Approval to Plan, Finance, and Construct the Football Performance Complex and Request Participation of Ross-Ade Foundation

1. **Project Description**
   - The existing facilities for football student-athletes are dispersed in multiple buildings and provide approximately 35% of the space needed to operate efficiently and effectively on a daily basis. The Football Performance Complex (FPC) will address the space needs in a centralized location.
   - The FPC will be a three-story structure, adjacent to the north end of the Mollenkopf Athletic Center.
   - The current concept is a 110,000 GSF facility that will include:
     - locker room
     - weight room
     - coaching offices
     - meeting rooms
     - player lounge
     - equipment and sports medicine areas
   - The site will feature terraced landscaping and outdoor strength training turf near the new weight room. The exercise hill on the west side of Mollenkopf will remain.
   - A/E: Populous from Kansas City, Missouri
   - Contractor: Hunt Construction
   - Procurement method: Construction Manager as Constructor
   - Construction start: May 2016
   - Construction finish: August 2017

2. **Project Benefits**
   - Provide football student-athletes with necessary space.
   - More efficiently and effectively schedule and conduct the football operations.

3. **Project Cost and Funding**
   - Estimated Total Project Cost: $65,000,000
   - Source of Funds: Certificates of Participation

4. **Project Risks:**
   - **Operational**
     - The existing training facility is dated and has not been updated since it was built in 1989. The training facility is inadequately sized and inefficient.
     - Current facilities do not offer the features necessary to serve as effective recruiting tools.
   - **Financial**
     - None
RESOLUTION OF THE BOARD OF TRUSTEES OF THE TRUSTEES OF PURDUE UNIVERSITY:

(1) DECLARING THE NECESSITY FOR THE REPAIR, RENOVATION AND MODERNIZATION OF MOLLENKOPF ATHLETIC CENTER AND THE CONSTRUCTION OF THE FOOTBALL PERFORMANCE COMPLEX ADDITION ON THE WEST LAFAYETTE CAMPUS (THE “PROJECT”);

(2) REQUESTING THE PARTICIPATION OF ROSS-ADE FOUNDATION IN THE PLANNING, CONSTRUCTION AND FINANCING OF SAID PROJECT;

(3) REQUESTING THAT THE FOUNDATION NEGOTIATE AND CONTRACT WITH POPULOUS AND HUNT CONSTRUCTION TO PROVIDE ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION SERVICES RESPECTIVELY FOR THE PROJECT;

(4) AUTHORIZING THE EXECUTION OF CERTAIN GROUND LEASE AND LEASE-PURCHASE AND SUBLEASE RELATED DOCUMENTS AND THE TAKING OF OTHER NECESSARY ACTIONS TO FINANCE THE PROJECT AND ACCOMPLISH THE PURPOSES OF THIS RESOLUTION;

(5) AUTHORIZING DESIGNATED OFFICERS OF THE CORPORATION TO OBTAIN SUCH APPROVALS AND TAKE SUCH ACTION AS MAY BE NECESSARY OR INCIDENTAL TO THE ACCOMPLISHMENT OF THE PURPOSES AND INTENT OF THIS RESOLUTION;

(6) DECLARING OFFICIAL INTENT TO REIMBURSE CERTAIN PROJECT COSTS RELATED TO THE PROJECT WITH BOND PROCEEDS

WHEREAS, The Trustees of Purdue University (the “Corporation”) has for many years operated athletic facilities, including, without limitation, the Ross-Ade Stadium, the Mackey Arena Complex and the Mollenkopf Athletic Center on land owned or formerly owned by the Ross-Ade Foundation (the “Foundation”) at and in connection with the conduct of the Corporation’s intercollegiate athletic program and other programs on the West Lafayette Campus, and

WHEREAS, the Corporation has utilized the assistance and expertise of the Foundation in planning, financing and constructing athletic facilities, and, in more recent times, has utilized the Foundation to provide the same services in connection with repairing, renovating, modernizing and expanding the Mackey Arena Complex facilities utilizing the Mackey Complex Lease Agreement dated as of August 15, 2009 and a presently existing lease-purchase and sublease agreement dated as of August 15, 2009 between the Foundation and Corporation (collectively, the “Current Lease”) to allow the Foundation to construct, or cause to be constructed, and finance certain additional leasehold improvements as requested by the Corporation, and
WHEREAS, the Mollenkopf Athletic Center is located on real estate covered by the Current Lease, is a part of the Facility as defined therein, is in need of repair, renovation and modernization, and further, additional facilities need to be constructed to complete the Project, all of which has been reviewed, approved and recommended to the Board by its Physical Facilities Committee. The Corporation desires to seek the assistance and expertise of the Foundation in planning, financing and constructing these leasehold improvements to the Mollenkopf Athletic Center utilizing either the Current Lease and any necessary replacements, amendments, supplements or additions thereto or a new lease purchase agreement for Project improvements, an Agreement for Football Performance Complex Construction and Athletic Center Renovation, and any other necessary contracts or documents to enable the Foundation to secure permanent debt financing for the Project by issuing Certificates of Participation (COPs) and interim financing if needed;

NOW, THEREFORE, it is hereby RESOLVED by the Board of Trustees (the “Board”) of the Corporation, as follows:

1. The Board hereby finds that a necessity exists for the repair, renovation, modernization and equipping of the Mollenkopf Athletic Center and the construction and equipping of additional adjoining facilities, identified, collectively, as the “Football Performance Complex” at the Purdue University West Lafayette Campus (the “Project”). The Board hereby establishes a Project cost for said Project of up to $65,000,000.00 (the “Authorized Cost Level”) for said Project.

