

ARTICLE 4 AS AMENDED

RELATING TO DEBT MANAGEMENT ACT JOINT RESOLUTIONS

SECTION 1. This article consists of joint resolutions that are submitted pursuant to Rhode Island General Laws § 35-18-1, et seq.

SECTION 2 Garrahy Courthouse Parking Project.

WHEREAS, given the prime geographic location of the Garrahy Courthouse surface parking lot site and its current limitations to adequately serve the Courthouse and surrounding buildings; and

WHEREAS, given the results of the Garrahy Courthouse Parking Garage Conceptual Analysis presented to a Special Legislative Commission for the Garrahy Parking Garage in January, 2014 which identifies development of the current site into a multi-level parking garage as a way to alleviate parking demand in the area and to spur economic activity; and

WHEREAS, the I-195 Redevelopment District Commission (“Commission”) has the principal responsibility for developing the surplus land from the relocation of Interstate 195 (“the Link”) to promote economic development through the best use of nearby freed-up parcels; and

WHEREAS, the Commission has indicated that adequate structured parking is essential to the development of the Link and that authorization for construction of a garage will assist it in attracting interest in parcels of land; and

WHEREAS, the State would enter into an agreement with the Convention Center Authority to develop, construct and operate a garage on the Garrahy Courthouse parking lot site; and

WHEREAS, the project costs associated with the construction of a garage is estimated at forty-five million dollars (\$45,000,000) based on industry guidelines of \$31,250 per parking space for 1,250 spaces, plus costs for build out of retail space on the first floor and costs associated with the financing. Debt service payments on the bonds are not expected to exceed seventy-eight million five hundred thousand dollars (\$78,500,000) in the aggregate based on an average interest rate of six percent (6.0%), with annual debt service payments expected to be approximately three million, nine hundred twenty-five thousand dollars (\$3,925,000) over a twenty (20) year term, now, therefore be it

RESOLVED, that the State is authorized to effectuate the development of the garage, to

1 lease or sell the surface lot adjacent to the Garrahy Courthouse to the Convention Center
2 Authority, to enter into a long-term parking lease for court employees and other state employees,
3 as appropriate, and to enter into appropriate agreements including financing arrangements that
4 would permit the development and operation of the garage by the Convention Center Authority;
5 and be it further

6 RESOLVED, that no debt shall be issued by the Convention Center Authority until such
7 time that the Commission certifies to the State and the Authority that it has entered into at least
8 three (3) purchase and sale agreements for parcels of land under its control, excluding parcels 6, 8
9 and 9; and be it further

10 RESOLVED, that the Department of Administration may advance from the Rhode Island
11 Capital Plan Fund ("Fund") an amount not to exceed five hundred thousand dollars (\$500,000)
12 for preliminary architectural and engineering work on the planned garage, the sum of which shall
13 be repaid to the Fund upon issuance of the debt by the Convention Center Authority, and be it
14 further

15 RESOLVED, that the general assembly hereby authorizes the Convention Center
16 Authority to issue debt in accordance with its authority under Chapter 42-99 of the General Laws
17 in an amount not to exceed forty-five million dollars (\$45,000,000) to finance the construction of
18 a parking garage at the current site of the Garrahy surface parking lot providing approximately
19 1,250 parking spaces and 13,800 square feet of retail space on the ground level; and further

20 RESOLVED, that this Joint Resolution shall take effect immediately upon its passage by
21 this General Assembly; and further

22 RESOLVED, that this Resolution shall apply to debt issued within five (5) years of the
23 date of passage of this Resolution.

24 SECTION 3. Rhode Island Airport Corporation.

25 WHEREAS, the Rhode Island Commerce Corporation is a public instrumentality of the
26 State of Rhode Island (the "State"), created by the General Assembly pursuant to Rhode Island
27 General Laws §§ 42-64-1 et seq. (as enacted, reenacted and amended, the "Act"); and

28 WHEREAS, the Act declares, in part, that new industrial, manufacturing, recreational,
29 and commercial facilities are required to attract and house new industries and thereby reduce the
30 hazards of unemployment; and that unaided efforts of private enterprises have not met and cannot
31 meet the needs of providing those facilities due to problems encountered in assembling suitable
32 building sites, lack of adequate public service, unavailability of private capital for development,
33 and the inability of private enterprise alone to plan, finance, and coordinate industrial,
34 recreational, and commercial development; and

