REQUEST FOR EXPRESSIONS OF INTEREST

for

The MLK Gateway Phase of the
Campus Gateway Development Project
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<tr>
<td>RFEI Issue Date:</td>
<td>7th of September 2012</td>
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<tr>
<td>Description of Services:</td>
<td>Development concept for the redevelopment of the MLK Gateway Site</td>
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<tr>
<td>Evaluation Method:</td>
<td>Criteria Based Evaluation</td>
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<tr>
<td>Issuing Office:</td>
<td>Jones Lang LaSalle</td>
</tr>
</tbody>
</table>
| Point of Contact: | Mr. Patrick Flinn  
Patrick.Flinn@am.jll.com |
| RFEI Response Due Date: | 19th of October 2012 by 2:00 PM EST |
| Proposal(s) Received at: | Mr. Patrick Flinn  
Jones Lang LaSalle  
Morris Corporate Center III  
400 Interpace Parkway  
Building D, 1st Floor  
Parsippany, NJ 07054-1100 |
I. Purpose and Intent
Jones Lang LaSalle Americas, Inc. (“JLL”), as Master Developer for New Jersey Institute of Technology’s (“NJIT”) Gateway Project, is soliciting interest from qualified parties (“Respondents”) in order to redevelop the next phase of NJIT’s MLK Gateway (“MLK Gateway”) area. The MLK Gateway is the second of four phases of the NJIT Campus Gateway Redevelopment Plan ("Gateway Plan") that was approved by the Newark Central Planning Board and City Council in 2009. Subsequent to plan approval, NJIT entered into an agreement with Jones Lang LaSalle to serve as the Master Developer for the project.

This is not a formal solicitation. The purpose of this Request for Expressions of Interest (RFEI) is to assist JLL NJIT and Saint Michael’s Medical Center (“SMMC”) in refining its approach for the selection of a developer or development team for the MLK Gateway. Submissions will be evaluated. While submission of an Expression of Interest (EOI) is not a prerequisite for participating in a formal proposal process – if such a process is undertaken – interested firms and parties are strongly encouraged to submit responses with detailed comments.

JLL reserves the right to request additional information from some or all Respondents. Although this is not a formal solicitation, JLL reserves the right to enter into negotiations with one or more Respondents based on responses to this RFEI or request that one or more Respondents and others respond as part of a formal solicitation process. This RFEI does not commit JLL, NJIT or SMMC to enter into negotiations and/or select any Respondent. This RFEI does not create a binding obligation on the part of JLL, NJIT or SMMC with any Respondent.

II. The MLK Gateway Project
A. New Jersey Institute of Technology
NJIT is a public research university located in the University Heights neighborhood of Newark, New Jersey. NJIT is New Jersey's science and technology university. Centrally located in the New York-New Jersey metropolitan area, NJIT's campus is within walking distance of downtown Newark. New York City is only 8 miles away and is readily accessible via the Newark City Subway and the PATH rapid transit system.

Founded in 1881, today the university has almost 10,000 students enrolled. NJIT offers 124 degree programs including 49 undergraduate (Bachelor of Science/Arts) majors, and 75 graduate (Masters and PhDs) programs. It is now home to five colleges and one school: Newark College of Engineering; the College of Architecture and Design; the School of Management; the Albert Dorman Honors College; the College of Science and Liberal Arts; and the College of Computing Sciences. Increasingly a residential university, NJIT recently broke ground on the Warren Street Village, a mixed-use, 3-acre project that will provide on-campus housing and a host of amenities including student dining and fitness facilities.

The Gateway Plan (See link in Appendix A) is a critical component of NJIT’s strategic priorities and the result of a six-year community development planning initiative that was led by NJIT, and actively involved members of the larger neighborhood including the James Street Historic District Association and Saint Michael’s Medical Center. Dr. Joel Bloom, President of NJIT, has underscored the importance of the Gateway Plan, “To grow enrollment, attract high-achieving students and faculty and sustain a base of private support, we must continue to enhance the quality of campus life, the availability of amenities and services and the physical, social and recreational environment. Enhancing the community that surrounds NJIT and campus life is key to NJIT’s growth and prosperity.”
B. Gateway Plan Overview & Background

The Gateway Plan was first conceived by NJIT in 2004. The focus of the Gateway Plan is to provide a redevelopment strategy for the neighborhood immediately adjacent to the campus of NJIT. The University Heights area, as its name implies, is home to several institutions of higher education, but also has a diverse mix of medical and religious institutions, businesses, and a high level of residential involvement. Integral to the planning process and plan development was an extensive community outreach process that included numerous meetings, design discussions and surveys with major stakeholders like the Historic James Street Commons Neighborhood Association and Saint Michael’s Medical Center. The “gateway” referred to in the title of the Gateway Plan can be understood loosely as one that will promote connectivity among the neighborhood’s major stakeholders and residents. Rather than dividing, a gateway promotes openness and accessibility.

NJIT is seeking to engage the neighborhood and combine forces with the major stakeholders to develop an “urban living environment.” To this end, the redevelopment plan addresses the properties on or near Martin Luther King Jr. Boulevard, generally between Central Avenue and Orange Street. At both of these intersections, five minutes on foot from one another, the Gateway Plan creates new public open spaces, suitable for active and passive uses, framed by both new and existing buildings.

NJIT’s specific goals for the Gateway Plan are, including but not limited to:

- Encourage the creation of a mixed-use district filled with activity 24 hours a day, seven days a week;
- Improve the image of the district by promoting and implementing design excellence and sustainability in its buildings and the public realm;
- Promote the restoration and adaptive reuse of the district’s historic buildings wherever possible;
- Attract new residents and encourage the creation of a variety of new housing opportunities, including additional student housing;
- Reduce the dependence on cars and increase usage of public, pedestrian and bicycle transit;
- Promote an image of safety and vibrancy; and
- Invest in the public realm.

The Gateway Plan will develop the University Heights District, which the project site lies within as a 24/7 center for urban living, academic culture and commerce by pursuing urban design principles. To achieve its goals, the Gateway Plan encourages the following design principles:

- Protect and enhance historic structures wherever possible;
- Create a variety of new residential opportunities;
- Enhance retail and entertainment opportunities;
- Promote public transit;
- Promote vibrant, walkable, and active streets; and
- Promote sustainable development.

