

ATLANTIC COUNTY IMPROVEMENT AUTHORITY

BOND RESOLUTION

RESOLUTION OF THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY; AUTHORIZING AND DIRECTING THE ISSUANCE AND SALE OF ITS NOT TO EXCEED \$70,000,000 STOCKTON UNIVERSITY GENERAL OBLIGATION LEASE REVENUE BONDS (STOCKTON UNIVERSITY PROJECT), SERIES 2021; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE, A LOAN AGREEMENT, A BOND PURCHASE CONTRACT OR OTHER SIMILAR DOCUMENTS, OFFICIAL STATEMENT OR SIMILAR DOCUMENT AND RELATED INSTRUMENTS AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH

ADOPTED: February 18, 2021

WHEREAS, the Atlantic County Improvement Authority (the "Authority"), has been duly created by resolution of the County of Atlantic, State of New Jersey (the "County"), as a public body corporate and politic of the State of New Jersey, pursuant to the County Improvement Authorities Law, 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, pursuant to N.J.S.A. 40:37A-54(l), to provide, within the County, subject to the prior approval of the Local Finance Board, the planning, design, acquisition, construction, improvement, renovation, installation, maintenance and operation of facilities or any other type of real or personal property within the county for a corporation or other person organized for any one or more of the purposes described in subsection a. of N.J.S.A 15A:2-1; and

WHEREAS, the Authority is authorized by law to finance such public facilities through the issuance of debt, including without limitation the Series 2021 Bonds (as defined herein); and

WHEREAS, the Authority has determined to finance a portion of the development of a new residential building for Stockton University (the "University"), in Atlantic City (the "City"). The building is to be located in the Chelsea section of the City and includes a new approximately 135,000 sq. ft., 6-story residential building that will provide housing for nearly 416 students in 107 apartments. These units will be offered in two primary configurations including 4-bedroom single occupancy and 2-bedroom double occupancy with a minimal amount of studio apartments. Each apartment will also include a kitchen, living room, bathroom(s) and will be fully furnished. Amenities throughout the building are expected to include laundry facilities, and student study and lounge areas together with a common area for student gathering. The residential building will also feature an outdoor courtyard that will provide outdoor living space for students. It is anticipated that the student rents for these units will be commensurate with similar facilities owned by the University (collectively, the "Project"); and

WHEREAS, a special purpose entity (“Atlantic City University Housing Associates LLC” or “ACUHA”) has been created for the purpose of developing the Project for Stockton University. The sole member of ACUHA is ACDEVCO, a not-for-profit 501(c)(3) corporation (the “Borrower”).

WHEREAS, the debt portion of the Project will be financed primarily through the Series 2021 Bonds, as described herein, to be issued by the Authority. In addition, it is expected the Casino Reinvestment Development Authority (“CRDA”) will provide a long-term loan as an additional source of capital for the development of the Project. The University and ACUHA will enter into a Master Lease Agreement, which will govern the terms by which ACUHA will construct the Project and by which the University will occupy and operate the Project upon completion. The rent to be paid by the University during the term of the Master Lease Agreement will match the debt service required to repay both the Series 2021 Bonds as well the CRDA loan. ACUHA will own the land and construction site. Upon completion of the Project as set forth in the Master Lease, Stockton University may, rather than continue to lease the Project, exercise its option to acquire the Project, assume the obligations of ACUHA under the ACIA Loan Agreement, including paying debt service on the Series 2021 Bonds, and terminate the Master Lease Agreement. Upon completion of the term, the University will own the building. The rent to be paid by the University during the term of the lease will match the debt service required to repay both the Series 2021 Bonds as well the CRDA loan.