1 WHEREAS, the Act further declares it to be the public policy of the state to furnish
2 proper and adequate airport facilities within the state and to encourage the integration of these
3 facilities so far as practicable; and

4 WHEREAS, in furtherance of these goals, it is the policy of the state to retain existing
5 industries and to induce, encourage and attract new industries through the acquisition,
6 construction, reconstruction and rehabilitation of industrial, manufacturing, recreational, and
7 commercial facilities, as well as transportation, residential, environmental, utility, public service,
8 institutional and civic and community facilities, and to develop sites for such facilities; and

9 WHEREAS, the Act has empowered the Rhode Island Commerce Corporation to
10 establish subsidiary corporations to exercise its powers and functions, or any of them, and,
11 pursuant to such power, the Rhode Island Commerce Corporation has established the Rhode
12 Island Airport Corporation to plan, develop, construct, finance, manage, and operate airport
13 facilities in the state; and

14 WHEREAS, the Act provides that the Rhode Island Airport Corporation shall have the
15 power to purchase, take, receive, lease or otherwise acquire, own, hold, improve, use and
16 otherwise deal in and with, real or personal property, or any interest therein, wherever situated;
17 and

18 WHEREAS, the Act also provides that the Rhode Island Airport Corporation shall have
19 the power to sell, mortgage, lease, exchange, transfer or otherwise dispose of or encumber any
20 project, (or in the case of a sale, to accept a purchase money mortgage in connection therewith) or
21 to grant options for any such purposes with respect to any real or personal property or interest
22 therein, all of the foregoing for such consideration as the Rhode Island Airport Corporation shall
23 determine. Any lease by the Rhode Island Airport Corporation to another party may be for such
24 part of the Rhode Island Airport Corporation's property, real or personal, for such period, upon
25 such terms or conditions, with or without an option on the part of the lessee to purchase any or all
26 of the leased property for such consideration, at or after the retirement of all indebtedness
27 incurred by the Rhode Island Airport Corporation on account thereof, as the Rhode Island Airport
28 Corporation shall determine; and

29 WHEREAS, the Act authorizes the Rhode Island Commerce Corporation to borrow
30 money and issue bonds for any of its corporate purposes; and

31 WHEREAS, pursuant to Rhode Island General Laws Sections 35-18-3 and 35-18-4, the
32 Rhode Island Commerce Corporation has requested the approval of the General Assembly of the
33 Rhode Island Commerce Corporation's issuance of airport revenue bonds (the "Bonds") for the
34 purpose of providing funds to the Rhode Island Airport Corporation for financing the various

1 capital projects including by way of example and not limitation runway and taxiway
2 improvements and facility developments on the premises, the provision of architectural,
3 engineering, surveying, construction management and other professional services necessary or
4 appropriate therefore, funding capitalized interest, costs of issuing the Bonds and related costs,
5 and the establishment of reserves for the project and the Bonds, including a debt service reserve
6 fund (the "Airport Project"); and

7 WHEREAS, the financing of the Airport Project will be accomplished through one or
8 more loan agreements having the Rhode Island Airport Corporation as borrower, such agreement
9 or agreements to require that the Rhode Island Airport Corporation make loan payments in an
10 amount equal to the debt service on the Bonds.

11 RESOLVED, the General Assembly hereby approves the Rhode Island Commerce
12 Corporation's issuance of the Bonds (as defined below) and notes in anticipation thereof. The
13 Bonds will be special obligations of the Rhode Island Commerce Corporation payable exclusively
14 from loan repayments under a loan agreement with the Rhode Island Airport Corporation and
15 from Bond proceeds, funds, accounts, and properties and the proceeds thereof pledged therefor,
16 and thus the Rhode Island Commerce Corporation's maximum liability will be limited to loan
17 repayments received under the loan agreement and the aggregate amount of such other funds,
18 accounts, properties, and proceeds.

19 RESOLVED, that the total amount of debt approved to be issued in the aggregate shall be
20 limited to not more than \$60,000,000 (the "Bonds"). Total debt service on the Bonds is not
21 expected to exceed approximately \$4,600,000 annually and approximately \$135,000,000 in the
22 aggregate based on anticipated level annual payments, an estimated average interest rate of 6.25%
23 and a maturity of 30 years.