The statutory basis for the Plan is based upon the City of Newark’s designation of the entire municipality as an “Area in Need of Rehabilitation” pursuant to N.J.S.S § 40A:12A-1 et seq. by Resolution Number 7RDO (AS), dated June 15, 2005. In January 2009, the Municipal Council adopted Ordinance 6PSF adopting a redevelopment plan, the Broad Street Station Area Redevelopment Plan, for certain portions of the City, including the area described within the NJIT Gateway Plan. It is important to note that although the City of Newark adopted a significant portion of the Gateway Plan into the Broad Street Station Redevelopment Plan, however the Broad Street Station Redevelopment Plan is the governing document.
NJIT received redeveloper designation from the City of Newark for the project (including all four phases) and entered into an agreement with the City to facilitate implementation of the Broad Street Station Redevelopment Plan. NJIT subsequently entered into an agreement with JLL to serve as master developer.

The overarching project is divided into four phases. Those phases are as follows:

1. **Phase 1:** Warren Street Village (referred to as “Greek Village” in the plan) – Construction of new homes for Greek fraternities and sororities and a six-story residential honors college on NJIT surface parking lots 16 and 16A bounded by Raymond Blvd, Colden and Warren Streets;
2. **Phase 2:** MLK Gateway – Construction and/or rehabilitation of a number of mixed use structures along Martin Luther King Boulevard which includes parking, retail and residential uses and an at grade parking lot owned by St Michael’s Medical Center;
3. **Phase 3:** St Michael’s – Adaptive reuse of the old hospital building; and
4. **Phase 4:** University Park – Construction of a hotel and retail facilities at Central Avenue and Martin Luther King Boulevard.

In March 2012, construction began on Phase 1, Warren Street Village. Warren Street Village will be a 3-acre mixed-use residential housing complex consisting of the Greek Village and the Albert Dorman Honors College Residential Facility. When completed in fall of 2013, the 214,000-square-foot complex, bounded by Colden Street to the east, Warren Street to the north and Raymond Boulevard to the southwest, will add 600 beds to NJIT’s existing inventory of residential housing. In addition, the $80-million project will feature dining services, a convenience store and fitness center for the University community.

NJIT’s number of residential student housing capacity will then top 2,200 beds, an increase of some 35 percent. To accommodate student demand, NJIT’s housing has been filled to capacity using housing triples in double rooms and leasing off-campus space. These new residences and amenities are timely additions as the university’s enrollment is expected to exceed 10,000 students by fall of 2013.

NJIT, in partnership with JLL and SMMC, is now prepared to execute Phase II, the MLK Gateway.

**C. Development Opportunity**

The MLK Gateway site is located at the northern end of Martin Luther King Jr. Boulevard and near Interstate 280 and Broad Street Station. The opportunity exists to create an anchor of neighborhood retail and a northern gateway to the University Heights District. According to the City of Newark’s Master Plan, “with over 50,000 students and faculty at six colleges and universities [4 of which are located in the immediate vicinity of the project site], Newark has the fifth highest concentration of higher education on the East Coast – after Boston, New York City, Philadelphia and Washington, DC.” There currently exists no reason for this population to stay in the district beyond regular daytime hours as the existing retail options adjacent to the urban campuses do not currently offer the diversity of products needed to attract and retain the institutional commuter population.

In 2007, JLL conducted a survey of neighborhood stakeholders, including NJIT administration, NJIT Greek system members, NJIT faculty and staff, neighborhood residents, St. Michael’s representatives, and other interested parties including area employers and employees and Rutgers’ students to assess the needs for the MLK section of the James Street Historic District and to help guide planning for the Gateway Plan. Overall, the survey demonstrated that among students, faculty and staff there is a strong desire for increased retail opportunities, most notably cafes, restaurants and a grocery store.
The MLK Gateway Phase was envisioned as a mixed-use development – with multiple components or as an integrated structure – that included ground floor retail development, residential development and a structured parking garage to meet the desire for increased retail opportunities and the demand for parking. Below is a rendering of the conceptual plan for the site from the NJIT Gateway Plan, which included two mixed-use buildings fronting onto Martin Luther King Boulevard and a multi-level parking structure fronting onto a newly extended Summit Street, and wrapped by residential units on both the James and Orange Street sides.

**Figure 1: Conceptual Rendering of the MLK Gateway Phase**

The structured parking garage is a key component of the development for NJIT and SMMC. The structured parking facility would be bounded by a newly extended Summit Street, James Street, Boyden Street and Orange Street. The structure will ideally accommodate a minimum of 1,000 automobiles. The final capacity will be subject to local governmental approvals. It is important to note that NJIT and St. Michael’s Medical Center (SMMC) both wish to be users of the parking – with SMMC leasing a minimum of 400 spaces and NJIT leasing a minimum of 500 spaces each for up to fifteen (15) years. In addition, SMMC is the current owner of the majority of the project site and is prepared to sell the property to the selected developer for the project. Development of the site will require the identification of temporary parking for NJIT and/or SMMC. The selected developer will be expected to assist in securing temporary parking as necessary.

Opposite the two mixed-use buildings referenced above, opportunities exist to renovate the former NJIT Business Incubator building with potential retail uses at grade with residential dwelling units above. Also on that eastern side of Martin Luther King Jr. Boulevard, the Gateway Plan proposes two new buildings, programmed as residential over ground-level retail. Activating Martin Luther King Jr. Boulevard on this northern end requires eliminating the surface lots that currently face onto it. Building
upon such lots would require substituting those displaced spaces within the large planned parking structure.

Per the NJIT Gateway Plan, two existing buildings should be preserved: 1) the three-story corner retail building at the intersection of James Street and Martin Luther King Jr. Boulevard, and 2) the former Fire Station currently owned by Theta Chi Fraternity. Both buildings are of historic and/or neighborhood value and their inclusion would maintain familiar ‘faces’ in the area.

It is important to note that although the City of Newark adopted a significant portion of the Gateway Plan into the Broad Street Station Redevelopment Plan. The one difference as it applies to the properties that are the subject of this RFEI is in regard to the proposed parking deck. The Broad Street Station Redevelopment Plan caps the number of parking spaces in a parking deck at 1000 spaces. However, NJIT negotiated an exception to this limit as set forth on page 188 of the Broad Street Station Plan. Acknowledging the need for considerably more parking capacity, NJIT may apply for a considerably larger structured parking facility so long as it is justified by a parking study supporting its size as well as the ability of the surrounding streets to support the traffic volume. Therefore, a key item in connection with this development is the capacity of the structured parking in connection with the scope of the redevelopment.

