

## Provident Resources Group

Bid Contact **Christopher Hicks**  
**cch@provident.org**  
**Ph 917-664-1485**

Address **5565 Bankers Avenue**  
**Baton Rouge, LA 70808**

Bid Notes **Our submission is for informational purposes as the County considers its financing options for the Project. We can partner with any development team ultimately chosen and we feel our financing and ownership structure meets all of the County's needs for this important project.**

Item #	Line Item	Notes	Unit Price	Qty/Unit	Attch. Docs
PNC2122559R1--01-01	Developer for Joint Government Center Campus (JGCC) (Step One)	<b>Supplier Product Code:</b>	<b>First Offer -</b>	1 / project	<b>Y</b>
Supplier Total					<b>\$0.00</b>

**Provident Resources Group**

Item: **Developer for Joint Government Center Campus (JGCC) (Step One)**

**Attachments**

Broward\_FLL\_PRG\_RFQ Submission\_04.21.2021\_vFINAL.pdf



**Provident Resources Group Inc.**

5565 Bankers Avenue  
Baton Rouge, LA 70808  
Phone: 225.236.0720  
Mobile: 917.664.1485  
[cch@provident.org](mailto:cch@provident.org)

April 21, 2021

C/O Connie Mangan, Purchasing Manager  
Broward County Purchasing Division  
115 South Andrews Avenue, Room 212  
Fort Lauderdale, FL 33301  
[cmangan@broward.org](mailto:cmangan@broward.org)

To Whom it May Concern:

Provident Resources Group Inc. ("Provident" or "PRG") welcomes the opportunity to assist Broward County ("County") and the City of Fort Lauderdale ("City") (collectively "Sponsors") in the development of the Sponsors' Joint Government Center Campus ("JGCC" or "Project"). Provident has extensive experience around the country, including Florida, serving as a nonprofit partner to assist in developing and financing essential projects for a variety of beneficiaries, including local governmental bodies.

First and foremost, we are not submitting these qualifications in hopes of serving as a developer in the traditional manner contemplated by the County in its RFQ. We are submitting our qualifications instead to provide an alternate financing platform that the Sponsors may wish to utilize to access the capital markets for cost-effective funding for all or a portion of the Project. We therefore acknowledge that our response may be viewed as unresponsive, however we are confident in our ability to assist the County and the City in financing the Project regardless of which developer team is selected.

Provident is an established national 501(c)(3) organization committed to the development, ownership and operation of state-of-the-art facilities across the country that serve to lessen the burdens of government while fostering economic development, advance education, promote quality healthcare, meet the needs of the elderly and relieve the underprivileged with safe and affordable housing.

For over 20 years, Provident has served its missions in 21 states and the District of Columbia, accessing nearly \$5 billion in capital from the private and public markets and assembling an asset base of more than \$3.5 billion of assets under management. The various financing models utilized by Provident demonstrate our ability to successfully access the capital markets, whether through the municipal markets, equity markets, complex tax-exempt public offerings, private placements, or through conventional bank financings.



Provident is led by a talented management team supported by a staff of nearly 30 in-house professionals and support staff that include experienced lawyers, financial and banking professionals, CPAs and accountants seasoned in the area of tax-exempt financing for public institutions and nonprofit organizations focused on serving the missions of Provident in communities across the United States. Furthermore, Provident is guided by a diversified national board of directors experienced in higher finance, government administration, investment banking, education and venture capital funding. Provident's ability to execute and our success to date is further supported by many of the largest developers, investment banking firms and law firms in the country.

Provident's interest in the Project is straightforward: The JGCC first and foremost falls squarely into Provident's mission of lessening the burdens of government, and we know that our name in market, proven access to low-cost tax-exempt financing and our dedicated team of professionals focused on the long-term success of the Project will complement the Sponsors' efforts to address their 21<sup>st</sup> Century needs and challenges, while offering the community new public gathering spaces, stronger community identity, safer and better transportation alternatives, better environmental outcomes and better opportunities for businesses.

We have provided herein background information on Provident as well as information on a variety of projects we have successfully brought to market over the last two decades in operation. We strongly believe the County and the City would benefit from our off-balance sheet, off-credit approach to accessing the lowest cost of borrowing for our clients, as well as our model's ability to provide ongoing revenues to the Sponsors for the life of the financing, with the Project ultimately reverting to the Sponsors, free and clear of debt.

We greatly appreciate the opportunity to provide our qualifications in response to the County's RFQ, however outside the box it may be, and we look forward to an opportunity to work with Broward County and the City of Fort Lauderdale on this important Project. Please feel free to reach out to me directly should you have any questions about our Proposal or require any further information from Provident.

Sincerely,

Christopher C. Hicks  
Executive Vice President – Capital Markets and Corporate Development  
Provident Resources Group  
[cch@provident.org](mailto:cch@provident.org)  
917-664-1485 Cell | 225-236-0720 Direct



## INTRODUCTION / QUALIFICATIONS

APRIL 21, 2021

PREPARED FOR:

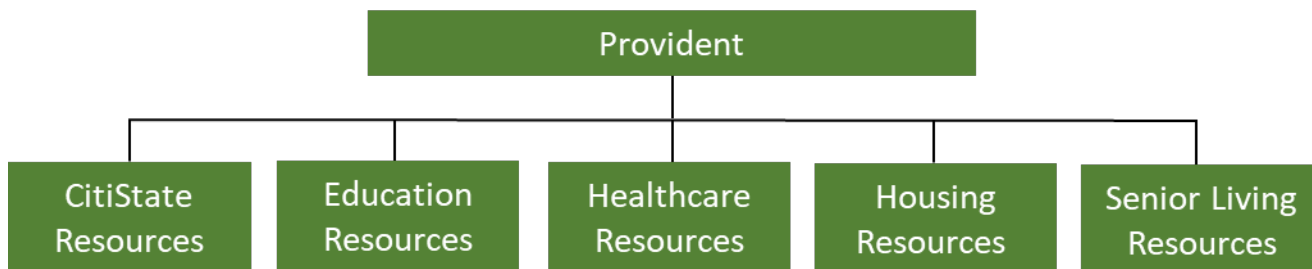


Provident Resources Group Inc.  
Bankers Ave | Baton Rouge LA  
- | [www.provident.org](http://www.provident.org)

