

PASSAIC COUNTY IMPROVEMENT AUTHORITY
LIST OF AGENDA ITEMS

Meeting to be held on Wednesday, November 16, 2022 at 6 pm. The meeting will be held virtually. The meeting may be accessed by following this link and instructions:

<https://passaiccounty.webex.com/meet/pcia>

Or join by phone

+1-408-418-9388 United States Toll Access code: 129 639 6347

1. Call to order.
2. Pledge of Allegiance.
3. Roll Call.
4. Open Public Meetings Notice
5. Approval of the Minutes of the October 26, 2022 Board Meeting
6. Public Comment. *(The Chairman will ask if any member of the public wishes to make a comment and to so signify through the Webex or on the conference call. He will then set the order of those wishing to make a public comment).*
7. Executive Session
8. Official Action
 - a. R22-32 Resolution Of The Passaic County Improvement Authority (I) Authorizing The Preparation And Submission Of An Application To The Local Finance Board Pursuant To Local Authorities Fiscal Control Law And Other Applicable Law And (II) Authorizing Certain Actions To Be Taken To Obtain The Resolution Contemplated By 40:37A-56 And Other Applicable Law, All In Connection With One Or More Series Of The Authority's Revenue Bonds, Series 2023 (Paterson Arts And Science Charter School Issue)
 - b. R22-33 2023 AUTHORITY BUDGET RESOLUTION Passaic County Improvement Authority FISCAL YEAR: January 01, 2023 to December 31, 2023
 - c. R22-34 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements
9. Old Business/New Business
10. Adjournment.

PASSAIC COUNTY IMPROVEMENT AUTHORITY

MINUTES OF THE BOARD MEETING OF OCTOBER 26, 2022

The meeting was called to order via virtual webex meeting at approximately 6 p.m. Pledge of Allegiance was said. Roll was taken. Commissioners Bradley, Glovin, and Petriello were present. Also present were Richard Cahill, CFO, Heather Litzebauer, Financial Advisor, and Peter Tucci, Esq., General Counsel. Mr. Tucci read the notice, pursuant to the Open Public Meetings Act.

Commissioner Glovin moved to accept the minutes of the September 28, 2022 meeting. Seconded by Commissioner Bradley. Motion carried unanimously.

Seeing no public present, the Commissioners did not open the public portion of the meeting.

No executive session was held.

Official Action

The Commissioners then considered the following items:

- a. R22-28 Resolution Of The Passaic County Improvement Authority Acknowledging Receipt Of The Application Of iLearn Schools, Inc. For The Purchase Of Its Currently Leased Facilities Servicing The Paterson Arts And Science Charter School.

Ms. Litzebauer provided an update on the project. The project is a \$35million project to purchase the building that the charter school currently occupies, similar to the Paterson Board of Education Project. There is no risk to the County or the Authority, as there is no guarantee and no recourse to the Authority. The charter school would like to close the financing of the project in January 2023.

Mr. Tucci stated that the resolution before the Authority does not bind the Authority and only acknowledges the application and sets an escrow.

Commissioner Petriello asked how the financing would work, as the charter school charter is only five years. Ms. Litzebauer stated that there are certain investors that will purchase these bonds, understanding that there is a risk that the charter will not be renewed.

Commissioner Glovin asked what would happen if the charter was not renewed. Mr. Tucci stated that the bonds are backed by the real estate of the charter school, which could be liquidated to pay back the bond holders. Investors take this into account when purchasing the bonds.

Ms. Litzebauer stated that now that the application has been received, it will be reviewed and a further update will follow at the next Authority meeting.

Commissioners	M/S	Y	N	No Vote
Alston				
Bradley	S	X		
Glovin	M	X		
Petriello		X		
Marco				

- b. R22-29 Resolution Of The Passaic County Improvement Authority Accepting The Qualifications Of Certain Entities To Perform The Necessary Services As Underwriter (Expansion Of Current Pool)

Commissioners	M/S	Y	N	No Vote
Alston				
Bradley	M	X		
Glovin	S	X		
Petriello		X		
Marco				

- c. R22-30 Resolution Of The Passaic County Improvement Authority Accepting The Qualifications Of Certain Entities To Perform The Necessary Services As Trustee (Expand Pool)

Commissioners	M/S	Y	N	No Vote
Alston				
Bradley	S	X		
Glovin	M	X		
Petriello		X		
Marco				

- d. R22-31 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements

Ms. Litzebauer stated that this bill list includes an arbitrage rebate calculation. The Preakness Project required this calculation, as it has been five years since the last calculation, which is the timing required for these calculations. She further stated that the calculation provided no amounts are due the IRS.

