

**9074. RESOLUTION 04-32 AUTHORIZING A PROJECT WITH THE SOUTH JERSEY TECHNOLOGY PARK AT ROWAN UNIVERSITY PROJECT.** The Executive Director presented the following Resolution.

WHEREAS, The Delaware River and Bay Authority (the “Authority” was created as a body politic and an agency of government of the State of Delaware and the State of New Jersey, by virtue of Chapters 145 and 146, Volume 53, Laws of Delaware, approved by the Governor of the State of Delaware July 21, 1961, and Chapter 66 of the Pamphlet Laws of 1961 of the State of New Jersey, approved by the Governor of the State of New Jersey June 3, 1961 (said Chapters 145 and 146 and said Chapter 66 issuing material being hereinafter sometimes collectively called the “Original Enabling Legislation”), pursuant to which the State of Delaware and the and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into a compact (hereinafter sometimes called the “Original Compact”) creating the Authority; and

WHEREAS, the consent of the Congress of the United States of America was given to the States of Delaware and New Jersey to enter into the Original Compact by a Joint Resolution of the Congress, approved September 20, 1962 (Public Law 87-678, 87<sup>th</sup> Congress); and

WHEREAS, by virtue of Chapter 252, Volume 67, Laws of Delaware, approved by the Governor of the State of Delaware June 28, 1990, and Chapter 192 of the Pamphlet Laws of 1989 of the State of New Jersey, approved by the Governor of the State of New Jersey October 18, 1989 (said Chapter 252 and said Chapter 192, together with the Original Enabling Legislation being hereinafter sometimes collectively called the “Enabling Legislation”), the State of Delaware and the State of New Jersey entered, subject to the consent of the Congress of the United States of America, into certain amendments to the Original Compact (as so amended and as may be further amended from time to time hereinafter sometimes called the “Compact”); and

WHEREAS, the consent of the Congress of the United States of America was given to the State of Delaware and New Jersey to enter into the Compact by a Joint Resolution of the Congress, approved November 15, 1990 (Public Law 101-565, 101<sup>st</sup> Congress); and

WHEREAS, by virtue of the Compact and the Enabling Legislation, the Authority’s powers include authorization to plan, finance, develop, construct, purchase, lease, maintain, improve and operate: (i) crossings between the States of Delaware and New Jersey, (ii) transportation or terminal facilities in Delaware and the New Jersey counties of Cape May, Cumberland, Gloucester and Salem and (iii) commerce facilities or development in Delaware and in the New Jersey counties of Cape May, Cumberland, Gloucester and Salem; and

WHEREAS, the South Jersey Technology Park at Rowan University, Inc, (“SJTP”) has submitted to the Authority a project application for \$5,000,000 to fund the development of a 45,000+/- square foot building known as the Innovation Center Building (“Building”) a mixed use facility that will accommodate academic and private sector research development programs and provide the resources necessary to incubate small for profit

technology start-up companies, which building is part of Phase I of the Technology Park at Rowan University; and

WHEREAS, Rowan University (“RU”) will convey a 15.08+/- acre parcel of land located in Mantua Township, New Jersey (“Land”) (known as Lot 9 of Block 261 as shown on the Tax Map of Mantua Township) to SJTP for the development of a portion of the Technology Park, including the aforementioned 45,000 square foot Innovation Center Building; and

WHEREAS, pursuant to a Project Development and Acquisition Agreement (“Project Development Agreement”) between the Authority and SJTP, SJTP will be responsible to design, plan, obtain all required governmental approvals and permits, and finance the construction of the 45,000 square foot Innovation Center Building; whereupon, at the completion of the Building pursuant to the terms of the Project Development Agreement, the Authority shall purchase the Building for the sum of \$5,000,000.00; and

WHEREAS, SJTP will be responsible for the planning, design and costs of all necessary Improvements to support the Building, including but not limited to appropriate access ways, parking areas, landscaping and lighting; and

WHEREAS, contemporaneous with the purchase of the Building, the Authority will enter into a Lease Purchase Agreement with SJTP (whereby SJTP will lease the Building from the Authority) for a term of 20 years at monthly rental payments sufficient to repay the Authority’s \$5,000,000.00 project funding; said payments shall include interest at a rate which over the term of Agreement provides the Authority an internal rate of return on net present value of 2.8%; and

WHEREAS, when and in the event that the Authority has been paid its’ \$5,000,000 project funding including any outstanding interest together with all other amounts payable by SJTP pursuant to the Lease Purchase Agreement title to the Building will conveyed to SJTP; and

WHEREAS, SJTP will be responsible for the creation of a Technology Park Condominium relating to all Buildings and Improvements constructed on the Land including the preparation of proposed Condominium Documents (Master Deed, By-Laws and Rules and Regulations), subject to the approval of the Authority; whereupon the Land and Improvements will be common elements of the Condominium and the Building will be designated as a separate Unit within the Condominium; and

WHEREAS, the obligations of SJTP to the Authority under the Project Development Agreement and the Lease will be guaranteed by Rowan University pursuant to a Guaranty Agreement; and

WHEREAS, the Authority has determined that it has the power to participate in this project under the powers granted to it under the Compact and that such project would help fulfill the Authority’s mission; and

WHEREAS, the Authority's staff has completed a due diligence review of the project application and determined that the project meets the substantive criteria of Authority Resolution 94-16 as amended except Section II-5 as amended by Resolution 99-25 requiring that no more than 50% of the Authority's General Fund balance could be used to fund "commerce facilities"; and

WHEREAS, the South Jersey Technology Park at Rowan University project is a project of important regional significance, the Economic Development Committee has reviewed and recommended this project and also recommends that Section II-5 of Resolution 94-16, as amended by Resolution 99-25, requiring no more than 50% of the Authority's General Fund balance be used for "commerce facility projects", be waived.

NOW, THEREFORE, BE IT RESOLVED, that the Chairperson, Vice Chairperson, and the Executive Director are authorized to execute a Project Development Agreement, a Lease Purchase Agreement, any necessary and appropriate Condominium Documents and any other necessary and appropriate agreements and related documents required to undertake the above described project between the Authority and the South Jersey Technology Park at Rowan University, Inc., subject to final review and approval of the Authority's Counsel, and subject to the final passage of legislation by the New Jersey Legislature and signed by the Governor of New Jersey authorizing the Authority to undertake the aforementioned project .

BE IT FURTHER RESOLVED that the Chairperson, Vice Chairperson, and Executive Director are hereby authorized, subject to review and approval of counsel, to execute a Guaranty Agreement between the Authority and Rowan University.

BE IT FURTHER RESOLVED that the Section II-5 of Resolution 94-16 as amended by Resolution 99-25 requiring that no more than 50% of the Authority's General Fund balance be used to fund "commerce facility" projects, along with any other provisions of that Resolution that may be inconsistent herewith, are hereby waived for this South Jersey Technology Park at Rowan University project.

Resolution 04-32 was moved by Commissioner Dorn seconded by Commissioner Cooper and was approved by a roll call vote of 10-0.