

PASSAIC COUNTY IMPROVEMENT AUTHORITY  
LIST OF AGENDA ITEMS

Meeting to be held on Thursday, April 25, 2024 at 6 pm. The meeting will be held in person, at 401 Grand Street, Room 220, Paterson, New Jersey 07505.

1. Call to order.
2. Pledge of Allegiance.
3. Roll Call.
4. Open Public Meetings Notice
5. Approval of the Minutes of the March 27, 2024 Board Meeting
6. Public Comment. *(The Chairman will ask if any member of the public wishes to make a comment. Additionally he will ask any member of the public attending virtually to signify his or her desire to speak 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. R 24-018 Resolution of the Passaic County Improvement Authority Appointing Legal Counsel – General Operations
  - b. R 24-019 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 Charter School Revenue Bonds, (Paterson Charter School For Science & Technology Project). Series 2024
  - c. R 24-020 Resolution Of The Passaic County Improvement Authority Appointing Certain Professionals And Authorizing Certain Fees All In Connection With One Or More Series Of The Authority's Charter School Revenue Bonds, (Paterson Charter School For Science & Technology Project). Series 2024
  - d. R 24-021 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements
  - e. R 24-022 Resolution Of The Passaic County Improvement Authority Authorizing Certain Actions And Approving Certain Documents Necessary In Connection With The Execution Of A Subordination, Non-Disturbance And Attornment Agreement With Respect To County Guaranteed Parking Revenue Refunding Bonds (200 Hospital Plaza Corporation Project)), Series 2017

9. Old Business/New Business

10. Adjournment.

PASSAIC COUNTY IMPROVEMENT AUTHORITY

MINUTES OF THE BOARD MEETING OF MARCH 27, 2024

The meeting was called to order at 6 p.m. at 401 Grand Street, Room 205, Paterson, New Jersey. Pledge of Allegiance was said. Roll was taken. Commissioners Marco, Glovin, and Ramaglia, were present. Commissioner Glovin attended the meeting virtually, via Webex. Also present were Anthony De Nova; Keith Spillane; Gary Schaer, Executive Director; Heather Litzebauer, Financial Advisor; Richard Cahill, CFO; and Peter Tucci, Esq., General Counsel. Mr. Tucci read the notice, pursuant to the Open Public Meetings Act.

Anthony De Nova and Keith Spillane were sworn in as Commissioners of the Authority and then seated.

The election of officers was held. Mr. Tucci asked for nominations for the position of Chairman. Commissioner De Nova nominated Commissioner Marco. Seconded by Commissioner Ramaglia. No other nominations. Commissioner Marco unanimously elected as Chairman, with Commissioner Marco abstaining.

Chairman Marco asked for nominations for the position of Vice Chairman. Commissioner De Nova nominated Commissioner Glovin. Seconded by Commissioner Ramaglia. No other nominations. Commissioner Glovin unanimously elected as Vice Chairman, with Commissioner Glovin abstaining.

Chairman Marco asked for nominations for the position of Secretary/Treasurer. Commissioner De Nova nominated Commissioner Ramaglia. Seconded by Commissioner Glovin. No other nominations. Commissioner Ramaglia unanimously elected as Secretary/Treasurer, with Commissioner Ramaglia abstaining.

Chairman Marco asked for nominations for the position of Deputy Secretary. Chairman Marco nominated Commissioner De Nova. Seconded by Commissioner Glovin. Commissioner De Nova unanimously elected as Deputy Secretary, with Commissioner De Nova abstaining.

Commissioner Glovin moved to accept the minutes of the January 31, 2024 meeting. Seconded by Commissioner Ramaglia. Motion carried unanimously, with Commissioner De Nova abstaining.

Chairman Marco opened the public portion of the meeting. Seeing no member of the public wishing to speak, he closed the public portion of the meeting.

Robert McNinch then presented the 2023 Audit of the Authority. He stated that 2023 was a good year for the Authority. At the end of the year, the Authority had assets of \$1.1 million and liabilities of \$400,000, with a net position of \$696,000. This is a \$142,000 increase over the prior year. On the revenue side, there was \$146,000 of revenue above what was budgeted. On the expenditure side, there was \$46,000 less than budgeted. When backing out what was previously utilized to balance the budget, there was a budget surplus of approximately \$110,000.

He went on to state that he found the books to be in very good shape. There are three areas to examine when dealing with a public entity: financials, internal controls, and compliance. In all three areas, he issued an unmodified, clean opinion, with no audit findings. No journal entries or adjustments were necessary and reconciliations were performed properly and timely. He stated that Rich Cahill and the County finance office did a great job keeping the books in order. On the internal control side, he stated that the Authority has a very good system of checks and balances that was properly carried out. On the compliance side, the Authority is in compliance with all State and federal compliance requirements. He stated that, although this is a clean audit, the group audit affidavit must be signed, in order to submit the audit to the State. He concluded by stating that the Authority had a good year in 2023 both financial and with regard to compliance. Commissioner Glovin thanked Mr. Cahill and his staff for their hard work.