24 RESOLVED, the General Assembly hereby approves the Rhode Island Airport
25 Corporation's entering into the loan agreements described above. Payments under the loan
26 agreements shall be derived exclusively from project revenues and such other proceeds, funds,
27 accounts, projects and the proceeds thereof as the Rhode Island Airport Corporation may pledge
28 therefor.

29 RESOLVED, the Bonds or the amounts due under the loan agreements shall not
30 constitute indebtedness of the State or a debt for which the full faith and credit of the State is
31 pledged or a moral obligation thereof.

32 RESOLVED, that this resolution shall apply to debt issued within two (2) years of the
33 date of passage of this resolution.

34 SECTION 4. Rhode Island Refunding Bond Authority Bonds.

1 WHEREAS, the Rhode Island Depositors Economic Protection Corporation ("DEPCO"),
2 was created by the General Assembly pursuant to the Rhode Island General Laws § 42-116-1 et
3 seq.; and

4 WHEREAS, all of the remaining outstanding DEPCO Bonds have been defeased
5 pursuant to various escrow agreements; and

6 WHEREAS, because of declines in interest rates, certain of the remaining outstanding
7 DEPCO Bonds can be called and refunded with savings accruing to the State; and

8 WHEREAS, DEPCO can no longer issue refunding bonds since it was dissolved and
9 terminated pursuant to the provisions of Rhode Island General Laws § 42-116-25; and

10 WHEREAS, the Rhode Island Refunding Bond Authority (the "Refunding Bond
11 Authority") was created by the General Assembly pursuant to Rhode Island General Laws § 35-
12 8.1-1 et seq., initially to authorize the refunding of certain State General Obligation Bonds that
13 could not otherwise be refunded without a new referendum; and

14 WHEREAS, the General Assembly desires to authorize the Refunding Bond Authority to
15 refund certain DEPCO Bonds in order to accrue the benefits of savings to the State, now,
16 therefore, be it

17 RESOLVED, the General Assembly approves the issuance of up to \$35,000,000 in
18 Bonds by the Refunding Bond Authority (the "Bonds") to refund a portion of DEPCO's remaining
19 outstanding \$138,835,000 Rhode Island Economic Protection Corporation Special Obligation
20 Refunding Bonds, 1992 Series B, and the Refunding Bond Authority is authorized to proceed
21 with the financing, provided that payment of the debt service on the Bonds shall be fully secured
22 by non-callable direct obligations of the United States of America, or non-callable obligations
23 fully guaranteed as to principal and interest by the United States of America, and

24 RESOLVED, savings accruing from the refunding shall be transferred to and shall vest in
25 the State's sinking fund established under Rhode Island General Laws § 35-8-1 et seq. and as
26 provided in Rhode Island General Laws § 42-116-25, and

27 RESOLVED, the Governor is authorized to enter into agreements with the Refunding
28 Bond Authority to effectuate the savings to the State. None of such agreements or the Bonds shall
29 constitute indebtedness of the State or a debt for which the full faith and credit of the State is
30 pledged or a moral obligation thereof, and

31 RESOLVED, that this joint resolution shall take effect immediately upon passage by the
32 general assembly.

33 SECTION 5. Section 35-8.1-8 of the General Laws in Chapter 35-8.1 entitled "Refunding
34 Bond Authority" is hereby amended to read as follows:

1 **35-8.1-8. General powers.** -- To carry out the purposes of this chapter, the authority has
2 the power to:

3 (1) Sue and be sued;

4 (2) Adopt and have an official seal and alter the seal at its pleasure;

5 (3) Make and alter bylaws, rules, and regulations for the conduct of its affairs and
6 business;

7 (4) Maintain an office at such place or places within the state as it may determine;

8 (5) Acquire, hold, use, and dispose of its revenue income, funds, and moneys;

9 (6) Acquire, purchase, hold, and use any property, real, personal or mixed, tangible or
10 intangible, or any interest therein necessary or desirable for carrying out the purposes of the
11 authority, and to mortgage, lease, or sell any of the property; and (without limitation of the
12 foregoing) to lease as lessee, any property, real, personal, or mixed, or any interest therein to
13 lease as lessor to the federal government, the state, and any municipality any project of the
14 authority, and to sell, transfer, and convey to any lessee or to any other person upon such terms
15 and conditions and for such considerations as the authority shall determine.

