

**COUNTY OF ATLANTIC
GUARANTY ORDINANCE NUMBER 1 -2024**

GUARANTY ORDINANCE OF THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY FULLY, UNCONDITIONALLY AND IRREVOCABLY SECURING THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON COUNTY GUARANTEED REVENUE BONDS OR PROJECT NOTES (AVIATION PARK PROJECT - PHASE II) TO BE ISSUED BY THE ATLANTIC COUNTY IMPROVEMENT AUTHORITY FOR THE PURPOSE OF PROVIDING ADDITIONAL SECURITY THEREFOR, CONSENTING TO SUCH FINANCING AND DETERMINING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Atlantic County Economic Development Strategy and Action Plan dated September 24, 2015 (the "Strategic Plan") identified certain industries that should be targeted by the County of Atlantic (the "County") in order to encourage economic development throughout the County; and

WHEREAS, one of the targeted industries in the Strategic Plan is the aerospace and avionics industry which, as described in the Strategic Plan, should include the development of the Stockton Aviation Research and Technology Park consisting of approximately 58.25 acres of land commonly referred to as a portion of Lot 9 in Block 101 on the tax maps of Egg Harbor Township, Atlantic County, New Jersey ("Aviation Park"), because it "offers the strongest leverage in its economic development portfolio . . ."; and

WHEREAS, the Authority is authorized, pursuant to N.J.S.A. 40:37A-54(d), to provide, within the County, structures or other facilities used or operated by the Authority or any governmental unit in connection with, or relative to the development and improvement of, aviation for military or civilian purposes, including research in connection therewith, and including structures or other facilities for the accommodation of passengers; and

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

WHEREAS, the County and the Atlantic County Improvement Authority, a public body corporate and politic of the State created pursuant to and in accordance with the county improvement authorities law, constituting chapter 183 of the Laws of New Jersey of 1960, and the acts amendatory thereof and supplemental thereto (the "Act") and other applicable law (the "Authority") had determined to design, develop, finance, construct, and operate buildings in the Aviation Park in order to stimulate the development of the Aviation Park; and

WHEREAS, in furtherance of such effort the Authority facilitated the financing, construction and operation of the first building in the Aviation Park and the Authority issued and the County guaranteed \$15,500,000 aggregate principal amount of the Authority's County Guaranteed Revenue Bonds, Series 2021B (Aviation Park Project) (Federally Taxable) in connection with the first building in the Aviation Park; and

WHEREAS, in furtherance of the effort to continue the development of the Aviation Park, the Authority, the County, the Atlantic County Economic Alliance and the National Aviation Research and Technology Park of New Jersey, Inc. have collectively determined to design,

develop, finance, construct, and operate the second building ("Phase II Improvements") in the National Aviation Research and Technology Park; and

WHEREAS, the costs associated with the, design, construction and financing of the Phase II Improvements are expected to be funded through (a) the issuance of bonds/notes to be issued by the Authority and guaranteed by the County, (b) a grant/loan from the United States Economic Development Administration; (c) a grant from the New Jersey Department of Community Affairs; (d) an equity loan from the New Jersey Economic Development Authority; and (e) bonds/notes to be issued by the County pursuant to a bond ordinance adopted thereby; and

WHEREAS, in accordance with the provisions of the Act, the Authority proposes, through the issuance of bonds, notes or other obligations of the Authority, in one or more series, on either a taxable or tax-exempt basis (the "Authority Obligations") to (i) finance a portion of the Phase II Improvements, (ii) fund any required reserves, (ii) finance the costs of issuing the Authority Obligations and (iv) fund capitalized interest, if necessary (collectively, the "Authority Project"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-80, the County is authorized, upon such terms and conditions as may be agreed to by the County and the Authority, to unconditionally guaranty the punctual payment of the principal of and interest on any bonds, notes or other obligations of the Authority by ordinance duly adopted or by instruments or other action authorized by such ordinance; and

