

ACTION ITEM #7

**WSU Pullman, Northside Residence Hall - Phase 2,
Financing
(Roger Patterson/Barry Johnston/Terry Boston)**

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Pullman, Northside Residence Hall – Phase 2, Financing

PROPOSED: That the Board of Regents approve a General Revenue Bond Resolution to authorize the issuance and sale of bonds or other obligations to be used for University Student Housing projects; not to exceed \$40,000,000, a maximum term not to exceed 30 years, and a maximum interest cost rate not to exceed 6.0%; and delegate authority to the President or his designee to sell bonds, or other obligations including determining the final bond size, maturity schedule, redemption provisions and timing of sale.

SUBMITTED BY: Roger Patterson, Vice President for Finance and Administration

SUPPORTING INFORMATION: The University intends to issue tax-exempt bonds, in an amount sufficient to provide for project costs of \$40 million, plus financing costs and a debt service reserve fund if one is required, to coincide with the construction timeline, and any expenditures made before issuance of the bonds will be reimbursed from bond proceeds.

The Net Revenue of the Housing and Dining System will be used to support payment of debt service on the proposed bonds. The bond proceeds will be used to reimburse or fund construction of the projects and bond issuance costs. Any unexpended proceeds may be used for other capital projects of the Housing and Dining System. The Resolution provides flexibility in the event it is determined to be advantageous to wait until 2014 to issue the Bonds, due to changes in the bond market.

Bond Counsel: Cynthia Weed, K&L Preston Gates Ellis LLP
Financial Advisor: Susan Musselman, PFM, Inc.
Underwriter: To be determined

Board of Regents

WSU Pullman, Northside Residence Hall – Phase 2,
Financing

Resolution #131004-464

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Board of Regents approve a General Revenue Bond Resolution to authorize the issuance and sale of bonds or other obligations to be used for University Student Housing projects; not to exceed \$40,000,000, a maximum term not to exceed 30 years, and a maximum interest cost rate not to exceed 6.0%; and delegate authority to the President or his designee to sell bonds, or other obligations including determining the final bond size, maturity schedule, redemption provisions and timing of sale.

Dated this 4th day of October, 2013.

Chair, Board of Regents

Secretary, Board of Regents