

BOROUGH OF PALMYRA  
ORDINANCE 2023-06

BOND ORDINANCE OF THE BOROUGH OF PALMYRA, IN THE COUNTY OF BURLINGTON, NEW JERSEY, PROVIDING FOR THE FINANCING OF A PORTION OF THE COSTS OF A REDEVELOPMENT PROJECT (ROUTE 73 SOUTH REDEVELOPMENT AREA – AFFORDABLE HOUSING PROJECT), APPROPRIATING \$1,750,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$1,750,000 NON-RECOURSE REDEVELOPMENT AREA BONDS OF THE BOROUGH FOR FINANCING SUCH APPROPRIATION.

WHEREAS, the Borough Council (the “Borough Council”) of the Borough of Palmyra, in the County of Burlington, New Jersey (the “Borough”) pursuant to the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “Redevelopment Law”) has the responsibility for implementing redevelopment plans and carrying out redevelopment projects in the Borough; and

WHEREAS, the Redevelopment Law authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Redevelopment Law confers certain contract, planning and financial powers upon a redevelopment entity, as defined in the Redevelopment Law, in order to implement redevelopment plans adopted pursuant thereto; and

Background

WHEREAS, in accordance with the criteria set forth in the Redevelopment Law and in order to stimulate redevelopment, on September 9, 2002, the Borough Council adopted Resolution #2002-92 designating Block 135.01, Lot 1; Block 138, Lots 1, 2 and 3; Block 139, Lot 1; Block 140, Lots 1, 2 and 3; Block 142.01, Lot 1; Block 143, Lot 1; Block 144, Lot 1; Block 145, Lot 1; Block 146, Lots 1 and 2; Block 154 Lots 2.01 and 4.01; Block 156, Lots 1, 1.01, 1.02, 1.03, 1.04, 1.05, 1.06, 2, 2.01, 3.01, 4.01, 5.01, 6.01 and 16; and Block 156.01, Lots 1, 1.01 and 1.02 as being in need of redevelopment and being known as the Route 73 South Redevelopment Area (the “Redevelopment Area”); and

WHEREAS, on April 28, 2003, the Borough Council adopted Ordinance #2003-7 approving and adopting the Route 73 South Redevelopment Plan for the Redevelopment Area (the “Original Redevelopment Plan”) in accordance with the Redevelopment Law; and

WHEREAS, the Borough Council amended the Original Redevelopment Plan, including by Ordinance #2005-16A adopted on November 14, 2005, Ordinance #2012-8 adopted on April 2, 2012, and Ordinance #2020-09 adopted on September 21, 2020 (the Original Redevelopment Plan, as heretofore amended, the “Redevelopment Plan”); and

**WHEREAS**, on September 15, 2008, September 17, 2008, and October 1, 2008, the Palmyra Planning Board held hearings and confirmed its prior recommendation that the Redevelopment Area satisfied the statutory criteria to be designated as an area in need of redevelopment; and

**WHEREAS**, on October 18, 2008, the Palmyra Planning Board adopted a resolution confirming its prior recommendation that the Redevelopment Area satisfied the statutory criteria to be designated as an area in need of redevelopment; and

**WHEREAS**, following the Palmyra Planning Board's October 18, 2008 resolution, the Borough Council adopted a resolution confirming the designation of the Redevelopment Area as an area in need of redevelopment; and

**WHEREAS**, the Borough Council on August 19, 2019, adopted Resolution #2019-192 designating Stock Development Group, Inc., a member of Palmyra Urban Renewal Entity LLC ("PURE"), as the conditional redeveloper of the entire Redevelopment Area; and

**WHEREAS**, the Borough Council adopted Resolution #2020-173 on September 21, 2020, authorizing execution of a redevelopment agreement with PURE as the redeveloper; and

**WHEREAS**, PURE and the Borough entered into a redevelopment agreement, dated September 21, 2020 (the "Original Redevelopment Agreement"), for the entire Redevelopment Area; and

#### Amendment and Bifurcation – Phase I

**WHEREAS**, subsequent to the execution of the Original Redevelopment Agreement, Fillit, Inc., the owner of the Fillit Property (as hereinafter defined) filed a petition in bankruptcy court; and

**WHEREAS**, on April 26, 2021, the Borough Council adopted Resolution #2021-121, authorizing the execution of an amended redevelopment agreement between the Borough and PURE and the Borough and PURE thereafter entered into an amended redevelopment agreement, dated as of April 27, 2021 (the "Amended Redevelopment Agreement"), that superseded the Original Redevelopment Agreement and rendered the Original Redevelopment Agreement of no force or effect; and