Commissioner Ramaglia moved to go into executive session. Seconded by Commissioner De Nova. Motion carried unanimously. Mr. Tucci stated that official action will be taken after executive session.

Commissioner Glovin moved to come out of executive session. Seconded by Commissioner Glovin. Motion carried unanimously.

Official Action

The Commissioners then considered the following items:

- a. R 24-003 Resolution of the Passaic County Improvement Authority Authorizing Depositories

Commissioner De Nova asked if Valley National was paying a competitive interest rate. Mr. Cahill stated that the interest rate paid by Valley National is competitive.

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- b. R 24-004 Resolution of the Passaic County Improvement Authority Adopting its Cash Management Plan

Commissioners	M/S	Y	N	No Vote
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Spillane		X		
De Nova		X		
Ramaglia	M	X		
Glovin	S	X		
Marco		X		

- c. R 23-005 Resolution of the Passaic County Improvement Authority Authorizing Signatories

The resolution was clarified that the signatories would be Chairman Marco, Commissioner Ramaglia, and Richard Cahill

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- d. R 24-006 Resolution of the Passaic County Improvement Authority Designating Authorized Newspapers

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- e. R 24-007 Resolution of the Passaic County Improvement Authority Appointing Legal Counsel – General Operations

This resolution is being held until the next meeting of the Authority.

- f. R 23-008 Resolution of the Passaic County Improvement Authority Appointing Financial Advisor

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova		X		

Ramaglia	M	X		
Glovin	S	X		
Marco		X		

g. R 24-009 Resolution of the Passaic County Improvement Authority Appointing Auditor

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova		X		
Ramaglia	M	X		
Glovin	S	X		
Marco		X		

h. R 24-010 Resolution of the Passaic County Improvement Authority Accepting the Qualifications of Certain Entities to Perform the Necessary Services as Legal Counsel – Bond Counsel

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

i. R 23-011 Resolution of the Passaic County Improvement Authority Accepting the Qualifications of Certain Entities to Perform the Necessary Services as Underwriter

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

j. R 24-012 Resolution of the Passaic County Improvement Authority Accepting the Qualifications of Certain Entities to Perform the Necessary Services as Trustee

Commissioners	M/S	Y	N	No Vote
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Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- k. R 24-013 Resolution of the Passaic County Improvement Authority Setting of Meeting Dates from March 2024 through February 2025

Commissioner De Nova asked why certain dates have Room 205 listed as the location. Mr. Tucci stated that the County Commissioner meeting room was not available on those dates.

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- l. R24-014 Resolution Of The Passaic County Improvement Authority Authorizing Payment Of Bills And Reimbursements

Commissioner De Nova asked if the back up for bills could be provided. Mr. Tucci and Mr. Cahill stated that the bills themselves will be included with the meeting packet.

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- m. R24-015 Resolution Of The Passaic County Improvement Authority Acknowledging Receipt Of The Application Of Silk City Education Alliance, Inc. For The Purchase Of Its Currently Leased Facilities Servicing The Paterson Charter School For Science And Technology

Ms. Litzebauer explained the basic structure of the project. The project is not to exceed \$34 million. The applicant will be purchasing three different properties: 196 West Railway Avenue housing grades 8 – 12; 276 Wabash Avenue housing grades 4 – 7, and 264 Wabash Avenue which is being purchased for future expansion. There will also be \$1 million in capital improvements. Currently, the Charter School is leasing the facilities. It is expected that the debt service will be less than the current lease payments. The NJEDA previously provided funding for these facilities. Thus, those NJEDA bonds will need to be refunded. She stated that she, Mr. Tucci, and John Draikiwicz (Bond Counsel) participated in a call with the Charter School team to establish due diligence and timelines. Further, there will be weekly project calls through the completion of the project. It is expected that an application to LFB will be made in April for the May LFB meeting.

Chairman Marco asked about the escrow account. Ms. Litzebauer stated that with similar projects, an escrow is required in order to protect the Authority, should the project not be completed.

Commissioner Glovin asked if there was a County guarantee. Ms. Litzebauer stated there is no County guarantee; therefore, no risk to the County or the Authority.

Commissioner De Nova asked what would occur, if the charter school loses its charter. Ms. Litzebauer stated that is a risk the investor takes when purchasing the bonds.

