

**BOARD OF HIGHER EDUCATION**

**REQUEST FOR COMMITTEE AND BOARD ACTION**

**COMMITTEE:** Fiscal Affairs and Administrative Policy      **NO.:** FAAP 14-02

**COMMITTEE DATE:** October 22, 2013

**BOARD DATE:** October 29, 2013

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**APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY  
NEW RESIDENCE HALL PROJECT**

**MOVED:** MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY  
NEW RESIDENCE HALL  
SALEM STATE UNIVERSITY

1. The Commissioner of the System of Public Higher Education (the "Commissioner") is authorized and directed in the name and on behalf of the Board of Higher Education (the "Board") to make a written request to the Massachusetts State College Building Authority (the "Authority") that the Authority initiate the projects described in EXHIBIT A attached hereto.
2. Bonds issued by the Authority to finance the projects for which a request is hereby authorized may be issued together with or separately from bonds issued to carry out other projects of the Authority for which the Board authorizes a request.
3. The Commissioner and all other officers of the Board, each acting singly, are authorized to request the Commissioner of Administration to approve in writing the initiation by the Authority of the projects for which a request is hereby authorized, and to do such other things and to take such other action as the officer so acting shall, as conclusively evidenced by the taking of such action, deem necessary or desirable to be done or taken to carry into effect the matters hereby authorized.
4. The Board and the Commonwealth of Massachusetts, acting by and through the Board, declare their official intent under §1.150-2(d)(1) and (e) of the Treasury Regulations as follows:

The Board reasonably expects that there shall be reimbursed from the proceeds of bonds issued by the Authority, expenditures (including expenditures made within the last 60 days) temporarily advanced by the Commonwealth (including within such term the Board and the State Universities) for the projects for which a written request is hereby authorized, the maximum principal amount of such bonds expected to be issued, all or a portion of the proceeds of which are reasonably expected to be used for such reimbursement purposes, being \$69,845,000.

**Authority:** Massachusetts General Laws Chapter 15A, Section 6

**Contact:** Sean Nelson, Deputy Commissioner of Administration & Finance  
Fiscal and Administrative Policy

## EXHIBIT A

### MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

#### SALEM STATE UNIVERSITY NEW RESIDENCE HALL

##### **Project Description**

1. The leasing by the Authority, as lessee, from the Commonwealth of Massachusetts (the "Commonwealth") (or an entity authorized to act therefor, such as the Salem State University Assistance Corporation), as lessor, of a parcel of land in Salem, Massachusetts on the campus of Salem State University (the "University").
2. The acquisition by the Authority of a parcel or parcels of land and any improvements thereon located adjacent to the Central Campus of the University in the City of Salem, Massachusetts; and the transfer of such parcel by the Authority to the Commonwealth (or an entity authorized to act therefor, such as the Salem State University Assistance Corporation).
3. The carrying out of preliminary work, including the obtaining of cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location, and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.
4. The construction on such parcels and the furnishing and equipping of a facility primarily for use by the University consisting generally of
  - a. student residential facilities, including living accommodations containing beds primarily for use by students and staff of the University, and their dependents, and a portion of which may be for use (pursuant to one or more leases or other contractual arrangements) by persons affiliated with one or more other institutions, as well as associated common spaces, and
  - b. associated parking areas if required, and ancillary facilities, which may contain space for retail food service and other retail and commercial purposes, non-profit and/or governmental uses (any of which uses and the operation and maintenance of all or any part of which facility may be pursuant to one or more leases or other contractual arrangements with appropriate persons or entities (including persons or entities engaged in for-profit enterprises)).
5. The carrying out of improvements, renovations, and other work on and the provision and installation of furniture, fixtures, and other equipment for other buildings, structures, or facilities now or hereafter owned or leased by the Authority, or used primarily by the students and staff of the University, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

##### **Project Overview**

Salem State University and the Massachusetts State College Building Authority (MSCBA) have proposed the construction of a new 355-400 bed residence hall in accordance with the recently updated Campus Master Vision. Architects, William Rawn Associates were hired to review two campus sites for the proposed building. After careful study, Central Campus was recommended to

be the preferred site. The project is now in schematic design. This new residence hall will be a mixture of mini-suites and suites designed to meet the developmental needs of sophomore and junior students. This configuration will allow for Marsh Hall to house both first-year students and sophomores in order to ease the current overcrowding of the first-year buildings on North Campus. In addition to student residences, the building will devote approximately 8,000 square feet of space to be utilized by the campus community including a large lounge area, a café, a bike room and a large general purpose seminar room. Also included are a Faculty-in Residence apartment and a large courtyard similar to Marsh Hall. The building is slated to open in August 2015. The project includes the acquisition of adjacent property to facilitate pedestrian access and vehicular circulation.

**Costs**

Residence Hall Total Project Cost	\$54,000,000
Land Acquisition	1,000,000
Project Fund Deposit	\$55,000,000
Capl/Financing Cost/Reserves	14,845,000
Total Bond Proceeds	\$69,845,000

**Schedule**

Study Completion	September 2013
Design Completion	February 2014
Early Construction Start	November 2013
Occupy Facility	August 2015

**Annual Rents (FY16)**

Bowditch Hall Doubles	\$7,280
Peabody Hall Doubles	\$7,280
Marsh Hall Doubles	\$8,260
<b>New Res Hall Doubles</b>	<b>\$8,460</b>
Bates Hall Doubles	\$8,480
Atlantic Doubles	\$9,240
Atlantic Singles	\$10,320

**Market Data**

Off-Campus (Average)	\$8,885
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CENTRAL CAMPUS PROPOSED PLAN