The Broad Street Station Redevelopment Plan is the governing document for this project. Respondents should refer to the Broad Street Station Redevelopment Plan, particularly the Special Area Provisions Section, for land use and urban design guidelines including zoning, height requirements, permitted uses, prohibited uses, etc. In addition, respondents should also refer to the NJIT Gateway Plan, Section 6 Development Guidelines, as it provides greater insight into what NJIT’s expectations are in terms of design. (See links in Appendix A).
D. Project Site

Figure 2 is an aerial view showing existing conditions. The red line generally indicates the site boundaries. The majority of the site is owned by SMMC and is currently used as surface parking.

Figure 2: Project Site – Existing Conditions

Figure 3 is a parcel map of the project site. The site is labeled in yellow and the block and lot numbers for the site are:

- Block 43: Lots 37 – 41, 46, 48, 50 – 52
- Block 2857: Lots 1, 2, 5 – 30
- Block 2858: Lots 1, 2, 10, 12, 14 – 16, 18, 20, 23, 43, 45, 50
The NJIT Conceptual Redevelopment Plan *(See link in Appendix A)* includes a property ownership summary. SMMC owns the majority of the site – large portions of Blocks 2857 and 2858 – and NJIT owns Block 43: Lots 37 – 41, 46, 48, 50, 52. In addition, the City of Newark and NJIT fraternities and sororities own several of the properties.

Any property to be acquired within the parcel will be purchased and assembled by non-municipal development interests. Municipal acquisition by eminent domain will not be pursued. The site is accessible to the public and Respondents can coordinate site tours with JLL.

**E. Project Financing**

Based on the project location, size, proposed program, etc., JLL has developed a preliminary list of incentives that may be applicable and that list is available for reference *(See link in Appendix B)*. In addition, it is important to note that the project site is part of the City of Newark Urban Enterprise Zone and therefore may qualify for long-term tax exemption.
F. Project Timing

Though flexible, NJIT and SMMC have an emergent need for parking. Therefore, the optimal timeline would be as follows:

<table>
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<th>Event</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Letter of Intent Issued</td>
<td>December 2012</td>
</tr>
<tr>
<td>Development Agreement Finalized</td>
<td>January 2013</td>
</tr>
<tr>
<td>Joint Venture Agreement Finalized</td>
<td>January 2013</td>
</tr>
<tr>
<td>Site Assemblage &amp; Pre-Construction Activities</td>
<td>January 2013 – October 2013</td>
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<tr>
<td>Design &amp; Permitting Finalized</td>
<td>January 2013 – August 2013</td>
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<td>Incentives &amp; Financing Activities</td>
<td>December 2012 – October 2013</td>
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<td>Construction Financing Closing</td>
<td>December 2013</td>
</tr>
<tr>
<td><strong>Commencement of Construction</strong></td>
<td>January 2014</td>
</tr>
<tr>
<td>Marketing &amp; Leasing</td>
<td>December 2012 – December 2014</td>
</tr>
<tr>
<td>Anticipated Project Completion</td>
<td>December 2014</td>
</tr>
</tbody>
</table>

We anticipate that the Respondents will include a proposed timeline based on their submissions that may or may not work with the timing referenced above.

III. Submission Requirements

Submission of responses is voluntary. However, submissions will be evaluated. Therefore, if developers or development teams opt to respond, all responses to this RFEI must comply with the requirements set forth below to be deemed responsive. All responses to this RFEI must be received by JLL by **2PM EST, on the 19th of October 2012**. Late responses will not be accepted.

The following items must be included in each Respondent’s response:

A. Transmittal Letter;
B. Respondent Qualifications;
C. Development Plan; and
D. Project Financials.

The proposal shall not exceed 50 total written pages. Cover pages, table of contents, appendices, exhibits, spreadsheets, and financial statements will not count towards the page limit.

For each package, Respondents are required to provide one (1) original, four (4) hard copies, and five (5) electronic copies on CD-ROM to the Project Point of Contact. Each response shall be clearly organized by the evaluation criteria in this RFEI. Electronic copies shall be submitted on a CD-ROM, in a protective sleeve. Each CD-ROM and protective sleeve shall be clearly marked with the solicitation name and the Respondent’s name. Each of the five (5) hard copies should include one (1) CD-ROM. The information submitted must be checked and determined to be virus-free prior to submission. The electronic submittals shall be compatible with the following equipment and software:

- Pentium Class PCs
- Microsoft Office 2007 (Excel, Word, PowerPoint)
- Adobe Acrobat Reader 8.0
- PDF format for all drawings

The electronic copies of the proposal shall be an exact duplicate of the original paper proposal. Excel spreadsheets shall be submitted in a format that allows all formulas within the spreadsheet to be reviewed and manipulated.
A. Transmittal Letter

A transmittal letter prepared on the Respondent’s business stationery shall accompany the response. The purpose of this letter is to transmit the proposal; therefore it should be brief. The letter shall also acknowledge any addenda to the RFEI that were received. The letter shall contain the title of the solicitation, include the Respondent’s name, federal tax identification or social security number, address, and shall be signed by an individual who is authorized to bind the firm to all statements, including services and prices, contained in the proposal.

B. Respondent Qualifications

1. Development Team Structure

The Respondent shall identify at least the following key team members: developer (firm or joint venture partners), project architect, construction, civil engineer, and financing team. The Respondent shall also provide an organizational chart and narrative description that identifies how the proposed team structure will best serve the project. Responses shall include:

   a) Name, address, and telephone number of each principal, partner, entity, or joint-venture partner participating as a key team member, and such person’s roles and titles within the Respondent team.

   b) Name, address, telephone number, fax number, and e-mail address of the representative authorized to act on behalf of the Respondent, who will be available to respond to questions or requests for additional information.

   c) Identification of any affiliation or other relationship between any of the members of the Respondent team and any development company, parent company, or subsidiary.

   d) Summary qualifications of senior-level staff of the key team members who will be working on this project, including a description of their role in this project and relevant experience.

   e) Status of the Respondent organization (whether a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, or a joint venture) indicating under which laws it is organized and operating. Respondents shall also include a brief history of the organization and its principals (for any entity required to file reports in the jurisdiction of its formation, include a certificate of good standing for such jurisdiction).

