

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 08-06

COMMITTEE DATE: November 8, 2007

BOARD DATE: November 16, 2007

**APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
PROJECTS PERTAINING TO FITCHBURG STATE COLLEGE RESIDENCE HALLS**

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
ACQUISITION AND RENOVATION OF CEDAR STREET PROPERTY
FITCHBURG STATE COLLEGE

1. The Chancellor of the System of Public Higher Education (the "Chancellor") 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 Chancellor 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 Colleges) 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 \$2,100,000.00

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Sue Wolfe, Associate Vice Chancellor for Fiscal and Administrative Policy

EXHIBIT A

1. The purchase by the Authority of the parcel of land and any improvements thereon located at 22-30 Cedar Street, Fitchburg, Massachusetts (the address of such parcel being listed in the records of the Town of Fitchburg, Massachusetts, as 22-30 Cedar Street), such parcel consisting of approximately .4 acre, and the construction thereon and equipping for use by Fitchburg State College of housing for 26 students and one staff member, as well as office and dining space.
2. The carrying out of improvements, renovations, and other work on other buildings, structures, or facilities owned or leased by the Authority.
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, the approximate size, scope, purposes, location, and other characteristics of any building, structure, or facility the Authority is authorized by the Enabling Act to provide.

BACKGROUND INFORMATION

Project Overview

- The Authority entered into a lease in 2004 for the premises located at 22-30 Cedar Street, including two buildings and land.
- The lease includes a purchase option; once the Authority exercises this option, the closing must occur within 12 months from the date of notice to purchase.
- The buildings currently contain housing for 26 students and one staff member, as well as office and dining space.

Program

- 26 beds in single rooms in an existing building equipped with an automatic sprinkler system, fire alarm and elevator.
- 1-2 faculty or staff suites.
- Building upgrades to include masonry repointing, plumbing and HVAC component replacement, and fire alarm and electrical updating.

Costs

Acquisition Cost:	\$1,000,000
TPC Upgrades	\$1,000,000
Total Project cost:	\$2,000,000
Cost of Issuance	\$ 100,000

Revenue (FY09)

Herlihy Hall	\$2,136/semester
Mara Village	\$2,190/semester
Russell Towers	\$2,238/semester
Aubuchon Hall	\$2,241/semester
Townhouse Apartments	\$2,358/semester
Cedar Street	\$2,585/semester

Schedule

Design Start:	October 1, 2007
Construction Start:	May 15, 2008
Occupy Completed Facility:	September 2009

Market Data

Fitchburg Comparable	\$2,550- 2,865/semester
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