16 (7) Borrow money, issue its bonds, provide for and secure the payment thereof, and
17 provide for the rights of the holders thereof, and purchase, hold, and dispose of any of its bonds;

18 (8) Lend money for its purposes, invest and reinvest its funds, and, at its option, take and
19 hold property, real or personal, as security for the payment of funds so loaned and invested,
20 except that at no time will the authority take and hold property of the state as security for the
21 payment of funds so loaned;

22 (9) Accept, in furtherance of its purposes, appropriations, gifts, or grants of property,
23 funds, money, materials, labor, supplies, or services from the United States of America or the
24 state or any other state or agencies or departments thereof, or from any governmental unit or any
25 person, firm, or corporation, and to carry out the terms or provisions or make agreements with
26 respect to those appropriations, gifts, or grants, and to do any and all things necessary, useful,
27 desirable, or convenient in connection with the procurement, acceptance, or disposition of those
28 appropriations, gifts, or grants;

29 (10) Do and perform any acts and things authorized by this chapter under, through, or by
30 means of its officers or consultants or by contracts with any person, firm, or corporation;

31 (11) Make, enter into, and enforce all contracts or agreements necessary, convenient, or
32 desirable for the purposes of the authority or pertaining to any loan to the state or to the
33 performance of its duties and execution or carrying out of any of its powers under this chapter;

34 (12) Purchase any bond or interest rate insurance and establish such credit or liquidity

1 enhancement arrangements with financial institutions as the authority shall deem advisable;

2 (13) Invest any funds or moneys of the authority in the same manner as permitted for
3 investment of funds belonging to the state or held in the state treasury; and

4 (14) Do all acts and things necessary, convenient, or desirable to carry out the powers
5 expressly granted or necessarily implied in this chapter;

6 (15) Acquire by purchase, lease, or otherwise, and to construct, improve, equip, furnish,
7 maintain, repair, and operate projects, and to establish rules and regulations for the use of any
8 project;

9 (16) Rent such space in such public facilities as from time to time may not be needed by
10 any governmental entity to any person for such other purposes as the authority may determine
11 and upon such terms and in such manner as the authority may determine;

12 (17) Employ, in its discretion, planning, architectural, or engineering consultants,
13 attorneys, accountants, construction, and financial experts, superintendents, managers, and such
14 other officers, employees and agents as may be necessary in its judgment, and to fix their
15 compensation;

16 (18) Fix and revise from time to time, subject to the provisions of this chapter, and to
17 charge and collect fees, rentals, and other charges for the use of the facilities of, or for the
18 services rendered by, the authority or projects thereof, at rates to be determined by the authority,
19 for the purpose of providing for the payment of the expenses of the authority, the acquisition,
20 construction, improvement, repair, equipping, furnishing, maintenance, and operation of its
21 facilities and properties, the payment of the principal of and interest on its obligations, and to
22 fulfill the terms and provisions of any agreements made with the purchasers or holders of any
23 obligations;

24 (19) Without limitation of the foregoing, to borrow money from, to receive, and accept
25 grants for or in aid of construction or acquisition of projects authorized under this chapter from,
26 and to enter into contracts, leases, or other transactions with, any federal agency; and to receive
27 and accept from the state or any municipality, and from any other source, aid or contributions of
28 either money, property, labor, or other things of value, to be held, used, and applied only for the
29 purposes for which the grants and contributions may be made;

30 (20) Combine for financing purposes any two (2) or more projects authorized to be
31 acquired or constructed under the provisions of this chapter;

32 (21) Be a promoter, partner, member, owner, associate, or manager of any partnership,
33 condominium, or other enterprise or venture;

34 (22) Acquire in the name of the authority by purchase or otherwise, on such terms and

1 conditions and in such manner as it may deem proper, or by the exercise of the rights of
2 condemnation in the manner hereinafter provided, such public or private lands, including public
3 parks, playgrounds, or reservations, or parts thereof or rights therein, rights of way, property,
4 rights, easements, and interests as it may deem necessary for carrying out the provisions of this
5 chapter; provided, however, that all public property damaged in carrying out the powers granted
6 by this chapter shall be restored or repaired and placed in its original condition as nearly as
7 practicable.

