

**APPROVAL OF A CAPITAL LEASE AGREEMENT FOR THE FORT WAYNE
REGIONAL PUBLIC SAFETY TRAINING CENTER, REGION 3**

RESOLUTION NUMBER 2006-16

WHEREAS, the 2005 General Assembly appropriated \$1,000,000 to Ivy Tech Community College of Indiana to enter into a capital lease agreement with the City of Fort Wayne for a facility to be known as The Fort Wayne Regional Public Safety Training Center, and

WHEREAS, the City of Fort Wayne and Ivy Tech have agreed to request continued State funding in an amount equal to \$1,000,000 per year for fourteen subsequent years, and

WHEREAS, the City of Fort Wayne has agreed to construct, through the sale of bonds, a facility to be known as The Fort Wayne Regional Public Safety Training Center, and

WHEREAS, Ivy Tech has agreed to enter into a capital lease arrangement for the use of space within the training center, and

WHEREAS, the City agrees, from and after the commencement date of that lease, to operate, repair, and maintain the leased premises in good working condition for use as a multi-purpose educational facility, and

WHEREAS, under the lease, Ivy Tech will be permitted to install in the facility any furniture, fixtures, equipment and any other necessary teaching tools owned by Ivy Tech for use in dedicated classrooms and offices, and

WHEREAS, under the lease, Ivy Tech will pay to the city the total amount of \$15,000,000 for the entire term of the lease, with \$1,000,000 payable per state fiscal year, beginning with a \$1,000,000 installment payable to the City on June 1, 2007, and

WHEREAS, following the aforementioned June 1, 2007 installment, under the lease Ivy Tech will pay semiannual installments of \$500,000 to the City, with the first of those installments due on the commencement date or July 15, 2007, whichever is later, and thereafter on each January 15th and July 15th, and

WHEREAS, it is expressly understood that should the \$1,000,000 annual State appropriation to Ivy Tech be terminated for any reason, Ivy Tech will be under no obligation to continue the lease payments and will be released from the Lease Agreement, and

WHEREAS, this is a capital lease and there will be a need for a separate operating lease to provide funds for the continued operation and maintenance of the facility, and

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WHEREAS, the City reserves the right to enter into additional operating leases and agreements with other participating entities, for the use of the facility, so long as those agreements do not substantially impair the rights of Ivy Tech;

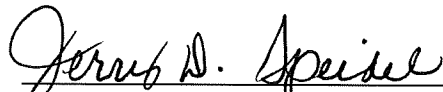
NOW THEREFORE BE IT RESOLVED, that the State Trustees do hereby authorize and direct the President and any other appropriate College Officer to negotiate a lease agreement with the City of Fort Wayne for said property and to execute all necessary documents for the above stated lease at a total rental of \$15,000,000 and not to exceed \$1,000,000 per state fiscal year for a term of 15 years after the documents have been approved by the College Interim General Counsel, and

FURTHER BE IT RESOLVED, that the President is hereby authorized and directed to proceed with requesting appropriate state authority approvals for this project.

**State Trustees
Ivy Tech Community College of Indiana**



William R. Goins, Chairman



Jerry D. Speidel, Secretary

Dated April 13, 2006