RESOLUTION OF NEW JERSEY INSTITUTE OF TECHNOLOGY ("NJIT")
APPROVING THE CONDITIONAL DESIGNATION OF THE PRC GROUP
FOR THE DEVELOPMENT OF BLOCK 2857 AND BLOCK 2858 (West Side)

WHEREAS, on or about September 2007, NJIT, in cooperation with other area stakeholders, created a comprehensive plan for the redevelopment and rehabilitation of approximately 21.5 acres of land located within the City of Newark (the "City") in order to serve as a gateway between the NJIT campus and existing neighborhoods and in order to enhance the quality of life of both NJIT and existing residential communities (the "NJIT Gateway Plan"); and

WHEREAS, on March 31, 2008, the Municipal Council of the City of Newark (the "Municipal Council") adopted Resolution 7R3-B(S) conditionally designating NJIT as the redeveloper for the area described within the NJIT Gateway Plan, subject to the adoption of a redevelopment plan for that area by the City and the negotiation of a redevelopment agreement between the City and NJIT; and

WHEREAS, on September 22, 2008, the Central Planning Board of the City of Newark adopted a resolution recommending that the Municipal Council adopt a redevelopment plan for certain portions of the City, including the area described within the NJIT Gateway Plan; and

WHEREAS, on January 21, 2009, the Municipal Council adopted Ordinance 6PSF-a012109 adopting the Broad Street Station Area Redevelopment Plan (the "Redevelopment Plan") in accordance with the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented; and

WHEREAS, on January 21, 2009, the Municipal Council designated NJIT as the redeveloper of the area described within the NJIT Gateway Plan which area is within the area governed by the Redevelopment Plan, and the City and NJIT have entered into a redevelopment agreement dated October 19, 2009 (the "Redevelopment Agreement") for the redevelopment of the area within the NJIT Gateway Plan, which includes the MLK Gateway Sub-Project (as such term is defined in the Redevelopment Agreement); and

WHEREAS, the MLK Gateway Sub-Project is the second of four (4) Sub-Projects to be constructed in phases pursuant to the Redevelopment Agreement; and

WHEREAS, a portion of the MLK Gateway Sub-Project relates to certain properties within the City known as Block 43, Lots 38, 39, 40, 41, 46, 48, as shown on the City's Tax Maps in the University Heights District and currently comprised of the former NJIT Enterprise Development Center, 240 Dr. Martin Luther King Jr. Blvd, and the adjacent 236 Dr. Martin Luther King Jr. Blvd. (collectively, the "Property"); and
WHEREAS, NJIT owns Block 43, Lots 38, 39, 40, 41, 46, 48; and

WHEREAS, the Redevelopment Agreement provides that NJIT may carry out the redevelopment of the Redevelopment Area in its own name or through an entity of which NJIT retains control; and

WHEREAS, it is the intention of NJIT that the acquisition of the Property and its redevelopment be carried out through a to-be-formed entity ("CGF Entity"), whose members will include Campus Gateway Foundation, Inc., a New Jersey not-for-profit corporation ("CGF") and an experienced development partner to provide direction, financing and oversight of the redevelopment process, subject to control by NJIT's subsidiary CGF; and

WHEREAS, NJIT is in receipt of a letter of interest and qualifications from PRC Group, indicating their interest in working with NJIT to develop the MLK Gateway Sub-Project; and

WHEREAS, the PRC Group, have extensive experience in redevelopment in New Jersey and the resources necessary to effectively implement a large scale, mixed-use development; and

WHEREAS, the CGF, the PRC Group will enter into a joint venture agreement and based on such experience and resources, NJIT will conditionally designate the joint venture between the CGF and PRC Group as the Redeveloper for the MLK Gateway Sub-Project within the Property; and

WHEREAS, as part of the conditional designation, PRC Group will prepare a detailed proposal for the redevelopment of the Property, which redevelopment is expected to include the construction on the Property of residential units, ground floor retail spaces in a manner compliant with the Redevelopment Plan ("Project"); and

WHEREAS, if the proposal for the Project is acceptable to NJIT, NJIT expects to enter into (a) a development agreement (the "Development Agreement") between NJIT and the CGF Entity, comprised of CGF and PRC Group, in order to set forth the terms and conditions under which the CGF Entity shall carry out the obligations of NJIT with respect to the redevelopment of the Property in accordance with the Redevelopment Agreement.
NOW, THEREFORE, BE IT RESOLVED THAT THE NEW JERSEY INSTITUTE OF TECHNOLOGY BOARD OF TRUSTEES HEREBY:

1. Exclusively designates, for the period ending November 9, 2017, PRC Group to prepare a proposal, a pro forma including sources and uses for the Project including Tasks in Appendix A to this resolution.

2. Conditionally designates the CGF Entity, with PRC Group as a partner therein, to carry out the redevelopment of the Project, subject to the following conditions:
   (i) The proposal for the Project shall be subject to the consideration of and approval by this Board of Trustees in its sole discretion.
   (ii) CGF and PRC Group, or affiliates thereof, shall enter into a mutually acceptable joint venture agreement forming the CGF Entity that complies with the Redevelopment Agreement.
   (iii) NJIT and the CGF Entity shall enter into the Development Agreement based on terms and conditions to be considered by and if the Board deems them appropriate to be approved by this Board of Trustees in its sole discretion.
   (iv) PRC Group shall provide interim updates to NJIT on the status of the development of its proposal, and the Board reserves its right to terminate the negotiation if the Board concludes that there has not been sufficient evidence of progress on the satisfaction of these conditions. The updates shall be provided as follows:
       On or before July 13, 2017;
       On or before September 14, 2017.
   (v) The above designations shall expire if each of the foregoing conditions are not satisfied by November 9, 2017 at the sole discretion of the Board of Trustees. However, this conditional designation can be extended by mutual agreement – in writing – of both parties.

3. Authorizes the Administration to negotiate the terms and conditions of the Development Agreement with PRC Group.
Grants no rights to PRC Group with respect to the Project other than the right to negotiate exclusively as described above, and grants no rights to the development of same, any such rights to be established exclusively in the Development Agreement and Parking Agreement if same can be agreed upon.

Holly C. Stern
General Counsel/Vice President of Legal Affairs and Secretary to the Board of Trustees
New Jersey Institute of Technology

June 1, 2017
Board Resolution 2017-26
APPENDIX A – PROJECT TASKS

1. Provide a conceptual design of the MLK Gateway Development east side in conformance with the NJIT Gateway Redevelopment Plan, Broad Street Station District Redevelopment Plan, and the Redevelopment Agreement between the City of Newark and New Jersey Institute of Technology including, but not limited to, the following:
   a. Quantity of commercial and retail space square footage and potential uses
   b. Types and counts of residential units
   c. Quantity and layout of parking spaces for educational, hospital, and development use

2. Create a phasing plan with milestone dates outlining the progression of the development through completion.

3. Develop a pro-forma analysis of each phase of the development denoting all sources and uses of funds, proposed rental rates, development fees, and profits.

4. Conduct and/or review the available information on the following:
   a. Environmental investigation
   b. Geotechnical investigation
   c. Title searches

5. Hold meeting with the following constituent groups to outline the project intent and timeline:
   a. James Street Commons Historic District Community Group
   b. City of Newark Deputy Mayor for Economic and Housing Development

6. Pursue negotiated sales contracts on the following parcels:
   a. NJIT owned property

7. Create the framework for a draft Development, Parking, and Operating agreement between the parties