

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 14-03

COMMITTEE DATE: October 22, 2013

BOARD DATE: October 29, 2013

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

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
 WEIR SURFACE PARKING
 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 \$1,770,000.

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

WEIR SURFACE PARKING

Description of Project

- (a) 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; and
- (b) The creation of surface parking capacity primarily for the use by students and staff of the Academy, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (c) 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

The Salem State University Assistance Corporation purchased the Weir Property (across from Salem State's Central Campus) in 2008 for the benefit of the university. The 2.8 acre property has three buildings:

- The Stanley Building – Renovated by Salem State University in 2011, this building houses the ITS, Facilities & Campus Development, and part of the Music Department.
- The Atwood Morrill Building – A manufacturing building that is beyond its useful life and not suited for rehabilitation. The building has housed the bulk of the university's library collection until the opening of the new Berry Library and Learning Commons last month.
- The Mackey Building – Said to be originally a foundry, this one story warehouse structure is also beyond its useful life. It currently is used for storage of facilities equipment and campus recycling.

Salem State University and the MSCBA plan to demolish the Atwood Morrill and Mackey Buildings to create temporary (2-3 years) parking to mitigate the loss of parking assets on Central Campus where the new residence hall will be built. The remediation, demolition, and resurfacing/installation of lighting for the temporary parking is expected to be completed by May 2014.

- The project revenue source is the operating budget revenues.

Project Budget and Schedule

Budget

Total Project Cost	<u>\$ 1,500,000</u>
Project Fund Deposit	1,500,000
Cost of Issuance/Reserves	<u>270,000</u>
Total	<u>\$1,770,000</u>

Schedule

Design Started	August 2013
Construction Start	January 2014
Occupy Completed Facility	May 2014