8 (23)(i) Issue bonds and notes of the type and for those projects and for those purposes
9 specified in any Joint Resolution of the general assembly enacted by the Rhode Island house of
10 representatives and the Rhode Island senate pursuant to section 18 of title 35 of the general laws
11 entitled "Rhode Island Public Corporation Debt Management Act," which project and purposes
12 specified in such Joint Resolution shall constitute a "project" within the meaning of this chapter;
13 and

14 (ii) To enter into such agreements, to deliver such instruments, and to take such other
15 actions as it shall deem necessary or desirable to effectuate the financing of such project.

16 SECTION 6. (a) The Tobacco Settlement Financing Corporation (the "Corporation"),
17 which was established pursuant to Rhode Island general laws chapter 42-133 (as amended and
18 supplemented, the "Tobacco Settlement Financing Corporation Act"), is authorized to raise
19 additional money pursuant to the Tobacco Settlement Financing Corporation Act through the
20 issuance of its bonds and to apply net bond proceeds:

21 (i) For payment to the state of Rhode Island in an amount at least equal to twenty million
22 dollars (\$20,000,000);

23 (ii) For payment of the redemption price and/or the tender price of outstanding bonds of
24 the Corporation that are to be retired; and

25 (iii) To establish reserves to secure the bonds, and pay the costs of issuance of the bonds
26 and all other expenditures of the Corporation incident to and necessary to carry out the
27 Corporation's purposes and powers.

28 (b) To implement and effectuate the purposes of this act, the Governor, acting by and
29 through state general officers, state departments, agencies and the Corporation, is hereby
30 authorized and empowered to:

31 (1) Effectuate a transaction pursuant to the provisions of the Tobacco Settlement
32 Financing Corporation Act, which authorizes and governs the issuance of Bonds, as such term is
33 defined in the Tobacco Settlement Financing Corporation Act, for the purposes described in this
34 act;

1 (2) Cooperate with the Corporation in the amendment of existing bond documentation,
2 which actions by the Corporation are hereby authorized in order to carry out the purposes
3 described in this act, including facilitation of payment to the state of amounts in one or more
4 installments, as a current payment of the state's residual interest in and to the "state's tobacco
5 receipts", as such term is defined in the Tobacco Settlement Financing Corporation Act, including
6 disputed amounts withheld from payment to the state and subsequently released to the state;

7 (3) Distribute the proceeds of amounts payable to the state pursuant to this act, provided
8 that the allocation of funds shall be made by the general assembly pursuant to the annual
9 appropriation process; and

10 (4) Take such additional actions, or enter into such additional agreements, as may be
11 necessary or desirable to effectuate the purposes of this act.

12 (c) The Tobacco Settlement Financing Trust, a fund established pursuant to section 42-
13 133-9, shall receive all amounts payable to the state pursuant to this act.

14 SECTION 7. The Corporation shall make the following transfers from the Tobacco
15 Settlement Financing Trust:

16 (1) Five million dollars (\$5,000,000) to the state general fund;

17 (2) Five million dollars (\$5,000,000) to the municipal road and bridge revolving fund,
18 established pursuant to § 24-18-4 of the Rhode Island general laws; and

19 (3) All remaining net bond proceeds to the information technology investment fund,
20 established pursuant to § 42-11-2.5 of the Rhode Island general laws.

21 SECTION 8. Nursing Education Center for the University of Rhode Island College of
22 Nursing and the Rhode Island College School of Nursing in the South Street Power Station
23 Building (also referred to within as South Street Landing).

24 WHEREAS, the University of Rhode Island (the "University") and Rhode Island College
25 (the "College") offer undergraduate, graduate, and certificate academic programs in Nursing
26 through the University's College of Nursing and the College's School of Nursing with teaching,
27 research, and outreach that benefits students seeking exceptional education and training in the
28 nursing profession, as well as Rhode Island medical institutions and patient care settings where
29 nurses practice; and

30 WHEREAS, the Board of Governors for Higher Education supported a Nursing
31 Education Center, to be shared by the University and the College, in the Board's Capital
32 Improvement Program in FY 2010; and

33 WHEREAS, the Rhode Island General Assembly requested in June 2010 that a feasibility
34 study be performed to define the objectives of the project and to refine both the space

