ATTACHMENT Y

July 28, 2022

To the Honorable Senate and House of Representatives:

Pursuant to Article LVI, as amended by Article XC, Section 3 of the Amendments to the Constitution of the Commonwealth of Massachusetts, I am returning to you for amendment Section 171 of House Bill No. 5050, “An Act Making Appropriations for the Fiscal Year 2023 for the Maintenance of the Departments, Boards, Commissions, Institutions and Certain Activities of the Commonwealth, for Interest, Sinking Fund and Serial Bond Requirements and for Certain Permanent Improvements.”

Section 171 directs the Division of Capital Asset Management and Maintenance (DCAMM) to exercise a purchase option on a University of Massachusetts at Dartmouth (University) leased facility in New Bedford. After exercising the purchase option, the section requires DCAMM, in consultation with the University and the Inspector General, to conduct a capital needs assessment of the building.

On January 6, 1997, legislation was signed into law authorizing DCAMM to lease the property in New Bedford on behalf of the University with an option to purchase at the end of the 20-year lease. Over the course of the 20-year lease no funding was set aside for future capital repairs and now many of the building systems are at the end of their useful life. Immediate repairs to address failed mechanical systems, replace the roof and address life safety needs are required. Currently, the University has neither the capital nor operating resources to support the building. For the Commonwealth to take ownership under these circumstances presents meaningful risks.

The University already has a significant deferred maintenance backlog, and I cannot approve language that directs a state agency to purchase a building that will increase that backlog without providing the necessary funding and capacity to execute on the capital repairs.

However, I do recognize that the original intent of the 1997 legislation was to recoup the public’s investment and for the Commonwealth to take ownership of this building, which is important to the University and to downtown New Bedford’s economic development and artistic community. I am therefore proposing alternative language that allows for the University, though the University of Massachusetts Building Authority (UMBA), to take ownership of the property in a sustainable and responsible way that serves the needs of students and enables the University to properly maintain the building.

First, I recommend that UMBA be the entity that takes ownership and manages any capital investment. UMBA is currently working with the University on two major projects on campus and would therefore be well positioned to build on an already strong team. Under my proposed amendment, UMBA is named as the successor agency for the purpose of exercising the option to purchase and will be required to exercise the option on or before August 14, 2022.

Second, recognizing that responsible ownership by UMBA will require appropriate funding, I intend to file for a $30 million appropriation in the upcoming close-out supplemental budget to cover, at a minimum, the next five years of needed capital and operating expenses.

For these reasons, I recommend that Section 171 be amended by striking out the section and inserting in place thereof the following section:-

SECTION 171. Notwithstanding any general or special law to the contrary and for the sole purpose of the option to purchase the facility located at 182 Union street in the city of New Bedford set forth in the original lease agreement dated February 28, 2000, as extended by a one-year short-term tenancy agreement in fiscal year 2022, the University of Massachusetts Building Authority shall be the successor agency to the division of capital asset management and maintenance. Notwithstanding any general or special law to the contrary, on or before August 14, 2022, the University of Massachusetts Building Authority shall execute the option to purchase said facility located at 182 Union street in the city of New Bedford on behalf of the commonwealth, in accordance with section 2 of chapter 457 of the acts of 1996, and the deed conveying said property shall name as grantee the University of Massachusetts Building Authority.

Respectfully submitted,

Charles D. Baker

Governor