2. The Board further finds that the Project, and the construction, acquisition and operation thereof, are necessary for and consistent with carrying on the educational, research and public service programs of Purdue University; for the discharge of its statutory responsibilities; and, for the management operation and servicing of its West Lafayette Campus.

3. The Board further finds that in view of the prior experience in constructing, renovating and financing Corporation athletic facilities at the West Lafayette Campus, the best interest of the Corporation and Purdue University will be served by obtaining the participation of the Foundation in the planning, construction and financing of the Project. The Board respectfully requests the Foundation to complete the planning and undertake the construction of the Project at the Facility, and to prepare and submit proposals and recommendations for financing of the Project utilizing COPs, including any proposed refunding of existing COPs the Foundation has issued to finance other Corporation projects, to the Treasurer or Assistant Treasurer of the Corporation for consideration and approval on such terms as the Treasurer or Assistant Treasurer shall in his discretion deem to be in the best interest of Purdue University and the Corporation.

4. As part of the preliminary planning and pre-construction phase of the Project the Corporation has engaged Populous to provide planning and design services and Hunt Construction to assist the Corporation in complying with the requirements of IC5-32-5 et seq. to enable the Project to be constructed utilizing the Construction Manager as constructor (“CMc”) process. Now that a decision has been made by the Board to proceed with the Project and the requirements of IC5-32-3-2 thru 4 have been completed, the Board requests that the Foundation negotiate with the Corporation’s selected offeror, Hunt Construction, and award a contract for performance of the work on the Project in compliance with said statute and utilizing the CMc
process at a guaranteed maximum price. The Board also requests that the Foundation negotiate with and award a contract for architectural and engineering services on the Project to Populous, and that in so doing and performing said contracts the Foundation utilize the services of the Purdue Construction Department.

5. The Board further requests that once the financing plan for the Project is approved as provided in Paragraph 3 the Foundation enter into appropriate arrangements for COPs financing of the principal costs of the Project up to the Authorized Cost Level (plus costs allowable for interest and finance charges, capitalized interest, debt service reserves, bond or reserve insurance and other incidental costs as permitted by statute). In so doing the Board requests that the Foundation utilize the services of Purdue’s Office of Treasury Operations.

6. It is anticipated that said approved financing plan may utilize the Current Lease, with appropriate amendments or supplements thereto or a new lease-purchase and sublease agreement, and an Agreement for Mollenkopf Center Renovation and Addition, (all as hereinafter described) that will enable the Foundation to secure permanent debt financing for the Project by issuing COPs for the Project costs up to the Authorized Cost Level, and the Board requests that the Foundation submit these documents, and any other documents necessary to conclude the financing authorized hereunder to the Treasurer or Assistant Treasurer of the Corporation for review and approval on such terms as the Treasurer or Assistant Treasurer shall in his discretion deem to be in the best interest of Purdue University and the Corporation.

7. The Board further authorizes the officers designated in this Resolution to: (a) enter into a Project financing arrangement as they deem most advantageous based upon then-existing and anticipated conditions; (b) execute the documents necessary to construct the Project; (c) execute the COPs financing documents; and (d) perform all other acts necessary or appropriate to accomplish the construction and financing of the Project, all as subject to review and final approval by the Treasurer or Assistant Treasurer of the Corporation.

8. The Board further finds that the total estimated principal cost of the COPs financed portion of the $65,000,000 Authorized Cost Level of the Project will not exceed $65,000,000 (plus costs allowable for interest and financing charges, capitalized interest, debt service reserves, bond or reserve insurance and other incidental costs as permitted by statute) and that the principal costs included in the financing procedures allocable to the Project and referred to below shall not exceed that amount.

