

STOCKTON COLLEGE

THE RICHARD STOCKTON COLLEGE OF NEW JERSEY



Richard Stockton College of New Jersey Purchases Historic Seaview Resort Near Galloway Twp. Campus

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Galloway Township, NJ- The Richard Stockton College of New Jersey has finalized its purchase of the historic Seaview Resort for \$20 million. Last month the College and LaSalle Hotels, LLC entered into a purchase and sale agreement on the property. Following a due diligence process, the parties signed off on the transaction today.

The acquisition has numerous benefits to Stockton, its community and the Atlantic City region.

"This is an historic day for Stockton and all of southern New Jersey," College President Herman J. Saatkamp, Jr. said. "Stockton has partnered with Seaview in a variety of ways for nearly 40 years. We are now looking forward to having this magnificent facility as part of the Stockton family and operating at the same level people have come to expect of Seaview. The acquisition allows us to advance the educational mission, enhance the College experience for our students and preserve an iconic landmark of the region."

Stockton has taken assignment of all existing contracts and the hotel will continue to be operated by Dolce Hotels and Resorts. Troon Golf will continue to manage both golf courses.

"We look forward to welcoming the many guests who have booked vacations, golf outings, weddings, conferences and special events at Seaview," Dr. Saatkamp said. "We are fully confident that Dolce will continue to provide the type of enduring service and attention to detail that Seaview clients have come to expect for nearly 100 years. We are confident that Dolce is the right partner to continue in this tradition of service."

Additionally, Stockton plans to make significant improvements to the property. Several million dollars have been budgeted to upgrade the hotel including painting the exterior, improvements to both golf courses and the upgrading of mechanical systems and infrastructure. Plans are currently being finalized on a landscaped multipurpose outdoor terrace for corporate, social, golf and special events.

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“We are very pleased to continue in our role at Seaview and welcome the opportunity to collaborate with Stockton College in its educational mission,” said Steven A. Rudnitsky, Dolce president and chief executive officer. “Dolce and its officers traditionally have supported institutions of higher education, particularly those with schools of hospitality. This new relationship will afford us with a wonderful opportunity to engage our southern New Jersey neighbors as well as the state’s university system.”

“The planned expansion of our Hospitality and Tourism Management Studies (HTMS) degree program fits seamlessly with this acquisition and provides the region with a trained workforce that fits with Gov. Christie’s plan for Atlantic City to become a destination resort,” Dr. Saatkamp said. He explained that Stockton’s Strategic Plan calls for increased academic programs and space, as well as the expansion of the HTMS degree program.

Dr. Saatkamp said the College planned to eventually construct or purchase a hotel-conference center facility as part of the academic program, prior to the opportunity to purchase Seaview. The Seaview purchase enables Stockton to accomplish both elements of the plan well ahead of schedule and at a greatly reduced cost of building on-campus facilities. What’s more, acquisition of the Seaview property provides Stockton with much needed space for programs, offices and housing.

According to Matt Altier, Stockton’s vice president of Administration and Finance, the funding for the purchase came from the College’s Capital Investment Fund, a distinct fund separate from the College’s operating budget. “The Capital Investment Fund exists for this very purpose, as the State does not provide for capital projects. Through efficiencies and good investments we were in a position to close on this purchase without effect on tuition or on our operating budget,” Altier said.

Altier said the College would schedule meetings with Galloway Twp. immediately to work out a mutually beneficial arrangement in lieu of property taxes.

Dr. Saatkamp said that while the College is pleased Seaview will continue to exist as a resort; the most important features in the purchase were Seaview’s benefits to students and learning. “With the expansion of the Hospitality and Tourism Management Studies program, our students will be part of a ‘learning lab’ of hotel, conference center and resort management,” he said. “Their experience will be enhanced working under the top professionals in the field and in one of the world’s most luxurious and unique properties.”

He added that Stockton is now positioned to train students for highly skilled positions in the hospitality industry locally and worldwide. “As Atlantic City evolves to a destination resort, the training we provide will play a significant role,” Dr. Saatkamp said. “This helps area businesses and opens career possibilities for our graduates worldwide.”

As a result of the transaction, Stockton has the ability to alleviate a space deficit, which has existed at the College for many years. As a result, the College may be able to admit more students, attract a wider variety of the best and brightest students and provide needed space and facilities for College centers and academic programs.

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Dr. Saatkamp said that Stockton is currently one of the few state colleges that cannot guarantee four years of housing to incoming freshmen. This condition has hurt the College in competing with its peer institutions for the best students. Seaview enables this situation to be alleviated at a fraction of the cost of building new residence halls on campus. Conversions of guest rooms to housing will take place in a phased basis as needed, without disruption or interruption to the existing hotel operation. Stockton is considering housing at Seaview for students participating in the Hospitality and Tourism Management Studies program as well as honors and graduate students. The College's long-range plan for the facility is to continue to operate a resort hotel and conference center in concert with student housing. The student and hotel guest populations will be segregated to ensure a seamless transition.

Visiting alumni, parents and campus visitors will now have access to outstanding accommodations five miles and just a short shuttle bus ride to the main campus.

There are definite benefits to Galloway Twp. and the region. Because the hotel and golf facilities will operate initially as sub-businesses, they will continue to operate on a level playing field with other businesses with regard to current state, county and local tax rates. Stockton helped fuel Galloway's housing boom and provided incentive for many businesses to open in the region. With this proposed purchase, Stockton will continue to grow and bring more students, staff and faculty to the area, benefitting the Township.

"This purchase represents the essence of the intent of recent legislation allowing state Colleges and Universities to engage in public-private partnerships," Dr. Saatkamp said. "It helps our curriculum development, allows us to admit more and varied students, serves as a model for other public-private partnerships around the state while it preserves jobs, and creates new revenue streams in this era of declining state funding support."

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