2. Past Performance and Experience

The Respondent shall identify the level of experience and success with projects similar to that contemplated in this RFEI. The Respondent shall present the team’s three (3) most relevant projects that demonstrate success in medium to large-scale, urban, mixed-use development projects in the greater Newark area or similar metropolitan areas. Please emphasize projects where team members have worked together. Projects should be recent and those with which the Respondent has had primary involvement, and may include illustrative material submitted as an appendix. Projects completed more than fifteen (15) years prior to the Due Date of this RFEI will not be considered. Respondent must include the following for its three (3) most relevant projects:

   a) Brief project summaries including name and address for each project, the name and telephone number of principal persons familiar with the development;

   b) Descriptions and concept, to include photographs, site plans, plans, renderings as appropriate;

   c) Project scope in GSF, broken down by product type and development cost;
d) Description of how the project was financed;

e) Project team (including details of each team member’s development role, if applicable);

f) Dates of completion and a factual indication of success (including financial returns); and any other pertinent project information;

g) A statement regarding experience with public-private partnerships and track record in obtaining and leveraging public subsidies.

h) A statement regarding any debarments, suspensions, bankruptcy or loan defaults on real estate development projects and/or government contracts of Respondent or any member of the Respondent’s team, including any pending and/or unresolved matters; and

i) References including names, addresses and telephone numbers. A minimum of one reference for each project is required.

3. Audited Financial Statements

The Respondent shall submit the two (2) most recent years of audited financial statements by a certified public accountant under audit standards as provided by the American Institute of Certified Public Accountants. Additionally, all significant parties to the transaction will provide, at a minimum, the two (2) most recent years of financial statements (audited statements are preferred). A significant party is any party that shall own 10% or more of the project, contribute at least 5% of the total developer equity, or is the primary developer or operator. If the Respondent is a newly formed joint venture then the two (2) most recent years audited financial statements for the managing members or partners will suffice. Financial statements do not count towards the 50 page limit.

C. Development Plan

The Respondent shall provide a clear understanding of how their plan fits within the framework of the vision for the MLK Gateway site. Respondent shall describe how their development concept corresponds to market realities and is in harmony with the Gateway Plan’s vision. The Respondent shall describe the proposed approach to designing a creative, high quality, and aesthetically pleasing product. The narrative and any associated drawings should depict the functionality, creativity, and thoughtfulness of the overall site layout. Design drawings are not required but Respondents are encouraged to submit renderings to better convey their concept vision. Provide as necessary, details such as building size, use, amenities, etc. Any new facility proposed is expected to meet LEED Silver certification requirements.

D. Financial

Project Pro Forma

Respondent shall provide a full development pro forma in Microsoft Excel 2007 compatible format. The pro forma must be dynamic with operational and fully functioning formulae. Limit hard coding for assumption inputs only.

Within the pro forma, the Respondent must submit a balanced comprehensive Sources and Uses development budget. Show all sources for project funding. The Uses shall show the Project’s total development costs, itemizing major cost items such as demolition, construction, architectural, engineering fees, finance cost, other hard and soft costs. Separately show hard and soft costs and indicate costs per square foot for each use where possible.

For residential rental units, retail, and office space, the submission should include an operating pro forma and analysis demonstrating the project’s operating characteristics, including net operating income, debt service requirements, and related coverage ratios. For residential units, the submission must include an absorption and lease-up schedule identifying the estimated absorption time. Respondents are required to provide a 10-year cash flow projection including all relevant line items,
similar to what a Respondent would submit to a potential investor for an equity investment or a lender for financing.

E. Parking Structure
NJIT and St. Michael’s Medical Center (SMMC) both wish to be users of the parking – with SMMC leasing a minimum of 400 spaces and NJIT leasing a minimum of 500 spaces each for up to fifteen (15) years. In addition, SMMC is the current owner of the majority of the project site and is prepared to sell the property to the selected developer for the project. Development of the site will require the identification of temporary parking for NJIT and/or SMMC. The selected developer will be expected to assist in securing temporary parking as necessary.

F. L/M/WBE Statement
Another key goal of the Gateway Plan is to facilitate the establishment, preservation and strengthening of local, minority and/or women-owned businesses (L/M/WBE) and encouraging their participation in the project. Toward that objective, JLL encourages these firms to submit a response to the RFEI and also encourages developers to provide for the participation of L/M/WBE firms through partnerships, joint ventures and as well as members of the development team. If applicable, Respondent should provide a statement regarding their efforts as it relates to L/M/WBE utilization.

There is a preliminary list of architects, engineers, etc. several of which are – based on their voluntary, self-identification – based in Newark and/or M/WBE’s. That list can be shared with respondents upon request.

IV. Selection Process
JLL, in partnership with NJIT and SMMC, will select the most advantageous submission based upon an integrated assessment of the evaluation factors set forth in this RFEI. JLL reserves the right, at its sole discretion, to reject any submission it deems incomplete or unresponsive to the submission requirements. JLL, in partnership with NJIT and SMMC, also reserves the right, at its sole discretion, to reject all submissions and re-solicit at a later date.

Although this is not a formal solicitation, JLL reserves the right to enter into negotiations with one or more Respondents based on responses to this RFEI or request that one or more Respondents and others respond as part of a formal solicitation process. This RFEI does not commit JLL, NJIT or SMMC to enter into negotiations and/or select any Respondent. This RFEI does not create a binding obligation on the part of JLL, NJIT or SMMC with any Respondent.

A. Evaluation Factors

1. Qualifications
The Respondent is able to field a qualified, experienced project team with the experience and workload capacity necessary to manage all the disciplines required to execute the project. These disciplines may include business planning, master planning, financing, public approvals, community and governmental relations, construction, environmental management, marketing, sales, rentals, and historic preservation (architecture, landscape, and archeology) and long-term property management and maintenance.

2. Concept Plan
The Respondent’s plan shows an understanding of the Gateway Plan’s goals and objectives. The development concept corresponds to market realities and is also in harmony with the
Gateway Plan’s vision. The Respondent successfully describes the proposed approach to designing a creative, high quality, and aesthetically pleasing product. New facilities are designed to meet LEED Silver certification requirements.