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova	S	X		
Ramaglia	M	X		
Glovin		X		
Marco		X		

- n. R24-016 Resolution Of The Passaic County Improvement Authority Authorizing Certain Actions And Approving Certain Documents Necessary In Connection With The Issuance Of The Authority's Proposed Not To Exceed \$20,000,000 Aggregate Principal Amount Of County Guaranteed Revenue Bonds, Series 2024 (Senior Housing Project); Approving And Adopting A Bond Resolution Entitled "Resolution Authorizing The Issuance Of County Of Passaic Guaranteed Revenue Bonds (Senior Housing Project), Series 2024 Of The Passaic County Improvement Authority" And Other Financing And Security Documents



Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova				Abstain
Ramaglia	M	X		
Glovin	S	X		
Marco		X		

- o. R24-017 Resolution Of The Passaic County Improvement Authority Acknowledging Receipt Of The Application Of Morris Charter, Inc. For The Purchase Of Currently Leased Facilities Servicing The Community Charter School Of Paterson

Ms. Litzebauer provided an overview of the project. The project is not to exceed \$18.5 million. The project is to purchase 8 Moore Street, which is five story academic building and a one story gymnasium. It is similar to the other charter school projects in that the school is seeking to purchase the facility that it currently leases. Ms. Litzebauer, Mr. Draikiwicz, and Mr. Tucci have discussed the project and have issued a list of due diligence items. Further discussion with regard to timing of the project will be forthcoming.

Chairman Marco asked if there is trend with the charter schools realizing the saving that result from their purchasing their facilities. Ms. Litzebauer stated that is the case. Mr. Tucci added that the Authority has also developed a positive working relationship with an underwriter who deals with the charter schools, which has resulted in these two additional charter school projects.

Commissioner Glovin asked if the buildings would be used as security. Ms. Litzebauer stated there would be a mortgage, but, as with the other charter school project, there is no County guarantee and no risk to the Authority.

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova				Abstain
Ramaglia	M	X		
Glovin	S	X		
Marco		X		

p. R24-018 Resolution (concerning 2023 Authority Audit)

Commissioners	M/S	Y	N	No Vote
Spillane		X		
De Nova				Abstain
Ramaglia	S	X		
Glovin	M	X		
Marco		X		

New Business / Old Business

Commissioner Ramaglia stated that he is continuing his discussions with the West Milford YMCA. The YMCA made a presentation to the County Commissioners, which was well received. Commissioner Ramaglia and Executive Director Schaer discussed the size of the bonding to be approximately \$3.5 million, in addition to the \$1 million already raised. Commissioner Ramaglia stated that the goal is move the project along with financing, rather than solely through fundraising, which is expected to take another five years. He further suggested that the YMCA come before the Authority to make a presentation to determine how the Authority may be able to assist with the project. The Commissioners welcomed further information and the presentation, when appropriate.

Commissioner Ramaglia moved to adjourn the meeting. Seconded by Chairman Marco. Motion carried unanimously.

**RESOLUTION OF THE PASSAIC COUNTY IMPROVEMENT AUTHORITY  
APPOINTING LEGAL COUNSEL – GENERAL OPERATIONS**

**WHEREAS**, a regular meeting of the Passaic County Improvement Authority (the “Authority”) was held on April 25, 2024;

**WHEREAS**, the Authority has determined that it is necessary, convenient, and desirable to achieve its purposes to contract for the legal services of a Legal Counsel – General Operations;

**WHEREAS**, N.J.S.A. 40:37A-55 permits the Authority to enter into such agreement for professional services, subject to the requirements of the Local Public Contracts Law;

**WHEREAS**, the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) requires that the resolution authorizing the award of contracts for “Professional Services” without competitive bids and the agreement itself must be available for public inspection and requires that the resolution authorizing the award of contracts for “Extraordinary Unspecifiable Services” without competitive bids and the agreement itself must be available for public inspection;

**WHEREAS**, the New Jersey Election Law, specifically N.J.S.A. 19:44A-20.4, permits, but does not require, a contract with an anticipated value in excess of \$17,500, to be awarded through a “fair and open” process;

**WHEREAS**, the Authority has advertised the contract for Legal Counsel – General Operations on the website of the Authority in sufficient time to give notice in advance of the contract;

**WHEREAS**, the contract for Legal Counsel – General Operations is being awarded under a process that provides for public solicitation of qualifications and awarded and disclosed under criteria established in writing by the Authority prior to the solicitation of qualifications;

**WHEREAS**, the Authority has publicly opened the responses to the published request for qualifications and is publicly awarding the contract for Legal Counsel – General Operations;

**WHEREAS**, the Authority has determined that the process it has used to award the contract for Legal Counsel – General Operations is a “fair and open” process, pursuant to N.J.S.A. 19:44A-20.7; and

**WHEREAS**, the Authority desires to appoint as Legal Counsel – General Operations \_\_\_\_\_ to provide it with the legal services necessary to achieve its purposes.

