

SALEM COUNTY IMPROVEMENT AUTHORITY

RESOLUTION 2021-63

Adopted: April 15, 2021

Finlaw State Office Building Refunding Project

SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CITY-GUARANTEED REVENUE REFUNDING BONDS (FINLAW STATE OFFICE BUILDING PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,000,000 OF THE SALEM COUNTY IMPROVEMENT AUTHORITY AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL LOAN AGREEMENT, A FIRST SUPPLEMENTAL INDENTURE OF TRUST, ASSIGNMENT, CITY GUARANTY AGREEMENT AND CITY SUPPORT AGREEMENT AND AUTHORIZING AND APPROVING THE PREPARATION, NEGOTIATION, EXECUTION AND DELIVERY, AS APPLICABLE, OF A BOND PURCHASE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, FINAL OFFICIAL STATEMENT AND OTHER FINANCING DOCUMENTS AND RELATED INSTRUMENTS AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, The Salem County Improvement Authority (the "Authority") is a public body corporate and politic, constituting an instrumentality of the State of New Jersey (the "State"), created pursuant to the provisions of the county improvement authorities law, under Chapter 183 of the Laws of New Jersey of 1960, as amended and supplemented (N.J.S.A. 40:37A-44 *et seq.*) (the "Act"); and

WHEREAS, the Authority is authorized to issue its bonds for the purpose of carrying out its powers under the Act; and

WHEREAS, the Authority issued its \$19,500,000 aggregate principal amount City-Guaranteed Revenue Bonds (Finlaw State Office Project), Series 2007 (the "Series 2007 Bonds") on July 19, 2007; and

WHEREAS, the Authority loaned the proceeds of the Series 2007 Bonds (the "Series 2007 Loan") to Stand Up For Salem, Inc., a New Jersey not-for-profit corporation and an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Borrower"), for: (i) the acquisition of certain property located at 195 East Broadway, Salem, New Jersey and existing improvements thereon (commonly referred to as the Finlaw Building), as well as other nearby properties (presently designated as Block 61, Lots 4, 5 and part of Lots 7 and 8, to be consolidated and hereafter known as Block 61, Lot 4 on the Official Tax Map of the City of Salem, and presently designated Block 61, Lots 23, 24, 25, 26, 28, a portion of Lot 15 and a portion of Belden Street (now vacated) in the City, all to be consolidated and hereafter known as Block 61.01, Lot 23, on the Official Tax Map of the City (collectively, the "Existing Property"); (ii) the

preparation of the Existing Property for development and improvement; (iii) the construction on the Existing Property of: (a) a five-story office building, in the approximate size of 50,000 square feet, to house various State agencies and other entities ("Office Building"); and (b) an adjacent parking facility to house 275 spaces ("Parking Facility"); (iv) all other costs and expenses necessary therefore or related to the proposed project, including the funding of a debt service reserve fund and capitalized interest; and (v) the costs of issuance with respect to the issuance and sale of the Series 2007 Bonds (collectively, the "Project") in the City of Salem, in the County of Salem, in the State (the "City").

WHEREAS, in connection with the Loan, the Authority and the Borrower entered into a Loan Agreement dated as of July 1, 2007 (the "2007 Loan Agreement"); and in connection with the Series 2021 Bonds (as defined herein), the Authority and the Borrower will enter into a First Supplemental Loan Agreement dated as of _____, 2021 (as amended and supplemented, the "Supplemental Loan Agreement" and together with the 2007 Loan Agreement, the "Loan Agreement"); and

WHEREAS, in connection with the issuance of the Series 2007 Bonds, the Authority and Fulton Financial Advisors, N.A. (now Fulton Bank, National Association) (the "Trustee"), entered into an Indenture of Trust dated as of July 1, 2007 (the "Original Indenture"); and in connection with the issuance of the Series 2021 Bonds, the Authority and the Trustee will enter into a First Supplemental Indenture of Trust dated as of _____, 2021 (the "Supplemental Indenture" and together with the Original Indenture, the "Indenture"); and

WHEREAS, payment of the principal of (including mandatory sinking fund installments) and interest on the Series 2021 Bonds is fully, unconditionally and irrevocably guaranteed by the City (the "Guaranty"); and