## Firm Profile and Team

### About Provident

Provident, founded in 1999, is a national non-profit and 501(c)(3) organization with its corporate office in Baton Rouge, Louisiana, and a second location in Raleigh, North Carolina. Provident is, at its core, a mission-based organization. Provident’s core mission is serving communities across the United States through the development of state-of-the-art facilities and providing outstanding services that serve our missions of assisting state and local governments, advancing education, advancing healthcare, providing quality and affordable housing, including workforce housing and quality senior living facilities.



Our pursuit of opportunities focuses on these five primary mission areas. We strive to find projects where we add the most value. Our added value can be both quantitative and qualitative. In many instances our financing platform provides the lowest cost of borrowing for our partners. In other situations, our structure lends itself to other efficiencies in procurement, accounting or administration. Regardless, the broad scope of our mission areas allows Provident to partner with a wide range of beneficiaries and do so where our value is most impactful.

To date, Provident has accessed nearly **\$5 billion** in capital to fund its mission-based projects in 21 states and the District of Columbia that further develop the communities in which Provident is called upon to assist. Of this amount, Provident has completed approximately \$210 million in projects in Florida. Furthermore, Provident currently has approximately **\$3.5 billion** in assets under management serving its missions and making a lasting difference in people’s lives.

Under our nonprofit ownership and financing structure, we assume responsibility for developing, financing, constructing, furnishing, equipping, owning and operating projects on terms acceptable to our partners. We do this by partnering with experienced and reputable developers, construction companies and financial partners. Our structure allows our beneficiary partners to exercise significant control over all aspects of the development and operation of the assets while also enjoying their financial and intangible benefits, all without having to bear the burdens typically associated with the ownership and financing of such assets.

## Provident's Approach

Provident's day-to-day activities are directed by a talented management team with over 100 years of combined experience in various project financings and developments. The senior management team is supported by a corporate staff of 28 professional and administrative personnel, which include attorneys, financial professionals, CPAs, accountants, IT, and human resources specialists all seasoned in the areas of project financings and developments for public institutions and nonprofit organizations. While our competitors often outsource such responsibilities to costly third parties, these resources enable Provident to perform "in-house" all the tasks a responsible and prudent owner would perform in connection with the development and operation of an asset.

Provident will work in partnership with the Sponsors, their Developer(s), bond underwriter/placement agent and the entire team throughout the financing process. Our role is hands-on, as we take seriously our responsibility to craft a financing that is structured to maximize future success. Our role in the development and financing process includes many essential services.

### Asset Development

1. Preparation and submittal of project financing application to the qualified conduit Florida-based bond issuer selected by the project team.
2. Establish Borrower organizational structure and prepare related documents.
3. Participation in negotiation and preparation of financing and development documents.
4. Assisting with information distributed to rating agencies (if applicable) and potential bond investors during the pricing, including participation in investor outreach.
5. Contracting with project developer under terms of a Project Development Agreement or the design/builder under a turnkey Design/Build Construction Contract, Construction Manager at Risk and other similar P3 structures.
6. Overseeing the activities of the Developer, Design/Builder, Architect and third-party consultants.
7. Review and approval of all construction draw requests and submission of same to bond trustee for payment in accordance with the project financing documents.
8. Monitoring compliance with all financing and development documents.
9. Maintaining appropriate books and records relating to project development.

We fully acknowledge that getting to financial close is just the beginning of our role in each project we undertake. As the Owner of the Project for the life of the financing, Provident is committed to a true partnership with the Sponsors to ensure long-term success. Our role as an Asset Manager is ongoing and includes tackling most of the administrative burdens associated with a financing of this nature.

### Asset Management

1. Monitoring compliance with tax and financial covenants.
2. Ensuring appropriate financing and operational books and records are maintained.
3. Provide Project Operating Committee support and participation in regular meetings.
4. Contracting with operator for day-to-day onsite operations and ensuring compliance

- with IRS Rev. Proc. 2017-13 related to Qualified Management Agreements.
5. Evaluating performance of independent operators and consultants.
  6. Ongoing communication with rating agencies (if applicable) and institutional investors regarding project performance and market conditions.
  7. Review and oversight of the preparation of the annual budgets and operating plans.
  8. Monitoring compliance with annual budgets and operating plans.
  9. Review and approval of third-party contracts, as necessary.
  10. Review operational reports and evaluation of compliance with applicable documents.
  11. Engage independent auditor to prepare the annual financial audit of the Provident SPE.
  12. Oversee activities of insurance consultant to maintain required coverage(s).
  13. Arranging for the calculation and payment of all required arbitrage rebate payments.
  14. Disseminating all required continuing disclosure and certifications.
  15. Satisfy all federal tax reporting requirements (Forms 990 and 1099).
  16. Review and comment on leases with any retail tenants, if applicable.

**Partnership – Now More than Ever** We acknowledge that our partners have several options for nonprofit owners. While these nonprofits may also offer access to off-balance sheet tax-exempt financing, we feel strongly that Provident brings a level of ongoing support, a history of experienced full-time professionals and a commitment to true partnership that other nonprofits cannot replicate. We operate in the spirit of teamwork, taking ownership in the Project and its success for the life of the financing, using in-house expertise to operate as a prudent, responsible owner.

