SPECIAL MEETING OF THE
ROWAN UNIVERSITY BOARD OF TRUSTEES

March 23, 2015

AGENDA

SCHEDULE
3:45 p.m.

PUBLIC SESSION

CALL TO ORDER

OPEN PUBLIC MEETINGS ACT STATEMENT

CLOSED SESSION (if necessary)

PUBLIC COMMENTS REGARDING PENDING RESOLUTIONS

Please Note: Individuals may speak only in reference to those resolutions under consideration for Board Action. All other comments will be heard prior to New Business if the President’s Office was properly notified.

ACTION ITEMS

2015.03.01 RESOLUTION #2015.03.01 ENTITLED: “A RESOLUTION OF THE BOARD OF TRUSTEES OF ROWAN UNIVERSITY APPROVING AND AUTHORIZING UNDERTAKING OF A CERTAIN PROJECT TO BE COMPLETED THROUGH A PUBLIC-PRIVATE PARTNERSHIP WITH PROVIDENT GROUP-ROWAN PROPERTIES L.L.C. PURSUANT TO THE NEW JERSEY ECONOMIC OPPORTUNITY ACT OF 2013, SECTION 26 OF P.L. 2013, C.161 (C. N.J.S.A. 18A:64-85), AS AMENDED, INCLUDING THE LEASING OF CERTAIN REAL PROPERTY OF ROWAN UNIVERSITY TO PROVIDENT GROUP-ROWAN PROPERTIES L.L.C. FOR THE DESIGN, CONSTRUCTION AND MANAGEMENT OF A NEW STUDENT HOUSING FACILITY ON ROWAN’S CAMPUS IN GLASSBORO, NEW JERSEY; APPLICATION TO THE NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY (THE “EDA”) TO ISSUE TAX EXEMPT AND TAXABLE BONDS FOR THIS PROJECT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE GROUND LEASE, DINING FACILITY SUBLEASE, DEVELOPMENT, MANAGEMENT AND OTHER AGREEMENTS AND ALL OTHER NECESSARY DOCUMENTS, CONSENTS AND CERTIFICATES IN CONNECTION WITH SAID PROJECT; MAKING CERTAIN
DETERMINATIONS AND APPROVALS WITH RESPECT TO THE BONDS TO BE ISSUED BY THE EDA, AND AUTHORIZING OFFICERS OF ROWAN UNIVERSITY TO TAKE ALL OTHER ACTIONS DEEMED NECESSARY OR DESIRABLE IN CONNECTION WITH THE DEVELOPMENT OF THE AFOREMENTIONED PROJECT AND ISSUANCE BY THE EDA OF ITS BONDS.”

Summary Statement: This resolution authorizes the undertaking of all actions necessary to advance the public-private partnership with Provident Group-Rowan Properties, LLC (“Provident”) for the financing and development of a student housing project, including the conveyance of a ground lease by the University and the execution and delivery thereof to Provident and the approval of certain documents necessary for the funding and development of the project. Specifically, this resolution serves as the University’s acknowledgment of and consent to the financing of the project through the issuance of bonds from the EDA and authorizes the execution of the Loan Agreement, the Collateral Assignment, the Ground Lease, the Development Agreement, the Management Agreement, the Sublease Agreement, any amendments to the Food Services Agreement, and any other agreements necessary for the completion of the project.

PUBLIC COMMENTS

Individual remarks must be consistent with the topic previously listed with the president’s office.