WHEREAS, the County shall provide additional assistance in the financing of the Authority Project by unconditionally guaranteeing the principal of and interest on the Authority Obligations in one or more series, including renewals and refundings thereof, if any, in an aggregate principal amount not exceeding \$9,000,000 at such rates and such terms as approved by the Authority consistent with the exercise of its public responsibilities (the "Guaranty"); and

WHEREAS, pursuant to N.J.S.A. 40:37A-56, the Authority may not undertake any project for the acquisition, development or construction of a public facility or the making of agreements in connection therewith unless said project is consented to by the Board of County Commissioners or the County Executive; and

WHEREAS, this Board of County Commissioners also desires to consent to the Authority Project, the financing of the same through the Authority and the execution of agreements in connection therewith.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) **AS FOLLOWS:**

Section 1. This guaranty ordinance shall be adopted by the Board of County Commissioners of the County in the manner provided for adoption of a bond ordinance as provided in the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the "Local Bond Law").

Section 2. Pursuant to and in accordance with the terms of the Act, specifically Section 37 thereof, N.J.S.A. 40:37A-80, the County is hereby authorized to and hereby shall

unconditionally and irrevocably guaranty the punctual payment of the principal of and interest on the Authority Obligations, including renewals and refundings, if any, in an aggregate principal amount not exceeding \$9,000,000 to be issued for the purpose of financing the costs of the Authority Project as further described in the preambles hereof, such Authority Obligations to be dated, be in such form, mature, bear such rate or rates of interest and be otherwise as provided or established in the resolution or resolutions of the Authority authorizing the issuance of the Authority Obligations and consistent with the provisions of the Act. Any Authority Obligations which are no longer considered outstanding under the resolution of the Authority authorizing the issuance of the Authority Obligations shall not be considered outstanding for the purpose of this ordinance. The full faith and credit of the County are hereby pledged for the full and punctual performance of its payment obligations under this ordinance.

Section 3. Upon endorsement of the Authority Obligations referred to in Section 4 below, the County shall be unconditionally and irrevocably obligated to pay the principal of and interest on the Authority Obligations in the same manner and to the same extent as in the case of Obligations issued by the County and, accordingly, the County shall be unconditionally and irrevocably obligated to levy *ad valorem* taxes upon all taxable property within the County for the payment thereof without limitation as to rate or amount to the extent payment of the Authority Obligations is not otherwise provided.

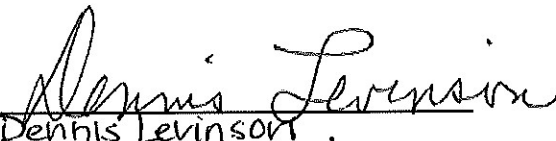
Section 4. The County Executive is hereby authorized and directed to execute on each of the Authority Obligations, by manual or facsimile signature, language evidencing such guaranty by the County of the punctual payment of the principal of and interest thereon. The Guaranty shall be in substantially the following form:

“GUARANTY OF THE COUNTY OF ATLANTIC, STATE OF NEW JERSEY

The payment of the principal of and interest on the within Obligation shall be fully, irrevocably and unconditionally guaranteed by the County of Atlantic, State of New Jersey (the “County”) in accordance with the provisions of *N.J.S.A. 40:37A-80* and the guaranty ordinance of the County finally adopted pursuant thereto, and the County is fully, irrevocably and unconditionally liable for the payment, when due, of the principal of and interest on this Obligation, and, if necessary, the County shall levy *ad valorem* taxes upon all the taxable property within the County without limitation as to rate or amount in order to make such payment.

IN WITNESS WHEREOF, the County has caused this Guaranty to be executed by the manual or facsimile signature of its County Executive, all as of the date of the within Obligation.

COUNTY OF ATLANTIC, STATE OF NEW JERSEY

By: 
Dennis Levinson,
County Executive”

Section 5. The County Executive and County Administrator are each hereby authorized to enter into, execute and deliver in the name of the County and on its behalf, a Guaranty Agreement (the “Guaranty Agreement”) setting forth such matters with respect to the guaranty

authorized by this ordinance as the County Executive or County Administrator (after consultation with counsel to the County) deems appropriate, and the Clerk of the Board of County Commissioners or the Deputy Clerk of the Board of County Commissioners are each hereby authorized to attest to the signature of the County Executive or County Administrator and to affix the seal of the County to the Guaranty Agreement.