WHEREAS, in order to achieve debt service savings on and extend the maturity of the Series 2007 Bonds, the Borrower has requested that the Authority refund all or a portion of the outstanding Series 2007 Bonds through the issuance of the Authority's \$_____ aggregate principal amount City-Guaranteed Revenue Refunding Bonds, Series 2021 (Finlaw State Office Building Project) (the "Series 2021 Bonds" or the "Bonds"); and

WHEREAS, prior to the adoption of this Bond Resolution, the Local Finance Board, in the Division of Local Government, New Jersey Department of Community Affairs issued positive findings with respect to this resolution and the financing plan contemplated thereunder at its meeting of April 14, 2021; and

WHEREAS, the Authority hereby finds and further determines that a negotiated bond sale is necessary for the Series 2021 Bonds, after a review of alternative methods for the issuance and sale of the Series 2021 Bonds, because such a sale would be the most cost-effective means of financing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE SALEM COUNTY IMPROVEMENT AUTHORITY as follows:

Section 1. In order to refinance and refund the Series 2007 Bonds, the Series 2021 Bonds are hereby authorized to be issued in an aggregate principal amount not to exceed \$17,000,000. The Series 2021 Bonds shall be dated, shall bear interest at such rate of interest, shall be payable as to principal, interest and premium, if any, shall be issued in the form, shall mature, shall be subject to redemption prior to maturity and shall have such other details and provisions as are prescribed by the Second Supplemental Indenture referred to below.

Section 2. The Series 2021 Bonds shall be a special, limited obligation of the Authority, payable solely out of the moneys derived pursuant to the Loan Agreement and the Indenture, and all such moneys are hereby pledged to the payment of the Series 2021 Bonds. The payment of the principal of, premium, if any, and interest on the Series 2021 Bonds shall be secured by a pledge and assignment of revenues and certain rights of the Authority as provided in the Loan Agreement and the Indenture. Neither the members of the Authority nor any person executing the Series 2021 Bonds issued pursuant to this resolution and the Act shall be liable personally on the Series 2021 Bonds by reason of the issuance thereof. The Series 2021 Bonds shall not be in any way a debt or liability of the State or any political subdivision other than the Authority and the City, whether legal, moral or otherwise.

Section 3. The Series 2021 Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairman, Vice Chairman, Executive Director or any other authorized officer of the Authority (the "Authorized Officers") and attested by the manual or facsimile signature of the Secretary, any Assistant Secretary or any other authorized officer of the Authority (the "Attesting Officers"). The official seal of the Authority shall be impressed or a facsimile of such seal shall be imprinted on the Series 2021 Bonds.

If any of the officers who shall have signed or sealed any of said Series 2021 Bonds shall cease to be such officers of the Authority before the Series 2021 Bonds so signed and sealed shall have been actually authenticated or delivered by the Authority, such Series 2021 Bonds nevertheless may be authenticated, issued and delivered with the same force and effect as though the person or persons who signed or sealed such Series 2021 Bonds had not ceased to be such officer or officers of the Authority; and also any such Series 2021 Bonds may be signed and sealed on behalf of the Authority by those persons who, at the actual date of the execution of such Series 2021 Bonds, shall be the proper officers of Authority, although at the nominal date of such Series 2021 Bonds any person shall not have been such officer of the Authority.

Section 4. The Supplemental Loan Agreement and all instruments attached as exhibits thereto, in substantially the form attached hereto, hereby are approved. The Authorized Officers are each hereby authorized to execute, acknowledge and deliver the Supplemental Loan Agreement and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by any Authorized Officer, and the Attesting Officers are hereby authorized to affix the seal of the Authority on the Supplemental Loan Agreement and all instruments attached as exhibits thereto and attest the same. The execution of the Supplemental Loan Agreement shall be conclusive evidence of any approval required by this Section.

Section 5. The Supplemental Indenture and all instruments attached as exhibits thereto, in substantially the form attached hereto, hereby are approved. The Authorized Officers are hereby authorized to execute, acknowledge and deliver the Supplemental Indenture and all

instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by any Authorized Officer, and the Attesting Officers are hereby authorized to affix the seal of the Authority on the Supplemental Indenture and all instruments attached as exhibits thereto and attest the same. The execution of the Supplemental Indenture shall be conclusive evidence of any approval required by this Section.