Over the last decade, the municipal market has evolved. In response to the 2008 Recession, the regulatory environment has called for increased transparency and disclosures to ensure market participants are afforded the information essential to making prudent investment decisions. As a committed partner and prudent Owner/Borrower, Provident provides the in-house staffing and expertise essential to navigate this increasingly scrutinized environment, and we do so for the life of the financing until all debt is retired - something our competition does not do. We take all necessary steps to ensure the Project and its tax-exempt financing structure remains viable and cost effective for the long-term, taking on the task of upholding its nonprofit status until the financing is fully repaid and the Project reverts to the Sponsors, free and clear of debt.

Furthermore, Provident's partnership is not limited solely to the four corners of legal contracts. As we have shown on projects around the country, Provident is a partner in good times and bad. It is no secret that the COVID-19 pandemic has created unprecedented challenges for every sector of our economy. Over the course of the last year, Provident has faced COVID-19 head on, working with our partners, rating agencies and investors to find operational and financial solutions to weather the storm. We have created an ongoing dialogue with investors by addressing their questions and concerns publicly, through frequent and detailed updates posted on EMMA, the MSRB's public disclosure platform. This level of commitment and partnership is indicative of the true partnership the County and the City deserve for a project of the magnitude and significance being contemplated with the JGCC.



## Provident's Ownership & Financing Structure

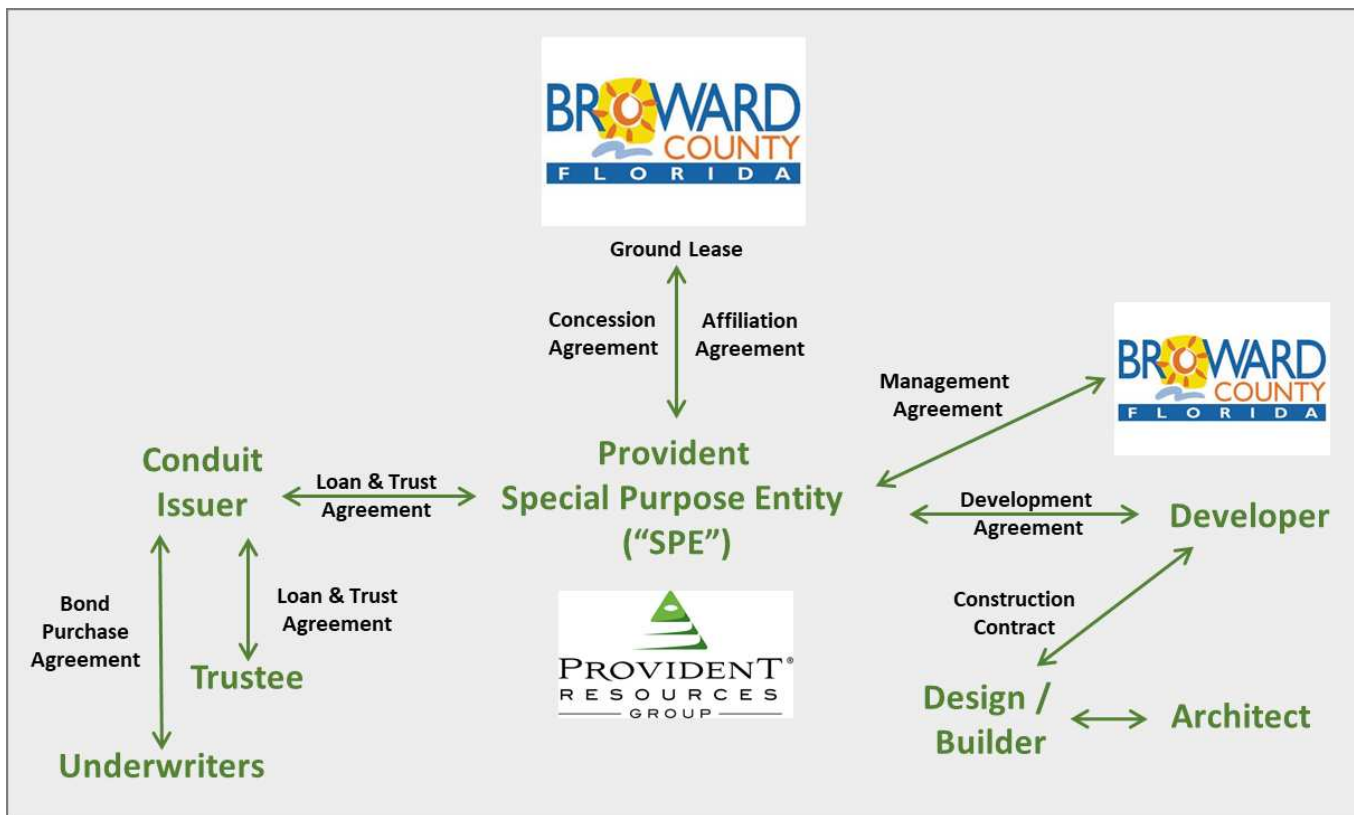
Provident's nonprofit model utilizes long-term tax-exempt (and possibly a modest amount of taxable) financing to fund 100% of the costs of the Project and provide for certain reserves required by the municipal market. This financing structure contemplates a special purpose entity ("SPE") to be created by Provident and dedicated solely to the Project. The SPE will be deemed a disregarded entity for federal tax purposes and will qualify as a nonprofit, exempt organization under Section 501(c)(3) of the Code with the ability and authority to develop the Project.

Through a Ground Lease with the County, the SPE will be the obligated entity and Borrower for the financing to facilitate the development of the Project. It will borrow the necessary funds in tax-exempt (with potential for a limited amount of taxable) revenue bonds, in one or more series, through a conduit bond issuing authority in the State of Florida.

