Exhibit A

FAAP 13-39- Capital Project Refinancing Request on Behalf of North Shore Community College and Middlesex Community College (June 18, 2013)

A&F 92-1- (Committee action, October 9, 1991; Board action October 15, 1991)

AF-192-91- (Board Action May 30, 1991)
BOARD OF HIGHER EDUCATION
REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy

NO.: FAAP 13-39

COMMITTEE DATE: June 11, 2013

BOARD DATE: June 18, 2013

CAPITAL PROJECT REFINANCING REQUEST ON BEHALF OF NORTH SHORE
COMMUNITY COLLEGE AND MIDDLESEX COMMUNITY COLLEGE

MOVED: The Commissioner of the Board of Higher is authorized, upon consultation with the Chair of the Board of Higher Education and the Chair of the Fiscal Affairs and Administrative Policy (FAAP) Committee, to undertake the following:

- to make a written request of the Massachusetts Development Finance Agency, as successor to the Massachusetts Health and Educational Facilities Authority (the "Agency"), that that Agency undertake the issuance of Series 2013 Bonds for the purpose of refunding all of the Series B Bonds and Series C Bonds when such conditions, as determined by the Commissioner, warrant such refunding;

- to execute a contract with the Agency in accordance with Section 12 of Chapter 15A of the General Laws providing for the expenses of the Agency and the payment of the Series 2013 Bonds to be issued by the Agency as aforesaid, such contract to be substantially in the form as the Commissioner may determine is advisable;

- to execute a memorandum of understanding with the Comptroller of the Commonwealth providing for the implementation of the contract referenced in the preceding sentence; and

- upon the advice of counsel to the Board, execute such other documents and instruments and take such other actions as may be necessary or desirable in connection with the foregoing and the transaction contemplated thereby.

Authority: Massachusetts General Laws Chapter 15A, Sections 6, 9, and 10-14
Contact: Sean Nelson, Deputy Commissioner of Administration and Finance
Background Information: Middlesex Community College

Proposed is the refunding of MA HEFA Revenue Bonds, Community College Program Issue, Series B (1998). The Series B Bonds refunded MA HEFA Revenue Bonds, Community College Program Issue, Series A (1992) that originally funded a new health, science and technology center on the Lowell campus. North Shore Community College is also seeking to refund its portion of the Series B Bonds, and a separate approval request is being submitted simultaneously with this one. Each college is liable only for its proportionate share of the debt service on the bonds and associated costs.

Because there was no legislation at the time the A Bonds were issued that would allow the colleges to borrow directly, MA HEFA became the nominal owner of the Project and used the proceeds to construct the health, science and technology center. The arrangement was and is governed in part by a Contract for Financial Assistance, Management and Services between MA HEFA, and the Commonwealth acting through the Department of Higher Education and acknowledged by the NSCC and MCC. This Contract provides that the colleges, acting on behalf of the MA HEFA (and now on behalf of MDFA), will covenant to fix and revise fees, rents, rates and other charges to students and other users of the project in amounts sufficient to pay debt service on the bonds and all other costs associated with facility operations, maintenance and repair. At present, MDFA pays for liability and property insurance as well as rebate calculations and bills the colleges for the expenses.

When all the debt is retired, the ownership of the project will revert to the Commonwealth.

The B Bonds are insured by AMBAC, but the 2013 Bonds are not expected to have insurance.
Background Information: North Shore Community College


The Series C Bonds funded the construction of a classroom building on the Danvers campus. It should be noted that the Series B Bonds were issued to refinance projects at both NSCC and Middlesex Community College (MCC). MCC is also seeking to refund its portion of the B Bonds, and a separate request for MCC is being presented simultaneously with this request. Each college is liable only for its proportionate share of the debt service on the bonds and associated costs. NSCC is the only obligor on the Series C Bonds.

Because there was no legislation at the time the A Bonds were issued that would allow the colleges to borrow directly, MA HEFA became the nominal owner of the project and used the proceeds to make the renovations noted above. The arrangement was and is governed in part by a Contract for Financial Assistance, Management and Services between MA HEFA, and the Commonwealth acting through the Department of Higher Education and acknowledged by the NSCC and MCC. This Contract provides that the Colleges, acting on behalf of the MA HEFA (and now on behalf of MDFA), covenant to fix and revise fees, rents, rates and other charges to students and other users of the project in amounts sufficient to pay debt service on the bonds and all other costs associated with facility operations, maintenance and repair. At present, MDFA pays for liability and property insurance as well as rebate calculations and bills the colleges for the expenses.

When all the debt is retired, the ownership of the project originally financed by the Series A Bonds will revert to the Commonwealth. The project originally financed by the Series C Bonds has always been owned by the Commonwealth.

The B Bonds and C Bonds are insured by AMBAC, but the 2013 Bonds are not expected to have insurance.
This Motion will be voted on at the Higher Education Coordinating Council's Administration and Finance Committee Meeting October 9, 1991 at 2:00 p.m.

