

**The College of New Jersey  
Board of Trustees  
January 24, 2012  
120 Paul Loser Hall**

**Minutes  
Meeting via Teleconference**

Present: Christopher Gibson, Chair; Brad Brewster, Vice Chair; Eleanor Horne, Secretary; Robert Altman; Jorge Caballero; Rosie Hymerling; Brian Markison; Gayle Matthei-Meredith; Barbara Pelson; Albert Stark; Susanne Svizeny; R. Barbara Gitenstein, President

Not Present: Miles Powell; Joshua Zeitz; Randi Lynn Veenstra, Student Trustee; Megan Coburn, Alternate Student Trustee; Mike Martinovic, Faculty Representative; John McCarty, Faculty Representative; Lynette Harris, Staff Representative

I. Announcement of Compliance

*It is hereby announced and recorded that the requirements of the Open Public Meetings Act as to proper notification as to time and place of meeting have been satisfied.*

II. Motion to go into closed session

It is moved by Mrs. Hymerling, seconded by Ms. Svizney, that the Board go into closed session to discuss the Campus Town project, an item exempt under the Open Public Meetings Act.

III. Closed Session

IV. Resumption of Public Session

A. Report of the Building and Grounds Committee

1. Resolution Authorizing the President or her Designee to Execute the Ground Lease Agreement for the Campus Town Development – Attachment A

It was moved by Dr. Altman, seconded by Ms. Svizeny, that the resolution be approved. The vote was conducted via roll call and the motion carried unanimously.

2. Resolution Authorizing The Trenton State College Corporation to expand its services to include negotiating for, contracting for, and operating a Bookstore for The College of New Jersey – Attachment B

It was moved by Mrs. Hymerling, seconded by Ms. Horne, that the resolution be approved. The vote was conducted via roll call and the motion carried unanimously.

V. Adjournment

The following resolution was moved by Dr. Altman, seconded by Mrs. Hymerling. The vote was conducted via roll call and the motion carried unanimously.

Be it

Resolved: That the next regular public meeting of The College of New Jersey Board of Trustees, will be held on Tuesday, February 28, 2012 at a time and location to be announced.

Be it

Further

Resolved: That this meeting be adjourned.

Respectfully submitted,



Eleanor Horne  
Secretary

**RESOLUTION AUTHORIZING THE PRESIDENT OR HER DESIGNEE  
TO EXECUTE THE GROUND LEASE AGREEMENT  
FOR THE CAMPUS TOWN DEVELOPMENT**

- Whereas:** The President and the Board of Trustees have established strategic initiatives for The College of New Jersey; and
- Whereas:** The Committee on Planning and Priorities has assumed these initiatives as the general framework for effectuating its leadership as the internal planning council; and
- Whereas:** These strategic initiatives include projects to diversify institutional revenue streams, provide facilities to support the integrated transformation of Academic Affairs and Student Affairs, improve the learning environment and advance the College's identity; and
- Whereas:** The State legislature enacted the "New Jersey Economic Stimulus Act of 2009," P.L. 2009, c. 90, which makes various statutory changes to allow a State college to enter into a contract with a private entity, referred to as a public-private partnership agreement, that requires the private entity to assume full financial and administrative responsibility for the on-campus construction, reconstruction, repair, alteration, improvement or extension of a building, structure, or facility of the institution and requires the State college to retain ownership of the property to be developed; and
- Whereas:** The College completed a feasibility study in 2010 that demonstrated the viability and benefits of a mixed-use development which has been called "Campus Town"; and
- Whereas:** Campus Town provides the opportunity to diversify revenue streams, provide facilities to support the College that the College does not have the means to build itself, enhance the campus environment, improve amenities for the College and the community and promote the unique identity of the College; and
- Whereas:** The Board received a presentation from the President, Vice President Heuring, outside counsel Windels Marx Lane & Mittendorf, LLP and outside financial consultant HR&A recommending the selection of preferred private development partner PRC Group for the Campus Town project and advising the Board that the College administration would proceed to negotiate, for later approval by the Board, an initial letter agreement and a "term sheet" setting forth the principal terms of an eventual ground lease of College property with the private development partner, based on PRC Group's Best and Final Offer; and
- Whereas:** The Board authorized the President or the President's designee to execute a finalized form of the aforementioned letter agreement (which included the term sheet) with PRC Group, and that letter agreement, which governs the relationship of the College and PRC Group until execution of the ground lease, was executed on August 12, 2011; and
- Whereas:** The letter agreement provided the College with the option of terminating the letter agreement with PRC Group in the event that a ratings agency review of the Campus Town project resulted in an unfavorable credit report for the College; and

