

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 08-07

COMMITTEE DATE: November 8, 2007

BOARD DATE: November 16, 2007

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

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
CONSTRUCTION OF A NEW RESIDENCE HALL AT
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 \$21,700,000.00

Authority: Massachusetts General Laws Chapter 15A, Section 6

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

EXHIBIT A

Description of Project:

- (a) The leasing by the MSCBA, as lessee, from The Commonwealth of Massachusetts (the "Commonwealth") (or an entity authorized to act therefore), as lessor, of a parcel of land owned by The Commonwealth of Massachusetts in Fitchburg, Massachusetts, on the Campus of Fitchburg State College as more fully described in the Feasibility Study dated September 6, 2007.
- (b) the construction on such parcel and the furnishing and equipping of a facility primarily for use by Fitchburg State College (i) consisting generally of (A) living accommodations containing an aggregate of approximately 448 beds primarily for use by students of Fitchburg State College 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), (B) common space, and (ii) which may also contain space for retail food service and other retail and commercial, 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)); and
- (c) the renovation and furnishing and equipping of existing projects of the Authority for use for housing primarily by students of Fitchburg State College and their dependents.

BACKGROUND INFORMATION

Project Overview

- Massachusetts State College Building Authority commissioned a study in April 2007 at the request of Fitchburg State College (FIT) to examine the feasibility of providing approximately 100-120 additional beds on the FIT Campus, in or near the existing Mara Village complex.
- The projected requirement for additional beds is based on an earlier study prepared by Anderson, Strickler, LLC with Stegman & Associates, completed in February of 2005, which looked at demand for both Fitchburg State College and the nearby Mount Wachusett Community College, which shares in its residential program. A preliminary review of the study Stegman & Associates with FIT suggests that the data informing that study has not changed in the two years since its completion. The original study suggested a maximum increase in bed capacity of 250. In discussions with FIT it appears that FIT is more comfortable with a maximum increase of 150 beds, of which 140 beds are anticipated as part of this construction program.

Ancillary Development

In order to enhance the completed Mara Village complex, improvements will include site accessibility, landscaping, grading and site lighting improvements are anticipated.

Program

- 124 beds, predominantly 4-bed suites
- Installation of sprinkler and fire safety upgrades to exist Mara Village buildings
- 16 beds, converted from Aubuchon maintenance shop space
- 1-2 faculty or staff suites
- Common and support spaces

Site

- The preferred site is within the Mara Village complex in the area of the newly acquired property that allows a link to the most remote buildings, 6 and 7.

Costs

Construction Cost New Capacity:	\$13,400,000 (\$319/sf)
TPC New Capacity	\$15,500,000 (\$121K/bed)
TPC Exist. Mara Fire safety/Reno	\$ 3,500,000
Total Project cost:	\$19,000,000
Cost of Issuance	\$ 2,700,000

Revenue (FY10)

Herlihy Hall	\$2,355/semester
Russell Towers	\$2,468/semester
Aubuchon Hall	\$2,471/semester
Mara Village	\$2,575/semester
Townhouse Apartments	\$2,600/semester
Cedar Street	\$2,781/semester

Schedule

Study Start:	April 2007
Design Start:	August 2007
Construction Start:	Spring 2008
Occupy Completed Facility:	September 2009

Market Data

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