WHEREAS, the costs associated with a portion of the design, construction and financing of the Project will be funded through: (a) the issuance of not to exceed \$70,000,000 Stockton University General Obligation Lease Revenue Bonds (Stockton University Project), Series 2021 (the "Series 2021 Bonds" or the “Bonds”) and (b) the CRDA loan; and

WHEREAS, as an inducement to the Borrower to undertake the Project, the Authority, in furtherance of the purposes of the Act and to assist in financing the cost of the Project, proposes to issue its Bonds and to secure said Bonds by a pledge of moneys to be received by the Authority and the assignment of certain rights of the Authority with respect to the Project, which pledge and assignment are hereby declared to further secure the payment of the principal and interest on the Bonds; and

WHEREAS, the Authority proposes the sale of the Bonds by Citigroup Global Markets Inc. (the “Underwriter”) pursuant to a Bond Purchase Contract (the “Purchase Contract”) by and among the Authority, the Underwriter, and the Borrower, and the Authority has determined to enter into the Purchase Contract; and

WHEREAS, the Authority proposes to apply the proceeds of the Bonds to make a loan to the Borrower for the financing of a portion of the Project in accordance with a Loan Agreement by and between the Authority and the Borrower (the “Loan Agreement”) providing, in part, for payments by the Borrower sufficient to meet installments of interest and principal on the Bonds; and

WHEREAS, the Authority proposes to execute a Trust Indenture (the “Indenture”) with TD Bank, National Association, as Trustee (the “Trustee”) or such other trustee as shall be named in the Indenture for the holder(s) of the Bonds, providing, in part, for the terms of the Bonds including but not limited to, any redemption, tender, or similar option or call provisions,

and assigning all of the Authority's rights under the Loan Agreement to the Trustee, except for certain indemnity and other reserved rights enumerated therein; and

WHEREAS, a telephonic public hearing has been conducted by the Authority on February 18, 2021, at 10:00 a.m., in accordance with the requirements of the Internal Revenue Code of 1986, as amended, after not less than seven (7) days public notice published in the The Press of Atlantic City, a copy of which notice is attached to this Bond Resolution as Exhibit A and by this reference made a part hereof; and

WHEREAS, the Authority submitted the required application (the "Application") to the Local Finance Board in the Division of Local Government Services, New Jersey Department of Community Affairs (the "Local Finance Board") for the issuance of its Series 2021 Bonds; and

WHEREAS, the Local Finance Board issued positive findings with respect to the Authority's Application on February 10, 2021; and

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY, AS FOLLOWS:

Section 1. This resolution is intended to be, and hereby is, a declaration of official intent to reimburse the expenditure of Project costs paid prior to the issuance of any Bonds, and any interim borrowing to be incurred by the Borrower, with proceeds of such debt, in accordance with Treasury Regulation 1.150-2.

Section 2. To accomplish the purposes and objectives of the Act, the Authority hereby finds and further determines, that the Project shall be financed in the City, the Project to constitute the facility as set forth in the preambles hereto. In order to finance a portion of the costs of the Project, the Series 2021 Bonds of the Authority are hereby authorized to be issued in an aggregate principal amount not to exceed of \$70,000,000. The Bonds, shall be dated, shall bear interest at such rate of interest and shall be payable as to principal, interest and premium, if any, as is specified therein. The Bonds shall be in one or more series having one or more maturities within each series, shall be dated, shall be in the amounts, shall bear interest at such rates of interest and shall be payable as to principal, interest and premium, if any, all as be determined at the time of sale of the Bonds. The Bonds 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 Indenture.

Section 3. The Bonds shall be a special obligation of the Authority, payable solely out of the moneys derived pursuant to the Loan Agreement, and all such moneys are hereby pledged to the payment of such series of Bonds. The payment of the principal of, premium, if any, and interest on the Bonds shall be secured by a pledge and assignment of revenues and certain rights of the Authority as provided in the Loan Agreement. Neither the members of the Authority nor any person executing the Bonds issued pursuant to this Resolution and the Act shall be liable personally on the Bonds by reason of issuance thereof. The Bonds shall not be in any way a debt or liability of the State of New Jersey or any political subdivision other than the Authority, whether legal moral or otherwise.