NOW, THEREFORE, BE IT RESOLVED by the Passaic County Improvement Authority as follows:

1. The Authority appoints \_\_\_\_\_ as primary Legal Counsel – General Operations to the Authority from April 25, 2024 through February 27, 2025 and hereby authorizes the Chairman to negotiate and execute an appropriate professional services agreement.
2. This contract is awarded without competitive bidding as “Extraordinary Unspecifiable Services” and a “Professional Service” in accordance with N.J.S.A. 40A:11-5(1)(a) of the Local Public Contracts Law because the contract is for a service performed by a person(s) authorized by law to practice a recognized profession that is regulated by law.
3. The Authority has determined that the process it has used to award the contract for Legal Counsel – General Operations is a “fair and open” process, pursuant to N.J.S.A. 19:44A-20.7
4. A notice of the award of this contract shall be printed once in the Official Newspaper of the Authority to satisfy the requirement of the publication of legal notices and a copy of the contract shall be made available for public inspection.

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 April 25, 2024.

\_\_\_\_\_  
Michael Ramaglia, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Keith Spillane				
Anthony De Nova				
Michael Ramaglia				
Michael Glovin				
Dennis Marco				

**R 24-019**

**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 CHARTER SCHOOL REVENUE BONDS, (PATERSON CHARTER SCHOOL FOR SCIENCE & TECHNOLOGY PROJECT). SERIES 2024**

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, Silk City Education Alliance, Inc. (the "Borrower") is a non-profit organization organized under the laws of the State; and

WHEREAS, Borrower desires to finance (1) the acquisition of (a) certain real property consisting of the land and the school facilities built thereon and occupied by Paterson Charter School for Science & Technology (the "Charter School"), located at Block 7104, Lot 9, 10, 12, 13, 16, 17, 18 19 and Block 6704, Lot 1, and commonly known as 276 Wabash Avenue, and 196 West Railway Avenue each in the City of Paterson, Passaic County, New Jersey, (b) certain real property consisting of land and an ancillary facility built thereon located at Block 7104, Lot 8, and commonly known as 262-266 Wabash Avenue in the City of Paterson, Passaic County, New Jersey (collectively, the "Facilities") and (2) certain capital improvements at the Facilities ("New Project"); and

WHEREAS, in furtherance of the purposes of the Act and as an inducement to the Borrower to finance (a) the New Project, (b) a debt service reserve fund and repair and replacement fund, and (c) 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 Charter School Revenue Bonds (Paterson Charter School for Science & Technology Project) (the "Bonds") in an aggregate principal amount not to exceed the amount set forth in the Local Finance Board Application and

to apply the proceeds of the Bonds to finance the Project and subsequently lease the Facilities to the Charter School; and

WHEREAS, the Bonds will be secured by a loan agreement between the Authority and the Borrower, lease agreements between the Borrower and the Charter School, a mortgage on the Project Facilities, and any other documents deemed necessary, desirable or convenient (collectively, the “Security Documents”), and the Bonds will be issued pursuant to the terms of the Act, an indenture of trust between the Authority and bond trustee named therein and/or bond 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 Charter School 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, \_\_\_\_\_ (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 April \_\_, 2024.

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Michael Ramaglia, Secretary  
The Passaic County  
Improvement Authority

RECORDED VOTE:

	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Dennis F. Marco, Chairman				
Michael Glovin, Vice Chairman				
Michael Ramaglia, Sec/Treas				
Anthony Denova				
Keith Spillane				



**R24-020**

**RESOLUTION OF THE PASSAIC COUNTY IMPROVEMENT AUTHORITY  
APPOINTING CERTAIN PROFESSIONALS AND AUTHORIZING CERTAIN FEES IN  
CONNECTION WITH THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF  
THE AUTHORITY'S CHARTER SCHOOL REVENUE BONDS, (PATERSON  
CHARTER SCHOOL FOR SCIENCE & TECHNOLOGY PROJECT) SERIES 2024**

**WHEREAS**, a regular meeting of the Passaic County Improvement Authority (the "Authority") was held on April 25, 2024; and

**WHEREAS**, The Passaic County Improvement Authority (the "Authority") is authorized to issue its bonds pursuant to the provisions of the County Improvement Authorities Law, constituting Chapter 183 of the Laws of 1960 of the State of New Jersey, as amended and supplemented, and other applicable provisions of law; and