HIGHER EDUCATION COORDINATING COUNCIL
REQUEST FOR COUNCIL ACTION

COMMITTEE: Administration and Finance NO: A&F 92-1
DATE: October 15, 1991

MOVED: WHEREAS, the Massachusetts Health and Educational Facilities Authority (the "Authority") is authorized to undertake and finance or refinance capital projects on behalf of public institutions of higher education pursuant to Chapter 614 of the Acts of 1968, as amended, upon written request made by the Higher Education Coordinating Council (the "Council"); and

WHEREAS, the Council has received requests and applications from Berkshire Community College, Massachusetts Bay Community College, Middlesex Community College and North Shore Community College (the "Participating Institutions") with respect to the undertaking and financing or refinancing by the Authority on behalf of such Participating Institutions of projects described in such requests; and

WHEREAS, in the judgment of the Council it is in the best interests of the community colleges, their students, staff and their dependents that the Authority undertake and finance said projects;

NOW, THEREFORE BE IT RESOLVED THAT:

1. The Chancellor of the Higher Education Coordinating Council (the "Chancellor") is authorized and directed in the name, and on behalf of the Council, to make a written request or requests of the Authority that the Authority undertake the following project or projects:

   i. The acquisition, construction, renovation, rehabilitation and equipping of a Health, Science and Technology Center at the Lowell campus of Middlesex Community College;

   ii. The construction, renovation, rehabilitation and equipping of an Allied Health and Laboratory Sciences Facility at the Danvers campus of North Shore Community College;

   iii. The refinancing of existing mortgage debt on the South County Center building located in Great Barrington, which is owned by Berkshire Community College Foundation and leased in part to Berkshire Community College;

all as more fully described in the requests and applications made by the Participating Institutions;
2. The projects to be undertaken by the Authority on behalf of the Participating Institutions in accordance with the requests authorized to be made by the preceding section of this resolution may in the discretion of the Authority be undertaken separately or together for financing purposes.

3. Pursuant to Section 6 of Chapter 15A of the General Laws, the Council hereby delegates to the Chancellor the authority to do such other things, enter into such contracts or agreements, and take such other action as the Chancellor shall deem necessary or desirable to effectuate the matters authorized, including without limitation:

i. The execution of a contract with the Authority in accordance with Section 12 of Chapter 15A of the General Laws providing for the expenses of the Authority and the payment of Bonds to be issued by the Authority to Finance the projects requested by the Council which contract shall provide that the Council may transfer or pledge that they will periodically transfer to HEFA, or to any community college affiliate under terms permitting further transfer or pledge to HEFA, any part or all of any funds held as trust funds for any community college under the provisions of paragraph (d) of section eleven, administered on behalf of any community college as gifts, grants, or trusts under the provisions of clause (e) of section twenty-two, made available for expenditure on behalf of any community college pursuant to an appropriation or other spending authorization in the commonwealth's annual operating budget, including supplementary and deficiency budgets, or otherwise available for expenditure by the Council and may contract with HEFA or any community college affiliate with respect thereto under terms permitting further transfer or pledge by HEFA to a trustee under any trust agreement related to such project and entered into by HEFA pursuant to chapter 614 of the acts of 1968; provided, that in the case of any funds expected to be available for expenditure by the Council pursuant to subsequent appropriation or other spending authorization by the Legislature, the Council may only pledge that they will so transfer such funds subject to such subsequent appropriation or other spending authorization. The Council may impose such terms and conditions as to the application of the funds so transferred as it deems appropriate for the carrying out of the provisions of said chapter 614 and of this chapter.

ii. The execution of a memorandum of understanding with the Comptroller of the Commonwealth providing for the implementation of the contract referenced in the preceding sentence;

iii. The sale, conveyance or lease to the Authority by the Council in accordance with Section 11(a) of Chapter 15A of the General Laws of such real or personal property owned by the Commonwealth in the
cities and towns in which the Participating Institutions are located as may be necessary to effectuate ownership by the Authority of the projects to be financed on behalf of the Massachusetts Bay Community College, Middlesex Community College and North Shore Community College;

iv. The execution of a contract making available to the Authority in accordance with Section 11(c) of Chapter 15A of the General Laws the services of officers and employees of the Participating Institutions for, among other things, billing and collecting rents, fees, rates and other charges for the use and occupancy of the projects undertaken by HEPA, the daily operation and maintenance of such buildings and the keeping of books of account for HEFA; and

v. The establishment and management in accordance with Section 11(3) of Chapter 15A of the General Laws of trust funds for the projects.
BACKGROUND

Middlesex Community College's Proposal to Establish a Health, Science and Technology Center at their Lowell Campus

At their June meeting, the Board of Regents gave approval in concept to a proposal by Middlesex Community College to employ Higher Education Facilities Authority (HEFA) bonding to support development of a new Health, Science and Technology Center at the Lowell Campus. The establishment of this center will address a pressing Middlesex Community College need for permanent and modern facilities for health and science education which will better reflect the ongoing technical advances in these fields. The center will constitute the next phase in the implementation of the master plan for future development of the Lowell Campus.