Section 4. The form of the Loan Agreement to be entered into by the Authority and the Borrower and all instruments attached as exhibits thereto or referenced therein, substantially in the form submitted to this meeting, are hereby approved. The Authority's

Chairman, Vice Chairman or Executive Director are each hereby authorized and directed, (the "Authorized Representatives") to execute, acknowledge and deliver the Loan Agreement and all instruments attached as exhibits thereto with any and all changes, insertions, modifications and omissions as may be approved, in consultation with Bond Counsel, by the Authorized Representatives, and the Secretary or Assistant Secretary of the Authority is hereby authorized to attest the same. The execution of the Loan Agreement shall be conclusive evidence of any approval required by this Section.

Section 5. TD Bank, National Association is hereby approved to serve as Trustee for the Bonds. The form of the Indenture to be entered into by the Authority and the Trustee and all instruments attached as exhibits thereto, substantially in the forms submitted to this meeting, are hereby approved. The Authorized Representatives are hereby authorized to execute, acknowledge and deliver the Indenture and all instruments attached as exhibits thereto with any and all changes, insertions, modifications and omissions as may be approved, in consultation with Bond Counsel, by the Authorized Representatives, and the Secretary or Assistant Secretary of the Authority is hereby authorized to attest the Indenture and all instruments attached as exhibits thereto. The Authorized Representatives are hereby authorized to execute, acknowledge and deliver the Disbursement Procedures Agreement and all instruments attached as exhibits thereto with any and all changes, insertions, modifications and omissions as may be approved, in consultation with Bond Counsel, by the Authorized Representatives, and the Secretary or Assistant Secretary of the Authority is hereby authorized to attest the Disbursement Procedures Agreement and all instruments attached as exhibits thereto. Notwithstanding the foregoing approval of TD Bank, National Association to serve as Trustee, the Authorized Representatives are hereby authorized to approve such other bank or trust company having appropriate trust powers as may be approved by the Borrower to serve as trustee. The execution of the Indenture shall be conclusive evidence of any approval required by this Section.

Section 6. The Authority's Chairman, Vice Chairman or Executive Director are each hereby authorized and directed, in consultation with Bond Counsel, to negotiate the terms of the Purchase Contract, to be dated the date of sale of the Bonds, between the Authority and the Underwriter. The Chairman, Vice Chairman or Executive Director be, and each hereby is, authorized and directed on behalf of the Authority to approve the terms of the Purchase Contract and to execute and deliver said Purchase Contract to the Underwriter. The Authority's Chairman, Vice Chairman or Executive Director are each hereby authorized and directed to execute and deliver the Series Certificate to reflect the terms of the Bonds upon original issuance.

Section 7. The issuance of the Bonds are hereby authorized. The form of Bonds as set forth in the Indenture is hereby approved, the manual or facsimile signatures of the Authorized Officers are hereby authorized and any such required signatures are directed to be printed on the face of the Bonds in substantially such form, and the corporate seal (or the facsimile) of the Authority is hereby authorized to be imprinted thereon; and any Authorized Officer is hereinafter authorized to present the Bonds for authentication under the Indenture and, when the Bonds have been authenticated, to deliver the Bonds or cause the Bonds to be delivered to the Underwriter upon receipt of the purchase price, plus any accrued interest due, and to deposit the amount so received by the Trustee as provided in the Loan Agreement and the Indenture. The Trustee is hereby requested to authenticate the Bonds and to deliver them to or upon the order of any Authorized Officer of the Authority.

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 Bonds. The distribution by the Authority, in consultation with the Underwriter, Bond Counsel, Special Tax Counsel and General Counsel, of a Preliminary Official Statement to be used in connection with the marketing of such Bonds by the Underwriter, is hereby approved. The Chairman, Vice Chairman or Executive Director of the Authority 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 Bonds to the Underwriter, the Preliminary Official Statement shall be so modified, in consultation with Bond Counsel, Special Tax Counsel and General Counsel, to reflect the effect of the Purchase Contract and any other revisions not inconsistent with the substance thereof deemed necessary or advisable by Bond Counsel, Special Tax Counsel and General Counsel; and said Preliminary Official Statement as so modified shall constitute the final Official Statement. The Chairman, Vice Chairman or Executive Director 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 Chairman, Vice Chairman or Executive Director of the Authority, in consultation with Bond Counsel, Special Tax Counsel and General Counsel to the Authority are each hereby authorized and directed to enter into and execute a Continuing Disclosure Agreement with any entity (including but not limited to the University) 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 Bonds. The execution of the Official Statement shall be conclusive evidence of any approval required by this Section.

