

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 10-04

COMMITTEE DATE: November 3, 2009

BOARD DATE: November 10, 2009

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

MOVED: Massachusetts State College Building Authority Construction of a New
Residence Hall At Massachusetts College of Art and Design

1. The Commissioner of 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 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 \$77,600,000.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Edward Terceiro, Acting Associate Commissioner for Fiscal and
Administrative Policy

EXHIBIT A

Description of Project

1. The leasing by the Authority, as lessee, from the Commonwealth of Massachusetts (the "Commonwealth") (or an entity authorized to act therefore), as lessor, of a parcel of land in Boston, Massachusetts, on the campus of Massachusetts College of Art and Design (the "College"); the leasing or use by Wentworth Institute of Technology and/or the Colleges of the Fenway of the walkway known as the Colleges of the Fenway Walkway.
2. The acquisition by the Authority of a parcel of land and any improvements thereon located on Huntington Avenue, Lot B on a plan of land by Feldman Professional Land Surveyors, dated August 10, 2009, presently owned by Wentworth Institute of Technology, in the City of Boston, Massachusetts, such parcel consisting of approximately 4,457 square feet; and the transfer of such parcel by the Authority to the Commonwealth.
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, 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.
4. The construction on such parcels and the furnishing and equipping of a facility primarily for use by the College consisting generally of:
 - a. student residential facilities, including living accommodations containing an aggregate of approximately 490 beds primarily for use by students and staff of the 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, as well as associated common spaces;
 - b. ancillary facilities, which may contain space for retail food service and other retail and commercial purposes, 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 leasing of Smith Hall, in whole or in part, to other academic institutions.
5. The carrying out of improvements, renovations, and other work on and the provision and installation of furniture, fixtures, and other equipment for other buildings, structures, or facilities now or hereafter owned or leased by the Authority, or used primarily by the students and staff of the College and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

NEW RESIDENCE HALL MASSACHUSETTS COLLEGE OF ART AND DESIGN

Project Overview

Massachusetts College of Art and Design (the “College”) and the Massachusetts State College Building Authority (the “Authority”), commissioned an initial site feasibility study in October 2007 by Kyu Sung Woo Architects, which established the viability of a building site for additional student housing capacity. The team of ADD, Inc., and Suffolk Construction was retained to further the study (November 2008). The Authority also enlisted Stegman and Associates to confirm the residential program and to chart enrollment and residential projections against current housing stock. The study concluded that approximately 420 new beds in semi-suite single and double rooms could be built to meet the College’s goal of housing 44 percent of its full-time undergraduate students and to enable the College to reposition Smith Hall in the future while leasing the surplus beds to other academic institutions. The team analyzed two major site locations and several variations of the preferred site to accommodate a complex urban site with major subsurface infrastructure. The proposed site is a combination of Commonwealth-owned property and a parcel of land to be conveyed from Wentworth Institute of Technology. The building configuration will be a 20-story tower consisting of 17 residential floors, two floors for residential life programs, and one floor housing a health clinic to be shared among MassArt and two of its neighboring colleges, Massachusetts College of Pharmacy and Health Sciences and Wentworth Institute of Technology.

Costs

Estimated Construction Cost:	\$ 51,400,000	(\$351/sf)
Total Project Cost	\$ 61,400,000	
Less Capital Contribution	<u>(\$ 1,400,000)</u>	
Subtotal	\$ 60,000,000	
Project Contingency Fund	<u>\$ 3,000,000</u>	
Maximum Project Fund:	\$ 63,000,000	(\$125k/bed)

Schedule

Study Start:	November 2007
Design Start:	January 2009
Construction Start:	January/ March 2010
Occupancy Completed Facility:	September 2012

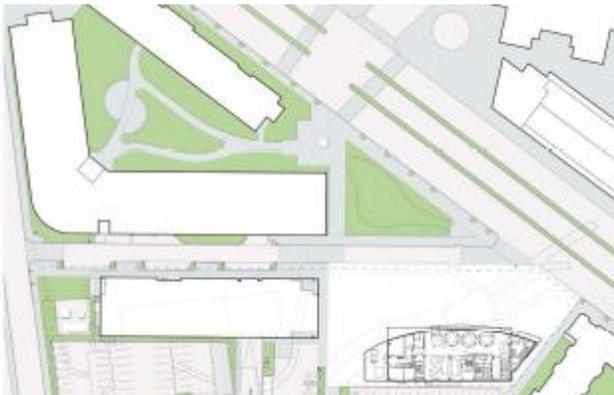
Annual Rent (FY13)

Smith Hall	\$ 8,500
Artist Residence - singles	\$ 11,500
Artist Residence - doubles	\$ 10,500
Artist Residence - premiums	\$ 14,000
New Residence Hall- singles	\$ 11,500
New Residence Hall- doubles	\$ 10,500
New Residence Hall- triples	\$ 8,500
New Residence Hall- premiums	\$ 12,315

Market Data

Boston Comparable	\$15,400
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Site Plan



Typical Floor Plan