COMMENTS BY TRUSTEES

ADJOURNMENT
RESOLUTION #2015.03.01


WHEREAS, the Board of Trustees (the “Board”) of Rowan University (the “University”) desires to approve a public-private partnership with Provident Group-Rowan Properties L.L.C. (the “Provident”), University Student Living, LLC (the “Developer”) and University Student Living Management, LLC (the “Manager”) pursuant to the New Jersey Economic Opportunity Act of 2013, Section 26 of P.L. 2013, c.161 (C. N.J.S.A. 18A:64-85), as amended (the “Economic Opportunity Act”), for the design, construction, furnishing and equipping of an approximate 1,426 bed student housing project and certain utilities and other related facilities, including a shell for a dining facility, (the “Facilities”), to be located on approximately 8.38 acres of the campus of the University located in the Borough of Glassboro, Gloucester County, New Jersey (the “Project Municipality”) on Lots 7.01, 7.02, 8, 9, 10, 11, 12, 13, 14, 15, 15.01 and 16 in Block 1 on the tax map of the Borough of Glassboro, Gloucester County, New Jersey (the “Property”);
WHEREAS, Provident, whose sole member is Provident Resource Group Inc., a Georgia non-profit corporation and a tax-exempt charitable organization under Section 501(c)(3) of the Internal Revenue Code (the “Code”), submitted an application for financial assistance, dated February 18, 2015, to the EDA, for the purpose of Provident obtaining a loan from the EDA and for the EDA to issue up to $144,000,000 aggregate principal amount of its Revenue Bonds (Provident Group-Rowan Properties L.L.C. - Rowan University Student Housing Project) Series 2015A (the “Series 2015A Bonds”); and up to $1,000,000 aggregate principal amount of its Taxable Revenue Bonds (Provident Group-Rowan Properties L.L.C. - Rowan University Student Housing Project) Series 2015B (the “Series 2015B Bonds”, together with the Series 2015A Bonds, the “Bonds”) in order for Provident to: (a) acquire a leasehold interest in the Property from the University, (b) finance the costs of the design, development, construction, furnishing and equipping of the Facilities and certain working capital expenditures related to the foregoing, including certain start up and pre-opening expenses, (c) fund deposits for a debt service reserve fund for the Bonds; (d) pay capitalized interest on the Bonds; and (e) pay costs of issuance of the Bonds (collectively, the “Project”); and

WHEREAS, the EDA has agreed to assist in financing the cost of the Project, and proposes to issue its Bonds and to secure said Bonds by a pledge of moneys to be received by the EDA and the assignment of certain rights of the EDA with respect to the Project; and

WHEREAS, the EDA has proposed to apply the proceeds of the Bonds to make a loan to Provident for the financing of the Project in accordance with the Loan Agreement by and between the EDA and Provident, and to be acknowledged by the University (the “Loan Agreement”), providing, in part, for payments by Provident sufficient to meet installments of interest and principal on the Bonds; and

WHEREAS, the University has reviewed a Student Housing Market Study (the “Study”) from Brailsford & Dunlavey which indicated a need and market demand for dedicated freshman/sophomore housing at the University and based on the Study, determined that the Project will assist in serving the needs of its students and provide a benefit to the University through the development of additional facilities for use by the students, and

(continued)
WHEREAS, the University has further determined that the Property should be leased to Provident who will develop the Project and obtain financing for the project from the EDA, and the development and financing for the Project should be accomplished under the Economic Opportunity Act by the issuance of the Bonds through a structure determined by an Authorized Officer (as herein defined) to be the most advantageous to the University; and desires to authorize certain officers of the University to take all action necessary to accomplish the development and financing of the Project and all costs related thereto, and

WHEREAS, the Board wishes to authorize the conveyance of a leasehold interest in the Property to Provident pursuant to and in accordance with a ground lease agreement between the University and Provident (the “Ground Lease”) as well as a Memorandum of Ground lease (“Memorandum of Ground Lease” in recordable form), and

WHEREAS, the University has been asked to consent to the collateral assignment of the Ground Lease to the EDA as part of the Collateral Assignment of Agreements Affecting Real Estate (“Collateral Assignment”) from Provident to the EDA, and

WHEREAS, in connection with the Ground Lease, Provident is entering into a Project Development Agreement with the Developer, and which will be consented to by the University, pursuant to which the Developer will undertake the design, construction and completion of the Project (the “Development Agreement”), and

WHEREAS, the Board wishes to authorize a Management Agreement among Provident, the Manager and the University to provide for the management of the Project upon completion thereof (the “Management Agreement”), and

WHEREAS, the Board wishes to authorize the University to enter into a Dining Facility Sublease with Provident (the “Sublease Agreement”) to sublease back from Provident a portion of the completed Project to be operated as a dining facility at the Project by Gourmet Dining, LLC, the University’s existing food services provider, and

WHEREAS, the Board wishes to authorize any amendments to the University’s existing Food Services Agreement with Gourmet Dining, LLC (the “Food Services Agreement”) that may be required in connection with the Sublease Agreement and the Bonds, as determined by an Authorized Officer, and

WHEREAS, the Board wishes to authorize any amendments to the Management Agreement, Ground Lease and Sublease Agreement that may be required in connection with the Bonds, as determined by an Authorized Officer, and

(continued)
RESOLUTION #2015.03.01 (continued)

