

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 11-08
COMMITTEE DATE: November 30, 2010
BOARD DATE: December 7, 2010

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

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
LAND ACQUISITION AND RENOVATION OF PROPERTY
MASSACHUSETTS MARITIME ACADEMY

1. The Commissioner of the System of Public 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 \$1,800,000.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Stephen Lenhardt, Deputy Commissioner of Administration and Finance

EXHIBIT A
BUTTERMILK WAY ACQUISITION AT
MASSACHUSETTS MARITIME ACADEMY
MSCBA PROJECT NO. MMA-0603-10

Description of Project

- (a) The purchase by the Authority of a parcel of land and any improvements thereon located at 11 Buttermilk Way, Buzzards Bay, Massachusetts, such parcels consisting of a one story buildings on 1.26 acres; and the transfer by the Authority to the Commonwealth of Massachusetts (the “Commonwealth”) of said parcels of land;
- (b) The leasing by the Authority, as lessee, from the Commonwealth (or an entity authorized to act therefor), as lessor, of a parcel of land owned by the Commonwealth in Buzzards Bay, Massachusetts, on the Campus of Massachusetts Maritime Academy (the “Academy”);
- (c) The carrying out of preliminary work, including obtaining 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;
- (d) The renovation of the Buttermilk Way property as described herein including building systems and components, furniture, and equipment primarily for the use by students and staff of the Academy, and their dependents, and which the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (e) The carrying out of improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

Project Overview

- Project is the acquisition of property adjacent to the Academy campus for new cadet housing capacity (design occupancy 16) and for conference, dining, and parking.
- Project is required to provide additional on-campus housing for non-traditional age cadets and to accommodate parking displaced by campus construction projects.
- The project revenue source will be academic year room rent from the additional beds and fees from conference, dining and parking. The revenues will be sufficient to cover operating costs and contributions to reserves.

Project Budget and Schedule

Budget

Acquisition Cost	1,600,000
Total Project Cost	1,600,000
Cost of Issuance/Reserves	<u>200,000</u>
Total	\$ 1,800,000

Schedule

Purchase	March 2011
Occupy Facility	September 2011