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- Whereas:** Moody's Investor Services, at the request of the College, reviewed the College's current financial status and the impact of Campus Town on the College's credit and Moody's has affirmed the College's positive credit standing and verified that the Campus Town development would have no material impact on the College's credit outlook and rating; and
- Whereas:** The Board, advised of the Moody's assessment, agreed that the College should not exercise the option to terminate the agreement with PRC Group; and
- Whereas:** The College has negotiated with the PRC Group regarding the terms of the Campus Town development that are to be memorialized in a full ground lease which is based on the terms previously negotiated in the aforementioned letter agreement and term sheet with PRC Group; and
- Whereas:** The College of New Jersey Board of Trustees has reviewed the terms of the proposed ground lease that will provide the basis for the relationship between the College and PRC Group and for the operation of the Campus Town Development for a term of 50 years; and
- Whereas:** In order to continue progress towards a transaction closing at which the Ground Lease will be executed, certain amendments are required to be made to the letter agreement, relating inter alia, to the leasing of space within the Campus Town project for bookstore and fitness center uses, cooperation with the PRC Group's lenders, the use of the escrow deposit to fund property remediation, and revisions to the nature of assurances and guaranties to be posted to secure project completion, all of which have been presented to The College of New Jersey Board of Trustees; and
- Whereas:** The "New Jersey Economic Stimulus Act of 2009," P.L. 2009, c. 90, requires that application be made to the New Jersey Economic Development Authority for approval of higher education public private partnerships such as "Campus Town".
- Therefore, be it resolved that:** The College of New Jersey Board of Trustees hereby approves the terms of the proposed ground lease and amendments to the letter agreement.
- Be it further resolved:** That the President and other appropriate officers of the College be and they hereby are authorized to take such actions, prepare such documents and amendments (including the ground lease, letter agreement amendment, and application to the New Jersey Economic Development Authority), affix their signatures on behalf of the College to such documents and amendments, all as may in their judgment be necessary or desirable to accomplish the purposes of this resolution.

**Resolution Authorizing The Trenton State College Corporation  
To Expand Its Services to Include Leasing and Subleasing Space For And Contracting For Services  
For The Operation of a Bookstore For The Benefit Of The College of New Jersey**

- Whereas: The Public College Auxiliary Organization Act (N.J.S.A. 18A:64-26 - 18A:64-44, "PCAOA") provides for the establishment, governance and operation of auxiliary organizations by New Jersey state colleges.
- Whereas: On April 15, 1988, The Trenton State College Board of Trustees established the Trenton State College Corporation in accordance with PCAOA; and
- Whereas: PCAOA (N.J.S.A. 18A:64-29), provides that an auxiliary organization's operations may include all those allowed by law and approved by the board of trustees of the public college; and
- Whereas: Among the functions or operations explicitly permitted by the PCAOA is the operation of a college bookstore (18A:64-29.d.); and
- Whereas: PCAOA (N.J.S.A. 18A:64-34.9), provides that an auxiliary organization shall maintain its own bank accounts and shall make such purchases as are necessary to its operation, without regard to the provisions of P.L.1954, c. 48 (C.52:34-6 *et. seq.*, the "Public Bid Statute") pursuant to regulations promulgated by the college's board of trustees; and
- Whereas: PCAOA (N.J.S.A. 18A:64-34.9) provides that the auxiliary organization can make purchases without regard to the Public Bid Statute; and
- Whereas: The Board has determined that the proposed Campus Town development will greatly enhance the standing, attractiveness, environmental sustainability, College-community relations and success in recruiting the best students, faculty and staff to the College; and
- Whereas: The Board has authorized selection of a private developer partner for the proposed Campus Town development and approved the terms of the proposed letter agreement and proposed term sheet that will provide the basis for negotiating a full ground lease negotiation and execution of a detailed ground lease (that shall include all development obligations); and
- Whereas: The Board has determined that the operation of a bookstore in the proposed Campus Town development is in the interest of the College; and
- Whereas: The Board had determined that it is in the interest of the College for the College or a related entity to lease space in the proposed Campus Town development from a private developer partner and contract with a bookstore vendor for the operation of a bookstore in that space; and
- Whereas: The Board has determined that the Trenton State College Corporation is better suited than the College to lease space from a private developer partner and contract for bookstore services to be provided in that space;
- Therefore,  
Be It Resolved: That the Trenton State College Corporation be and is authorized to engage in all activities necessary and proper to procure, negotiate for, enter into, and administer a lease with a private developer partner and a sublease and contract for services with a bookstore vendor for the operation of a bookstore in the proposed Campus Town development for the benefit of The College of New Jersey.