

RESOLUTION NO. 24 - 45

RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK RELATING TO THE CHAMP DIRECT LOAN PROGRAM

WHEREAS, pursuant to Section 5a(c) of the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State"), as amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the "Act"), the New Jersey Infrastructure Bank, a public body corporate and politic under the laws of the State, created pursuant to the Act (the "I-Bank"), is authorized to make and contract to make loans (each a "CHAMP Loan") to State entities, Local Government Units, as such term is defined in the Act, and nonprofit organizations, (each a "Borrower" or "Project Sponsor" and, collectively, "Borrowers" or "Project Sponsors") to finance the cost of "hazard mitigation and resilience projects", as such term is defined in the Act, (each a "CHAMP Project" and, collectively, "CHAMP Projects"), which CHAMP Projects such Borrowers may lawfully undertake and for which they are authorized by law to borrow funds, subject to such terms and conditions as the I-Bank shall determine to be consistent with the Act, the Safeguarding Tomorrow through Ongoing Risk Mitigation Act, Pub. L. 116-284 ("STORM Act") and the purposes of the I-Bank; and

WHEREAS, pursuant to N.J.S.A. 58:11B-22.5(a), the I-Bank is required to submit to the New Jersey State Legislature annually on or before May 15th of each year a financial plan designed to implement the financing of hazard mitigation and resilience projects on the Community Hazard Mitigation Assistance Program Project Eligibility List as approved by the Legislature (the "CHAMP Annual Financial Plan"); and

WHEREAS, pursuant to N.J.S.A. 58:11B-5a, the I-Bank may establish loan terms and conditions as it deems necessary in making a CHAMP Loan, and each such CHAMP Loan shall bear interest at a rate consistent with the provisions of the STORM Act, and contain terms consistent with the Act and with the applicable CHAMP Annual Financial Plan; and

WHEREAS, the Board of Directors of the I-Bank (the "Board"), by official action of the Board, may determine that a CHAMP Project be long-term financed, in whole or in part, and on a temporary or permanent basis, as a so-called direct loan (each a "CHAMP Direct Loan") as part of the direct loan initiative of the I-Bank (the "CHAMP Direct Loan Program"); and

WHEREAS, the I-Bank intends to provide funding to Borrowers for such CHAMP Projects through the provision of a CHAMP Direct Loan to such Borrowers, such CHAMP Direct Loans to be funded with a combination of (i) amounts appropriated by the New Jersey State Legislature to, or for use by, the I-Bank for deposit into the Community Hazard Assistance Mitigation Program Revolving Loan Fund to finance or refinance CHAMP Project loans issued from funds in the Community Hazard Assistance Mitigation Program Revolving Loan Fund, and (ii) interest earned on such funds and any fees charged to Borrowers in connection with such CHAMP Loans (together with the previous subparagraph (i) of this clause, the "Available Funds"); and

WHEREAS, once the Board, by official action of the Board, has determined that a CHAMP Project qualifies for funding through the CHAMP Direct Loan Program, such Project may be financed in whole or in part with the proceeds of a CHAMP Direct Loan from the I-Bank, and such CHAMP Direct Loan may be financed with Available Funds; and

WHEREAS, pursuant to the CHAMP Direct Loan Program, the rate of interest to be paid by the Project Sponsor to the I-Bank with respect to the repayment of the CHAMP Direct Loan shall be one percent (1%), or such other amount as may be authorized by the STORM Act (the "Interest Rate"); and

WHEREAS, it is the desire of the Board to approve, as the policy of the I-Bank with respect to the implementation and administration of the CHAMP Direct Loan Program, the terms and provisions of the CHAMP

Direct Loan Program as described in the preambles hereto, including, without limitation, the Interest Rate, (collectively, the “CHAMP Direct Loan Program Policy”); and

WHEREAS, CHAMP Bank Direct Loans issued pursuant to the CHAMP Direct Loan Program Policy may be refinanced or refunded in whole or in part with the proceeds of future bonds issued to fund or refund CHAMP Loans; and

WHEREAS, notwithstanding the approval hereby of the CHAMP Direct Loan Program Policy pursuant to the terms hereof, (i) the granting of any CHAMP Direct Loan shall be subject to separate official action of the Board and, when so presented to the Board, (ii) the Board, by the terms of such official action, may elect to deviate from the CHAMP Direct Loan Program Policy to the extent expressly identified and authorized in such official action of the Board.

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

Section 1. The recitals of this Resolution are incorporated herein by reference as if set forth at length herein.

Section 2. The Board hereby approves, as the policy of the I-Bank with respect to the implementation and administration of the CHAMP Direct Loan Program, the CHAMP Direct Loan Program Policy as described herein for application to each CHAMP Direct Loan made on and subsequent to the effective date of this Resolution.

Section 3. Notwithstanding the provisions of Section 2 of this Resolution, if a CHAMP Direct Loan meets the CHAMP Direct Loan Program criteria as set forth in the CHAMP Annual Financial Plan, (i) the granting of any CHAMP Direct Loan by the I-Bank pursuant to the CHAMP Direct Loan Program and the CHAMP Direct Loan Program Policy shall be subject to separate official action of the Board and (ii) at the time of such official action, the Board, by the terms of such official action, may elect to deviate from the CHAMP Direct Loan Program Policy to the extent expressly identified and authorized in such official action of the Board.

Section 4. The CHAMP Direct Loan Program Policy may be further revised by the Board from time to time by means of an amendment to this Resolution.

Section 5. This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date: September 12, 2024

Motion Made By: Mr. James McManus

Motion Seconded By: Mr. Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0