**WHEREAS**, Silk City Education Alliance, Inc. (the "Borrower") is a non-profit organization organized under the laws of the State; and

**WHEREAS**, Borrower desires to finance (1) the acquisition of (a) certain real property consisting of the land and the school facilities built thereon and occupied by Paterson Charter School for Science & Technology (the "Charter School"), located at Block 7104, Lot 9, 10, 12, 13, 16, 17, 18 19 and Block 6704, Lot 1, and commonly known as 276 Wabash Avenue, and 196 West Railway Avenue each in the City of Paterson, Passaic County, New Jersey, (b) certain real property consisting of land and an ancillary facility built thereon located at Block 7104, Lot 8, and commonly known as 262-266 Wabash Avenue in the City of Paterson, Passaic County, New Jersey (collectively, the "Facilities") and (2) certain capital improvements at the Facilities ("New Project"); and

**WHEREAS**, in furtherance of the purposes of the Act and as an inducement to the Borrower to finance (a) the New Project, (b) a debt service reserve fund and repair and replacement fund, and (c) 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 Charter School Revenue Bonds (Paterson Charter School for Science & Technology Project) (the "Bonds") in an aggregate principal amount not to exceed the amount set forth in the Local Finance Board Application and to apply the proceeds of the Bonds to finance the Project and subsequently lease the Facilities to the Charter School; and

**WHEREAS**, the Authority will require the provision of certain professional services and will incur certain expenses with reference to the proposed project financing in conjunction with the Bonds; and

**WHEREAS**, the award and approval of professional services and expenses in connection with the Project are exempt from the public bidding requirements of the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.; and

**WHEREAS**, the Authority has determined that the process it has used to award the contracts necessary for this Series 2024 Bonds is a “fair and open” process, pursuant to N.J.S.A. 19:44A-20.7; and

**WHEREAS**, the Authority desires to award certain contracts for professional services and/or extraordinary unspecifiable services.

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

Section 1. The Authority does hereby, as applicable, award, approve, and authorize payment for the following to render professional services, extraordinary unspecifiable services, and/or provide services in connection with the Project or to the Authority in conjunction with the Project, such payments specifically subject to final approval of the Project by the Authority:

AWARDED AND APPROVED TO	DESCRIPTION OF SERVICES	AMOUNT NOT TO EXCEED
Gibbons, P.C.	Bond Counsel to the Authority	\$105,000
_____	General Counsel to the Authority	\$7,500
NW Financial Group, LLC	Financial Advisor to the Authority	\$54,770
RBC Capital Markets	Underwriters	\$372,125
Eckert Seamans Cherin & Mellott, LLC	Underwriters’ Counsel	\$70,000
U.S. Bank Global Corporate Trust	Trustee	\$6,000

Section 2. The Secretary of the Authority is hereby authorized and directed to have published a brief notice of this award in accordance with the provisions of N.J.S.A. 40A:11-5(1)(a)(i).

Section 3. The funds for the services shall be paid out of the proceeds of the Bonds or other project monies and not from the general budget/operating fund(s) of the Authority.

Section 4. The Chairman is authorized and directed to execute any and all documents necessary to effectuate the above.

Section 5. These contracts are awarded without competitive bidding as a “Professional Service” in accordance with N.J.S.A. 40A:11-5(1)(a) of the Local Public Contracts Law because the contract is for a service performed by a person(s) authorized by law to practice a recognized profession that is regulated by law.

Section 6. The Authority has determined that the process it has used to award the contracts in excess of \$17,500 is a “fair and open” process, pursuant to N.J.S.A. 19:44A-20.7.

Section 7. This resolution shall take effect immediately.

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 April 25, 2024.

\_\_\_\_\_  
Michael Ramaglia, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Keith Spillane				
Anthony De Nova				
Michael Ramaglia				
Michael Glovin				
Dennis Marco				

**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 April 25, 2024;

**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.

Bills to be approved for payment at the 4-24-24 PCIA Meeting:			
NW Financial Group, LLC	1,501.25	Invoice # 31243-Central High School(Feb),#31424-General,#31425-Ward St.Garage, Invoice #31310 Central High School(Jan)	
Law Offices Of Peter Tucci	2,466.00	Invoice # 133 General Counsel Services March	
	-		
	<u>\$ 3,967.25</u>		

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 April 25, 2024.