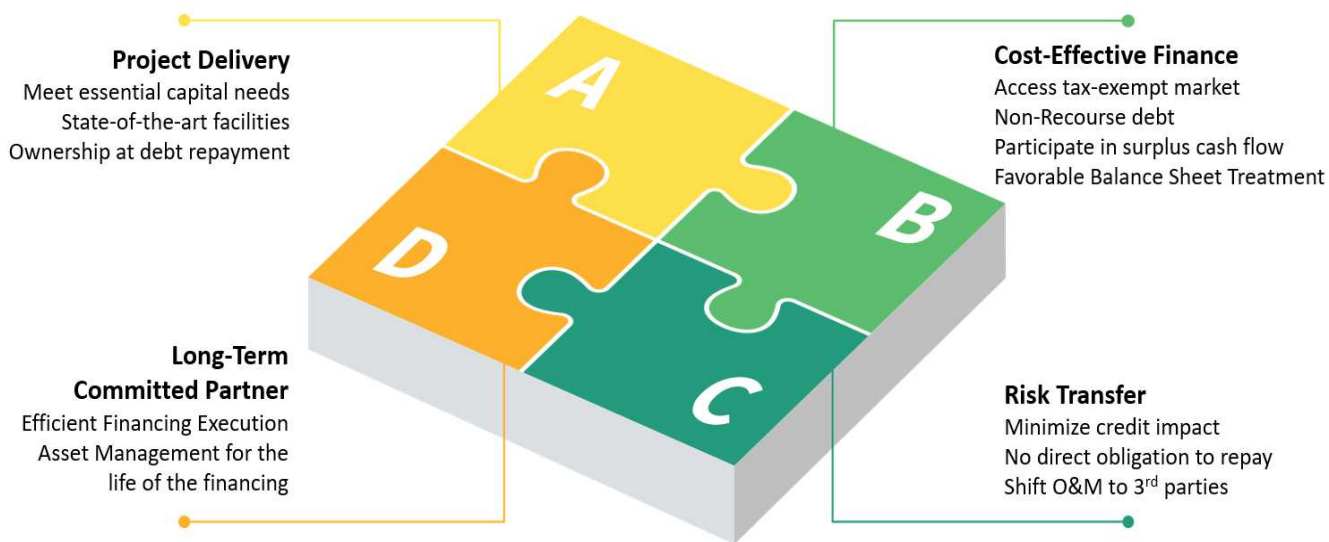
The fundamental economic benefits of Provident's financing and ownership structure include:

- Access to tax-exempt financing, providing a comparatively low cost of capital versus alternatives.
- Removal of profit motivation, which permits the maximum amount of capital to be deployed to increase Project quality while minimizing availability payments by the Sponsors.
- Subject to local law, securing or retaining property tax exemption on improvements.
- Reversion of Project improvements to our partner at termination of the financing.
- Financing structure that minimizes balance sheet and credit rating impacts.
- Access to the full breadth of Provident's team of executives, CPA's and legal staff handling all regulatory and procedural aspects of the financing before, during and after financial close.

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### Provident's Nonprofit Structure – Why?



## The Provident Team

Board of Directors	Provident Leadership	Outside Advisors
<p><b>Steve Hicks</b> Founder, Chairman, CEO Provident Resources Group Inc. Baton Rouge, LA</p>		<p><b>Debra Lockwood</b> Senior Advisor Baton Rouge, LA</p>
<p><b>Walter Bumphus PhD</b> President &amp; CEO AACC Austin, TX / Washington, D.C.</p>	<p><b>Donovan Hicks</b> Exec. VP &amp; Chief Legal Officer Baton Rouge, LA</p>	<p><b>Ken Becker</b> Managing Director Piedmont Securities Atlanta, GA</p>
<p><b>Thomas Greene III</b> Managing Partner Liberty Street Advisory Group Athens, GA</p>	<p><b>Christopher Hicks</b> Exec. VP – Capital Markets &amp; Corp. Dev. Raleigh, NC</p>	<p><b>Louis “Louie” Quinn, Jr.</b> Partner Fishman Haygood LLP Baton Rouge, LA</p>
<p><b>Thom Harrow</b> Chief Executive Officer APP Properties, Inc. New Canaan, CT</p>	<p><b>Marla Scannicchio, CPA</b> Exec. VP – Chief Accounting Officer Baton Rouge, LA</p>	
<p><b>Nancy Henze</b> Former Executive Director Municipal Assistance Corp. - NY New York, NY / Aiken, SC</p>	<p><b>David Grand</b> Senior VP – Assoc. General Counsel Baton Rouge, LA</p>	
<p><b>Joseph Torrence</b> President Highmark Holdings, LLC Nashville, TN</p>	<p><b>22 Other Full-Time Professionals</b> Accountants / CPAs / Admin. Baton Rouge, LA</p>	



**Steve E. Hicks**  
**Founder, Chief Executive Officer**  
**Chairman of the Board**

Provident founder, Steve Hicks, serves as the Provident’s Chairman and Chief Executive Officer. Mr. Hicks practiced law for 25 years for several prestigious regional and national firms, specializing in public finance with additional concentration in legislative law. He participated in many public finance issues over his 25-year career in a variety of roles including bond counsel, underwriter's counsel, and counsel to the issuer. He played a major role in the formation of the Louisiana Public Facilities Authority, one of the nation's largest issuers of debt securities for a wide range of public projects. While practicing public finance law, Mr. Hicks was the principal attorney or supervisory partner on approximately \$12.5 billion in project financings from 1973-1996 for acute care general hospitals, higher education institutions, senior living facilities, affordable housing, and numerous other health care and other essential state and local government projects.

Mr. Hicks served as General Counsel to the Louisiana Senate Committee on Revenue and Fiscal Affairs (1976-1980) where his primary responsibility was for bond and tax legislation referred to the Committee, the Louisiana Public Facilities Authority from 1974-1980 and the East Baton Rouge Mortgage Finance Authority from 1974 – 1982.