9. The Board further finds and determines that, in connection with the construction of the Project by the Foundation, and subject to obtaining all necessary governmental reviews and approvals, it is in the best interest of the Corporation of Purdue University that the Current Lease be amended or supplemented or a new lease purchase and sub-lease agreement be entered into between the Foundation under the collective terms of which the Foundation will undertake the construction of the Project at a total cost within the Authorized Cost Level and will then convey a portion of the Facility to the Corporation on a lease-purchase basis for a term not to exceed forty (40) years and contemporaneously sublease the Mollenkopf Complex portion of the Facility back to the Corporation for a like period (the “2016 Lease-Purchase and Sublease Agreement”). Said amendment or supplement to the Current Lease or the 2016 Lease-Purchase and Sublease Agreement, as appropriate, shall provide for total rentals, payable periodically, so determined
that over such term the total rental payments made by the Corporation will equal, but not exceed, the total indebtedness incurred by the Foundation in the construction of the Project in the amount set forth in Paragraph 8 above and any subsequent improvements, including interest and other related costs. Said amendment or supplement to the Current Lease or the 2016 Lease-Purchase and Sublease Agreement shall include provisions whereby the Corporation will have the right at any time during the lease term to purchase and acquire title to the Facility upon prepayment of an amount equal to said total rentals due as of the date of such prepayment, excluding any unearned future interest amounts; and whereby at the end of the term of said amendment or supplement to the Current Lease or the 2016 Lease-Purchase and Sublease Agreement, upon payment in full of said rental amounts, the title to the Foundation portion of the entire Facility shall be conveyed absolutely and in fee simple to the Corporation and such agreement shall terminate, or as otherwise may be required by law.

10. The Board further finds and determines that, in connection with providing of the Project by the Foundation, and subject to obtaining all necessary governmental reviews and approvals, it is in the best interests of the Corporation that an agreement be entered into between the Corporation and the Foundation under the terms of which the Foundation will undertake the construction of the Project at the Facility (the “Agreement for Mollenkopf Center Renovation and Addition”).

11. The Board hereby determines, and any amendments or supplements to the Current Lease or the 2016 Lease-Purchase and Sublease Agreement shall provide, that the Project will be used by the Corporation solely in connection with the carrying on of the educational, research and public service programs of Purdue University; the discharging of its regulatory responsibilities; and the management, operation and servicing of said University.

12. The Board hereby requests review by the Indiana Commission for Higher Education, and the approval of the Budget Agency and the Governor of the State of Indiana for the Project, including use of the proposed lease-purchase and sublease COPs financing method.

13. The Chair, Vice Chair, Treasurer, Assistant Treasurer, Legal Counsel, Secretary, and Assistant Secretary of the Corporation and the Chief Financial Officer and Treasurer and the Senior Vice President and Assistant Treasurer of Purdue University, and each of said officers respectively, are hereby authorized and empowered for, on behalf of and in the name of the Corporation: (a) to request all necessary state approvals, as referred to in Paragraph 12 above, for the actions hereinabove authorized and for any related matters as may be required by law; (b) to specifically delineate the location of the Project on the Facility and to separate same from other contiguous lands owned by the Foundation and occupied by the Corporation of all COPs financing documents; and (c) to negotiate for and, subject to prior approval of the Treasurer or Assistant Treasurer of the Corporation, to execute any amendments or supplements to the Current Lease, other existing lease-purchase agreements between the Corporation and the Foundation or the proposed 2016 Mollenkopf Lease-Purchase and Sublease Agreement and the proposed Agreement for Mollenkopf Center Renovation and Addition by the Foundation, containing the terms and provisions specified above, and such other terms and provisions as the Treasurer or Assistant Treasurer in his sole discretion deems appropriate to such documents, in the name of and on behalf of the Corporation; and (d) to take all other necessary and proper actions to carry out the purpose and intent of this Resolution whether herein specifically
authorized or not, except such actions as are specifically required by law to be taken by the Board as the governing body of the Corporation.

14. In the event that it is determined by the Foundation that it is desirable for said Foundation (in order to obtain funds to cover construction and related costs of the Project) to assign its interests in a portion of the amended or supplemented Current Lease or in any 2016 Mollenkopf Lease-Purchase and Sublease Agreement or to the lease-purchase rental amounts, to a lender, or to a trustee representing potential investors in fractionalized interests in said lease-purchase agreement or in said rental amounts, the officers of the Corporation identified in Paragraph 14 hereof, and each of them as appropriate, are authorized to participate in the preparation of and (subject to the prior approval of the Treasurer of Assistant Treasurer of the Corporation) to execute documents as required by any applicable securities laws, or by any lending institutions, trustee, underwriter or other entities involved in the Foundation’s financing procedures, in connection with such financing; and to take all other actions necessary to carry out the purpose and intent of this Resolution.

15. In the event it is determined by the Foundation that it appears prudent under then-current market conditions, to obtain interim, construction-period financing, prior to the issuance of long-term financing, the said officers of the Corporation, and each of them as appropriate, are authorized to participate in the preparation of documents effecting such interim financing and (subject to the prior approval of the Treasurer or Assistant Treasurer of the Corporation) to execute such documents as may be required in connection with such interim financing and to take all other actions necessary to effect such interim financing arrangements by the Foundation.

16. The Board hereby declares its official intent, as required by the Internal Revenue Code, to cause the Project to be designed, acquired, constructed and equipped and to reimburse certain costs of design, acquisition, construction and equipping of the Project with proceeds of debt to be incurred by the Foundation not in excess of the maximum amount approved by Board for the Project and as it may be otherwise limited or permitted by applicable statutes.