- The Center will occupy approximately 60,000 square feet of space consisting of classrooms, laboratories and clinics. This new facility will replace the need for space currently being rented at the Wannalancit Mill in Lowell and the Edith Nourse Rogers VA Hospital in Bedford.

- The estimated cost for developing the new center is $7.0 million. The term of the HEFA bonds will be 20 years. Annual debt service cost will be approximately $650,000. The estimated annual debt service cost is less than one half of the present annual rental cost of $1.6 million for the space which currently houses these programs.

- Debt service costs will be paid through the introduction of a new Facilities Development Fee of $6.00 per credit hour. The new fee will result in an increase in student costs of $72.00 per semester.

- Operating costs of the facility will be covered by revenue from the Division of Continuing Education, from fees charged for clinical services provided at the new center, and from savings in rental costs for the present facilities.

- Provision will be made within the new Facilities Development Trust Fund for the creation of a reserve for depreciation, ongoing maintenance and replacement of equipment.

- The HEFA Capital Asset Pool Program requires that each of the Community College boards of trustees involved in the pool give formal approval to the specific project on their campus and to the pool concept prior to formal HEFA approval. On May 30, 1991 the Board of Trustees of Middlesex Community College unanimously approved development of the project. The motion is attached.

- The Massachusetts Division of Capital Planning and Operations approved the proposal for bid and issued a request for proposal in July.

- Copies of the formal detailed plan, A Proposal to Develop a New Health, Science and Technology Center in Lowell, Massachusetts, May 1991 are available for review by members of the Higher Education Coordinating Council.
TO: BOARD OF TRUSTEES
FROM: Carole A. Cowen, President
RS: Trust Fund Spending Plan

REQUEST FOR BOARD ACTION

DATE 5/30/91
REQUEST NO. AF-192-91

To request the Board of Regents to submit a written application to the Health and Educational Facilities Authority ("HEFA") for the purposes of obtaining financing from HEFA for the acquisition and development of a project known as the Health, Science and Technology Center Project (the "HSTC Project"), to be located in Lowell, Massachusetts, the development of which is further described in the attachment of this vote and in a report prepared by Middlesex Community College dated May, 1991, entitled A Proposal to Develop a New Health, Science and Technology Center in Lowell, Massachusetts, and to delegate to the President of Middlesex Community College the authority to execute such agreements, certificates, representations and documents as may be advisable, necessary or convenient to effectuate such financing and development, and further, to establish a Facilities Development Fee, effective on September 1, 1991, chargeable to each student and estimated at six dollars per credit hour on all credit courses, the revenue generated by such fee being dedicated to paying for the debt service and other loan financing costs related to the financing of the HSTC Project.

BE IT RESOLVED that the Middlesex Community College Board of Trustees approved the development of the Health, Science, & Technology Center for the Lowell Campus and the establishment of a designated Facilities Development Fee estimated at $6. per credit.

Gary McPhue
Acting Dean of Administration & Finance
EXECUTIVE RESPONSIBLE FOR RECOMMENDATION

BOARD APPROVAL DATE

EFFECTIVE DATE
BACKGROUND

North Shore Community College Proposal to Establish a
Allied Health and Laboratory Sciences Facility
at the Danvers Campus

At their June meeting, the Board of Regents gave approval in concept to a proposal by North Shore Community College to employ Higher Education Facilities Authority (HEFA) bonding to support development of an Allied Health and Laboratory Science Facility at the Danvers Campus.

- North Shore Community College proposes to develop the approximately 40,000 square foot facility by January 1993 through adaptive re-use of a portion of the former Varian Building at the Danvers Campus. Space will be provided for Nurse Education, Occupational Therapy, Physical Therapy, Radiologic Technology, Respiratory Therapy, Science Laboratories, Television Services, and Ancillary facilities such as a bookstore and food service. This project will be conducted in accordance with the master plan for use of the former Varian Building in the future development of the Danvers Campus. The Allied Health and Laboratory Science programs are now housed in rented space in Beverly.

- The new facility will cost $5.5 million. The term of the HEFA bonds will be 20 years. Annual debt service cost will be approximately $500,000.

- Debt service costs will be paid through an increase in the General Student Fee of $6.00 per credit. This will result in an increase in student costs of $72.00 per semester.

- Operating costs of the facility will be covered by existing funds now used for rented space in Beverly. The annual rent for these facilities is $250,000.

- Provision will be made within the new Facilities Development Trust Fund budget for the creation of a reserve for depreciation, ongoing maintenance and replacement of equipment.

- The HEFA Capital Asset Pool Program requires that each of the Community College boards of trustees involved in the pool give formal approval to the specific project on their campus prior to HEFA approval. On May 29, 1991 the Board of Trustees of North Shore Community College unanimously approved a motion to authorize their president to seek funding through HEFA. The motion is attached.

- Copies of the formal detailed, Proposal to Develop an Allied Health and Laboratory Sciences Facility at One Ferncroft Road Danvers, Massachusetts, May 29, 1991 are available for review by members of the Higher Education Coordinating Council.