Mr. Hicks served as a member of the Board of Directors of the Research Park Corporation, a public, nonprofit corporation organized by the Louisiana State Legislature to promote the development of high technology industries and research in Louisiana, for which he chaired the Audit Committee.

### Education

- Juris Doctorate, Louisiana State University School of Law, Baton Rouge LA, 1973
- Bachelor of Science, Louisiana State University, Baton Rouge LA, 1970



**Donovan O. Hicks**  
**Executive Vice President**  
**Chief Legal Officer**

Donovan Hicks began his professional career in 1987 in private practice specializing in general corporate and tax matters and in the representation of corporate trust departments of state and national banking institutions serving as trustee for various tax-exempt bond financings in Louisiana and other state and local jurisdictions. Since 2001, Mr. Hicks has been a member of the Provident senior management team, responsible for overseeing legal, tax, and corporate compliance issues for Provident and its affiliates, and the acquisition, financing and development of new properties in furtherance of Provident's charitable activities.

### Education

- Master of Laws (Taxation), Southern Methodist University, Dallas TX, 1987
- Juris Doctorate, Louisiana State University, Baton Rouge LA, 1986
- Bachelor of Science (Accounting), Louisiana State University, Baton Rouge LA, 1983



**Christopher Hicks**  
**Executive Vice President of Capital Markets and Business Development**  
**Raleigh North Carolina**

Christopher is our Executive Vice President for Capital Markets and Business Development. Prior to joining Provident, he worked at Citigroup Capital Markets Inc. as a Director in the firm's Public Finance Department within the Municipal Securities Division. In his nearly 18 years with Citigroup, Christopher worked with state and local governments and higher education institutions around the country on over \$25 billion in tax-exempt and taxable municipal transactions, including numerous public-private partnership transactions. Notable clients included the Commonwealth of Massachusetts, the State of Louisiana's Department of Transportation and Development, the City-Parish of East Baton Rouge, Louisiana, the University of Massachusetts Building Authority, the University of Vermont, Georgia

Proton Treatment Center at Emory University, Berklee College of Music, the University of Texas at Austin, the University of North Carolina Board of Governors, Massachusetts Water Resources Authority and Emerson College, to name a few.

Mr. Hicks' role within Provident serves to drive business expansion and diversification efforts with a focus on identification, evaluation, prioritization and development of investment and business opportunities, all aimed at fostering growth within each of Provident's core mission areas.

### Education

- Bachelor of Arts (Economics & Political Science), Wake Forest University, Winston-Salem, NC, 2001



**Marla Page Scannicchio CPA**  
**Executive Vice President and Chief Accounting Officer**

Prior to joining Provident, Marla Scannicchio worked at The Baton Rouge Clinic, AMC, as their Accounting Manager from 1999-2002. Ms. Scannicchio was also employed as an Audit Manager with KPMG in Baton Rouge from 1993-1999, serving health care, governmental, and not-for-profit audit clients in Louisiana. Her health care clients included multi-facility nursing home companies, numerous not-for-profit and governmental hospitals, and the Louisiana State Department of Health and Human Resources (DHH). The DHH contract included reviewing and auditing all nursing home cost reports for the state of Louisiana. In addition, Ms. Scannicchio also reviewed and prepared cost reports for several of her hospital clients. She also gained extensive experience in auditing pension and savings plans and worked periodically in the tax department preparing individual returns as well as charitable trust returns. Ms. Scannicchio is a Certified Public Accountant and holds a Bachelor of Science degree in Accounting from Louisiana State University.



**David T. Grand Jr.**  
**Senior Vice President & Associate General Counsel**

Mr. Grand is responsible for various legal, tax and corporate compliance issues and the financing and development of new properties. Prior to joining Provident, Mr. Grand practiced corporate and securities law in the Houston office of Thompson & Knight LLP where he focused on complex financing transactions, mergers and acquisitions, corporate governance and compliance matters. Prior to attending law school, Mr. Grand worked in project management for HBE Corporation, a national design-build firm, where he managed the construction of multiple health care, financial and hotel construction projects valued at over \$100 million. Mr. Grand received his Juris Doctorate and Bachelor of Civil Law, magna cum laude, from the Paul M. Hebert Law Center at Louisiana State University where he was a member of the Louisiana Law Review and Order of the Coif and received his Bachelor of Science in Construction Management from Louisiana State University.

## CitiState Mission Projects

Partnering with state and local governments to lessen governmental burdens and meet the needs of their citizens in the face of today's economic challenges Recent examples include:

### Irving Convention Center Hotel – Westin Hotel Irving Texas

In 2016 Provident was selected by the City to finance the development, construction and operation of the City's new convention center hotel, a 350-key Westin adjacent to the Irving Convention Center in Los Colinas. The City had been attempting to develop the project for over a decade. After selecting Provident to utilize its 501(c)(3) nonprofit structure, the City was able to succeed in providing a high-quality hotel for the benefit of visitors to the Convention Center and the surrounding area.



Provident, through its IRS-recognized mission of Lessening the Burdens of Government, worked with the City; Garfield, its developer; Citigroup Global Markets, its placement agent; and essential legal counsel, to place \$124 million of tax-exempt and taxable bonds in the hands of a single investor. Preston Hollow Capital, based in Dallas, served as the sole purchaser of the bonds, ensuring a long-term partner incentivized and invested in the Project's success.

The hotel held its ribbon cutting ceremony in April 2019. This outstanding Project serves to benefit the City of Irving and its residents, and to attract trade shows, conventions, public cultural and entertainment events, create new jobs, attract new business and help provide better quality housing for the City residents. The Hotel is anticipated to increase revenues to the City from the ownership and operation of the Convention Center; reduce or eliminate deficit spending provided by the City to subsidize the operation of the Convention Center; provide additional jobs to City residents; promote further economic development for the City and its residents; provide additional tax revenue to the City; and increase the well-being of the residents living in and the businesses operating in the City.



