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State of New Hampshire

DEPARTMENT OF ADMINISTRATIVE SERVICES

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Commissioner

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Deputy Commissioner

Sheri L. Rockburn
Assistant Commissioner

October 30, 2024

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Approval of the Report and Findings of Councilor David K. Wheeler with regard to a certain project in participation with Rivier University in Nashua NH.

EXPLANATION

This item is submitted pursuant to a request by the New Hampshire Health and Education Facilities Authority. Councilor Wheeler has requested that this be placed on the agenda as a regular item for the Wednesday, November 13, 2024 meeting for ratification by the Governor and Council.

Sincerely,

Charles M. Arlinghaus
Commissioner

CMA/dph

Attachment



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October 29, 2024

Charles Arlinghaus, Commissioner
Department of Administrative Services
State of New Hampshire
State House Annex
Concord, New Hampshire 03301

RE: New Hampshire Health and Education Facilities Authority –
Rivier University Series 2024 Bonds

Dear Commissioner Arlinghaus:

I enclose an original and ten copies of the Report and Findings of Councilor David K. Wheeler with regard to a certain project in participation with Rivier University, Nashua, New Hampshire. Councilor Wheeler has requested that this be placed on the agenda as a regular item for ratification by the Governor and Council at their meeting scheduled for Wednesday, November 13, 2024.

Thank you for your assistance in this matter.

Very truly yours,

William C. Tucker

WCT/tav
Enclosures

**REPORT
AND
FINDINGS
OF**

DAVID K. WHEELER, designee of the Governor and Council of The State of New Hampshire, under the provisions of the New Hampshire Health and Education Facilities Authority Act, Chapter 195-D of the New Hampshire Revised Statutes Annotated, on the undertaking by the Authority of a certain project in participation with **RIVIER UNIVERSITY** of Nashua, New Hampshire, pursuant to said Act.

Introductory

The New Hampshire Health and Education Facilities Authority (hereafter referred to as the "Authority"), requested of Governor Christopher T. Sununu and the Executive Council that a hearing be held pursuant to the New Hampshire Health and Education Facilities Authority Act, Chapter 195-D of the New Hampshire Revised Statutes Annotated (hereafter referred to as the "Act"), and particularly as prescribed in Section 21 of the Act. The hearing is required as the result of an application submitted to the Authority by Rivier University, a not-for-profit educational and charitable corporation organized under New Hampshire law and operating an institution for higher education known as Rivier University located in Nashua, New Hampshire (hereafter sometimes referred to as "Rivier" or the "University") which is a participating educational institution under RSA 195-D:3. Such application seeks the participation of the Authority, under the Act, in the financing of certain capital expenditures as well as the refinancing of certain of the University's existing indebtedness (hereafter sometimes referred to as the "Project").

Pursuant to RSA 195-D:21 above cited, the Governor and Council designated me to hold a hearing and make findings in connection with the application. Following Public Notice given in accordance with Chapter 91-A of the New Hampshire Revised Statutes Annotated, by notice published in the New Hampshire Union Leader on October 22, 2024, the hearing was held on Tuesday, October 29, 2024, commencing at 8:00 a.m., at the Authority's Conference Room located

at One Capitol Street, Suite 200, Concord, New Hampshire. All witnesses were duly sworn. A summary of testimony presented at the hearing follows.

Summary of Testimony

Sister Paula Marie Buley, IHM, President of Rivier University, was the first witness. She stated that Rivier was established in 1933 and is a Catholic, coeducational not-for-profit university. It currently offers undergraduate, graduate, and doctoral degrees to day and evening students with on campus, online, and hybrid formats. The University awards Bachelor degrees in numerous major courses of study including Biology, Business, Criminal Justice, Cybersecurity Management, Education, Interdisciplinary Studies, Nursing, School Psychology, and Sports Management.

The University's graduate degrees include Business Administration, Computer Science, Counseling, and School Psychology, Education, Nursing, and Public Health. Rivier also offers doctoral degrees on Education, Psychology, and Nursing Practice.

