

SOUTH DAKOTA BOARD OF REGENTS

Budget and Finance

AGENDA ITEM: 7 – B
DATE: December 11-12, 2024

SUBJECT

South Dakota Building Authority Revenue Bonds, Series 2024A

CONTROLLING STATUTE, RULE, OR POLICY

[SDCL § 5-12-10](#) – Transfer of State Property to Authority

[SDCL § 5-12-13](#) – Lease of Facilities and Sites to State Agencies Authorized

[SDCL § 5-12-20](#) – Resolutions for Revenue Bonds Authorized

BACKGROUND / DISCUSSION

The South Dakota Building Authority Series 2024A Revenue Bonds will provide \$5,144,644 to help fund the construction, furnishings, and equipping of an expansion of the West River Health Science Center at Black Hills State University – Rapid City (BHSU-RC).

BHSU-RC Project in Rapid City, South Dakota

BHSU-RC was originally constructed as a general classroom and office building in 2011. The existing building supports a wide range of academic functions including offices, classrooms, meeting rooms, tutoring, veteran’s assistance, IT help desk, and other student services. BHSU’s associate degree in Applied Health Sciences is fully offered at BHSU-

(Continued)

DRAFT MOTION 20241211_7-B:

I move to adopt Special Resolution No. 03-2024 on a roll call vote, which will:

- 1) Request the Building Authority to proceed with the issuance of revenue bonds (“*Revenue Bonds*”) to finance costs of constructing, renovating, furnishing, and equipping the BHSU-RC Project in an aggregate amount not to exceed \$5,144,644.
- 2) Authorize the President of the Board and the Executive Director to execute an instrument of transfer to effect the transfer of jurisdiction over the affected real property for the BHSU-RC Project, to the extent not heretofore transferred.
- 3) Authorize the President of the Board and the Executive Director to execute a supplement to the existing lease between the Board and the Building Authority. This lease establishes the basis for the continued occupancy and use of the premises by the Board and outlines the conditions of payment to the Building Authority for such occupancy and use.
- 4) Authorize the officers of the Board and the Executive Director to take such other actions and to execute such other documents as may be required to carry out the actions approved pursuant to such special resolutions.

RC. This program offers the pre-nursing curriculum and is fully articulated into SDSU's Bachelor of Science in Nursing (BSN) program. The BSN program currently offers traditional, didactic classes out of BHSU-RC but continues to offer all skills and simulations classes at an older rental building due to lack of space.

The expansion of BHSU-RC will address the need for nursing simulation and skills lab space while maximizing the use of existing gathering, general classroom, office, and service space in the facility. The renovation and expansion of BHSU-RC will create a state-of-the-art nursing education facility that will provide opportunities for students, faculty, and practitioners, and support the healthcare needs of western South Dakota. As identified by Monument Health, the main health care provider in western South Dakota, an acute need for nursing professionals has been identified in the Rapid City area. Providing state-of-the-art nursing education facilities will help these programs respond to that need.

This project will consolidate all South Dakota Regental nursing education in the western part of the state into a single site, providing efficiencies and improvement in space utilization. It will replace outdated and leased, program-limiting facilities in four separate locations in Rapid City, SD with one fully appointed modern educational facility. It will also provide the space necessary to increase the number of nursing graduates needed in Rapid City to address the severe nursing shortage in the region.

The Building Authority advised the Board staff that the Revenue Bonds are expected to be priced and sold within the following parameters:

The Series 2024A Bonds shall be issued in an aggregate principal amount such that not more than \$,144,644 of the proceeds of the Series 2024A Bonds shall finance costs of constructing, furnishing, and equipping the Project.

The last stated maturity date of the Series 2024A Bonds shall not be later than June 1, 2045; (ii) the yield for arbitrage purposes on any Series of the Series 2024A Bonds shall not exceed 5.0%, (iii), the purchase price to be paid by the Underwriter for any Series of Series 2024A Bonds shall not be less than the 98.0% of the principal amount of such Series of Bonds, plus an amount sufficient to pay costs of issuance of the Bonds, and (iv) the Underwriter's discount on any Series of the Series 2024A Bonds (as measured as a percentage of total proceeds of such Series of the Series 2024A Bonds) shall not exceed 0.65%.

IMPACT AND RECOMMENDATIONS

The issuance of the Series 2024A Bonds is subject to the approval by the Governor of the State of South Dakota of the issuance of such Series 2024A Bonds following a public hearing, after due notice, regarding the issuance of such Series 2024A Bonds, all as required by Section 147(f) of the Code.

