WHEREAS, in 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 2857, Lots 1, 2, and 5-30, and Block 2858, Lots 1, 2, 10, 12, 14-16, 18, 20, 23, 43, 45, and 50, as shown on the City’s Tax Maps in the University Heights District and currently comprised of private businesses, surface parking lots and fraternity houses (collectively, the “Property”); and
WHEREAS, NJIT does not own or control any of the Property; 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, CGF and NJIT have identified University Student Living, LLC (“USL”) as a company that has extensive experience and resources, both directly and through its parent company, the Michaels Organization, in redevelopment and, as such, is a potential partner of CGF in the CGF Entity; and

WHEREAS, based on such experience and resources, NJIT is exclusively designating University Student Living, LLC (“USL”) to prepare a detailed proposal, including but not limited to, confirmation of site control, environmental testing, complete site plan, schematic architectural drawings, etc., for the redevelopment of the Property, which redevelopment is expected to include the construction on the Property of residential units, ground floor retail spaces, a parking structure with a minimum of nine hundred (900) parking spaces and community gathering 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 USL or affiliates thereof, 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 and (b) a parking license agreement (the “Parking Agreement”) in order to set forth the terms and conditions under which NJIT shall utilize the parking spaces in the garage that is a component of the Project.

NOW, THEREFORE, BE IT RESOLVED BY THE NEW JERSEY INSTITUTE OF TECHNOLOGY BOARD OF TRUSTEES HEREBY AS FOLLOWS:

1. Exclusively designates, for the period ending January 31, 2014 herein, USL to prepare a proposal and a pro forma including sources and uses for the Project.

2. Conditionally designates the CGF Entity, with USL 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 USL, or affiliates thereof, shall provide a draft joint venture agreement forming the CGF Entity that complies with the Redevelopment Agreement.

(iii) NJIT and the CGF Entity shall provide a draft Development Agreement and a draft Parking Agreement 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) All of these documents are subject to the approval of the Board of Trustees.

(v) USL shall provide interim updates to NJIT, no less than bi-monthly, on the status of the development of its proposal, and the Board reserves its right to terminate the exclusive negotiation if it concludes that there has not been sufficient evidence of progress on the satisfaction of these conditions.

The above designations shall expire if each of the foregoing conditions are not satisfied by January 31, 2014 at the sole discretion of the Board of Trustees.

3. Grants no rights to USL 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 included exclusively in the Development Agreement and Parking Agreement.

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

July 25, 2013
Board Resolution 2014-7