Section 9. The Authorized Officers are hereby designated to be the authorized representatives of the Authority, charged by this Resolution with the responsibility for issuing the 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 and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution, the Indenture, the Loan Agreement and the Purchase Contract, the issuance of the Bonds and undertaking of the Project.

Section 10. (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 Project or to the Authority in conjunction with the Project to be paid out of the proceeds of the Bonds issued for the Project 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	\$75,000 plus Disbursements
McManimon, Scotland & Baumann, LLC	Special Tax Counsel to the Authority	\$35,000 plus Disbursements

<u>AWARDED AND APPROVED TO:</u>	<u>DESCRIPTION OF SERVICES</u>	<u>AMOUNT NOT TO EXCEED</u>
NW Financial Group LLC	Financial Advisor to the Authority	\$35,000
TD Bank	Trustee	\$12,500 (including Trustee's Counsel fee)
McManimon, Scotland & Baumann, LLC	Authority General Counsel	\$5,000 plus Disbursements
McElwee & Quinn, L.L.C.	Printing	Not to Exceed \$3,000
S&P, Moody's and Fitch	Rating Agency Fees	Not to Exceed \$150,000
Citigroup Global Markets Inc.	Underwriter	\$6.50/\$1,000 of Bonds (including Underwriter's counsel fee)

(b) The Secretary is 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 Certifying Finance Officer has certified that the funds for the services shall be paid out of the proceeds of the Bonds issued for the Project.

(d) All other professional services or costs for services undertaken by or on behalf the University or ACUHA in connection with the Project or the issuance of the Bonds are to be awarded pursuant to the respective entities procurement process and shall also be paid out of the proceeds of the Bonds issued for the Project.

Section 11. In case any one or more provisions of this Resolution, the Indenture, the Loan Agreement, the Purchase Contract or the Bonds issued hereunder shall be for any reason held to be illegal or invalid, such illegality or invalidity shall not to affect any other provision of this Resolution, the Indenture, the Loan Agreement, the Purchase Contract and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 12. All prior resolutions of this Authority or portions thereof which are inconsistent with this Resolution are hereby repealed.

Section 13. 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 February 25, 2021 in an Authorized Newspaper of the Authority.

Section 14. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to such terms in the Bond Resolution.

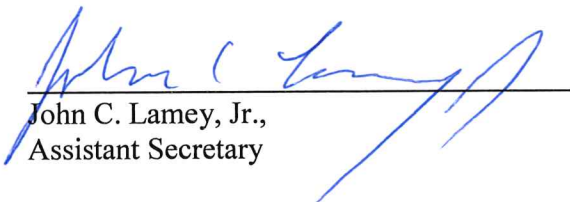
Section 15. This resolution shall become effective immediately.

CERTIFICATE

I, JOHN C. LAMEY, JR., Assistant Secretary of the Atlantic County Improvement Authority (the "Authority"), DO HEREBY CERTIFY that the above resolution entitled "RESOLUTION OF THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY; AUTHORIZING AND DIRECTING THE ISSUANCE AND SALE OF IT'S NOT TO EXCEED \$70,000,000 STOCKTON UNIVERSITY GENERAL OBLIGATION LEASE REVENUE BONDS (STOCKTON UNIVERSITY PROJECT), SERIES 2021; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE, A LOAN AGREEMENT, A BOND PURCHASE CONTRACT OR OTHER SIMILAR DOCUMENTS, OFFICIAL STATEMENT OR SIMILAR DOCUMENT AND RELATED INSTRUMENTS AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH" (the "Resolution") was duly adopted by the Authority at a regular meeting held on February 18, 2021 duly called and held in full compliance 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.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of the Authority this 22 day of February, 2021.

(SEAL)



John C. Lamey, Jr.,
Assistant Secretary