**WHEREAS**, pursuant to the Amended Redevelopment Agreement, the Redevelopment Area is to be redeveloped as a redevelopment project in three phases; and

**WHEREAS**, the portion of the Redevelopment Area consisting of Block 156, Lots 1 and 1.01 (which has been redesignated as Lot 1.08, the "NAI Warehouse Site" and also known as the first warehouse site) and Block 156, Lot 1.02 (the "Affordable Housing Parcel") and, together with the NAI Warehouse Site, the "Bifurcated Property") constitutes phase I of the redevelopment project; and

**WHEREAS**, the portion of the Redevelopment Area consisting of a portion of Block 156, Lots 2, 2.01, 3.01, 4.01, 5.01 and 6.01 (which portion has been re-designated as Block 156, Lot 2.03 as a result of a November 20,

2020 approved subdivision) (the “Fillit Property” and also known as the second warehouse site) constitutes phase II of the redevelopment project and shall be redeveloped in accordance with the Redevelopment Plan pursuant to the Amended Redevelopment Agreement; and

**WHEREAS**, pursuant to the Amended Redevelopment Agreement, the balance of the Redevelopment Area consisting of Block 135.01, Lot 1; Block 138, Lots 1, 2 and 3; Block 139, Lot 1; Block 140, Lots 1, 2 and 3; Block 142.01, Lot 1; Block 143, Lot 1; Block 144, Lot 1; Block 145, Lot 1; Block 146, Lots 1 and 2; Block 154, Lots 2.01 and 4.01; Block 156, Lots 1.03, 1.04, 1.05, 1.06 and 16; and Block 156.01, Lots 1 and 1.02 constitutes phase III of the redevelopment project which shall be redeveloped at a later date pursuant to a revised or amended redevelopment agreement; and

**WHEREAS**, in connection with the Bifurcated Property and pursuant to the Amended Redevelopment Agreement, PURE has previously obtained preliminary and final site plan approval from the Palmyra Planning Board for, among other things: (i) the construction of 702,450 total square feet of warehouse distribution space in a single building, open space and recreational amenities on the NAI Warehouse Site (collectively, including all associated infrastructure and other associated improvements, the “NAI Warehouse Project”) and (ii) the construction of 102 residential affordable units on the Affordable Housing Parcel (the portion of such construction on the Affordable Housing Parcel necessary to make the Affordable Housing Parcel Pad Ready, as defined in the hereinafter defined Bifurcated Redevelopment Agreement, and together with the NAI Warehouse Project, the “Bifurcated Project”); and

**WHEREAS**, PURE specifically requested the assignment, through and as reflected in the Bifurcated Redevelopment Agreement, of its rights and obligations in connection with the Bifurcated Property and the Bifurcated Project, as further set forth in the Bifurcated Redevelopment Agreement; and

**WHEREAS**, PURE requested that the Borough bifurcate the Amended Redevelopment Agreement, such that certain of PURE’s rights and obligations in connection with the redevelopment project shall remain governed by the Amended Redevelopment Agreement and that certain of PURE’s rights and obligations shall be governed exclusively by the Bifurcated Redevelopment Agreement; and

**WHEREAS**, in furtherance thereof, simultaneously with the execution of the Amended Redevelopment Agreement, the Borough and PURE executed a Bifurcated Redevelopment Agreement, dated as of April 27, 2021 (the “Bifurcated Redevelopment Agreement”), setting forth the terms and conditions pursuant to which the Bifurcated Property is to be acquired and redeveloped with the Bifurcated Project, in accordance with the Redevelopment Law; and

**WHEREAS**, PURE sold the NAI Warehouse Site to Sansone Urban Renewal Entity I, LLC (“SURE I”), as preauthorized by the Bifurcated Redevelopment Agreement and further executed an Assignment and Assumption Agreement transferring and assigning the Bifurcated Redevelopment Agreement to SURE I which has assumed all obligations of the Bifurcated Redevelopment Agreement and is the current redeveloper of the NAI Warehouse Project under the Bifurcated Redevelopment Agreement; and

**WHEREAS**, the Borough and SURE I entered into a First Amendment to Bifurcated Redevelopment Agreement, dated May 24, 2023, which the Borough Council authorized by Resolution #2023-144 adopted on May 10, 2023, in order to address matters set forth in the Amended FSHC Settlement Agreement (as hereinafter defined); and

**WHEREAS**, the Borough and PURE entered into a First Amendment to the Amended Redevelopment Agreement, dated May 24, 2023, which the Borough Council authorized by Resolution #2023-145 adopted on May 10, 2023, in order to address matters set forth in the Amended FSHC Settlement Agreement; and

