

**2022 -- H 8352 SUBSTITUTE A**

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LC006135/SUB A  
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**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2022**

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**J O I N T   R E S O L U T I O N**

**RELATING TO PUBLIC CORPORATION DEBT MANAGEMENT**

Introduced By: Representatives Fogarty, McEntee, Carson, and Tanzi

Date Introduced: June 16, 2022

Referred To: House Finance

1           SECTION 1. This act consists of a Joint Resolution that is submitted pursuant to Rhode  
2 Island General Laws § 35-18-1, et seq.

3           SECTION 2. Brookside Apartments II -- University of Rhode Island

4           WHEREAS, The University of Rhode Island Board of Trustees is proposing a project  
5 which involves the construction of a new residence hall on the Kingston campus; and

6           WHEREAS, The undergraduate student enrollment is critical to the fiscal health of the  
7 University; and

8           WHEREAS, There is high undergraduate student demand for apartment style on campus  
9 housing; and

10          WHEREAS, The University is committed to providing adequate and appropriate housing  
11 opportunities for its students; and

12          WHEREAS, The University continues to undertake significant improvements to existing  
13 dormitory style housing facilities and has built new units that offer both suite style and apartment  
14 living options with the goal of providing over fifty percent (50%) of its undergraduate students on  
15 campus housing in keeping with its peer institutions; and

16          WHEREAS, Apartment style housing units are critical for the on campus retention of  
17 third and fourth year students that often seek alternative housing off campus; and

18          WHEREAS, A recent market change has necessitated this additional, apartment style  
19 campus housing; and

20          WHEREAS, The Rhode Island Public Corporation Debt Management Act requires the

1 General Assembly to provide its consent to the issuance or incurring by the State of Rhode Island  
2 and other public agencies of certain obligations including financing guarantees or other  
3 agreements; and

4 WHEREAS, The design and construction of the project will be financed through Rhode  
5 Island Health and Educational Building revenue bonds, with an expected term of thirty (30)  
6 years; and

7 WHEREAS, The total project costs associated with the completion of the project and  
8 proposed financing method would be supported by auxiliary fee revenues for URI Housing and  
9 Residential Life for the apartment building; and

10 WHEREAS, The URI Auxiliary bond indenture stipulates that in order to issue new debt,  
11 the auxiliary revenues less auxiliary enterprise expenditures, excluding capital expenditures and  
12 debt service, must cover auxiliary debt service 1.2 times, thus ensuring that any new bonds will  
13 be issued on a financially sound basis; and

14 WHEREAS, The project is targeting a total project financing level of one hundred sixty-  
15 three million one hundred thousand dollars (\$163,100,000), which includes capitalized interest  
16 and the associated cost of financing, with an assumed interest rate of six percent (6%) and a thirty  
17 (30) year term, which has debt service repayments that will not exceed three hundred fifty-six  
18 million dollars (\$356,000,000).

19 RESOLVED, That the General Assembly hereby approves financing in an amount not to  
20 exceed total debt service payments of three hundred fifty-six million dollars (\$356,000,000) for  
21 construction of a new apartment style residence facility on the University of Rhode Island  
22 Kingston Campus; and be it further

23 RESOLVED, That, this Joint Resolution shall take effect upon passage by this General  
24 Assembly.

25 SECTION 3. This Joint Resolution shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
JOINT RESOLUTION  
RELATING TO PUBLIC CORPORATION DEBT MANAGEMENT

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- 1           This Joint Resolution would authorize approval of financing in an amount not to exceed
- 2 three hundred fifty-six million dollars (\$356,000,000) for construction of a new apartment style
- 3 residence facility at the University of Rhode Island.

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