

BOARD OF HIGHER EDUCATION

REQUEST FOR COMMITTEE AND BOARD ACTION

COMMITTEE: Fiscal Affairs and Administrative Policy **NO.:** FAAP 18-04

COMMITTEE DATE: October 24, 2017

BOARD DATE: October 31, 2017

APPROVAL OF MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY ACQUISITION OF MAYNARD BUILDING AND IMPROVEMENTS

MOVED: MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY
ACQUISITION OF PROPERTY AND IMPROVEMENTS
FRAMINGHAM STATE UNIVERSITY

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 Universities) 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 **\$2,810,000**.

Authority: Massachusetts General Laws Chapter 15A, Section 6

Contact: Thomas Simard, Deputy Commissioner for Administration & Finance

Massachusetts State College Building Authority

EXHIBIT A

Framingham State University
Cultural Arts Center
Jonathan Maynard Building
MSCBA Project Number: FRA-0795-16

Description of Project

- (a) 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; and
- (b) The carrying out of property acquisition and disposition as well as, 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

The Massachusetts State College Building Authority (MSCBA), on behalf of Framingham State University (FSU), approves purchase of to purchase the “Jonathan Maynard Building” property located at 14 Vernon Street, Framingham MA for two-million-one-hundred-thousand dollars (\$2,210,000), from the Danforth Museum Corporation (DMC), with such offer based on a professional appraisal of the full market value of the property. Framingham State University agrees to forward-fund, as necessary, the anticipated contribution from the sale of the Mayhew Property until such time of transaction

Project Budget and Schedule

Uses of Funds

Property Acquisition	2,210,000
Design and Renovations	<u>2,801,000</u>
Total Project Cost	\$5,011,000

Sources of Funds

Proceeds from Mayhew Sale	1,100,000
Project Savings (2010A, 2014A, 2015A)	241,000
Project Savings (FSU Parking)	127,500
Framingham State University	542,500
Danforth Museum Corp	500,000
Series 2018A Project Fund	<u>2,500,000</u>
Total Funds	\$5,011,000

Project Fund Deposit (Series 2018A)	\$2,500,000
Financing Costs/Contingency	<u>310,000</u>
Total Bond Proceeds	\$2,810,000

Schedule

Acquisition	January 2018
Occupancy	January 2019



completion.

Jonathan Maynard Building