees, are hereby authorized to take all actions and steps, to execute all instruments, documents, and contracts, and to take all other actions as they may deem necessary or desirable, in connection with the execution, sale and delivery of the Bonds.

Section 8. In making the determination to finance the Project, the Board of Trustees has reviewed the information attached to Appendix A.

Section 9. This Resolution shall take effect immediately upon its adoption.

Adopted this _____ day of _____, 20__.

¹ The foregoing legislation was recently enacted by the Florida Legislature and is pending final approval by the Governor.

Appendix A

The following documents have been reviewed by the Board of Trustees prior to the execution of this Resolution:

- a. the project program;
- b. a draw schedule for the project;
- c. sources and uses of funds for the project;
- d. an estimated debt service schedule;
- e. a description of the security supporting repayment and the lien position the debt will have on that security;
- f. a five year history, if available, and a five year projection, of the pledged revenues and the debt service coverage;