1 requirements, specific sites, and comparative development methods for the project, resulting in
2 the completion of the "Feasibility Study for a Rhode Island Nursing Education Center" in May
3 2011; and

4 WHEREAS, in that study, the University and the College examined both the Nursing
5 program needs to educate and train an increasing number of nurses to fulfill the future workforce
6 needs of the State and the conceptual design of a shared facility, including the availability of
7 technology rich, simulation-based instructional settings, preferably offering a "Smart Hospital"
8 configuration, for upper class undergraduate and graduate nursing education in the former
9 Jewelry District in downtown Providence, Rhode Island. This would meet those needs as an
10 alternative to two independent projects to renovate and expand existing buildings for the
11 University's College of Nursing and the College's School of Nursing, proposed by both programs
12 independently in FY 2010 on their respective main campuses in Kingston, Rhode Island and in
13 Providence, Rhode Island; and

14 WHEREAS, the location within the former Jewelry District was well supported for its
15 opportunities for collaboration and economic growth with proximity to the State's major medical
16 and hospital facilities, higher education institutions, access to multiple transportation modes, and
17 the State's and the City of Providence's desire to see development and business activity expand in
18 the area; and

19 WHEREAS, during the 2013 General Assembly Session, an opportunity emerged for the
20 realization of the Nursing Education Center in a co-tenancy with Brown University as part of a
21 private developer lease project, led by Commonwealth Ventures of Boston, Massachusetts, for
22 the former South Street Power Station Building in the core of the former Jewelry District.
23 Nonbinding resolutions were issued individually by the House and the Senate during the 2013
24 Legislative Session, encouraging and supporting the efforts of the Board of Education and the
25 Department of Administration to locate a Nursing Education Center at the South Street Power
26 Station Building in Providence; and

27 WHEREAS, the University, the College, and the Board of Education, together with the
28 Department of Administration, have worked as a collective team in the evaluation of the
29 planning, design, and structure of the developer's project, and in negotiation of the financial and
30 legal terms of the Lease Agreement; and

31 WHEREAS, the team, utilizing five hundred thousand dollars (\$500,000) in Rhode Island
32 Capital Plan Fund financing, dedicated for professional services support to the Nursing Education
33 Center in the budget for FY 2014, has been supported by legal counsel, an owners' agent project
34 manager, and specialized consultants; and

1 WHEREAS, the team and its consultants have conducted its planning, design and
2 negotiating in consultation with Brown University; and

3 WHEREAS, at a meeting duly noticed on March 11, 2014, the State Properties
4 Committee provided approval to negotiate a lease for the Nursing Education Center at the former
5 South Street Power Station Building; and

6 WHEREAS, the Department of Administration has proposed a Lease (the "Proposed
7 Lease Agreement"), with a term of fifteen (15) years, with an option to extend the lease for a
8 period not to exceed two (2) years, for approximately one hundred thirty two thousand four
9 hundred forty-nine (132,449) square feet of space on the first, second, and a portion of the third
10 floor of the planned renovated and expanded former South Street Power Station Building for the
11 Nursing Education Center. The term of the Lease Agreement is anticipated to begin on July 1,
12 2016; and

13 WHEREAS, the Proposed Lease Agreement would require the Board of Education to
14 pay:

15 (1) Base Rent for the proportionate share of the core building design, renovation and
16 construction expenses of fourteen dollars (\$14.00) per square foot, or one million eight hundred
17 fifty five thousand dollars (\$1,855,000) annually during the first five (5) years of the lease term;

18 (2) Tenant Improvement Rent for the anticipated cost of developer financing, design, and
19 construction of the Nursing Education Center space, presently estimated at eighteen dollars and
20 eighty-one cents (\$18.81) per square foot per year, or an average of two million four hundred
21 ninety one thousand dollars (\$2,491,000) annually for each year of the lease term, the exact
22 amount to be determined in accordance with a formula in the Lease Agreement; and

23 (3) Additional Rent for the proportionate share of the actual building operating,
24 maintenance, and metered utility expenses, estimated at twelve dollars and seventy-five cents
25 (\$12.75) per square foot, or one million six hundred eighty nine thousand dollars (\$1,689,000) for
26 the first year following the commencement of occupancy; and

