



Cleveland State University

BOARD OF TRUSTEES

September 29, 2017

RESOLUTION 2017-66

AUTHORIZATION FOR A LONG-TERM LEASEHOLD CONCESSION WITH RESPECT TO PARKING ASSETS, AND RELATED MATTERS

WHEREAS, the Board of Trustees (the “Board”) of Cleveland State University (the “University”) has been exploring opportunities in the public private partnership market and has established the assessment of such opportunities as one of the Path to 2020 strategic projects; and

WHEREAS, the University’s actions toward assessment of such opportunities are consistent with the October 2015 recommendations of the Governor’s Task Force on Higher Education Affordability and Efficiency; and

WHEREAS, in order to facilitate the assessment of public private partnership opportunities, the University issued a Request for Qualifications (“RFQ”) to identify potential investor consortiums interested in a lease and concession of some or all of the parking assets owned or controlled by the University, including those assets leased by the University to Euclid Avenue Development Corporation (collectively, the “Parking Assets”); and

WHEREAS, six consortiums provided written responses to the RFQ and each consortium made formal presentations to the University’s review team; and

WHEREAS, after evaluating the written responses and presentations, the University selected three consortiums (the “Selected Bidders”) to bid through a formal process should the Board determine to proceed with a lease and concession of the University’s Parking Assets.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF CLEVELAND STATE UNIVERSITY, as follows:

Section 1. Determination to Proceed. The Board hereby determines that it is in the best interests of the University to proceed with the lease and concession of the Parking Assets (the “Transaction”) through a Long-Term Lease and Concession Agreement (the “Agreement”), including the issuance of a request for proposals to the Selected Bidders and proceeding with a bidding process relating thereto, the authorization of the transactions contemplated herein, and the authorization of the negotiation, execution and delivery of the Agreement and other documents relating thereto.

Section 2. Outstanding Obligations. The Board has determined that, in connection with the Transaction, it may be desirable for the University to pay, prepay, repay, refund, refinance, purchase, redeem or otherwise defease all or a portion of any outstanding bonds and/or other debt obligations of the University and Euclid Avenue Development Corporation that financed or refinanced the Parking Assets (collectively, the “Defeasance”); and

Section 3. Request for Proposals. The Board hereby authorizes the issuance of a request for proposals in connection with the Transaction and proceeding with the bidding process developed relating thereto wherein the bid of the highest responsive bidder will be selected, subject to the terms, conditions and limitations prescribed in these resolutions.

Section 4. Authorization for Agreement; Terms. The Board hereby authorizes the University to enter into the Agreement to effectuate the Transaction pursuant to the additional terms described on Exhibit A attached hereto.

Section 5. Authorized Officers; Direction to Proceed. The Board hereby authorizes and directs the President and the Chief Financial Officer (the “Authorized Officers”), or either of them, upon consultation with the Chair of the Financial Affairs Committee of this Board, the General Counsel, any outside counsel or advisors retained for this purpose and such other members of the senior leadership of the University that the Authorized Officers deem necessary, advisable or appropriate, subject to the terms, conditions and limitations prescribed in these resolutions and, notwithstanding and as an exception to any other University procedure, (1) to select as concessionaire and tenant under the Agreement the bidder with the highest responsive bid from the bidding process established by the Authorized Officer(s) to the extent such bid is otherwise acceptable to the Authorized Officer(s) after meeting, among other things, the criteria set forth on Exhibit A attached hereto, and (2) negotiate, execute, acknowledge and deliver the Agreement, containing such additional terms as the Authorized Officer(s) shall approve and deem necessary, advisable or appropriate, such Authorized Officer’s execution thereof to be conclusive evidence of such approval and determination of the necessity, advisability or appropriateness thereof.

Section 6. Defeasance. The Board hereby authorizes and directs the Authorized Officers, or either of them, upon consultation with the Chair of the Financial Affairs Committee of this Board, the General Counsel, any outside counsel or advisors retained for this purpose and such other members of the senior leadership of the University that the Authorized Officers deem necessary, advisable or appropriate, subject to the terms, conditions and limitations prescribed herein, to negotiate, execute, acknowledge and deliver one or more agreements, instruments, certificates or other documents in connection with the Defeasance, as such Authorized Officer(s) shall approve and deem necessary, advisable or appropriate, such Authorized Officer’s execution thereof to be conclusive evidence of such approval and determination of the necessity, advisability or appropriateness thereof.

Section 7. Use of Proceeds. The Board hereby authorizes and directs the Authorized Officers, or either of them, to cause (i) the Proceeds to be used to fund any costs and expenses associated with the Transaction and the Defeasance and (ii) the remainder, if any, to be paid to the University to establish an endowment fund and/or to be used for strategic projects as approved by the Board.

Section 8. Reports to Board. The Chief Financial Officer shall report to the Board’s Financial Affairs Committee on a regular basis all actions taken pursuant to this resolution.

Section 9. Ratification. The Board hereby affirms and ratifies the actions taken by University officials in connection with the issuance of the RFQ, the review of responses, and the determination of the Selected Bidders.

Section 10. Other Documents. The Authorized Officers, and the Chair and Vice-Chair of the Board, or any one of them, are authorized to furnish, sign and deliver such other documents, certificates and instruments as may be necessary or appropriate to consummate the transactions contemplated in this Resolution.

Section 11. Open Meeting. It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and of any of its committees that resulted in those formal actions were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.