The Board is being asked to adopt a single resolution on roll call vote, that will (1) request the Building Authority to go forward with the BHSU-RC Project, (2) authorize the formal transfer of jurisdiction over the necessary property or structures to the Building Authority, and (3) amend the lease agreement between the Board and the Building Authority to reflect the new transactions.

Property transferred to the Building Authority as collateral for the Revenue Bonds will be reconveyed to the Board once all construction bonds, or refinancing instruments, have been discharged.

Attached are copies of the Special Resolution and a copy of the Twenty-Ninth Supplement to the Lease between the Board and the Building Authority.

ATTACHMENTS

Attachment I – Special Resolution

Attachment II – Twenty-Ninth Lease Supplement

SPECIAL RESOLUTION NO. 03-2024

Special Resolution requesting the South Dakota Building Authority (the “*Building Authority*”) to proceed with the sale of its tax-exempt Revenue Bonds (the “*Revenue Bonds*”) in order to finance an aggregate amount of costs of not to exceed \$5,144,644 for the construction, furnishing, and equipping of an expansion of the West River Health Science Center at Black Hills State University – Rapid City (the “*Project*”), to transfer jurisdiction over the site of the Project, and to authorize the execution of a Lease Supplement to the Lease dated February 1, 1984 with the Building Authority to finance the Project described herein.

RECITALS

WHEREAS, the Board of Regents has previously considered and approved preliminary plans for the construction, furnishing, and equipping of the Project and now wishes to authorize and request financing for the Project with the proceeds of Revenue Bonds to be issued by the Building Authority to provide up to \$5,144,644 of the costs of constructing, renovating, furnishing, and equipping such Project; and

WHEREAS, the Project was authorized by supplemental Section (1) of chapter 198 of the 2022 Session Laws of the South Dakota Legislature, as supplemented by chapter 213 of the 2024 Session Laws of the South Dakota Legislature, with up to \$5,144,644 of the construction costs thereof to be financed through the issuance of revenue bonds by the Building Authority; and

WHEREAS, upon issuance of the Revenue Bonds described and authorized herein, the aggregate amount of construction costs financed by the Building Authority in accordance with Chapter 198 of the 2022 Session Laws of the South Dakota Legislature, as heretofore amended, will not exceed \$15,144,644, in compliance with the provisions of Section 1 of such Chapter 198; and

WHEREAS, the Building Authority will require the Board of Regents to execute a Twenty-Ninth Lease Supplement to the Lease dated February 1, 1984, relating to the site of the Project (herein referred to as the “*Projects Site*”); and

WHEREAS, the requirement by the Building Authority is based upon the expectation of issuing WHEREAS Revenue Bonds which will relate to the Twenty-Ninth Lease Supplement for such Project; and

WHEREAS, the Building Authority has also submitted to the Board of Regents, a form of a proposed Twenty-Ninth Lease Supplement relating to the projects hereinabove referred to; and

WHEREAS, the form of the proposed Twenty-Ninth Lease Supplement provides for the determination of rentals under the formula established by the Building Authority and accepted by the Board of Regents, taking into account appropriations to be made by the South Dakota Legislature from any legally available funds including, without limitation, funds derived from operating revenues or donations with respect to the facilities which constitute the Project; and

WHEREAS, the issuance of the Series 2024A Bonds is subject to the approval by the Governor of the State of South Dakota of the issuance of such Series 2024A Bonds following a public hearing,

after due notice, regarding the issuance of such Series 2024A Bonds, all as required by Section 147(f) of the Code; and

WHEREAS, the Building Authority anticipates delivery of the Revenue Bonds as and when its advisers indicate the municipal bond market appears favorable and therefore requests the execution of the Twenty-Ninth Lease Supplement.

THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the South Dakota Board of Regents, as follows:

- A. That the State Board of Regents does hereby request that the South Dakota Building Authority proceed with the sale of Revenue Bonds in order to finance an aggregate amount of construction costs of not to exceed \$5,144,644 for the construction, furnishing, and equipping of the Project on the campus of Black Hills State University – Rapid City (including, to the extent applicable with respect to the Project, heating, air conditioning, plumbing, water, sewer, electric facilities, sidewalks, parking, landscaping, architectural and engineering services, asbestos abatement, and such other services as may be required to accomplish the Project) for lease from the Building Authority to the Board of Regents.
- B. That the Revenue Bonds shall have a final stated maturity of not later than June 1, 2045, and shall result in bond proceeds being made available to finance (a) the costs of the Project being financed as described herein and (b) the costs of issuing the Revenue Bonds.
- C. That, if requested by the Building Authority and to the extent not theretofore transferred, the President and Executive Director of the South Dakota Board of Regents be and they are hereby authorized to execute, acknowledge and deliver in the name and on behalf of the South Dakota Board of Regents an Instrument of Transfer, in a form consistent with the form of the instruments of transfer used in connection with previous bond issues of the South Dakota Building Authority that financed projects of the Board of Regents, transferring jurisdiction of the sites, buildings and the portions of the campus real property comprising the building site described in *Exhibit A* hereto attached and made a part hereof. It is the intent of the Board of Regents that the legal description in *Exhibit A* represents the correct legal description for the property thereon described. If it is determined that any legal description in *Exhibit A* is incomplete or incorrect, the Executive Director is directed to obtain the correct legal description and replace *Exhibit A* therewith.
- D. That the President and Executive Director of the South Dakota Board of Regents be and they are hereby authorized to execute, acknowledge and deliver in the name and on behalf of the South Dakota Board of Regents, such documents as the South Dakota Building Authority may require in connection with the issuance of the Revenue Bonds to be issued to finance the improvements described herein.
- E. That the President and Executive Director of the South Dakota Board of Regents be and they are hereby authorized to execute and acknowledge and deliver in the name of and on behalf of the Board of Regents the Twenty-Ninth Lease Supplement between the South Dakota Board of Regents and the South Dakota Building Authority relating

to the facilities described in the preambles hereto by executing the final form of the Twenty-Ninth Lease Supplement presented to and on file in the office of the South Dakota Board of Regents.

- F. All prior Resolutions and other acts or proceedings of this Board which are in any way inconsistent with the terms of this Resolution are hereby amended to the extent necessary to give full force and effect to this Resolution.

Adopted and approved this ____ day of _____, 2024

SOUTH DAKOTA BOARD OF REGENTS

Its: _____

ATTEST:

Executive Director
South Dakota Board of Regents

Exhibit A

The preliminary legal description for the Project site is presented below. Once plans for new facilities and their appurtenances have been finalized, new descriptions calling out the metes and bounds of the property subject to the lease may supersede these preliminary descriptions, all as contemplated in Paragraph C of SPECIAL RESOLUTION NO. 03-2024.

Metes and Bounds Description of the West River Higher Education Center

A portion of the S ½ of the SW ¼ of Section 27, and a portion of the N ½ of the NW ¼ of Section 34 T2N, R8E, BHM Rapid City, Pennington County, South Dakota; more fully described as follows: Commencing at the southeasterly corner of Lot 3 of Block 1 of Heartland Retail Center, and the point of beginning. thence, first course: N00°8'55" E, along the easterly boundary of said Lot 3, a distance of 369.26 feet; thence, second course: S89°51'35"E, a distance of 466.97 feet; thence, third course: N42°04'51"E, a distance of 315.69 feet; thence, fourth course: curving to the right, on a curve with a radius of 514.50 feet, a delta angle of 31°39'56", a length of 284.35 feet, a chord bearing of S29°13'22"E, and chord distance of 280.74 feet; thence, fifth course: S14°00'00"W, a distance of 77.38 feet; thence, sixth course: S89°59'04", a distance of 129.32 feet; thence, seventh course: S00°00'00"W, a distance of 80.61 feet; thence, eighth course: curving to the right, on a curve with a radius of 292.71 feet, a delta angle of 23°45'26", a length of 121.62 feet, a chord bearing of S77°11'31"E, and chord distance of 120.75 feet; thence, ninth course: S03°50'34"E, a distance of 26.52 feet; thence, tenth course: S57°39'08"E, a distance of 46.38 feet; thence, eleventh course: N58°38'19"E, a distance of 26.56 feet; thence, twelfth course: curving to the right, on a curve with a radius of 297.71 feet, a delta angle of 32°24'24", a length of 165.56 feet, a chord bearing of S33°49'15"E, and chord distance of 163.36 feet, to a point on the northerly edge of Cheyenne Boulevard right-of-way; thence thirteenth course: N89°51'16"W, along the northerly edge of said Cheyenne Boulevard right-of-way a distance of 942.88' to the southeasterly corner of said Lot 3, and the point of beginning.