**Harlingen Conference Center Hotel Harlingen Texas**

In March 2019, Provident closed on a \$28.93 million tax-exempt and taxable revenue bond issue to finance the development, design, construction and operation of a new convention center hotel for the benefit of the City of Harlingen, Texas. The project was initiated in 2015 when the City solicited competitive sealed proposals for the construction, development and operation of a convention center hotel and a public convention center to be located in the City for the purpose of economic development and other public benefits, and recognized that the



Hotel and Convention Center as a legitimate governmental purpose, function and burden. In furtherance of the RFP, the City requested that Provident assist the City in fostering economic development by developing, owning, financing, and operating the Hotel for the benefit of the City.

Provident, through its IRS-recognized mission of Lessening the Burdens of Government, worked with the City; BC Lynd, its developer; Piper Jaffray & Co., its placement agent; and essential legal counsel, to place \$29 million of tax-exempt and taxable bonds in the hands of a single investor. Preston Hollow Capital, based in Dallas, served as the sole purchaser of the bonds, ensuring a long-term partner incentivized and invested in the Project's success.



## Healthcare Mission Projects

### Emory Proton Therapy Cancer Treatment Center Atlanta Georgia

In August 2016, Provident began negotiations to acquire the assets of Georgia Proton Treatment Center LLC ("GPTC") in Atlanta, GA from a private investor group that had initiated the development, design and construction of the Center in CY 2010. The essential assets included a partially completed proton treatment center consisting of the site in midtown Atlanta at 615 Peachtree Street, Atlanta GA and approximately 107,500 square feet of purpose-built space for 5 proton treatment rooms (4 rotating gantries and 1 fixed beam system), as well as diagnostic, treatment, planning and imaging equipment, a structured parking deck containing approximately 162 parking spaces, certain equipment contracts and the Certificate of Need from the state of Georgia for the Center.



Between 2010 and 2014 partial funding was raised to acquire the site in midtown Atlanta, commence construction of the Center and execute a purchase contract for the acquisition of the proton equipment. In 2015 the construction of the Center was suspended due to a lack of funding and by October 2015 the Construction Contractor terminated its agreement with GPTC for non-payment.

By September 2016, Provident had reached an agreement to acquire GPTC moved forward to finance the acquisition, completion and payment for the proton equipment for the Center. Provident engaged Citigroup to lead the financing effort with Piedmont Securities LLC as Provident's structuring agent.

The transaction and the financing closed on July 10, 2017 with the issuance of \$219,365,000 in tax-exempt Senior Health Care Facilities Current Interest Revenue Bonds (Georgia Proton Treatment Center Project) through the Atlanta Development Authority. Installation of the major proton treatment equipment and the completion of the construction of the Center commenced in July 2017. Brasfield Gorrie was the General Contractor and GPTC was designed by VOA Architects, now Stantec Architects.

GPTC's clinical partners, Emory Healthcare Inc. and The Emory Clinic Inc. treated the Center's first patient in December 2018. The Center is located on a 2.39-acre parcel in Atlanta, GA, and is strategically located within a city block of Emory University Hospital's Midtown Atlanta campus.



**University of Illinois Hospital and Health Sciences**  
**Chicago Illinois**



Surgery Center – University of Illinois, Chicago  
200,000 Square Foot Surgery Center & Specialty Clinic  
Six Stories

**Overview** A new approximately 200,000 square foot, six-story Surgery Center and Specialty Clinic and related amenities and improvements, located on property owned by the University of Illinois in Chicago, exclusively for the benefit and support of the University and its Hospital and Health Services Facilities System.



Provident Group – UIC Surgery Center LLC (“Provident SPE”), a newly formed special purpose entity entered a long-term ground sublease with the University of University of Illinois for a site located on its Chicago medical campus.

The Project will provide a new home for outpatient surgery procedures now performed within the operating suite at the University of Illinois Hospital’s 462-bed tertiary care hospital, allowing space within the Hospital Building to be improved and used for the expansion of the existing inpatient surgery department. The building will house outpatient surgery, urology, otolaryngology, ophthalmology, gastroenterology clinics, imaging services and a pharmacy.

**Financing** The project was financed through the issuance of \$149,845,000 in tax-exempt lease revenue bonds by the Illinois Finance Authority (“IFA”). The bonds are secured by a Leasehold Mortgage and other security agreements on the project and are to be paid from lease payments made by the Hospital pursuant to the long-term Sublease Agreement. Lease payments are payable from and secured by the Surplus Revenues of the Hospital. The obligation to pay base rent is an independent covenant, and an unconditional obligation of the Hospital. The bonds are rated “BBB+” by S&P. Mesirrow Financial, Inc. served as the lead underwriter of the bonds, with Cabrera Capital serving as co-manager.

**Development and Management** Ankura Consulting Group served as developer of the Project. Construction is being undertaken through a joint venture of Pepper Construction and Brown & Momen, with Shive-Hattery serving as architect.

## Provident Higher Education Projects – Select Case Studies

### Radford University – Hotel and Conference Center Project Radford Virginia

University Affiliated Hotel and  
124 Keys | 88,000 Square Feet

**RADFORD**  
UNIVERSITY

**Overview** In April 2021, acting as the Owner/Borrower on the Project, Provident reached financial close on a 124-key hotel project for the benefit of Radford University (“University”) and the Radford University Foundation (“RUF”). The Project consists of approximately 88,000 gross square feet, including roughly 4,000 square feet of conference space, located within the 600 block of Tyler Avenue in the City of Radford, Virginia (directly across from the University’s largest outdoor function space, known as Moffett Lawn).