Commissioner Glovin stated that the listed bill is for attendance at the League of Municipalities Convention.

Commissioners	M/S	Y	N	No Vote
Alston				
Bradley	S	X		
Glovin	M	X		
Petriello		X		
Marco				

New Business / Old Business

Commissioner Glovin asked about the trial balance. Mr. Cahill stated that Chairman Marco asked him to provide this balance sheet. He stated that the cash balance changed approximately \$16,000 year over year and that the cash balance is approximately \$254,000, as of the end of 2022.

Commissioner Bradley moved to adjourn the meeting. Commissioner Glovin seconded the motion. Motion carried unanimously.

**RESOLUTION OF THE PASSAIC COUNTY
IMPROVEMENT AUTHORITY (I) AUTHORIZING THE
PREPARATION AND SUBMISSION OF AN
APPLICATION TO THE LOCAL FINANCE BOARD
PURSUANT TO LOCAL AUTHORITY'S FISCAL
CONTROL LAW AND OTHER APPLICABLE LAW AND
(II) AUTHORIZING CERTAIN ACTIONS TO BE TAKEN
TO OBTAIN THE RESOLUTION CONTEMPLATED BY
40:37A-56 AND OTHER APPLICABLE LAW, ALL IN
CONNECTION WITH ONE OR MORE SERIES OF THE
AUTHORITY'S REVENUE BONDS, SERIES 2023
(PATERSON ARTS AND SCIENCE CHARTER SCHOOL
ISSUE)**

WHEREAS, The Passaic 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 Pamphlet Laws of 1960, as amended and supplemented, and codified at N.J.S.A. 40:37A-44 *et seq.* (the "Act"); and

WHEREAS, iLearn Schools, Inc., or a nonprofit affiliate of iLearn Schools, Inc (the "Borrower") is a non-profit organization organized under the laws of the State; and

WHEREAS, Borrower desires to finance the acquisition of an existing school facility, located at 183-229 Grand Street, Paterson, New Jersey ("New Project"), currently leased to Paterson Arts and Science Charter School ("Charter School"); and

WHEREAS, in furtherance of the purposes of the Act and as an inducement to the Borrower to (a) finance the New Project, (b) finance certain reserves, and (c) finance costs of issuance in connection with the Bonds described herein (collectively, the "Project"), the Authority desires to assist the Borrower in the financing of the Project; and

WHEREAS, the Act provides that the Authority shall have the power to borrow money and issue its bonds and to provide for the rights of the holders of its bonds; and

WHEREAS, the Authority proposes to issue one or more series of bonds in an aggregate principal amount not to exceed the amount set forth in the Local Finance Board Application (the "Bonds") and to apply the proceeds of the Bonds to finance the Project and subsequently lease the Project to the Charter School; and

WHEREAS, the Bonds will be issued pursuant to the terms of the Act, a lease agreement between the Authority and the Charter School, other applicable law, any other documents deemed necessary, desirable or convenient (collectively, the "Security Documents") and an indenture of trust between the Authority and bond trustee named therein or resolution to be adopted by the Authority prior to the issuance of the Bonds (together with any amendments thereof or supplements thereto in accordance with the terms thereof, including, without limitation, a Certificate of the Chairman to be executed no later than the date of issuance of the

Bonds, the “Bond Resolution/Indenture” and together with the Security Documents, the “Financing Documents”); and

WHEREAS, in order to market and sell the Bonds in one or more series, the Authority will have to make an application (the “Local Finance Board Application”) to, and seek, approval, and obtain, and officially recognize the findings from the Local Finance Board (the “Local Finance Board”) in the Division of Local Government Services of the State Department of Community Affairs, all in accordance with N.J.S.A. 40:37A-54(L) of the Act and N.J.S.A. 40A:5A-6, 7 and 8 of the Local Authorities Fiscal Control Law, respectively, which Local Finance Board Application, hearing and process shall to the extent permitted by applicable law, incorporate the requests for approval by the Local Finance Board of certain matters related to the Borrower, if necessary; and

WHEREAS, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the Borrower and the County of Passaic (the “County”); (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the Borrower and the County and will not create an undue financial burden to be placed upon the Authority, the Borrower or the County.