\_\_\_\_\_  
Michael Ramaglia, Secretary

<u>Recorded Vote:</u>	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Keith Spillane				
Anthony De Nova				
Michael Ramaglia				
Michael Glovin				
Dennis Marco				

**PASSAIC COUNTY IMPROVEMENT AUTHORITY  
RESOLUTION OF THE PASSAIC COUNTY  
IMPROVEMENT AUTHORITY AUTHORIZING CERTAIN  
ACTIONS AND APPROVING CERTAIN DOCUMENTS  
NECESSARY IN CONNECTION WITH THE EXECUTION  
OF A SUBORDINATION, NON-DISTURBANCE AND  
ATTORNMENT AGREEMENT WITH RESPECT TO  
COUNTY GUARANTEED PARKING REVENUE  
REFUNDING BONDS (200 HOSPITAL PLAZA  
CORPORATION PROJECT)), SERIES 2017**

**WHEREAS**, the Passaic County Improvement Authority (the “Authority”) is authorized and empowered under the provisions of the County Improvement Authorities Law, constituting chapter 183 of the Laws of New Jersey of 1960, as amended and supplemented and codified at N.J.S.A. 40:37A-44 et g. (the “Act”), specifically 40:37A-54(j) of the Act, to plan, initiate, and carry out redevelopment projects for the elimination, and for the prevention of the development or spread of blighted, deteriorated or deteriorating areas and the disposition, for uses in accordance with the objectives of the redevelopment project, of any property or part thereof acquired in the area of such project; and

**WHEREAS**, the Authority is further authorized by the Act to issue revenue bonds payable by the Authority exclusively from the income and revenues of the project financed with the proceeds of any bonds and secured by a pledge of said income and revenues in order to provide funds for the purposes authorized by the Act; and

**WHEREAS**, St. Joseph’s Regional Medical Center, a New Jersey nonprofit and 501(c)(3) corporation (the “Hospital”), was created and organized to provide medical care to residents within the City of Paterson, in the County of Passaic, New Jersey (the “City”) and the surrounding areas; and

**WHEREAS**, the Hospital underwent an expansion of its facilities, which expansion increased the demand for parking for its employees, patients and visitors; and

**WHEREAS**, the Hospital is the sole member of a subsidiary 501(c)(3) not for profit corporation, known as 200 Hospital Plaza Corporation (the “Corporation”), which purposes include the provision of parking services for the Hospital; and

**WHEREAS**, the Corporation designed, constructed and manages an approximately 1,120 parking space seven (7) level parking deck, which includes approximately 20,400 square feet of retail space on the ground level (the “Project”); and

**WHEREAS**, the Hospital previously leased pursuant to the terms of the Lease dated as of August 1, 2010 between the Hospital and the Corporation (the “Ground Lease”) certain real property (the “Property”) upon which the Project is located to the Corporation for the construction of the Project; and

**WHEREAS**, in furtherance of the foregoing, the Act and the Trust Indenture between the Authority and TD Bank, National Association (the “Trustee”) dated as of October 1, 2010, as amended and supplemented (the “Trust Indenture”), the Authority issued its County Guaranteed Parking Revenue Bonds (200 Hospital Plaza Corporation Project), Series 2010 (the “Series 2010 Bonds”) in an aggregate principal amount of Thirty-Three Million Eight Hundred Thirty-Five Thousand Dollars (\$33,835,000) for the purpose of providing funds to (i) finance a portion of the Project Costs, (ii) pay capitalized interest on the Series 2010 Bonds, (iii) fund the Series 2010 Bond Reserve Requirement for deposit to the Series 2010 Bonds Debt Service Reserve Account in the Debt Service Reserve Fund and any other reserve requirement to the extent applicable, (iv) fund the Operating Reserve Requirement for the deposit into the Operating Reserve Fund; and (v) pay certain costs of issuance relating thereto; and

**WHEREAS**, the Authority entered into the 2010 Loan Agreement (as hereinafter defined) with the Corporation specifying the terms and conditions of a loan by the Authority to the Corporation of the proceeds of the Series 2010 Bonds to provide for the financing of the Project; and

**WHEREAS**, as security for the Corporation’s obligations under the Loan Agreement entered into by and between the Authority and the Corporation, dated as of October 1, 2010 (the “2010 Loan Agreement”), the Corporation pledged to the Trustee, as assignee of the Authority, *inter alia*, the revenues generated by the Project for, among other things, the payment of principal of and redemption premium, if any, and interest on the 2010 Bonds; and

**WHEREAS**, in furtherance of the foregoing, the Act and the Indenture, the Authority issued its County Guaranteed Parking Revenue Refunding Bonds (200 Hospital Plaza Corporation Project), Series 2017 (the “Series 2017 Bonds”) in an aggregate principal amount of Twenty Seven Million Dollars (\$27,000,000) for the purpose of providing funds to (i) refund all of the outstanding 2010 Bonds, (ii) fund the Series 2017 Bond Reserve Requirement for deposit to the Series 2017 Bonds Debt Service Reserve Account in the Debt Service Reserve Fund and any other reserve requirement to the extent applicable, (iii) fund the Operating Reserve Requirement for the deposit into the Operating Reserve Fund, if necessary; and (iv) pay certain costs of issuance relating thereto (collectively, the “Refunding Project”); and