3. **Financial**

The Respondent’s proposed sources and uses of funds are clearly identified and appear reasonable, reflect market benchmarks and fully support the project. The proposed Project is financially viable throughout its life; financial, construction and operating cost data and the underlying assumptions are clearly identified and appear reasonable, reflect market benchmarks and fully support the proposed project in a clear and concise manner. The financial pro forma model appears to properly function, generating a reasonably reliable depiction of project performance over the duration of the project.

4. **Parking Structure**

The Respondent’s approach to the development of a parking structure and proposed leasing terms are clearly identified and appear reasonable, reflect market comparables.

5. **L/M/WBE Statement**

The Respondent’s provide a statement with detailed information on their firm and their partners, team members, consultants, etc. and how they will comply with the L/M/WBE goals of the project.

**B. Timeline**

The time period between the date of the release of this RFEI and the Due Date shall serve as a question and answer period between NJIT and prospective Respondents. Any questions regarding this RFEI should be submitted via email to gateway@njit.edu. Respondent shall not direct questions to any other person affiliated directly or indirectly with JLL, NJIT or SMMC. Responses to Respondent questions will be posted anonymously to the project website as quickly as possible.

Evaluations will commence immediately upon receipt of the responses. Each Respondent who responds to this RFP is responsible for monitoring the project website for updates or additional information pertaining to the project. JLL will endeavor to follow the dates set forth above; however, such dates are intended to serve as a guideline only and are subject to change under the JLL’s sole discretion and without prior notice.

A summary of the timeline is presented below:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>RFEI Release</td>
<td>7th of September 2012</td>
</tr>
<tr>
<td>Question Submission Cutoff Date</td>
<td>17th of September 2012</td>
</tr>
<tr>
<td>Final Q &amp; A Posted to Website</td>
<td>24th of September 2012</td>
</tr>
<tr>
<td>RFEI Responses Due</td>
<td>19th of October 2012 at 2:00pm</td>
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Appendix A – Relevant Campus Gateway Documents

*NJIT Campus Gateway Redevelopment Plan is accessible via the following link:*


*City of Newark Broad Street Redevelopment Plan is accessible via the following link:*

http://www.ci.newark.nj.us/userimages/downloads/econ_Final_Redevelopment%20Plan_20081203Amended-FINAL.pdf

*NJIT Campus Gateway Conceptual Plan is accessible via the following link:*


*NJIT Campus Gateway Survey – Executive Summary is accessible via the following link:*


*NJIT Warren Street Village Project Site is accessible via the following link:*

http://www.njit.edu/warrenstreetvillage/index.php
Appendix B – Representative Summary of Available Incentives

NOTE: This list is a representative summary of available incentives.
It is not meant to be all-inclusive and does not indicate any funding guarantees or commitments.

Federal and Local Financial Assistance

New Market Tax Credit
The New Markets Tax Credit (NMTC) program authorizes federal tax credits of $15 billion from 2002 to 2007 with the goal of stimulating investment in certain business and real estate projects in low income communities. The NMTC program is administered by the Community Development Financial Institutions Fund (CDFI) and governed by regulations of the fund and the Internal Revenue Service (IRS).

In a competitive application process, the fund allocates NMTC’s to Community Development Entities (CDE), which are for profit entities. The program permits the shareholders of a CDE to receive a credit against federal income taxes equal to 39% of their equity position in the CDE. The tax credit is distributed at 5% annually for the first three years and 6% annually for the remaining four (4) years. Approximately 20% of the equity investment is used to pay loan origination fees and related expenses, while the remaining 80% is used to finance development projects in designated communities.

As previously mentioned, a CDE must reinvest the owner’s equity in designated low income communities. In order to qualify as low income, a community must meet the following criteria:

- The annual income of 20% of the residents of the community must be at or below the poverty level.
- The median family income of the community cannot exceed 80% of statewide median family income.

Low Income Housing Tax Credit
In addition to NMTC’s, the Federal Government also administers the Low Income Housing Tax Credit Program (LIHTC). The LIHTC is a federal tax incentive designed to encourage the development of affordable rental housing. The Federal Government allocates the credits on an annual basis to each state. The states then subsequently distribute the funds to developers via a competitive bidding process. Developers are awarded tax credits based on a number of factors including, but not limited to, the size and cost of developing a property and the percentage of units that will be allocated to low-income families. To be eligible for tax credits, a developer must demonstrate the following:

- **Family Income**: 20% or more of the units must be rented to households earning 50% or less of the area median income (AMI), or 40% or more of the units must be rented households earning 60% or less of AMI. Area median income is the per capita income of residents in the census tract
- **Rental Rate**: Rates cannot exceed 30% of the income for those households earning either 50% or less of AMI or 60% or less of AMI.
- **Holding Period**: The developer must retain ownership for at least 15 years from the date the building is placed in service.

If the developer is able to fulfill these requirements, they will then be eligible for the following tax credits:

- **9% Credit**: In order to qualify for this credit, the cost to build the Site must not be financed through the use of a federal subsidy. A federally subsidized loan is any federal loan that carries an interest rate that is less than the applicable federal rate for the month in which the loan was issued, such as a HUD loan or tax exempt bond financing.
- **4% Credit**: This credit can be awarded to a developer of low income housing which is financed through the use of a federal subsidy, such as a HUD loan or tax exempt bond financing. New Jersey
has approximately 16 million credits to allocate annually with a gross annual present value over ten years of $120 million. Additional tax credits can be generated in conjunction with qualified tax exempt bond financing.

Even though the program has generated interest in low income housing, the tax credits alone are not a sufficient incentive for most developers. Developers are often forced to seek additional subsidies in order to cover debt service while maintaining the mandatory rental rates for their tenants.

New Jersey Redevelopment Authority
The state of New Jersey created the New Jersey Redevelopment Authority (NJRA) to fund and facilitate community development in the state’s urban areas. The NJRA offers four (4) funding alternatives that are designed to provide financial assistance to development projects in selected municipalities. For developments in eligible municipalities, the NJRA offers the following services:

- Redevelopment Investment Fund provides direct loans and other credit enhancements.
- Access to $2.5 million New Jersey Pre-Development Fund to cover fees associated with due diligence of a property.
- Bond financing that provides lower interest rates and longer repayment terms than conventional bank loans.
- Environmental equity program that provides assistance with site remediation.

