



FINANCING CORPORATION

INVITATION TO NEGOTIATE

May 23, 2022

Introduction

Florida Gulf Coast University Financing Corporation (“FGCUFC” or “the Corporation”) is requesting proposals from investment banking partners to serve as underwriter for a potential refunding of the Series 2013A Capital Improvement Revenue Bonds in the outstanding amount of \$24,885,000, expected to be issued in November 2022.

Florida Gulf Coast University Overview

FGCUFC is a Not-For-Profit Corporation created to directly support the activities of Florida Gulf Coast University (“FGCU” or “the University”). It is organized and operated exclusively to receive, hold, invest, and administer property and to make expenditures to or for the benefit of FGCU.

FGCU is a member of the State University System of Florida (comprising 12 institutions) and is a young and growing institution of higher learning. It opened as Florida’s tenth state university in August 1997. Its initial goal was to serve the five-county area (Charlotte, Collier, Glades, Hendry and Lee counties), home to about 1.4 million residents. Today, the University attracts a much broader array of students from across the state, nation and dozens of international locales. FGCU employs a competitive admissions process guided by state law and intended to provide equal opportunity for admission to all qualified prospective students. The institution exhibits a strong commitment to sustainability and civic engagement, which were the focus of its original Quality Enhancement Plan.

In its young history, FGCU has been successful by any measure. It is the fastest-growing university in the State University System. Enrollment has more than quintupled since opening day in Fall 1997, when there were 2,584 students registered for classes, to 15,892 students in Fall 2021. There are now students from 48 states and more than 84 countries. Residential students have grown from 200 living on campus in 1998 to more than 4,700. And the student body is increasingly diverse, starting at 12.6 percent minority in 1997 and rising to 37 percent. The first graduation ceremony awarded 49 degrees; there are now over 3,000 degrees awarded annually. And first-year retention has improved from 43 percent in the early days to 82 percent for Fall 2021.

FGCU’s commitment to a sustainable future for our region is a hallmark of the institution. FGCU has developed a formidable presence in environment education: estuarine and littoral studies, marine life, environmental engineering, and renewable energy are all disciplines in which FGCU has demonstrated research strength that has been successfully melded with instruction delivered by faculty in two colleges. A School of Integrated Coastal and Watershed Studies, the FGCU Water School, provides further synergy among these related disciplines, supplying the laboratories and opportunities that will ensure our coastal environment thrives in the coming decades and creating an educated workforce to support this growing sector of the economy. Construction of the 114,414 square foot building was completed Spring 2022 with classes to start Fall 2022.

In November 2019, the University completed construction of the Student and Community Counseling Center, which offers a variety of supervised counseling services provided by graduate interns. FGCU’s Community Counseling Center provides affordable counseling and consulting services to all Southwest Florida residents, filling a community need for greater access to mental and behavioral health services for individuals of all ages, regardless of socioeconomic status.

The Center for Entrepreneurship and Innovation is home to the School of Entrepreneurship and opened during Summer 2021. The School of Entrepreneurship provides undergraduate and graduate degrees designed for students who are focused on channeling their passion towards creating or growing new ventures or acquire jobs in established companies.

Additional information regarding FGCU can be found on the University's website at www.fgcu.edu and on EMMA at <https://emma.msrb.org/IssueView/Details/ER355348>.

Available Information

To assist you in the preparation of your proposal, we have enclosed the following as attachments:

- A. Moody's rating report from 2020;
- B. Fitch rating report from 2020.

Outstanding Debt

Currently, FGCUFC has \$147.4 million in loans and bonds outstanding. The Corporation's Series 2005A, 2005B, 2013A, 2017A, 2017B, 2019A, and 2020A loans and bonds are fixed rate, and the 2008A and 2009A bonds are variable rate.

The Corporation is looking at two options: a tax-exempt current refunding of the Series 2013A bonds, with an expected closing in November 2022, or a tax-exempt forward refunding of the Series 2013A bonds, with an expected pricing in August 2022 and a closing in November 2022 to achieve debt service savings and work towards a more overall level debt service.

Proposal Question and Submission Instructions and Conditions

All proposals shall be submitted no later than **4:00 p.m. on June 9th, 2022**. Although time is of the essence, FGCUFC reserves the right to consider proposals submitted late on a case by case basis. At the Corporation's option, finalists may be invited to the University to meet with the FGCUFC Finance team.

Please submit an electronic copy to:

June Gutknecht
Associate Controller
jgutknech@fgcu.edu

Christina Silcox
Assistant Controller, Financing Corporation
csilcox@fgcu.edu

Proposals should also be emailed to FGCUFC's Independent Registered Municipal Advisor ("IRMA"), Public Financial Management Inc. at the email addresses shown below:

Bjorn Reigle
reigleb@pfm.com

Tiffany Pham
phamt@pfm.com

Each proposal must address all pertinent areas and be specific. The ability to meet all specified requirements, particularly that of time constraints should be addressed in the affirmative. Any conditions or exceptions should be clearly stated.