Said Parcel contains 341,790 square feet or 7.846 acres more or less.

Draft of November 15, 2024Document No. 16

THIS TWENTY-NINTH LEASE SUPPLEMENT, dated as of _____, 2024, between the South Dakota Building Authority (the “Lessor”) and the South Dakota Board of Regents (the “Lessee”).

WITNESSETH:

WHEREAS, Lessor and Lessee have heretofore executed and delivered that certain Lease, dated as of February 1, 1984, (the “Original Lease”) under which Lessor leased to Lessee certain parcels of real estate; and

WHEREAS, Lessor and Lessee have heretofore executed and delivered a certain First Lease Supplement (the “*First Lease Supplement*”), a Second Lease Supplement (the “*Second Lease Supplement*”), a Third Lease Supplement (the “*Third Lease Supplement*”), a Fourth Lease Supplement (the “*Fourth Lease Supplement*”), a Fifth Lease Supplement (the “*Fifth Lease Supplement*”), a Sixth Lease Supplement (the “*Sixth Lease Supplement*”), a Seventh Lease Supplement (the “*Seventh Lease Supplement*”), an Eighth Lease Supplement (the “*Eighth Lease Supplement*”), a Ninth Lease Supplement (the “*Ninth Lease Supplement*”), a Tenth Lease Supplement (the “*Tenth Lease Supplement*”), an Eleventh Lease Supplement (the “*Eleventh Lease Supplement*”), a Twelfth Lease Supplement (the “*Twelfth Lease Supplement*”), a Thirteenth Lease Supplement (the “*Thirteenth Lease Supplement*”), a Fourteenth Lease Supplement (the “*Fourteenth Lease Supplement*”), a Fifteenth Lease Supplement (the “*Fifteenth Lease Supplement*”), a Sixteenth Lease Supplement (the “*Sixteenth Lease Supplement*”), a Seventeenth Lease Supplement (the “*Seventeenth Lease Supplement*”), an Eighteenth Lease Supplement (the “*Eighteenth Lease Supplement*”), a Nineteenth Lease Supplement (the “*Nineteenth Lease Supplement*,” a Twentieth Lease Supplement, (the “*Twentieth Lease Supplement*”), a Twenty-First Lease Supplement (the “*Twenty-First Lease Supplement*”), a Twenty-Second Lease Supplement (the “*Twenty-Second Lease Supplement*”), a Twenty-Third Lease Supplement (the “*Twenty-Third Lease Supplement*”), a Twenty-Fourth Lease Supplement (the “*Twenty-Fourth Lease Supplement*”), a Twenty-Fifth Lease Supplement (“*Twenty-Fifth Lease Supplement*”) a Twenty-Sixth Lease Supplement (*Twenty-Sixth Lease Supplement*”), a Twenty-Seventh Lease Supplement (the “*Twenty-Seventh Lease Supplement*”) and a Twenty-Eighth Lease Supplement (the “*Twenty-Eighth Lease Supplement*”) and all such Lease Supplements being collectively the “*Existing Lease Supplements*”) to the Original Lease, under which Lessor leased to Lessee certain additional parcels of real estate; and

WHEREAS, the Lessor has agreed to issue its Revenue Bond, Series 2024A to finance the construction, furnishing, and equipping of an expansion of the West River Health Science Center at Black Hills State University-Rapid City by entering into this Twenty-Ninth Supplement);

WHEREAS, Lessor and Lessee now desire to amend the Original Lease to include the parcels of real estate described in *Exhibit A* attached hereto and made a part hereof as part of the real estate leased under the Original Lease and to provide for and confirm the term for which such parcel of real estate will be leased and the rental payable by Lessee for and in respect of such parcels of real estate; and

NOW, THEREFORE, in consideration of the terms and covenants herein made and for other good and valuable consideration it is hereby covenanted and agreed by said parties as follows:

Section 1. Lessor, in consideration of the rentals reserved and of the covenants and promises contained in the Original Lease, as supplemented by the Existing Lease Supplements and this Twenty-Ninth Lease Supplement (the “*Twenty-Ninth Lease Supplement*”), to be kept and performed by the Lessee, does hereby lease to Lessee the parcel of real estate described in *Exhibit A* attached hereto, all improvements, equipment and other facilities located or constructed on such property by Lessor and the BHSU-RC Project described in Exhibit A-1. The parcel described in *Exhibit A and the BHSU-RC Project* are hereinafter referred to as the “*Additional Property*.” Exhibit A may be amended as provided in Section 10 hereof.