WHEREAS, the Board also desires, by adoption of this Resolution, to: (i) consent to the issuance and sale of the Bonds and all actions to be taken by the University in connection therewith; (ii) authorize and approve the execution, acknowledgment and delivery of any and all development and financing documents and other documents, acknowledgments, consents, certificates and instruments related to the Project and the Bonds, including but not limited to, the Ground Lease, the Loan Agreement, the Development Agreement, the Management Agreement and the Sublease Agreement; and (iii) make various other determinations and approvals with respect to the Bonds and the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Rowan University as follows:

SECTION 1. The Board hereby authorizes, approves and consents to the undertaking of: (i) the Project as presented, including the financing by Provident thereof through the issuance of the Bonds by the EDA in an amount necessary to cover the costs of the Project and all costs related thereto, and further authorizes the Chairperson of the Board, the Secretary of the Board, the President of the University, the Senior Vice President of Finance and Chief Financial Officer and any other representative of the Board hereafter duly authorized by the Board in writing (the “Authorized Officers” and each an “Authorized Officer”) to determine all matters in connection therewith.

SECTION 2. The Board hereby approves and authorizes all actions necessary to be taken by the University in connection with the undertaking of the Project, including conveyance of the Property to Provident pursuant to the Ground Lease and the execution and delivery of the Ground Lease and a Memorandum of Ground Lease with respect thereto, and the issuance and sale of the Bonds to finance the cost thereof.

SECTION 3. The Board hereby authorizes and consents to the acknowledgement by the University of the Loan Agreement.

(continued)
RESOLUTION #2015.03.01 (continued)

SECTION 4. The Loan Agreement, the Ground Lease, the Development Agreement, the Management Agreement, and the Sublease Agreement, substantially in the forms provided to the University on the date of the resolution, with such changes, omissions, insertions and revisions as shall be approved by an Authorized Officer of the University, be and the same, are hereby authorized and approved. The Authorized Officers are each hereby authorized and directed to execute the Loan Agreement, the Collateral Assignment, the Ground Lease, the Development Agreement, the Management Agreement, and the Sublease Agreement, any amendments to the Food Services Agreement, and any and all other agreements, memorandums to be recorded, documents, consents, acknowledgments and certificates necessary to complete the Project and for the EDA to issue the Bonds (collectively, the “University Documents”), in the name of and on behalf of the University, in as many counterparts as may be necessary, and to affix or impress the official seal of the University thereon and to attest the same. Such execution and attestation to be conclusive evidence of the approval of the form and consent of such University Documents.

SECTION 5. The Authorized Officers, be and the same, are hereby authorized and directed to execute, deliver and approve any and all such other agreements, documents, certificates, directions and notices and to do and perform such acts and to take such actions as may be necessary or required or which the Authority may deem to be appropriate to implement the purposes of this Resolution, to consummate the Project and all costs related to the Project, and to effectuate the execution and delivery of the University Documents, and any related documents, certificates or agreements necessary or required. Any Authorized Officer of the University is hereby authorized and directed, for and on behalf of and in the name of the University to attest the signature of any other Authorized Officer and to deliver said documentation. Such execution and attestation will be conclusive evidence of the approval of the form and content of such documentation.

SECTION 6. All resolutions, orders and other actions of the University in conflict with the provisions of this resolution to the extent of such conflict are hereby superseded, repealed or revoked.

SECTION 7. All actions heretofore taken and documents prepared or executed by or on behalf of the University by its officials and by the University’s professional advisors, in connection with the Project, or any other action in connection with or related to the Project, are hereby ratified, confirmed, approved and adopted.

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RESOLUTION #2015.03.01 (continued)

SECTION 8. This resolution shall take effect immediately.

Secretary of the Board of Trustees of Rowan University

SUMMARY STATEMENT/RATIONALE

This resolution authorizes the undertaking of all actions necessary to advance the public-private partnership with Provident Group-Rowan Properties, LLC (“Provident”) for the financing and development of a student housing project, including the conveyance of a ground lease by the University and the execution and delivery thereof to Provident and the approval of certain documents necessary for the funding and development of the project. Specifically, this resolution serves as the University’s acknowledgment of and consent to the financing of the project through the issuance of bonds from the EDA and authorizes the execution of the Loan Agreement, the Collateral Assignment, the Ground Lease, the Development Agreement, the Management Agreement, the Sublease Agreement, any amendments to the Food Services Agreement, and any other agreements necessary for the completion of the project.