Please note the following:

- a) FGCUFC reserves the right to reject any or all proposals, to waive any informalities or irregularities not involving price in any proposals received, and to make the sole determination as to which proposal is deemed to be in the best interest of FGCUFC.
- b) All proposals become the property of FGCUFC.
- c) FGCUFC will not reimburse proposers for any costs associated with the preparation and submission of any proposal.
- d) Proposers, their agents and/or associates shall refrain from contacting or soliciting any FGCUFC employee or board member regarding this ITN during the selection process. Failure to comply with this provision may

result in disqualification of the Proposer, at the option of FGCUFC.

- e) FGCUFC's acceptance of or notification of acceptance of a proposal shall not constitute acceptance of an offer to contract. Neither FGCUFC nor the Proposer of the accepted proposal shall be bound in the absence of a separate agreement in writing duly executed by the parties. Such written agreement may contain additional terms.
- f) FGCUFC requests that all recipients of this ITN treat all information concerning FGCUFC in this ITN as confidential.

All questions regarding the borrower and proposal should be submitted no later than June 2nd, 2022. Any request for clarification or additional information should be directed to FGCUFC's financial advisor, as shown below.

Bjorn Reigle
reigleb@pfm.com

Tiffany Pham
phamt@pfm.com

Evaluation Criteria

FGCUFC will evaluate the proposals to determine which firm best meets the needs of FGCUFC for underwriting services. Evaluation criteria will include, but not be limited to, professional experience, general reputation, ability to perform the required services, and cost to FGCUFC. FGCUFC at its option may request oral presentations, or discussions with any or all firms for the purpose of clarification or to amplify the material presented in any part of the technical proposal. However, firms are cautioned that FGCUFC is not required to request clarification; therefore, all proposals should be complete and concise and reflect the most favorable terms available from the firm. FGCUFC shall not be bound by oral explanations or instructions given at any time during the competitive process prior to award.

Proposal Requirements

For consideration, please consider the following questions when preparing your written response. Please limit your response to 12 pages excluding exhibits and appendices.

I. Description of Firm & Qualifications

Each respondent should state clearly and succinctly why your firm is best qualified to serve as underwriter for the proposed transaction. Provide a brief description of your firm and its corporate structure. Describe the firm's experience working with higher education clients like FGCUFC in terms of credit quality, structure or any other aspect you consider relative. Please provide examples of your firm using its balance sheet for unsold balances when acting as senior manager.

II. Project Team

Provide a complete description of the proposed project team as it relates to a public bond transaction:

- a) Specify who will be the day-to-day contact person available for meetings and/or conference calls;
- b) Provide resumes, contact information, and other relevant experience for each of the team members; and
- c) Specify who from the syndicate desk will have primary responsibility for underwriting any offering by FGCUFC.
Please note: Changes in the project team without the prior approval of FGCUFC may lead to removal from the underwriter pool.

III. Credit Recommendations

FGCUFC currently maintains A2/A+ (Moody's/Fitch) ratings with a stable outlook. Based on the current sentiment from the rating agencies, FGCUFC's security structure, sentiment with current market conditions please comment on the financial and credit profile and other factors you believe will be important to highlight and discuss with the rating agencies in anticipation of future debt issuance and as part of an overall strategy with the rating agencies. Please discuss your thoughts around FGCUFC's two ratings and whether you believe FGCUFC should consider adding a third rating.

IV. Distribution/Pricing (Forward and Regular Delivery)

How would you approach marketing FGCUFC's? Describe the type of likely investors and the suitability of your firm in reaching those investors. What are the major strengths of your firm's distribution capabilities and how those strengths would be of benefit to FGCUFC? Please describe how you would market and handle the sale process to ensure FGCUFC achieved optimal pricing. Would an electronic roadshow enhance the marketability of FGCUFC's proposed bond issues?

Assuming maintaining of the current A2/A+ ratings, please provide indicative anticipated spreads to MMD for 1) a matched-maturity, tax-exempt current refunding of the Series 2013A bonds scheduled for November 2022 and 2) a matched-maturity, tax-exempt forward refunding of the Series 2013A bonds expected to price in August 2022 and close in November 2022, based on the close of business MMD on June 7th, 2022. For the tax-exempt scenarios, please assume 5% coupons and a standard 10-year par call and an alternative coupon structure. Please include refunding analyses for all structures.

V. Conflicts

Describe any conflicts of interest relevant to the University, the Corporation, and any University affiliated organization. In addition, provide a statement of commitment to disclose future, actual or potential conflicts of interest.

VI. Litigation

Please identify any material litigation, disciplinary actions, harassment cases or penalties, and administrative proceedings affecting your firm or involving allegations of securities law or related regulatory violations by the firm in the past three years and the disposition of such litigation, actions, penalties or proceedings. Provide information for any investigations which concluded in an enforcement or disciplinary action ordered or imposed within the last three years.

Please note: material adverse changes in this disclosure over time may lead FGCUFC to eliminate any selected firm from the underwriter pool.

VII. References

Provide the name, title, phone number, and email address of three (3) higher education clients that the firm has served as senior manager on debt issued in the last two years that FGCUFC may contact as references.

VIII. Fees: Underwriter's Counsel

Provide a fee proposal and estimated expenses, including underwriter's counsel, for the proposed transaction.