Section 2. The term for the Additional Property shall commence on the date hereof, and shall end on June 1, 20__, unless sooner terminated as set forth in the Original Lease and with the privilege of renewal provided for in the Original Lease.

Section 3. The Lessee hereby covenants and agrees to pay Lessor rent for and in respect of such Additional Property in the amounts and on the dates for each of the years set forth in *Schedule A* attached hereto (as to the property described in *Exhibit A*), which *Schedule A* specifies the amount to be paid from appropriations out of the higher education facilities fund established by SDCL §13-51-2 to be made by the legislature of the State of South Dakota with respect to the facilities which constitute the Additional Property at the site identified on *Exhibit A*. In addition, the Lessor agrees to pay such rentals from any other funds appropriated for such purposes. In all cases, the Lessee's obligation to pay rent to Lessor hereunder also includes an obligation, in each case, to pay the costs of insurance and administrative fees pursuant to the Act.

Section 4. This Twenty-Ninth Lease Supplement to the Original Lease shall be construed in connection with and as a part of the Original Lease and the Existing Lease Supplements and all terms, conditions and covenants contained in the Original Lease and the Existing Lease Supplements shall apply to the Additional Property and the rights and obligations of Lessor and Lessee with respect thereto. Wherever in the Original Lease the term “Facilities” is used or referred to said term shall be taken and held to refer to and include “Additional Property” unless the context otherwise requires. All terms used in this Twenty-Ninth Lease Supplement which are defined in the Original Lease shall, unless the context otherwise requires, have the meanings set forth in the Original Lease.

Section 5. Whenever in any notice, certificate or other instrument reference is made or intended to be made to the Lease as amended by this Twenty-Ninth Lease Supplement, it shall be sufficient to refer to the “Lease dated February 1, 1984,” and such reference shall include without more a reference to said Lease as supplemented hereby.

Section 6. The Lessee has heretofore transferred jurisdiction rather than title to the Additional Property as authorized by SDCL Section 5-12-10.

Section 7. The Lessor, at the request of the Lessee, has financed the Additional Property through the issuance of the Series 2024A Bonds. The Lessee hereby covenants and

agrees to comply with all applicable terms and conditions of the Internal Revenue Code of 1986, as amended, with respect to Series 2024A Bonds.

Section 8. The Lessee acknowledges that Lessor has provided Lessee with a copy of Lessor's current version of its Post Issuance Compliance Manual (as now or hereafter amended or revised, the "Manual"). Lessee hereby agrees to cooperate with Lessor and to comply with all obligations and responsibilities set forth in the Manual with respect to a user of facilities financed with bonds.

Section 9. The Lessor and Lessee hereby covenant and agree that the Nineteenth Supplement shall remain in full force and effect except to the extent expressly amended by the terms of this Twenty-Ninth Supplement.

IN WITNESS WHEREOF, the South Dakota Board of Regents has caused this Twenty-Ninth Lease Supplement to be executed on its behalf by its President pursuant to due authorization and the authorized seal to be hereunto affixed and attested by its Executive Director and the South Dakota Building Authority has caused this Twenty-Ninth Lease Supplement to be executed on its behalf by its Chairman and its corporate seal to be hereunto affixed and attested by its Executive Secretary, pursuant to due authorization of said Authority, all as of the day and date above written. This Twenty-Ninth Lease Supplement has been executed in several counterparts, each of which may be considered as an original.

SOUTH DAKOTA BOARD OF REGENTS

By _____
Its: _____

ATTEST:

Its _____

[SEAL]

SOUTH DAKOTA BUILDING AUTHORITY

By _____
Chairman

ATTEST:

Its Executive Secretary

[SEAL]

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF _____)

On this the ____ day of _____, 2024, before me, the undersigned, a Notary Public within and for said County and State, personally appeared _____, _____ of the South Dakota Board of Regents, known to me to be the person who is described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

Notary Public

My commission expires:

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF MINNEHAHA)

On this the ____ day of _____, 2024, before me, the undersigned, a Notary Public within and for said County and State, personally appeared Thomas W. Graham, Chairman of South Dakota Building Authority, known to me to be the person who is described in and who executed the foregoing instrument and acknowledged to me that he executed the same.