Section 6. It is hereby found, determined and declared by the Board of County Commissioners of the County that:

(a) This guaranty ordinance may be adopted notwithstanding any statutory debt or other limitations, including particularly any limitation or requirement under or pursuant to the Local Bond Law, but the aggregate principal amount of the Authority Obligations which shall be entitled to the benefits of this guaranty ordinance, being an amount not to exceed \$9,000,000, shall after their issuance, be included in the gross debt of the County for the purpose of determining the indebtedness of the County under or pursuant to the Local Bond Law.

(b) The principal amount of Authority Obligations entitled to the benefits of this guaranty ordinance and included in the gross debt of the County shall be deducted and is hereby declared to be and to constitute a deduction from such gross debt under and for all the purposes of the Local Bond Law, (i) from and after the fiscal year beginning next after the completion of the Authority Project, and (ii) in any annual debt statement filed pursuant to the Local Bond Law as of the end of said fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the Authority in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal of and interest on all such guaranteed Authority Obligations, all obligations of the County issued as provided in Section 36 of the Act (N.J.S.A. 40:37A-79) and all obligations of the Authority issued under the Act.

Section 7. The following matters are hereby determined, declared, recited and stated:

(a) The maximum principal amount of Authority Obligations which are hereby and hereunder guaranteed as to the punctual payment of the principal thereof and interest thereon is and the maximum estimated cost of the Authority Project to be financed in accordance with the transaction contemplated hereby is \$9,000,000.

(b) The purpose described in this guaranty ordinance is not a current expense of the County and no part of the cost thereof has been or shall be assessed on property specially benefited thereby.

(c) A supplemental debt statement of the County will be duly made and filed in the office of the Clerk of the Board of County Commissioners, and a complete executed duplicate thereof shall be filed by such Clerk in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State, and such debt statement shows that while the gross debt of the County, as defined in the Local Bond Law, is increased by this guaranty ordinance by an amount not exceeding \$9,000,000 in accordance with the provisions of the Act, the net debt of the County is not increased, and the obligation of the County authorized by or incurred pursuant to the terms of this guaranty ordinance is permitted by an exception to the debt limitations of the Local Bond Law which exception is contained in the Act.

(d) All other items to be contained in a bond ordinance adopted pursuant to the Local Bond Law are hereby determined to be inapplicable to the County's guaranty of the Authority Obligations hereby.


Section 8. Pursuant to and in accordance with the terms of the Act, specifically N.J.S.A. 40:37A-56, this Board of County Commissioners and the County Executive by approval of this guaranty ordinance, does hereby consent to: (i) the Authority's undertaking of the Authority Project and the financing thereof with such Authority Obligations in an amount not to exceed \$9,000,000 and (ii) the execution of any and all agreements and/or amendments thereto in connection therewith.

Section 9. This guaranty and consent ordinance shall take effect at the time and in the manner provided by law for the adoption of a bond ordinance under the Local Bond Law.

Section 10. The Clerk of the Board of County Commissioners is hereby directed to publish, forward and post notice of this ordinance as required by law.

Section 11. Upon the adoption hereof, the Clerk of the Board of County Commissioners shall forward certified copies of this ordinance to the County Executive, County Counsel, Executive Director of the Authority, Bond Counsel to the Authority and Bond Counsel to the County.

**ADOPTED ON FIRST READING
DATED: JUNE 18, 2024**



**TARA SILIPENA,
Clerk of the Board of County Commissioners**

**ADOPTED ON SECOND READING
DATED: JULY 2, 2024**



**TARA SILIPENA,
Clerk of the Board of County Commissioners**

APPROVAL BY THE COUNTY EXECUTIVE ON THIS 3rd DAY OF July, 2024.



**DENNIS LEVINSON,
County Executive**