August 13, 2018

The Honorable Eric J. Holcomb
Governor of the State of Indiana
State House
Indianapolis, IN 46204

Dear Governor Holcomb:

At its meeting on August 3, 2018, the Purdue University Board of Trustees approved and delegated the authority to finalize a residence hall public-private partnership project on the Purdue University West Lafayette Campus.

The construction of new residence halls will help address an existing wait list and projected increased demand for on-campus housing. Increasing the available on-campus housing will support the Purdue Moves goal of "Living and Learning," which highlights the link between on-campus living and student achievement.

Purdue University selected Plenary Properties Purdue, LLC to be the preferred proposer for the student housing project to construct two new residence halls on the West Lafayette campus to address the increased demand for on-campus living. The obligations of Plenary Properties Purdue, LLC include the design, finance, construction, operation and maintenance of two facilities that accommodate approximately 1,300 beds through the term of the project, which ends June 30, 2083.

Our estimated construction cost is $103,000,000. Annual payments to Plenary Properties Purdue, LLC will be funded from Auxiliary Funds-Housing/Dining.

Subject to review by the Commission for Higher Education and recommendation by the State Budget Committee and the Budget Agency, we request your approval to proceed with this project. We will be happy to answer any questions you or your staff may have or to provide any additional information that is needed.

Sincerely,

[Signature]

William E. Sullivan
Treasurer and Chief Financial Officer

Attachments

c: Dominick Chase, Associate Commissioner and Chief Financial Officer, Indiana Commission for Higher Education
   Jason Dudich, Director, Indiana State Budget Agency
   Kathleen Thomason, Comptroller, Purdue University
   Anthony Hahn, Director, State Relations & Policy Analysis, Purdue University
TERM SHEET

Residence Hall P3 Project

Purdue University- West Lafayette Campus

Budget Agency Project Number: B-1-19-6-07

Project Summary and Description:

Purdue University proposes to construct two new residence halls using a public-private partnership with Plenary Properties Purdue, LLC on the West Lafayette campus in accordance with IC 21-35-7. The obligations of Plenary Properties Purdue, LLC include the design, construction, finance, operation and maintenance of two facilities that accommodate approximately 1,300 beds through the term of the project, which ends June 30, 2083.

The construction of new residence halls will help address an existing wait list and projected increased demand for on-campus housing. Increasing the available on-campus housing supports the Purdue Moves goal of Living and Learning, which highlights the link of on-campus living and student achievement. By utilizing a public-private partnership to deliver this project, the project risk will be transferred to the developer.

Project Parties: Purdue University
                Plenary Properties Purdue, LLC

Project Term: 65 years

Square Feet: Approximately 350,600 GSF total
             - Third Street North residence hall
               ○ Approximately 148,800 GSF
               ○ Bed count 570
             - Meredith South residence hall
               ○ Approximately 201,800 GSF
               ○ Bed count 730

Price:

- Annual Per-Bed Payment: $7,754

Funding Sources of the Project: Auxiliary Funds – Housing/Dining

Additional Terms:

- Purdue University will remain responsible for the following:
  ○ Maintenance of the exterior landscaping and exterior
  ○ Student life programming and rent rates
  ○ Management of the student resident advisors on site
- Both facilities will be owned by Purdue University