The Hotel will be owned, operated and principally used by Provident Group – Radford Properties LLC (“Provident SPE”), a special purpose entity created solely for the Project, for the benefit of Radford University and the Foundation. The Hotel will be a six-story structure and will include 124 guestrooms, including 4 suites. In addition to the conference and pre-function space, the lobby level will include a visitor center, a coffee shop and a 500 square foot private dining room for up to 20 people. The rooftop level will include a 2,750 square foot indoor rooftop bar and restaurant, a 1,650 square foot rooftop terrace and a 1,450 square foot rooftop event terrace. In total, the Hotel will include 12,350 square feet of function space.

On April 13, 2021, \$24.5 million of tax-exempt revenue bonds were sold through the Economic Development Authority of the City of Radford, Virginia. Loop Capital Markets served as Placement Agent for the Bonds. Bond proceeds, along with approximately \$15 million of other available moneys, were loaned by the Authority to Provident Group – Radford Properties LLC and were applied, together with other moneys, to (a) finance the costs of the acquisition, construction and equipping of the Hotel, (b) fund deposits to debt service reserve funds and operating reserve funds, (c) pay capitalized interest and working capital, and (d) pay costs of issuance. Additionally, the Bonds were issued as “Sustainability Bonds” allowing investors to invest directly in socially beneficial and sustainable projects.

Preston Hollow Capital, based in Dallas, served as the sole purchaser of the bonds, ensuring a long-term partner incentivized and invested in the Project’s success. The Project is being built by S.B. Ballard Construction Company based on architectural design provided by BLUR Workshop, and will be managed by Aimbridge Hospitality, LLC.

**Palm Beach Atlantic University – Student Housing Project**  
**West Palm Beach, Florida**

University Affiliated Student Housing  
510 Beds



**Overview** A new 163,000 square foot student housing facility and related common space, located on the campus of Palm Beach Atlantic University (“PBAU”). The Project is located on PBAU property and exists exclusively for the benefit of PBAU and its students.



Founded in 1968, PBAU is a comprehensive, interdenominational Christian university with a total headcount enrollment of roughly 3,700 students. The Project is located on the University’s core campus, which consists of waterfront property in the city of West Palm Beach, Florida. PBAU’s main campus is comprised of a 22.7-acre downtown campus and a 77.6 acre athletics campus.

Provident Group – PBAU Properties LLC (“Provident SPE”), a newly formed special purpose entity created for the sole purpose of developing, constructing, owning and operating the Project, served as Borrower for the financing under a long-term ground lease with PBAU.

The Project provides 510 beds of new, state-of-the-art housing for PBAU students, largely replacing several outdated facilities on the campus. Following the financing, approximately 400 beds of existing housing were to be eliminated in deference to the new facility.

**Financing** The Project was financed through the issuance of approximately \$41,000,000 in tax-exempt and taxable Revenue Bonds by Palm Beach County. The bonds are secured by a Leasehold Mortgage and assignment of rents and leases, as well as a fully funded Debt Service Reserve Fund. The bonds are rated “Ba1” by Moody’s. BofA Merrill Lynch served as underwriter for the bonds.

**Development and Management** Pembroke Student Housing, LLC served as developer of the Project, with construction completed by Hedrick Brothers Construction. Management is provided by PBAU.

**San Diego State University – M@College Student Housing Project**  
**San Diego California**

University Affiliated Student Housing  
327 Units (579 Beds)



**Overview.** In December 2020, working with San Diego State University, Capstone Management Partners and the rest of our team, Provident closed on the acquisition of an existing student housing project just outside the gates of San Diego State University. M@College, a 327-unit, 579-bed facility, had opened in the Fall of 2018 and had maintained 98% occupancy, even during the COVID-19 pandemic.



Despite its off-campus location, M@College is an affiliated property with San Diego State University and meets the University's Sophomore live on requirement. The Project is in a premier location, just two blocks from SDSU with proximity to the Student Union, an abundance of retail and dining options, and many other campus amenities.

**Financing.** The acquisition was financed through the public issuance of \$55,940,000 in tax-exempt revenue bonds through the California Enterprise Development Authority ("CEDA"), combined with \$12.15 million in Subordinate Student Housing Revenue Bonds placed directly with Capstone. The bonds are secured by a Leasehold Mortgage and other security agreements on the project and are to be paid solely from project revenues and other funds available under the Indenture. The bonds were structured with no recourse to CEDA or SDSU. The bonds were rated "Baa3" by Moody's. BofA Securities served as the lead underwriter and placement agent for Bonds, which enjoyed an amazing investor response, generating over \$840 million in orders for only \$55.94 million in bonds.

**University of Illinois at Urbana-Champaign “UIUC  
Urbana-Champaign Illinois**

Campus Instructional Facility (“CIF”)  
124,000 Square Feet Academic Space  
Feed Technology Center (“FTC”)

**Overview** Provident is proud to have partnered with the University of Illinois for an exciting academic project on its flagship Urbana-Champaign campus. Financed in May 2019, the UIUC project provides for integral advancement for the academic mission of the University.



The Campus Instructional Facility (“CIF”) will be a four-story, 124,000 square foot building, housing classrooms, lecture halls and flex space. The CIF Project is anticipated to be an integral component to achieving an increase

in enrollment for the College of Engineering. Additionally, the facility prioritizes sustainability, minimizing demand on campus utility infrastructure. In addition to the CIF Project, the transaction also provided funding for the Feed Technology Center (“FTC”) for the College of Agriculture, Consumer and Environmental Sciences. The new FTC Project has been deemed necessary to maintain the University’s reputation for innovation in nutritional and animal sciences. The FTC Project will provide space to test technologies, design new products and provide hands-on training for graduate students and industry personnel.

Provident Group – UIUC Properties LLC (“Provident SPE”), a newly formed special purpose entity entered into two long-term ground leases with the University of Illinois for the sites on its Urbana-Champaign campus.