27 WHEREAS, the Base Rent under the Proposed Lease Agreement would increase to
28 fifteen dollars and twelve cents (\$15.12) per square foot in years six (6) through ten (10), sixteen
29 dollars and thirty-three cents (\$16.33) per square foot for years eleven (11) through fifteen (15),
30 and seventeen dollars and fifteen cents (\$17.15) during the Option Period. During the Option
31 Period, the Tenant Improvement Rent would be reduced to zero dollars (\$0.00). The Operating
32 Expense Rent and metered utilities would be adjusted annually, based on a reconciliation of
33 estimated costs and actual costs; and

34 WHEREAS, the Proposed Lease Agreement provides that, during lease year six (6) and

1 after the end of lease year twelve (12), the Board of Education would have an option to purchase,
2 as a condominium unit, that portion of the building leased for the Nursing Education Center,
3 exercise of such option and the financing thereof subject to General Assembly approval; and

4 WHEREAS, the State shall be responsible for paying the Base Rent and the Tenant
5 Improvement Rent, and the Board of Education shall fairly apportion the Additional Rent
6 between the University and the College; and

7 WHEREAS, the Proposed Lease Agreement provides that no rent is payable until:

8 (1) the renovation and construction of the South Street Landing Project is completed;

9 (2) the developer has secured a certificate of occupancy for the Building, including
10 specifically the Nursing Education Center space; and

11 (3) the Nursing Education Center space is determined to be completed according to the
12 project specifications and terms of the Proposed Lease Agreement; now, therefore, be it

13 RESOLVED, that this General Assembly hereby approves the Proposed Lease
14 Agreement for the Nursing Education Center for the space in the former South Street Power
15 Station Building for a term not to exceed seventeen (17) years and at a total cost not to exceed
16 thirty four million six hundred forty-one thousand dollars (\$34,641,000) for the Base Rent; and an
17 amount not to exceed twenty-five million dollars (\$25,000,000), plus the applicable interest and
18 financing costs for the Tenant Improvement Rent; and Additional Rent for the proportionate share
19 of operating and maintenance expenses and metered utilities; and be it further

20 RESOLVED, that this Joint Resolution shall take effect upon passage by the General
21 Assembly; and be it further

22 RESOLVED, that the Secretary of State is hereby authorized and directed to transmit
23 duly certified copies of this resolution to the Governor, the Chair of the Board of Education, the
24 Director of Administration, the State Budget Officer, and the Chair of the State Properties
25 Committee.

26 SECTION 9. Public Finance Debt Management Act Authorization for Alternative Direct
27 State Financing of the Cost of the Tenant Improvements for the Nursing Education Center as an
28 Alternative and Substitution for the Developer Financing Offered as part of the Lease Agreement.

29 WHEREAS, the Department of Administration's Proposed Lease Agreement grants to the
30 Board of Education the right to finance the Tenant Improvements itself, without availing itself of
31 the provision of developer financing as contemplated in the Proposed Lease Agreement, if such
32 an alternative method is determined to be advantageous and in the best interest of Board of
33 Education and the State; and

34 WHEREAS, the exercise of the Board of Education's option to finance the Tenant

1 Improvements will thereby eliminate Tenant Improvement Rent (encompassing construction and
2 design costs) during the term of the Proposed Lease Agreement, provided that the proceeds of
3 such financing are available to the developer no earlier than the rent commencement date in the
4 Proposed Lease Agreement which is when the renovation and construction of the South Street
5 Landing Project is completed and the developer has secured a certificate of occupancy for the
6 Building, including specifically the Nursing Education Center space, and the Nursing Education
7 Center space is determined to be completed according to the project specifications and terms of
8 the Proposed Lease Agreement and no later than six (6) months thereafter; and

9 WHEREAS, the alternative Tenant Improvement project costs to be financed for the
10 Nursing Education Center are anticipated not to exceed twenty-five million dollars (\$25,000,000),
11 plus costs associated with the issuance of such financing; and

12 WHEREAS, the term of such financing would not exceed fifteen (15) years, with
13 provisions made in the structure of the financing to permit early payment of the outstanding
14 amount of such financing, if the option to purchase in the Proposed Lease Agreement is approved
15 and executed during either of the two (2) time periods when such an option is exercisable under
16 the Lease Agreement; and

17 WHEREAS, because of the use of Federal Historic Preservation Tax Credits applicable
18 to the Tenant Improvement work for the Nursing Education Center, taxable rate financing must
19 be employed at a rate not expected to exceed eight percent (8.0%); and

