

RESOLUTION NO. 15 - 50

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST RELATING TO THE PARTICIPATION IN THE STATE FISCAL YEAR 2016 CONSTRUCTION FINANCING PROGRAM OF THE BOROUGH OF MILLTOWN

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), in accordance with (i) the "New Jersey Environmental Infrastructure Trust Act", constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may from time to time be amended and supplemented (the "Act"), and (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the "Regulations"), is authorized, pursuant to an interim financing program (the "Construction Financing Program"), to make loans (each, a "Construction Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Construction Loan satisfies the requirements of the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

WHEREAS, pursuant to the provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for a Construction Loan for purposes of financing the allowable costs of the Project of such Borrower pursuant to the Construction Financing Program, provided each of the following conditions is satisfied in full: (i) the Project is listed on the project priority lists for the ensuing fiscal year that has been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20 or N.J.S.A. 58:11B-20.1 (collectively, the "Priority List"); (ii) the proposed Borrower has submitted a complete application for the Project in accordance with N.J.A.C. 7:22-4.11; (iii) the Project has been certified for funding by the Trust in accordance with N.J.A.C. 7:22-4.13; (iv) the Project is in the fundable range in the forthcoming funding cycle given the Project's rank and the anticipated availability of New Jersey Department of Environmental Protection ("NJDEP") and Trust monies; and (v) the proposed Borrower has not previously received a Construction Loan through the Construction Financing Program for the same project scope; and

WHEREAS, in order to provide funding for the implementation of the Construction Financing Program during State Fiscal Year 2016 (the "SFY 2016 Construction Financing Program"), the Trust duly adopted a resolution on August 20, 2015 entitled "Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing Various Trust Short-Term Financing Programs for State Fiscal Year 2016" (the "Authorizing Resolution"); and

WHEREAS, pursuant to the terms of the Authorizing Resolution, the Authorized Officers (as defined therein) are each severally authorized, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, to approve the participation of a Borrower in the SFY 2016 Construction Financing Program, provided that such Borrower

qualifies for such participation pursuant to the provisions of the Act and the Regulations and the terms of the Trust Authorizing Resolution; and

WHEREAS, pursuant to Section 5 of the Authorizing Resolution, any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the SFY 2016 Construction Financing Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust; and

WHEREAS, the Borough of Milltown (“Milltown”) has requested from the Trust an Construction Loan from the SFY 2016 Construction Financing Program, in anticipation of a long-term loan from each of the Trust and the Department as part of the New Jersey Environmental Infrastructure Financing Program, for the purposes of (i) refinancing a Construction Loan made by the Trust to Milltown on December 29, 2014, and maturing on December 28, 2015 (the “Original Loan”), for the purpose of financing a portion of the Allowable Costs of an environmental infrastructure project to be constructed in Milltown and designated by the NJDEP as Project #S340102-03 (the “Milltown Project”) (ii) financing the remainder of the Allowable Costs of the Milltown Project not financed by the Original Loan; and

WHEREAS, with respect to the limitation established in Section 5 of the Authorizing Resolution providing that any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the SFY 2016 Construction Financing Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation an Construction Loan, as part of the SFY 2016 Construction Financing Program, to Milltown in an amount not to exceed \$16,206,750 for the purposes of refinancing the Original Loan and completing the Milltown Project; and

WHEREAS, it is the desire of the Trust that, other than the exception to Section 5 of the Authorizing Resolution described in the immediately preceding recital, Milltown shall comply with (i) all other requirements of the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Environmental Infrastructure Trust, as follows:

Section 1. Notwithstanding the limitation established in Section 5 of the Authorizing Resolution providing that any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the SFY 2016 Construction Financing Program shall not exceed \$10,000,000 in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to such limitation established in Section 5 of the Authorizing Resolution, an Construction Loan, as part of the SFY 2016 Construction Financing Program, to

Milltown in an amount not to exceed \$16,206,750 for the purposes of refinancing the Original Loan and completing the Milltown Project.

Section 2. Other than the exception created by the provisions of Section 1 of this Resolution, the Construction Loan made to Milltown as part of the SFY 2016 Construction Financing Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date: December 10, 2015

Motion Made By: Mark Longo

Motion Seconded By: James Requa

Ayes: 6

Nays: 0

Abstentions: 0