NOW, THEREFORE, BE IT RESOLVED BY THE PASSAIC COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:

Section 1. The Chairman and the Treasurer of the Authority (including their designees, each an “Authorized Officer”) are each hereby severally authorized to prepare and submit an application to the Local Finance Board for the purpose of financing the Project through the issuance of the Bonds. The Authorized Officer shall act in consultation with the Authority's bond counsel, Gibbons P.C., the Authority’s financial advisor, NW Financial Group LLC, and the Authority’s general counsel, the Law Offices of Peter A. Tucci Jr LLC (collectively, the “Consultants”), in the preparation and submission of the Local Finance Board Application. All actions taken to date by such parties in connection with the Local Finance Board Application are hereby ratified and approved. All of such parties are hereby authorized and directed to represent the Authority in matters pertaining thereto, including without limitation, the hearing to be held by the Local Finance Board relating to the Project and the documents to be executed in connection therewith required by N.J.S.A. 40A:5A-6.

Section 2. The Secretary of the Authority is hereby directed to prepare and cause counsel to the Authority to file a copy of this resolution with the Local Finance Board as part of the Local Finance Board Application.

Section 3. The Local Finance Board is hereby respectfully requested to consider the Local Finance Board Application and to record its approval and findings and recommendations as provided by N.J.S.A. 40:37A-54(L) and by N.J.S.A. 40A:5A-7 of the Local Authorities Fiscal Control Law, respectively.

Section 4. The Authorized Officers are each hereby further severally authorized and directed to deliver or cause to be delivered to the governing body of the County a detailed report

describing the applicable Financing Documents and the Project financed thereby, all in accordance with Section 13 of the Act (N.J.S.A. 40:37A-56).

Section 5. Each Authorized Officer is hereby authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultants, to obtain the resolutions of the governing body of the County contemplated by Section 13 of the Act (N.J.S.A. 40:37A-56) relating to the Financing Documents and the Project financed thereby.

Section 6. Each Authorized Officer is hereby further authorized and directed to take all actions deemed necessary, convenient or desirable by any such Authorized Officer, in consultation with the Consultants, to (i) obtain any and all county official action and (ii) obtain any and all other agreements with the Borrower deemed necessary, convenient or desirable for consummation of the Project.

Section 7. All actions of the Authorized Officers and the Consultants taken prior to the date of adoption hereof in connection with the Bonds, the Project or any of the foregoing transactions contemplated by this resolution are hereby ratified and approved.

Section 8. This resolution shall take effect immediately.

The foregoing is a true copy of a Resolution duly adopted by the governing body of The Passaic County Improvement Authority on November 16, 2022.

Michael R. F. Bradley, Secretary
The Passaic County
Improvement Authority

RECORDED VOTE:

	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Dennis F. Marco, Chairman				
Joseph C. Petriello, Vice Chairman				
Wayne Alston				
Michael R. F. Bradley				
Michael Glovin				

**RESOLUTION OF THE
PASSAIC COUNTY IMPROVEMENT AUTHORITY AUTHORIZING PAYMENT OF
BILLS AND REIMBURSEMENTS**

WHEREAS, a regular meeting of the Passaic County Improvement Authority (the “Authority”) was held on November 16, 2022;

WHEREAS, the Authority has previously approved agreements for the provision of goods and services;

WHEREAS, the Authority has also authorized reimbursements for certain items, either through prior resolution or agreement; and

WHEREAS, the Authority desires to authorize payment for the aforementioned items.

**NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE MEMBERS OF THE
PASSAIC COUNTY IMPROVEMENT AUTHORITY AS FOLLOWS:**

1. The Authority hereby authorizes the payment of the items as listed in the attached schedule.
2. The Authority professionals and Chairman are authorized and directed to take all appropriate action to effectuate payment of the items listed in the attached schedule.

I hereby certify the foregoing to be a true copy of a resolution adopted by the Passaic County Improvement Authority at a meeting held on November 16, 2022.

Michael R. F. Bradley, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Wayne Alston				
Michael Bradley				
Michael Glovin				
Joseph Petriello, Vice Chairman				
Dennis Marco, Chairman				