New Jersey Economic Development Authority
In addition to the NJRA, the New Jersey Economic Development Authority (NJEDA) also provides full service real estate development assistance for large scale projects that are expected to produce significant economic benefits within the state. The NJEDA can assist credit-worthy companies that need facilities for manufacturing, distribution, research, office, retail, entertainment or hotel uses. The NJEDA has assisted in the development of about 9.25 million square feet of new and improved space valued at more than $1.3 billion since 1979.

In making their investment decisions, the NJEDA places a strong emphasis on creating jobs and stimulating the economy. In light of this, their developments do not typically include a significant residential component. Additionally, in order to receive assistance in the form of a NMTC from the NJEDA, the development must be in a low income census tract, as defined by the governing documents of the NMTC program.

Although the bulk of financing assistance from the NJEDA comes via new market tax credits, the NJEDA is sometimes able to offer alternative financing to projects that will create substantial job growth. In general, the NJEDA offers $35,000 per new job with a minimum promise from the developer that the project will create ten (10) permanent full time jobs. Some programs offered by the NJEDA follow.

Urban Transit HUB Tax Credit Program
This powerful financial tool is designed to spur private capital investment, business development and employment by providing tax credits for businesses planning a large expansion or relocating to a designated transit hub located within one of nine New Jersey urban municipalities.

Urban Transit Hubs are located within ½ mile of New Jersey Transit, PATH, PATCO, or light rail stations in Camden (expanded to one mile), East Orange, Elizabeth, Hoboken, Jersey City, Newark, New Brunswick, Paterson, and Trenton. Eligibility is expanded to locations within these municipalities that have active freight adjacent or connected to the proposed building, and utilized by the occupant.

Businesses may apply for the tax credits within five years of the program's January 13, 2008 effective date and satisfy the capital investment and employment conditions within eight years of that date. Tax credits equal up
to 100% of the qualified capital investments made within an eight year period. Taxpayers may apply 10% of the
total credit amount per year over a ten year period against their corporate business tax, insurance premiums tax
or gross income tax liability. Tax credits may be sold under the tax credit certificate transfer program of not less
than 75% of the transferred credit amount. Total credits approved under this program are capped at $1.75
billion, with $250 million allocated towards residential projects which may receive up to a 35% credit.

Developers, owners and tenants can qualify for the Urban Transit Hub Tax Credit Program if they meet the
following eligibility criteria:
- Developers or owners must make a minimum $50 million capital investment in a single business
facility located in one of the nine designated Urban Transit Hubs. In addition, at least 250 employees
must work full-time at that facility.
- Tenants must occupy space in a qualified business facility that represents at least $17.5 million of the
capital investment in the facility and employ at least 250 full-time employees in that facility. Up to
three tenants may aggregate to meet the 250 employee requirement.
- Projects retaining 250 full-time jobs are eligible for tax credits of up to 80% of the qualified capital
investment, while projects creating 200 or more jobs are qualified for up to 100% of the qualified
capital investment.
- Mixed-use components are part of the "qualified residential project" definition.
- Applicants must demonstrate at the time of application that the state's financial support of the proposed
capital investment in a qualified business facility will yield a net positive benefit to both the state and
the eligible municipality.
- S corporations, limited liability corporations and partnerships are eligible; however, tax credits cannot
be applied against an individual's New Jersey gross tax liability.

Economic Redevelopment and Growth Program
The Economic Redevelopment and Growth Grant Program provides an incentive grant up to 75% of the annual
incremental State Tax and/or Local Tax revenue. A developer with a project in Planning Area 1 (Metropolitan),
Planning Area 2 (Suburban) or a center designated under the State Development and Redevelopment Plan; a
Pinelands regional growth area, Pinelands town management area, a Pinelands village, or a federal installation
area established pursuant to the Pinelands comprehensive management plan; a transit village (local incentive
grants only), or federally owned land approved for closure by the federal Base Realignment Closing
Commission.

Eligibility requirements include:
- The redevelopment project must be located in a qualifying economic and redevelopment and grant
incentive area.
- The developer must not have commenced any construction at the site of a proposed redevelopment
project prior to submitting an application, except that if the EDA determines that the project would not
be completed otherwise, or in the event the project is to be undertaken in phases, a developer may apply
for phases for which construction has not yet commenced, subject to N.J.A.C. 19:31-4.5(a)2.
- For any project consisting of newly-constructed residential units, the developer shall be required,
pursuant to section 40.b. of P.L. 2008, c. 346 (N.J.S.A. 52:27D-329.9) to reserve at least 20% of the
residential units constructed for occupancy by low or moderate income households, as those terms are
defined in section 4 of P.L. 1985, c. 222 (N.J.S.A. 52:27D-304), with affordability controls as required
under the rules of the Council on Affordable Housing, unless the municipality in which the property is
located has received substantive certification from the council and such a reservation is not required
under the approved affordable housing plan, or the municipality has been given a judgment of repose or
a judgment of compliance by the court, and such a reservation is not required under the approved
affordable housing plan.
- A project financing gap must exist.
Pursuant to a fiscal impact analysis, for a local grant, the overall public assistance provided to the project will result in net benefits to the municipality wherein the redevelopment project is located and for a state grant, the overall public assistance provided to the project will result in net benefits to the state.

**Smart Growth Redevelopment**
- Offers loans at 3% fixed interest rate, which are primarily interest-only. Loans can be used for up to 50% of project costs.
- Grants may be awarded for up to 10 years.

**Technology Business Tax Certificate Program**
- Allows new or expanding technology and biotechnology businesses to turn their tax losses and credits into cash to grow their business.
- Businesses may sell their unused net-operation-loss carry forwards and unused research and development tax credit carry forwards to any corporate taxpayer in the state for at least 75 percent of the value of the tax benefits then use the money for business expenses.

**Technium**
The EDA has introduced a new initiative called Technium to provide a continuum of financial, real estate and technical support to early-stage technology businesses as they advance through their life cycle of growth. Companies that show a potential for commercial success are eligible for EDA assistance. To make its assistance user-friendly, the EDA requires only one application for initial funding. Additional rounds of funds are available as certain milestones are achieved without the need for filing new applications. Businesses have flexibility in structuring their financing to best meet their needs. This provides them with the funding they need to advance their research and further develop their discoveries so they are in a better position to secure angel and venture capital funding as they move to the commercialization stage of their business cycle.