Section 6. The Assignment from the Authority to Fulton Bank, National Association, dated as of _____, 2021 (the "Assignment"), the Support Agreement by and between the City and the Authority, dated as of _____, 2021 (the "City Support Agreement") and the Guaranty Agreement among the Authority, the City and Fulton Bank, National Association dated as of _____, 2021 (the "City Guaranty Agreement" and together with the Assignment and the City Support Agreement, the "Other Financing Documents") and all instruments attached as exhibits thereto, in substantially the forms attached hereto, are each hereby approved. The Authorized Officers are hereby authorized to execute, acknowledge and deliver the Other Financing Documents and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by any Authorized Officer, and the Attesting Officers are hereby authorized to affix the seal of the Authority on the Other Financing Documents and all instruments attached as exhibits thereto and attest the same. The execution of the Other Financing Documents shall be conclusive evidence of any approval required by this Section.

Section 7. For a negotiated sale of the Series 2021 Bonds, RBC Capital Markets, LLC (the "Underwriter") is hereby designated as the Underwriter in connection with the underwriting of the Series 2021 Bonds in accordance with the Bond Purchase Agreement referred to and defined below, said Series 2021 Bonds to bear a maximum interest rate of 6.00% per annum. The Authorized Officers are each hereby authorized and directed, in consultation with Bond Counsel, to negotiate the terms of the Bond Purchase Agreement (the "Bond Purchase Agreement"), to be dated the date of sale of the Bonds, between the Authority, the Borrower, the City and the Underwriter. The Authorized Officers be, and each hereby is, authorized and directed on behalf of the Authority to approve the terms of the aforesaid Bond Purchase Agreement and to execute and deliver said Bond Purchase Agreement to the Underwriter, the Borrower and the City. The Authorized Officers are each hereby authorized and directed to execute and deliver a series certificate to reflect the terms of the Series 2021 Bonds upon original issuance. The execution of the Bond Purchase Agreement shall be conclusive evidence of any approval required by this Section.

Section 8. Counsel to the Underwriter is hereby authorized and directed to prepare the Preliminary Official Statement to be used in connection with the marketing of the Series 2021 Bonds. The distribution by the Authority, in consultation with the Underwriter, Bond Counsel, the Municipal Advisor and General Counsel, of a Preliminary Official Statement to be used in connection with the marketing of such Series 2021 Bonds by the Underwriter, is hereby approved. The Authorized Officers are each hereby authorized and directed to execute and deliver a certificate to the Underwriter that "deems final" the Preliminary Official Statement pursuant to the provisions of the Rule (as defined herein). Upon the sale of the Series 2021 Bonds to the Underwriter, the Preliminary Official Statement shall be so modified, in consultation with Bond Counsel, the Municipal Advisor and General Counsel, to reflect the effect of the Bond Purchase Agreement and any other revisions not inconsistent with the substance thereof deemed necessary or advisable by Bond Counsel, the Municipal Advisor and General Counsel; and said Preliminary

Official Statement as so modified shall constitute the final Official Statement. The Authorized Officers each be, and each hereby is, authorized and directed on behalf of the Authority to execute and deliver said Official Statement. In connection therewith, the Authorized Officers, in consultation with Bond Counsel, the Municipal Advisor and General Counsel to the Authority are each hereby authorized and directed to enter into and execute a Continuing Disclosure Agreement with the Borrower and/or the City and any other entity who are determined by the Authority to be "Obligated Persons" (as defined under the Rule (as defined herein)) (the "Continuing Disclosure Agreement"), evidencing the contractual undertaking of each obligated entity to comply with the requirements of Rule 15c2-12, promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended and supplemented (the "Rule") and to deliver the Continuing Disclosure Agreement to the Underwriter in connection with the offer and sale of the Series 2021 Bonds. The execution of the Official Statement shall be conclusive evidence of any approval required by this Section.

Section9. The Series 2021 Bonds are hereby authorized to be sold in accordance with the Bond Purchase Agreement.

Section10. The Authorized Officers are hereby designated to be the authorized representatives of the Authority, charged by this resolution with the responsibility for issuing the Series 2021 Bonds and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents including, but not limited to, an escrow deposit agreement, and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, the Loan Agreement, the Indenture, the Other Financing Documents, the Bond Purchase Agreement and the issuance of the Series 2021 Bonds.