Sister Paula stated that the University is accredited by the New England Commission of Higher Education, its education programs are approved by the New Hampshire Department of Education, and its Associate's, Bachelor's, and Master's nursing programs are accredited by the Accreditation Commission for Education in Nursing. The business program is accredited by Accreditation Council for Business Schools and Programs. The University holds membership in The Campus Compact of New Hampshire, the Association of Catholic Colleges and Universities, the Council of Independent Colleges, and the National Collegiate Athletic Association.

Sister Paula testified that at the start of the current semester the University has a total student enrollment of 2,707 students consisting of 1,239 undergraduate students, 1,376 graduate students, and 92 doctoral students. The University's campus is located on 75 acres and contains 32 buildings. As of the fall 2024 semester student housing is at 101% of occupancy

Sister Paula stated that the proceeds of the Authority's Revenue Bonds, Rivier University Issue, Series 2024 (the "Bonds") will be used for the construction, furnishing and equipping of two new residence halls each of approximately 8,000 square feet. The halls will provide apartment style housing and will add 74 beds to the campus. The buildings are the second phase of the Rivier Village project, the first phase of which was financed by the Authority's 2022 bond issue.

Sister Paula further testified that the Project may include the refinancing of the Authority's Revenue Bonds Rivier College Issue, Series 2019A, the proceeds of which, along with the proceeds of prior bonds which the Series 2019A Bonds refinanced, were used to refinance numerous capital projects at the University's campus. Bond proceeds may also be used to fund the termination of an interest rate swap relating to the Authority's Revenue Bonds, Rivier College Issue, 2008 which Bonds were refunded by the Series 2019A Bonds. The extent to which Bond proceeds are used for these purposes will depend on market conditions at the time the Bonds are issued and the potential savings to the University from the refinancing. Bond proceeds may also be used to finance miscellaneous construction, renovation, and equipping of Rivier's facilities, to pay certain costs of issuing the Bonds and to pay capitalized interest on the Bonds. Sister Paula stated that the maximum amount of Bonds to be issued will not exceed \$36,000,000 and the Bonds are expected to have a maturity of approximately 30 years.

Sister Paula testified that the Bonds are expected to be issued in a public offering with Stifel, Nicolaus & Company, Incorporated as the underwriter. She stated that under a Loan Agreement with the Authority, Rivier will be required to continue to carry blanket fire and extended coverage insurance as well as general liability insurance.

Sister Paula explained that, in her view, the Project would be of public use and benefit and would permit the University to continue to render an appropriate level of service to its current and future students, especially in the development of the New Hampshire workforce. She testified that

the proposed refinancing of existing indebtedness would assist Rivier in lowering the cost of providing education in the State and will be done in connection with the Project. Sister Paula also testified that, with the lack of available housing and the high cost of housing in the area, the Project will address a need for housing for its students. Finally, and based upon her position as President, she stated her opinion is that the University would be able to meet its financial obligations under the proposed Bond issue and that the University is a financially responsible participating educational institution.

Bonnie S. Payette was the final witness called. She stated that she is the Executive Director of the New Hampshire Health and Education Facilities Authority, charged with the administration of the Authority's day-to-day affairs. In her capacity as Executive Director she has become acquainted with the Project and the details of the financing and the financial arrangements to be reflected in the bonds proposed to be issued. She testified that the Authority adopted a resolution on October 17, 2024, approving issuance of bonds for Rivier University for the Project, subject to compliance being had with all laws bearing upon such issue and the advice of counsel, including Bond Counsel.

Ms. Payette testified that certain documents are being prepared for execution in connection with the Project, including a Loan Agreement intended for execution between the University and the Authority and the purchaser of the Bonds. She stated that there will be a provision in the Loan Agreement under which the University is obligated to hold and use the Project for educational purposes so long as the Bonds are outstanding. She testified that there will be language in the Bond documents requiring that each Bond issued by the Authority for the Rivier University bear on its face the following provision:

Neither the State of New Hampshire nor any political subdivision thereof shall be obligated to pay the principal of or interest on this bond, other than from Pledged Revenues, and neither the faith and credit nor the taxing power of the State of New Hampshire or of any political subdivision thereof is pledged to the payment of the principal of or interest on this bond.

Ms. Payette testified that the Bond documents will make adequate provision for the payment of principal and interest on the Bonds, as well as the costs of the Project, so that the State will not be obligated in any way for their repayment.

