BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy NO.: FAAP 17-21

COMMITTEE DATE: January 17, 2017

BOARD DATE: January 24, 2017

APPROVAL TO ENTER INTO LEASE OR LICENSE AGREEMENT CADET HOUSING, MASSACHUSETTS MARITIME ACADEMY MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

MOVED: The Board of Higher Education hereby authorizes the Massachusetts State

College Building Authority to enter into a lease or license agreement for Cadet Housing at the Massachusetts Maritime Academy, for up to 100 beds, as described in the attached Exhibit A, the lease or license term not to extend

beyond the Spring of 2020.

Authority: Massachusetts General Laws Chapter 73 App., Section 1-9 as amended and the

Contract for Financial Assistance, Management and Services, dated February 1, 2003, made between the Commonwealth of Massachusetts, acting by and through the Board of Higher Education and the Massachusetts State College Building

Authority.

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

MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

EXHIBIT A

APPROVAL TO ENTER INTO A LEASE OR LICENSE AGREEMENT FORCADET HOUSING MASSACHUSETTS MARITIME ACADEMY

Background:

Currently, there are 1,420 beds in residence halls at Massachusetts Maritime Academy, with a total enrollment of just over 1,600. The Academy continues to grow and has seen a rise in applications and acceptances each year: undergraduate enrollment increased by more than 8% from 2015 to 2016. As a result, housing needs continue to grow more quickly than they can be accommodated. To offset the increase, the Academy has increased the number of students allowed to register as commuters and regimental commuters, alleviating the need for housing for those cadets; however, this has only eased the pressure and does not resolve the issue of insufficient housing capacity.

The Academy has actively pursued housing alternatives. Hotels such as the Quality Inn (Bourne, MA) and Townplace Suites (Wareham, MA) are unable to provide accommodations for an entire semester at a time. Many of the local motels and hotels are too small and it would fragment the student population to divide them among a multitude of locations. To exacerbate the shortage of beds, the Training Ship Kennedy, which usually houses up to 50 upperclassmen, will be unavailable for the Spring 2017 semester.

The Bay Motor Inn (Buzzards Bay, MA) currently houses 37 cadets registered as "dorm" students. Joint Base Cape Cod has been considered. The most viable option is considered to be a property known as Buttermilk Bay Inn, less than one mile north of the campus, which can accommodate approximately 90 undergraduate students. The owners wish to work with MMA/MSCBA to provide accommodations in March 2017 for the beginning of the spring semester.

The Academy is presently working with MSCBA to select a designer to conduct a housing study with a goal of building new permanent housing of 150 to 200 beds. The Academy's five-year Strategic Plan identifies a growth of student population to 1,725 undergraduates by the year 2020. Projected student revenues are adequate to fully cover the cost of the lease and associated operating expenses.

MSCBA Board action:

In a Public Meeting on December 6, 2016, the Authority voted unanimously to authorize the Executive Director to enter into a Lease or License Agreement for up to 100 beds of off-campus Cadet Housing at the Massachusetts Maritime Academy, the term not to extend beyond the Spring of 2020.