20 WHEREAS, the resulting annual debt service associated with the state financing of the
21 Nursing Education Center is expected not to exceed three million eight hundred three thousand
22 dollars (\$3,803,000) annually and forty eight million two hundred four thousand dollars
23 (\$48,204,000) for the duration of an up to fifteen (15) year term; now, therefore, be it

24 RESOLVED, that the General Assembly hereby approves alternative financing not to
25 exceed twenty-five million five hundred thousand dollars (\$25,500,000), including twenty-five
26 million dollars (\$25,000,000) for the estimated Tenant Improvement Project Costs and five
27 hundred thousand dollars (\$500,000) for the estimated cost of financing; and be it further

28 RESOLVED, that this Joint Resolution shall take effect immediately upon its passage by
29 the General Assembly and shall be limited to debt issued prior to January 1, 2018.

30 SECTION 10. Public Finance Debt Management Act Authorization for the
31 lease/purchase of Equipment, Fixtures and Furnishings Associated with the occupancy and
32 conduct of Nursing Education Programs by the University and the College in the Nursing
33 Education Center spaces in the South Street Landing Project.

34 WHEREAS, the University's College of Nursing and the College's Nursing School, and

1 personnel from both institutions who support networking and instructional technology have
2 worked closely with the developer's architectural team on the complement and configuration of
3 the instructional, simulation, and practice lab configuration of spaces through the schematic
4 design phase of the Nursing Education Center facilities, with the objective of achieving a
5 technology rich, realistic, high-caliber learning and training experience for nursing undergraduate
6 students, graduate students, and those practicing nurses seeking higher levels of certification and
7 training; and

8 WHEREAS, the manner in which the facilities are furnished and equipped is an
9 extremely important aspect of assuring that the completed and occupied Nursing Education
10 Center exceeds the educational and training expectations of students and faculty when it opens
11 and into the future with opportunities for expanded use by other higher education institutions,
12 hospitals, and medical institutions for medical students, pharmacy students, physician assistant
13 students, medical technician trainees, as well as nurses in a simulated "Smart Hospital" physician
14 offices, and home care settings; and

15 WHEREAS, the initial and continuing success of a teaching and learning center such as
16 this is highly dependent upon the quality and sophistication of the equipment, including
17 computerized mannequins, interactive audio/visual, realistic hospital beds with support systems,
18 and video recording systems to enable post training review and critique of experiential learning
19 experiences; fixtures; and furnishings that are acquired and deployed to outfit both the formal
20 teaching and simulation facilities, as well as the traditional classrooms, gathering, meeting and
21 faculty office spaces; and

22 WHEREAS, architects and consultants on the developer's design team focusing on the
23 Nursing Education Center have provided a detailed inventory and pricing analysis of the
24 equipment, fixtures, and furnishings, on a room-by-room basis, recommended to meet the
25 objectives of the shared Nursing Education Center; and

26 WHEREAS, the investment in technology, equipment, fixtures and furnishings is
27 projected to cost ten million fifty thousand dollars (\$10,050,000) and the intent is to secure
28 lease/purchase financing through the issuance of certificates of participation in order to spread the
29 cost of that investment over ten (10) fiscal years, at an anticipated non-taxable interest rate
30 estimated not to exceed seven percent (7.0%); and

31 WHEREAS, the resulting annual debt service associated with the state financing of the
32 technology, equipment, fixtures and furnishing is expected not to exceed one million four
33 hundred ninety-seven thousand dollars (\$1,497,000) annually and fourteen million nine hundred
34 fifty thousand dollars (\$14,950,000) for the duration of the term of financing; now, therefore, be

1 RESOLVED, that the General Assembly hereby approves lease/purchase financing not to
2 exceed ten million five hundred thousand dollars (\$10,500,000), including ten million fifty
3 thousand dollars (\$10,050,000) for the estimated cost of technology, equipment, fixtures and
4 furnishings and four hundred fifty thousand dollars (\$450,000) for the estimated cost of
5 financing; and be it further

6 RESOLVED, that this Joint Resolution shall take effect immediately upon its passage by
7 the General Assembly and shall be limited to debt issued prior to January I , 2018.

8 SECTION 11. This article shall take effect upon passage.