Ms. Payette concluded her testimony by stating that, based on her familiarity with the statute under which the Authority operates, on her experience as Executive Director of the Authority, and on the advice of counsel, including Bond Counsel, the Project is within the powers conferred by law upon the Authority.

Findings

Upon the testimony submitted at the hearing, and upon consideration, I find as follows:

(1) The construction and acquisition of the Project, as the same is described in such testimony, will enable and assist Rivier University (herein called the "University"), a not-for-profit institution for higher education, to provide educational facilities within the State of New Hampshire (herein called the "State"); and

(2) The Project, including the portion of the Project to which the refinancing of any existing indebtedness relates, will be leased to, or owned by, the University, which is a financially responsible participating institution within the State; and

(3) Adequate provision has been, or will be, made for the payment of the cost of the construction and acquisition of the Project, as well as any refinancing of existing indebtedness; and under no circumstances will the State be obligated, directly or indirectly, for the payment of the principal of, or interest on, any obligations issued to finance such construction and acquisition, or to provide for the refinancing of existing indebtedness or obligations to which such refinancing of existing indebtedness relates; and

(4) Adequate provision has been, or will be, made in any lease or mortgage of the Project to be undertaken or any property leased or mortgaged in connection with the issuance of bonds or notes for the payment of all costs of operation, maintenance and upkeep of the Project by the University so that under no circumstances will the State be obligated, directly or indirectly, for the payment of such costs; and

(5) Adequate provision has been, or will be, made to obligate the University to hold and use the Project for educational purposes so long as the principal of and interest on bonds or

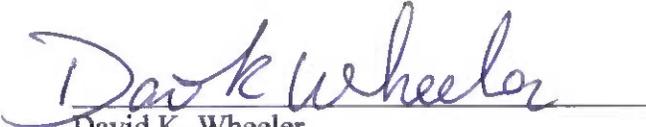
other obligations issued by the New Hampshire Health and Education Facilities Authority (herein called the "Authority") to finance the cost of the Project, including any refunding of bonds issued to refund and refinance such bonds, have not been fully paid and retired and all other conditions of the resolution or trust agreement authorizing and securing the same have not been satisfied and the lien of such resolution or trust agreement has not been released in accordance with the provisions thereof; and

(6) The construction and acquisition of the Project will be within the authority conferred by Chapter 195-D of the New Hampshire Revised Statutes Annotated upon the Authority; and

(7) The construction and acquisition of the Project serves a need presently not fulfilled in providing educational facilities within the State and is of public use and benefit.

(8) The refinancing of existing indebtedness will assist the University in lowering the cost of providing education within the State and is being done in connection with a Project being provided by the University.

Dated: October 29, 2024

A handwritten signature in blue ink that reads "David K. Wheeler". The signature is written in a cursive style and is positioned above a horizontal line.

David K. Wheeler,
Executive Councilor
Designee of the Governor and Council

RATIFICATION AND GOVERNOR'S APPROVAL

The Governor and Council hereby ratify, confirm, approve and adopt the findings set forth in the Report and Findings attached hereto made by David K. Wheeler, the Designee of the Governor and Council to hold a hearing and make findings pursuant to Section 21 of the New Hampshire Health and Education Facilities Authority Act, Chapter 195-D of the New Hampshire Revised Statutes Annotated. The hearing was required and held as a result of an application submitted to the New Hampshire Health and Education Facilities Authority (the "Authority") by Rivier University, a not-for-profit institution for higher education located in Nashua, New Hampshire. The hearing was held on October 29, 2024, following public notice published in the New Hampshire Union Leader on October 22, 2024, at the Authority's Conference Room located at One Capitol Street, Suite 200, Concord, New Hampshire.

The Governor's signature constitutes his approval under Section 147(f) of the Internal Revenue Code of 1986, as amended, of the issuance of the bonds described herein and in the hearing held by the Authority on October 29, 2024, as described in the Notice of Public Hearing published on October 22, 2024 in the New Hampshire Union Leader.

Dated: November 13, 2024

Governor: Christopher T. Sununu

Councilor: Joseph D. Kenney

Councilor: Cinde Warmington

Councilor: Janet Stevens

Councilor: Theodore L. Gatsas

Councilor: David K. Wheeler