Notary Public

My commission expires:

[SEAL]

EXHIBIT A**Metes and Bounds Description of the West River Higher Education Center**

A portion of the S ½ of the SW ¼ of Section 27, and a portion of the N ½ of the NW ¼ of Section 34 T2N, R8E, BHM Rapid City, Pennington County, South Dakota; more fully described as follows: Commencing at the southeasterly corner of Lot 3 of Block 1 of Heartland Retail Center, and the point of beginning, thence, first course: N00°8'55" E, along the easterly boundary of said Lot 3, a distance of 369.26 feet; thence, second course: S89°51'35"E, a distance of 466.97 feet; thence, third course: N42°04'51"E, a distance of 315.69 feet; thence, fourth course: curving to the right, on a curve with a radius of 514.50 feet, a delta angle of 31°39'56", a length of 284.35 feet, a chord bearing of S29°13'22"E, and chord distance of 280.74 feet; thence, fifth course: S14°00'00"W, a distance of 77.38 feet; thence, sixth course: S89°59'04", a distance of 129.32 feet; thence, seventh course: S00°00'00"W, a distance of 80.61 feet; thence, eighth course: curving to the right, on a curve with a radius of 292.71 feet, a delta angle of 23°45'26", a length of 121.62 feet, a chord bearing of S77°11'31"E, and chord distance of 120.75 feet; thence, ninth course: S03°50'34"E, a distance of 26.52 feet; thence, tenth course: S57°39'08"E, a distance of 46.38 feet; thence, eleventh course: N58°38'19"E, a distance of 26.56 feet; thence, twelfth course: curving to the right, on a curve with a radius of 297.71 feet, a delta angle of 32°24'24", a length of 165.56 feet, a chord bearing of S33°49'15"E, and chord distance of 163.36 feet, to a point on the northerly edge of Cheyenne Boulevard right-of-way; thence thirteenth course: N89°51'16"W, along the northerly edge of said Cheyenne Boulevard right-of-way a distance of 942.88' to the southeasterly corner of said Lot 3, and the point of beginning.

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EXHIBIT A-1**A project consisting of the construction, furnishing and equipping of an expansion of the West Revier Health Science Center at Black Hills State University- Rapid City (the BHSU-RC Project”.****BHSU-RC Project**

BHSU-RC was originally constructed as a general classroom and office building in 2011. The existing building supports a wide range of academic functions including offices, classrooms, meeting rooms, tutoring, veteran’s assistance, IT help desk, and other student services. BHSU’s associate degree in Applied Health Sciences is fully offered at BHSU-RC. This program offers the pre-nursing curriculum and is fully articulated into SDSU’s Bachelor of Science in Nursing (BSN) program. The BSN program currently offers traditional, didactic classes out of BHSU-RC but continues to offer all skills and simulations classes at an older rental building due to lack of space.

The expansion of BHSU-RC will address the need for nursing simulation and skills lab space while maximizing the use of existing gathering, general classroom, office, and service space in the facility. The renovation and expansion of BHSU-RC will create a state-of-the-art nursing education facility that will provide opportunities for students, faculty, and practitioners, and support the healthcare needs of western South Dakota. As identified by Monument Health, the main health care provider in western South Dakota, an acute need for nursing professionals has been identified in the Rapid City area. Providing state-of-the-art nursing education facilities will help these programs respond to that need.

This project will consolidate all South Dakota Regental nursing education in the western part of the state into a single site, providing efficiencies and improvement in space utilization. It will replace outdated and leased, program-limiting facilities in four separate locations in Rapid City, SD with one fully appointed modern educational facility. It will also provide the space necessary to increase the number of nursing graduates needed in Rapid City to address the severe nursing shortage in the region.

SCHEDULE A

**SCHEDULE OF ADDITIONAL LEASE PAYMENTS
TO BE MADE BY
DEPARTMENT OF BOARD OF REGENTS
OF THE
STATE OF SOUTH DAKOTA**

**INCLUDING A 3.0%
ADMINISTRATION/INSURANCE FEE
WITH RESPECT TO FACILITIES DESCRIBED ON EXHIBIT A AND FINANCED BY**

**SOUTH DAKOTA BUILDING AUTHORITY
REVENUE BONDS, SERIES 2024A**

(BHSU-RC Project)

**(See Attachment II for summary of on the Series 2024A Bonds and actual Schedule for Payment of Rentals Under
the Twenty-Ninth Supplement to Lease**