RESOLUTION OF THE BOARD OF TRUSTEES OF NEW JERSEY INSTITUTE OF TECHNOLOGY DECLARING ITS OFFICIAL INTENT WITH RESPECT TO THE REIMBURSEMENT OF EXPENDITURES FOR PROJECT COSTS FROM PROCEEDS OF BONDS TO BE ISSUED BY NEW JERSEY INSTITUTE OF TECHNOLOGY FOR THE WARREN STREET VILLAGE PROJECT

WHEREAS, the Board of Trustees (the “Board”) of New Jersey Institute of Technology (the “Institute”) expects to undertake and implement the Warren Street Village Project, the construction of which will consist of five duplex buildings, and the Dorman Honors College Residential Facility, a six story mixed use building more fully described in Schedule A (the “Capital Project”); and

WHEREAS, the Institute has determined that the Capital Project will benefit the Institute and assist in serving the ongoing needs of its students and the operation of the Institute; and

WHEREAS, the Board has determined to finance the Capital Project through the issuance of one or more series of its revenue bonds; and

WHEREAS, the Capital Project may be financed through the issuance of tax-advantaged bonds, including (i) bonds which bear interest which is not-included in gross income for federal income tax purposes (“Tax-Exempt Bonds”); (ii) taxable credit or direct pay bonds (“Taxable Subsidy Bonds”); or (iii) a combination of Tax-Exempt Bonds and Taxable Subsidy Bonds are referred to collectively herein as “Bonds”); and

WHEREAS, the Bonds will be issued in one series and in one transaction, the proceeds of which will be used by the Institute;

WHEREAS, the Institute may pay for certain costs of the Capital Project (“Project Costs”) with funds of the Institute prior to the issuance of the Bonds; and

WHEREAS, the Institute desires to preserve its right to treat an allocation of proceeds of the Bonds to the reimbursement of Project Costs paid prior to the issuance of the Bonds as an expenditure for such Project Costs to be reimbursed for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (“Code”).

NOW THEREFORE BE IT RESOLVED by the Board of Trustees of New Jersey Institute of Technology as follows:

Section 1. The Board reasonably expects the Institute to reimburse its expenditure of Project Costs paid prior to the issuance of the Bonds with proceeds of the Bonds.
Section 2. This resolution is intended to be and hereby is a declaration of official intent to reimburse the expenditures for Project Costs paid prior to the issuance of the Bonds with the proceeds of the Bonds in accordance with Treasury Regulations Section 1.150-2.

Section 3. The maximum principal amount of Bonds expected to be issued to finance the Capital Project is not to exceed $80,000,000 (excluding issuance costs), which Bonds may be issued in one series and in one transaction.

Section 4. The Project Costs to be reimbursed with the proceeds of the Bonds will be costs which satisfy the requirements of Section 150 of the Code for reimbursement.

Section 5. No reimbursement allocation will employ an “abusive arbitrage device” under Treasury Regulations Section 1.148-10 to avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147 of the Code. The proceeds of the Bonds used to reimburse for Project Costs, or funds corresponding to such amounts, will not be used in a manner that results in the creation of “replacement proceeds” including “sinking funds”, “pledged funds”, or funds subject to a “negative pledge” (as such terms are defined in Treasury Regulations Section 1.148-1) of the Bonds or another issue of debt obligations of the University, other than amounts deposited in a “bona fide debt service fund” (as defined in Treasury Regulations Section 1.148.1).

Section 6. All reimbursement allocations will occur no later than 18 months after the later of (i) the date the expenditure from a source other than the Bonds is paid, or (ii) the date the Project is “placed in service” (within the meaning of Treasury Regulations Section 1.150-2) or abandoned, but in no event more than 3 years after the expenditure is paid.

Section 7. This resolution will take effect immediately.

Holly C. Stern
General Counsel and
Secretary to the Board of Trustees
New Jersey Institute of Technology

February 23, 2012
Board Resolution 2012-22
SCHEDULE A

Description of the Facility

Warren Street Village Project
(Greek Village and Dorman Honors College Residential Facility)

The Project will include the construction of the Greek Village and the Dorman Honors College Residential Facility which provides an additional 600 beds to the current 1500 beds already on campus.

The Greek Village portion will include five duplex buildings each with two units. Each unit will accommodate 24 beds, kitchen, recreational and assembly area.

The Dorman Honors College Residential Facility includes facilities on the first floor which will be services for the university including food services and convenience store. NJIT will either operate these services or include it within our existing food services provider agreement.

The second floor will provide the programmatic and office space for the Dorman Honors Program. The offices will be NJIT occupied.

The upper floors will provide a 360 bed residential facility for NJIT students.