**WHEREAS**, the Authority entered into the Loan Agreement (as hereinafter defined) with the Corporation specifying the terms and conditions of a loan by the Authority to the Corporation of the proceeds of the Series 2017 Bonds to provide for the financing of the Refunding Project; and

**WHEREAS**, as security for the Corporation’s obligations under the 2010 Loan Agreement, as amended and supplemented (the “Loan Agreement”), the Corporation pledged to the Trustee, as assignee of the Authority, *inter alia*, the revenues generated by the Project for, among other things, the payment of principal of and redemption premium, if any, and interest on the 2017 Bonds; and

**WHEREAS**, pursuant to the terms of the Ground Lease, (i) Hospital has the right of first offer to use or sublease any or all portions of the roof(s) of the Project and (ii) Corporation has the right to mortgage its leasehold interest in the Ground Lease (but not Hospital’s fee simple ownership

interest in the Property), to and for the benefit of the Authority and/or Trustee (or to and for the benefit of the Authority and assigned by the Authority to Trustee) to secure payment of the Series 2017 Bonds;

**WHEREAS**, pursuant to that certain Solar Power & Service Agreement dated as of September 28, 2022, as amended (collectively, the “SPPA”), by and among Hospital, Corporation and NJ SOLAR 37 LLC (the “License Holder”), which, among other things, (i) contains a grant by Hospital to License Holder of an irrevocable license coupled with an interest for so long as the Solar Project (as hereinafter defined) is located at the Property, to use and occupy portions of the Property for the installation, operation, interconnection, maintenance and removal of the Solar Project and provision of the Solar Services (as defined in the SPPA), including ingress and egress rights to the Property for License Holder and its employees, contractors and subcontractors and access to electrical panels and conduits to interconnect or disconnect the Solar Project with the Property’s electrical wiring; (ii) obligates Hospital to purchase Solar Services (as defined in the SPPA) generated by the Solar Project at rates lower than those of the local electrical utility; (iii) provides, in accordance with the terms of Section 5.4 of the SPPA, that ownership of the Solar Project shall at all times during the term of the SPPA remain the sole, personal property of the License Holder or Project Lender (as hereinafter defined) and shall not deemed to be permanent fixtures (even if permanently affixed to the Property); and (iv) includes joinder of the Corporation, as tenant of the Property over which the Solar Project will be installed and operated, as a party to the SPPA to grant License Holder, the license rights necessary for the installation, operation, maintenance and removal of the Solar Project on the Property; and

**WHEREAS**, the rights granted to the License Holder in the SPPA, pursuant to the terms of a Memorandum of License by and among the Hospital, the Corporation and License Holder (together with any amendments or modifications thereof, the “License”), pursuant to which License Holder may install, construct, operate, maintain and remove from the Property certain solar photovoltaic energy generating facilities and related equipment and facilities, including one or more electrical storage facilities and associated ancillary facilities, all as more particularly described and defined in the License (collectively, the “Solar Project”); and

**WHEREAS**, to secure its obligations under the Loan Agreement, Corporation mortgaged, granted and conveyed to Authority, as mortgagee, all of Corporation’s rights and interests which it now has or will acquire with regard to the Ground Lease pursuant to that certain Mortgage and Security Agreement dated as of October 1, 2010 (the “**Original Leasehold Mortgage**”) and recorded on November 5, 2010, with the Land Records in Mortgage Book M11200 at Page 210, as modified by that certain First Supplement to Mortgage and Security Agreement dated as of December 1, 2017 and recorded on January 16, 2018 with the Land Records in Book R721, Page 40 (the “**First Leasehold Mortgage Modification**”) and, together with the Original Leasehold Mortgage, the “**Leasehold Mortgage**”), each by and between Corporation, as mortgagor, and Authority, as mortgagee; and

**WHEREAS**, pursuant to Section 5.01 of the Trust Indenture, Authority has pledged, assigned and conveyed to Trustee its right, title and interest in and to the Trust Estate (as defined in the Trust Indenture and which includes the Authority's interest under the Leasehold Mortgage) to secure the payment of the principal or redemption price of and interest on the Series 2017 Bonds; and [The Leasehold Mortgage contains an acknowledgment by Corporation and Authority that

Authority, as mortgagee, intended to assign the Leasehold Mortgage to Trustee, however, such assignment was never memorialized.]