Section11. (a) The Authority does hereby, as applicable, award, approve and authorize payment for the following to render professional services and/or provide services in connection with the Series 2021 Bonds, which are to be paid out of the proceeds of the Series 2021 Bonds, as follows:

<u>Awarded And Approved To:</u>	<u>Description Of Services</u>	<u>Amount Not To Exceed</u>
Archer & Greiner P.C.	Bond Counsel to the Authority	\$65,000 plus Disbursements
Phoenix Advisors, LLC	Municipal Advisor to the Authority	\$18,330
Bowman & Company, LLP	Auditor	\$10,000
Fulton Bank, National Association	Trustee	\$17,000 (including Trustee's Counsel fee)
Fulton Bank, National Association	Escrow Agent	\$3,500

<u>Awarded And Approved To:</u>	<u>Description Of Services</u>	<u>Amount Not To Exceed</u>
Michael Aimino, Esq.	Authority Counsel	General \$10,000 plus Disbursements
McElwee & Quinn, L.L.C.	Printing	\$3,500
Moody's	Rating Agency Fees	\$30,000
RBC Capital Markets, LLC	Underwriter	\$102,000 (\$6.00 per bond, including Underwriter's Counsel Fee)
Salem County Improvement Authority	Administration Fee	\$21,250
Miscellaneous (Including Verification Agent)	Miscellaneous	\$16,494

(b) The Secretary or Assistant Secretary are each hereby authorized and directed to publish a brief notice of these awards, approvals and/or authorizations in accordance with the provisions of N.J.S.A. 40A:11-5(1)(a)(i).

(c) The authorized finance officer has certified that the funds for the services shall be paid out of the proceeds of the Series 2021 Bonds.

(d) All other professional services or costs for services undertaken by or on behalf the Borrower, the City or any other entity in connection with the issuance of the Series 2021 Bonds are to be awarded pursuant to the respective entity's procurement process and shall also be paid out of the proceeds of the Series 2021 Bonds.

Section12. In case any one or more of the provisions of this resolution, the Loan Agreement, the Indenture, the Other Financing Documents, the Bond Purchase Agreement, the Official Statement or the Series 2021 Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, the Loan Agreement, the Indenture, the Bond Purchase Agreement, the Official Statement and the Series 2021 Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section13. The Authority's Bond Counsel and General Counsel are each hereby authorized and directed to arrange for the publication of the Notice of Adoption of Bond Resolution on or about April 20, 2021 in an authorized newspaper of the Authority.

Section14. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Indenture or the Loan Agreement.

Section15. This resolution shall take effect immediately and the Secretary, or any Assistant Secretary, of the Authority is hereby directed to publish a notice of adoption as provided in the Act and attached hereto.

AFFIDAVIT CERTIFICATE

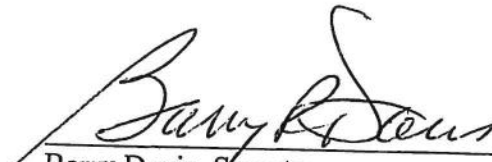
I, BARRY DAVIS, Secretary of The Salem County Improvement Authority (the "Authority"), in the County of Salem, a public body corporate and politic of the State of New Jersey, DO HEREBY CERTIFY as follows:

Attached hereto is a copy of an affidavit entitled, "SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF CITY-GUARANTEED REVENUE REFUNDING BONDS (FINLAW STATE OFFICE BUILDING PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,000,000 OF THE SALEM COUNTY IMPROVEMENT AUTHORITY AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL LOAN AGREEMENT, A FIRST SUPPLEMENTAL INDENTURE OF TRUST, ASSIGNMENT, CITY GUARANTY AGREEMENT AND CITY SUPPORT AGREEMENT AND AUTHORIZING AND APPROVING THE PREPARATION, NEGOTIATION, EXECUTION AND DELIVERY, AS APPLICABLE, OF A BOND PURCHASE AGREEMENT, PRELIMINARY OFFICIAL STATEMENT, FINAL OFFICIAL STATEMENT AND OTHER FINANCING DOCUMENTS RELATED INSTRUMENTS AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH" (the "Resolution"), which Resolution was adopted at a regular meeting of the governing body of the Authority duly called, advertised and held on April 15, 2021, in accordance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., at which meeting a quorum was present and acting throughout, and that said copies of the Affidavit and Resolution have been compared by me with the originals thereof as officially recorded in the records of the Authority and that they are correct, true and complete copies thereof and of the whole of the Affidavit and Resolution, and that said Affidavit and Resolution have not been altered, amended or repealed but remain in full force and effect on and as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Authority this 15th day of April, 2021.

**THE SALEM COUNTY
IMPROVEMENT AUTHORITY**

[SEAL]


Barry Davis, Secretary