

Collin County Community College District Board of Trustees

2018-12-13

December 11, 2018

Resource: Ken Lynn
Chief Financial Officer

- AGENDA ITEM:** Report Out of the Campus Facilities and Construction Committee and Approval to Authorize the District President to Negotiate and Execute Necessary Documents to Effect the Early Termination of the Ground Lease with the Collin College Student Housing Foundation
- DISCUSSION:** On October 23, 2018 the College and the Student Housing Foundation executed a Letter of Intent that reflected both parties' desire and commitment to effect an early termination of the ground lease upon which is the site of the Century Court apartments on the Plano campus.
- The Termination Agreement is currently being negotiated between the parties and it contemplates a transaction closing date on or about January 31, 2019. Integral to the success of the transaction is the defeasance of certain housing bonds issued to finance construction of the facilities. Defeasance notices to bondholders, which trigger the defeasance and are not cancellable, must be issued no later than 45 days prior to closing. For a January 31, 2019 closing date, the defeasance notices must be issued in mid-December. For that reason the administration is requesting approval for the District President to negotiate and execute any and all documents necessary to effect the early termination.
- DISTRICT PRESIDENT'S RECOMMENDATION:** The District President recommends approval granting authority to the District President to negotiate and execute necessary documents to effect the early termination of the ground lease with the Collin College Student Housing Foundation.
- SUGGESTED MOTION:** This may come out of committee as a motion and second or a suggested motion could be: "Mr. Chairman, I make a motion that the Board of Trustees of Collin County Community College District approve granting authority to the District President to negotiate and execute necessary documents to effect the early termination of the ground lease with the Collin College Student Housing Foundation."