

**BOARD OF HIGHER EDUCATION**

**REQUEST FOR COMMITTEE AND BOARD ACTION**

**COMMITTEE:** Fiscal Affairs and Administrative Policy      **NO.:** FAAP 15-07

**COMMITTEE DATE:** October 14, 2014

**BOARD DATE:** October 21, 2014

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**APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY  
STUDENT ACTIVITY PROJECT**

**MOVED:**                    MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY  
                                  NORTH CAMPUS PARKING STRUCTURE  
                                  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 **\$28,950,000**.

Authority:                    Massachusetts General Laws Chapter 15A, Section 6

Contact:                    Sean P. Nelson, Deputy Commissioner of Administration & Finance

MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

**EXHIBIT A**

**SALEM STATE UNIVERSITY  
NORTH CAMPUS PARKING STRUCTURE  
MSCBA PROJECT NO. SAL-0691-13**

**Project Description**

- (a) The leasing by the Authority, as lessee, from the Commonwealth of Massachusetts (the "Commonwealth") (or an entity authorized to act therefor), as lessor, of a parcel of land owned by the Commonwealth in the City of Salem, Massachusetts, on the North Campus of Salem State University (the "University");
- (b) The acquisition by the Authority of a parcel or parcels of land and any improvements thereon located in proximity to Salem State University in the Town of Salem, Massachusetts; and the transfer of such parcel by the Authority to the Commonwealth (or an entity authorized to act therefor);
- (c) The carrying out of preliminary work, including obtaining 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;
- (d) The construction of a parking structure as described herein including building systems and components and equipment primarily for the use by 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;
- (e) The reimbursement to the University for enabling work completed in support of this project and funded by the University; and
- (f) The carrying out of improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

**Project Overview**

- Project is the construction of a parking structure on the site of an existing surface parking lot. The facility will consist of approximately 729 vehicle spaces resulting in 474 net new spaces.
- Project is required to accommodate relocation of surface parking necessary to construct Viking Hall and accommodate unmet demand on North Campus.
- The revenue sources to support the project will be a transportation fee and capital improvement fee (a component of the University operating budget). The revenue from these fund sources is sufficient to cover debt service, operating costs, and reserves.

## **Project Budget and Schedule**

### Budget

Total Project Cost	\$23,000,000
Cost of Issuance/Reserves	<u>5,950,000</u>
<b>Total</b>	<b>\$28,950,000</b>

### Schedule

Design Start	July 2014
Construction Start	Spring 2015
Occupy Completed Facility	Fall 2015