**Financing** The project was financed through the issuance of \$71,525,000 in tax-exempt and taxable lease revenue bonds by the Illinois Finance Authority (“IFA”). The bonds are secured by a Leasehold Mortgage and other security agreements on the project and are to be paid from lease payments made by the University pursuant to the long-term Lease Agreements. The obligation to pay base rent is an independent covenant, and an unconditional obligation of the University. The bonds are rated “A1” by Moody’s. RBC Capital Markets served as the lead underwriter of the bonds.

**UMass Boston**

**Boston, Massachusetts**

University Affiliated Student Housing

486 Units (1,082 Beds)

27,500 Square Foot Dining Facility



**Overview.** The University of Massachusetts Boston is a public research university and a member of the University of Massachusetts System. Despite enrollment of more than 17,000 students, the University, prior to 2016, had no on-campus student housing, making it the only urban, research based, public university in the country without some form of university housing.



Recognizing the need for housing, the University embarked on a campus housing program that quickly enhanced the collegiate experience for its students. The University determined that a public-private-partnership structure with Provident, along with Capstone Development Partners and other experienced team members, offered the best means of achieving its objectives.

To assist the University in achieving its goals and objectives, Provident Commonwealth Education Resources Inc. ("PCER"), a newly formed supporting organization of Provident, entered into a long-term ground lease with the University of Massachusetts Building Authority ("UMBA"), for a site on-campus where PCER would develop, finance, construct, own and operate an approximate 1,080-bed student housing facility designed to serve students, faculty and staff.

**Financing.** The project was financed through the issuance of \$130,080,000 in tax-exempt revenue bonds by the Massachusetts Development Finance Agency ("MassDevelopment"). The bonds are secured by a Leasehold Mortgage and other security agreements on the project and are to be paid solely from project revenues and other funds available under the Indenture. The bonds were structured with no recourse to MassDevelopment or the University. The bonds were initially rated "Baa3" by Moody's and "BBB-" by S&P. Citigroup Global Markets served as the lead underwriter for the placement of the bonds, with Raymond James and Wells Fargo as co-managers.

**Development and Management.** Capstone Development Partners served as project developer and Capstone On-Campus Management is the property manager. Shawmut Design and Construction served as the general contractor with Elkus Manfredi Architects as the consulting architect for the project.

**UMass Dartmouth**  
**Dartmouth, Massachusetts**

University Affiliated Student Housing  
658 Units (1,210 Beds)  
39,000 Square Foot Dining Facility



**Overview.** Following the success of the UMass Boston Project, Provident once again joined with the UMass Building Authority to finance and develop a student housing project on the UMass Dartmouth campus. The project was to serve as a centerpiece of the Dartmouth campus, including an adjacent welcome center and sizeable dining facility for its students.



To assist the University in achieving its goals and objectives and in furtherance of its stated purposes, Provident Commonwealth Education Resources Inc. II (“PCER II”), a newly formed supporting organization of Provident, entered into a long-term ground lease with the University of Massachusetts Building Authority (“UMBA”), for a site on-campus that PCER II would develop, finance, construct, own and operate a 1,210-bed student housing facility designed to serve students, faculty and staff. The facility also includes a 30,000 square-foot dining section, “The Grove”, to serve University students, faculty, and staff.

**Financing.** The project was financed through the issuance of \$132,185,000 in tax-exempt revenue bonds by the Massachusetts Development Finance Agency (“MassDevelopment”). The bonds are secured by a Leasehold Mortgage and other security agreements on the project and are to be paid solely from project revenues and other funds available under the Indenture. The bonds were structured with no recourse to MassDevelopment, UMBA or the University. The bonds were initially rated “Baa3” by Moody’s and “BBB-” by S&P. Citigroup Global Markets served as the lead underwriter for the placement of the bonds, with Wells Fargo serving as co-manager.

**Development and Management.** Greystar GEDR Development served as project developer and Greystar student housing division is the property manager. Suffolk Construction Company served as the general contractor with DiMella Shaffer Associates as the architect for the project.

**North Carolina Central University “NCCU  
Durham, North Carolina**



University Affiliated Student Housing  
Phase I – 792 Beds  
Phase II – 482 Beds

**Overview** In June 2019, working with NCCU and the rest of our partners, Provident closed on the financing of a multi-phased student housing project located in the center of the NCCU campus in Durham, North Carolina. The Project included the financing and development of 1,274 beds of new and replacement housing for NCCU.

The 1<sup>st</sup> Phase of the Project consisted of the Chidley residence hall and the George Street residence hall. With 792 student housing beds, along with additional dining, classroom and common area amenities, Phase I accommodated a growing need for housing on NCCU’s campus and came on-line in Fall 2020. Phase II, financed concurrently, includes an additional 482 beds at the Lawson Street residence hall, to come on-line in 2021. Upon completion, Baynes Hall, a dated 392 bed dorm facility on campus, will be demolished.

Provident Group – NCCU Properties LLC, a newly formed special purpose entity, the sole member of which is Provident, entered a long-term ground lease with NCCU for the sites on its campus. Upon repayment of the bonds, the Lease will terminate, with the facilities and related improvements reverting to the University for no additional financial consideration.

**Financing** The project was financed through the issuance of \$109,405,000 in tax-exempt and taxable student housing revenue bonds by the Arizona Industrial Development Authority, an Arizona conduit issuer licensed to issue bonds in all 50 states. The bonds are secured by a Leasehold Mortgage and are to be paid from revenues and assets of the Project and payments under the Amenity Space Lease. The bonds are insured by Build America Mutual and therefore rated AA by S&P, and initially obtained an underlying rating of Baa3 from Moody’s. RBC Capital Markets served as lead underwriter of the bonds.

**Development and Management** Corvias serves as developer and Manager of the Project.