**Business Incentive Grants for Job Creation (BEIP Grant)**
Companies seeking to relocate to or expand in New Jersey may be eligible for grants based on the number of new jobs created. By growing their employee base by at least 10 jobs within two years, eligible companies can be reimbursed for up to 80% of gross withholding tax paid by new employees. Companies must demonstrate that the BEIP grant is a material factor in their decision to relocate to or expand in New Jersey.

**Edison Innovation Fund**
The Edison Innovation Fund is a subsidiary of the NJEDA’s Technium initiative and includes the following financing options:

**Edison Innovation Angel Guarantee Fund**
- Angel Guarantees are provided by the New Jersey EDA to encourage angel investors to provide venture capital to life sciences and technology companies
- Guarantees cover up to one-third of the angel investments in early-stage companies
- Available to members of JumpStart New Jersey Angel Investor Network during the initial rollout stages. JumpStart is a private, member led angel group that invests in early-stage technology companies in the Mid-Atlantic region. As the leading angel group in New Jersey, JumpStart members include many successful entrepreneurs, business executives and professional investors (including venture capitalists).
Edison Innovation Research and Development Fund
- Applicants must be approved for funding through the NJ Commission on Science & Technology (up to $500,000).
- Up to $100,000 in equity-like financing available for non-R&D related costs

Edison Innovation Commercialization Fund
- Up to $200,000 in the form of a subordinated convertible note
- Below-market, fixed interest rate in the range of 4-10%
- May involve deferred interest and/or principal up to 5 years
- Financing "staged in" based upon business- and technology-based milestones, specific to each individual company
- Financing structure to include a negative pledge on the intellectual property
- Warrants will be taken; no personal guarantees required

Edison Innovation Growth Fund
- Financing from $200,000 to $1 million, with a 1:1 cash match
- Structure similar to Commercialization (above)
- Companies must have delivered a "proof of concept" and achieved successful, referencable, independent beta results
- Both technical and experienced business owners to be part of the management team

Edison Innovation – “Fund of Funds”
- EDA to commit up to $20 million in three to four venture funds
- EDA investment strategy adopted to ensure venture capital investments
- Venture funds supported to date include NJTC Venture Fund, Edison Venture Fund, Garden State Life Sciences Venture Fund and NextState Capital

Brick City Development Corporation
Brick City Development Corporation (BCDC) is the primary economic development catalyst for Newark, NJ, organized to retain, attract and grow businesses, enhance small and minority business capacity, and spur real estate development within the City. BCDC initiates and executes economic development activities to produce and sustain economic growth, generate jobs and create wealth for the citizens of Newark. The team serves as advocates within the City’s municipal structure and provides a hands-on client management approach.

BCDC Newark Fund
Capitalized by the social investment group at Prudential Financial, Inc. the BCDC Newark Fund is a loan fund created and managed by New Jersey Community Capital in partnership with Brick City Development Corporation. The mission of the Fund is to retain, attract and grow businesses, enhance small and minority business capacity, and spur real estate development by providing loans up to $400,000 to Newark-based businesses.

Uses:
- Real estate acquisition
- Equipment
- Leasehold improvements
- Inventory
- Working capital

Rate & Terms:
- Loans start at interest rate of 8%
• Maximum term of 5 years

Eligibility:
• Newark based, for profit businesses

New Jersey Regional Center
The New Jersey Regional Center (NJRC) is an entity approved by the Department of Homeland Security to raise foreign investment capital and invest such funds in real estate development projects in Bergen, Essex, Hudson, Mercer, Middlesex, Passaic and Union counties. The NJRC is part of the EB-5 Program which was established by Congress to stimulate economic growth through foreign investment. The EB-5 Program’s mandate is to use foreign investment to spur job creation in areas of high unemployment while simultaneously affording eligible foreign investors the opportunity to become lawful permanent residents of the United States.

The NJRC is controlled and managed by the same firms as the New York Regional Center (the “NYCRC”) which has been successful in raising funds and is raising funds for investment in numerous projects in New York City. These include:

• Brooklyn Navy Yard Redevelopment Project: $60 million
• Steiner Studios Expansion Project: $65 million
• Brooklyn Arena and Infrastructure Project: $228 million
• New York City East River Waterfront Project: $77 million
• Pier A Redevelopment Project: $16.5 million
• George Washington Bridge Bus Station Redevelopment Project: $72 million
• Brooklyn Navy Yard Redevelopment II Project: $42 million
• Central Business District (Brooklyn) Redevelopment Project: $200 million
• Medical Campus Development Project: $80 million

Some of the benefits of borrowing funds from the NJRC are:

• Below market interest rates
• Interest-only loans
• Term of five to eight years
• Flexible loan structure for borrower
• Expedited loan underwriting process
• Ability to fund large-scale, multi-component, public/private projects
• Can raise money for multiple project phases

Local Initiatives Support Corporation (LISC) – Newark Office
LISC supports projects that encourage development in low to moderate income areas through funding, tax abatements, or even donations of land. LISC can provide additional financing as subordinate debt to our community-based partners, and financial institutions underwrite the additional financing. LISC has become expert at identifying workable projects and structuring transactions to a workable conclusion. Our loans are usually short term, as LISC primarily serves as an initiator of the project by making early-stage loans.