**WHEREAS**, pursuant to Sections 4.2(b) and 6.3 of the Loan Agreement, the Leasehold Mortgage shall be subject only to “Permitted Encumbrances” which include in clause (15) of the definition of “Permitted Encumbrances” in the Loan Agreement (with capitalized terms in these Recitals having the meanings ascribed to such terms in the Loan Agreement) the right of Corporation to enter into “leases, sub-leases, licenses, sub-licenses, concessions or usufructuary agreements of the Facilities (net of common areas and transportation corridors) for private business use by Persons providing services functionally related and subordinate to the operation of the Facilities, so long as such use is permitted by the Code (or, such agreement, to the extent applicable is permitted by Rev. Proc. 97-13) and does not and is not likely to a cause a loss of the tax-exempt status of the Bonds or Corporation’s 501(c)(3) status; and

**WHEREAS**, each of Hospital and Corporation has (i) requested that each of Authority and Trustee execute the SDNA (as hereinafter defined) in their respective authorized capacities pursuant to the terms of Section 5.2 of the Leasehold Mortgage, and (ii) will represent and warrant, after consultation with tax/legal counsel and review of, among other bond documents, the Tax Compliance Agreement (as defined in the Trust Indenture), to each of Authority and Trustee that the License constitutes a “Permitted Encumbrance” on the Property, including that the License is functionally related and subordinate to the operation of the Facilities and that the granting of, and performance by the License Holder pursuant to the terms of, the License is permitted by the Code and does not and is not likely to cause a loss of the tax-exempt status of the Bonds or Corporation’s 501(c)(3) status; and

**WHEREAS**, the License Holder may enter into various financing arrangements with respect to the development of the Solar Project that would involve one or more lenders (“Project Lender”); and

**WHEREAS**, the Trustee and the Authority have been requested by the Hospital, Corporation and License Holder to enter into a Subordination, Non-Disturbance and Attornment Agreement (the “SNDA Agreement”), and License Holder, Hospital, Corporation, Authority and Trustee desire to agree upon the relative priorities of their interests in the Property and their rights and obligations if certain events occur; and

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

The SNDA Agreement presented to the Authority is hereby is approved in substantially the form presented to this meeting with such changes, insertions, deletions or omissions as shall hereafter be approved by the Authority’s Chairman, Vice Chairman or Executive Director in consultation with Bond Counsel and General Counsel. The Authority’s Chairman, Vice Chairman and Executive Director be, and each hereby is, authorized and directed on behalf of the Authority to execute and deliver the SNDA Agreement and the Secretary of the Authority is hereby authorized and directed to affix the seal of the Authority to the SDNA Agreement and to attest to the signatures of the Chairman, Vice Chairman and Executive Director appearing on each of the Agreements, as applicable.



The Chairman, Vice Chairman, Secretary and Executive Director, be, and each of them hereby is, authorized and directed to execute and deliver any and all documents, certificates, agreements and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the SDNA Agreement. The execution by such officers of any such documents, certificates and agreements with such changes, insertions or omissions as shall be approved by the Authority’s Chairman, Vice Chairman or Executive Director in consultation with the Authority’s Bond Counsel and General Counsel shall be conclusive evidence of the approval of such changes, insertions or omissions and no further ratification or other action by the Authority members shall be required with respect thereto; provided, however, that any such changes, insertions or omissions do not materially alter the rights and obligations of the Authority from the rights and obligations contained in the form of document submitted to and approved by the Authority by this resolution.

This resolution shall take effect immediately.

**CERTIFICATE**

I, Michael Ramaglia, Secretary of the Passaic County Improvement Authority (the “Authority”), DO HEREBY CERTIFY that the above resolution entitled “RESOLUTION OF THE PASSAIC COUNTY IMPROVEMENT AUTHORITY AUTHORIZING CERTAIN ACTIONS AND APPROVING CERTAIN DOCUMENTS NECESSARY IN CONNECTION WITH THE EXECUTION OF A SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT WITH RESPECT TO COUNTY GUARANTEED PARKING REVENUE REFUNDING BONDS (200 HOSPITAL PLAZA CORPORATION PROJECT)), SERIES 2017” (the “Resolution”) was duly adopted by the Authority at a regular meeting held on April \_\_, 2024 duly called and held 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 Resolution is a true and correct copy thereof and of the whole appearing in the books and records of the Authority as of the date hereof and has not been modified, amended or repealed and is in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the Authority this     day of April \_\_, 2024.

(SEAL)

\_\_\_\_\_  
Michael Ramaglia, Secretary

Recorded Vote:	<u>Aye</u>	<u>No</u>	<u>Abstain</u>	<u>Absent</u>
Keith Spillane				
Anthony De Nova				
Michael Ramaglia				
Michael Glovin				
Dennis Marco				