LISC funds various types of projects, including but not limited to, rental housing, including projects for seniors and veterans, for-sale housing, community facilities, such as charter schools, child care facilities, art and cultural centers, community buildings, health care facilities and community economic development, including supermarkets, office space and retail projects.
LISC Loan Products include:

- Pre-development loans used for preconstruction Project costs
- Acquisition loans used for purchase and closing costs of property acquisition
- Construction loans provided alongside a conventional construction loan from a bank; used to pay the hard and soft constructions costs of a new construction and/or a rehab project
- Mini-permanent loans used for permanent financing of charter schools, commercial, and industrial development projects
- Lines of credit used for flexible working capital to meet organizational cash flow

**Urban Enterprise Zone Program (UEZ)**
The UEZ program offers incentives to businesses located within the approved UEZ zones. Today there are 37 zones located within 32 municipalities. Since its creation nearly 25,000 businesses have participated and taken advantage of the many UEZ program benefits. These companies have invested more than $19 billion in their businesses. Now, there are 8,000 firms that actively employ more than 150,000 full time workers. As of June 2005, more than $556 million has been approved from the Zone Assistance Fund for 1,720 zone projects. The UEZ program offers the following incentives:

- Qualified retail businesses may charge 50 percent of the state’s 7 percent sales tax on certain “in person” purchases.
- Revenue generated from the 3.5 percent sales tax is maintained in a Zone Assistance Fund (ZAF) and is dedicated to use within the zone for certain economic development and/or public service improvement projects.
- Sales tax refund for purchase of certain materials and tangible personal property. Small UEZ Businesses, with less than $1 million in annual gross receipts, can purchase certain goods and materials sales tax free.
- One-time corporation tax credit of $1,500 for each new, full-time permanent employee who is a resident of a municipality in which a zone is located and who had been unemployed for at least 90 days or dependent upon public assistance.
- Subsidized unemployment insurance costs for certain new employees with gross salaries of less than $4,500 per quarter.
- Tax credit against the Corporation Business Tax of 8 percent of Investment in the zone by an approved “In Lieu” agreement with the Urban Enterprise Zone Authority and Municipality.

**New Jersey Healthcare Facilities Financing Authority (NJHFFA)**
The New Jersey Healthcare Facilities Financing Authority offers a broad range of financing programs to health care organizations for the financing and refinancing of their capital projects, equipment acquisition and working capital. The following is a summary of currently available financing vehicles.

- Stand-Alone Bond Financing
- COMP
- Capital Asset
- Equipment Revenue Note

**Stand-Alone Bond Financings**
The Authority's most frequently used financing options include publicly offered bond issues for large projects and private placement of bonds or notes for smaller projects. Bond issues can be structured with fixed or variable interest rates and with or without credit enhancement or ratings. For example, a public bond issue may be enhanced by private municipal bond insurance or a letter of credit if the benefits will offset the additional cost of the premium. FHA-insured mortgage program is another enhancement that can provide savings to
borrowers. Additionally, bond issues can be sold with or without a rating from one or more of the three primary rating services.

**COMP Program**
The Variable Rate Composite Program ("COMP") is designed to lower the costs of issuance for smaller borrowings. Under the program, bonds can be marketed for several borrowers at once, yet each borrower is only responsible for its own series of bonds. The standardization of documents and simultaneous marketing of the bonds reduces the costs of issuance for access to capital markets. It can offer the following:

- Low cost variable interest rate debt
- Loan terms negotiated directly between the borrower and the credit enhancer
- Security provided through equipment liens and/or master indenture notes
- Standardized documents to cut drafting time
- Straightforward and uncomplicated prepayment terms
- Shared costs of issuance among several borrowers
- Ability to issue both taxable and tax-exempt bonds

In order to be eligible for the Program, a borrower must provide a letter of credit.

**Capital Asset Program ("CAP")**
The Capital Asset Program ("CAP") is designed to take advantage of bonds issued prior to the 1986 changes in the tax laws. Loans under the program are continuously repaid, making fresh funds available for other health care organizations in need of capital. It can offer the following:

- Quickly approved applications from a credit provider familiar with the health care industry
- Historically low variable interest rates
- Loan terms negotiated directly between the borrower and the credit enhancer
- Security provided through equipment liens and/or master indenture notes
- No required arbitrage rebate
- Available funds for certain "bad money" uses (i.e. parking garages, office buildings)
- Standardized documents to cut drafting time
- Straightforward and uncomplicated prepayment terms

In order to be eligible for the Program, a borrower must:
- Be a 501(c)(3) organization, and
- Be credit qualified by the CAP credit provider

**Equipment Revenue Note Program**
The Equipment Revenue Note Program ("ERN") is designed to offer both an easy and efficient method of financing and refinancing equipment. It can offer the following:

- Low cost fixed and/or variable interest rate debt
- Negotiated loan term that will likely parallel the life of the equipment
- Security provided through equipment liens and/or master indenture notes
- Pre-approved negotiated private placement process that shortens the process by as much as a month's time
- Minimal financing costs
- Standardized documents to cut drafting time
In order to be eligible for the Program:

- The issue size must be $15 million or less
- The proceeds must be used only for equipment acquisition costs, and
- The bonds must not be rated

**Casino Reinvestment Development Authority “CRDA”**

The Casino Reinvestment Development Authority has been created to reinvest a portion of the casino industry's gross revenues in housing and economic development projects statewide. Loans obtained from the CRDA must be secured; projects must be financially feasible; and projects must receive a bond rating of "B" or better. Funds can be used for construction, rehabilitation, acquisition, professional fees, etc. CRDA can provide construction and permanent financing. Project fees can be capitalized in the loan. The CRDA makes capital investments through bonds, loans and occasionally grants in projects that would not attract capital in normal market conditions. CRDA investment in a project cannot replace public or private capital that would otherwise be invested in the project. Each casino is required to pay to the CRDA 1.25% of its annual gaming revenues for 50 years, and the CRDA invests this money in eligible projects in Atlantic City, South Jersey or North Jersey. By law, the casinos are entitled to a return on their investments through the CRDA.

The Authority provides financial assistance for the following types of projects:

- to further and promote the tourist industry through the creation or improvement of recreation and entertainment facilities, including arts or cultural centers, historic sites or landmarks, or sports centers;
- to house persons of low, moderate, median and middle income;
- for structures, franchises, equipment and facilities for the operation of public transportation;
- for convention halls and attendance projects such as offices, commercial facilities, community service facilities, parking and hotel facilities, or other facilities for the accommodation and entertainment of tourists and visitors;
- as financing for buildings, structures and other property that will increase opportunities in manufacturing, industrial, commercial, recreational, retail and service enterprises that will induce or accelerate employment opportunities, particularly for unemployed and underemployed persons
- for planning, developing or preservation of new and existing small businesses;
- for employment training and retraining, particularly for unemployed and underemployed persons;
- for pressing social and economic needs of the residents such as schools, supermarkets, commercial establishments, daycare centers, parks or community service centers;
- for projects that are part of a comprehensive plan to improve blighted or redevelopment areas.