**Amendment and Bifurcation – Phase II**

**WHEREAS**, in connection with the Fillit Property, PURE has previously obtained preliminary and final site plan approval from the Palmyra Land Use Board for, among other things, the construction of 1,025,640 total square feet of warehouse distribution space in a single building, including all associated infrastructure and other associated improvements (the “Fillit Project”); and

**WHEREAS**, subsequent to the preliminary and final site plan approval, the New Jersey Department of Environmental Protection advised PURE that there was an active bald eagle nest on the Fillit Property which triggered certain buffer requirements pursuant to applicable law requiring the redesign of the Fillit Project; and

**WHEREAS**, the redesigned warehouse distribution building was reduced from 1,025,640 square feet in size to comply with the applicable bald eagle buffer requirements such that the Fillit Project would be approximately 704,182 square feet consisting of the warehouse building totaling approximately 704,182 square feet in size and including approximately 253 trailer park stalls, 439 car stalls and associated site improvements; and

**WHEREAS**, if the bald eagle nesting activity ceases for a five (5) year period causing the expiration of the bald eagle buffer restrictions, PURE, in its sole reasonable discretion and upon consultation with the Borough, may elect to construct an additional approximately 180,000 square feet of warehouse distribution building space which would constitute a phase II of the Fillit Project, such that the combined square footage of the phase I Fillit Project plus the phase II Fillit Project would total approximately 884,182 square feet of distribution warehouse space; and

**WHEREAS**, PURE requested that the Borough bifurcate the Amended Redevelopment Agreement, such that certain of PURE’s rights and obligations in connection with the redevelopment project shall remain governed by the Amended Redevelopment Agreement and that certain of PURE’s rights and obligations shall be governed exclusively by a separate redevelopment agreement relating to the Fillit Property; and

**WHEREAS**, the Borough approved by resolution said bifurcation and the Borough and PURE executed such a separate redevelopment agreement (the “Fillit Redevelopment Agreement”) on December 6, 2021; and

**WHEREAS**, the Borough and PURE entered into a First Amendment to Fillit Redevelopment Agreement, dated May 24, 2023 (the “First Amendment to Fillit Redevelopment Agreement”), which the Borough Council authorized by Resolution #2023-146 adopted on May 10, 2023, in order to address matters, set forth in the Amended FSHC Settlement Agreement; and

WHEREAS, on May 24, 2023, the Fillit Property was sold by PURE to Sansone Urban Renewal Entity II, LLC ("SURE II"); and

WHEREAS, PURE and SURE II entered into an Assignment and Assumption of Fillit Redevelopment Agreement, dated as of May 24, 2023 (the "PURE/SURE II Assignment and Assumption Agreement") pursuant to which all of PURE's right, title and interest in and to and PURE's obligations under the Fillit Redevelopment Agreement, as amended by the First Amendment to Fillit Redevelopment Agreement, were assigned to SURE II; and

#### FSHC Settlement Agreement

WHEREAS, the Borough entered into a Settlement Agreement dated November 15, 2016 (the "Settlement Agreement"), with the Land Use Board of the Borough (the "Land Use Board"), PURE (as the designated redeveloper for the Borough's affordable housing project) and the Fair Share Housing Center ("FSHC"), an Intervenor-Defendant and interested party as designated by the Supreme Court in In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015), which Settlement Agreement was approved by the court on January 9, 2020, following a fairness hearing on May 10, 2017; and

WHEREAS, the Borough subsequent to the execution of the Settlement Agreement amended its redevelopment plan for the Redevelopment Area by replacing a plan for a mixed-use inclusionary residential and retail area with a plan for the construction of two (2) warehouses and a 100% affordable housing development (the "Affordable Housing Project"); and

WHEREAS, the Borough, the Land Use Board, PURE and FSHC entered into a First Amended Settlement Agreement, dated May 24, 2023 (the "Amended FSHC Settlement Agreement"), which supersedes the Settlement Agreement, to reflect those changes; and

WHEREAS, PURE, by and through its affiliated entity Palmyra Cove Affordable Housing, LLC, (a) has ownership control over the Affordable Housing Parcel, (b) has agreed to convey the Affordable Housing Parcel to an affordable housing developer for nominal consideration and (c) has contracted with an affordable housing developer, Conifer Realty, LLC ("Conifer"), to construct the Affordable Housing Project as contemplated in the Amended FSHC Settlement Agreement; and

WHEREAS, consistent with the terms and conditions set forth in the Amended Redevelopment Agreement, PURE shall convey the Affordable Housing Parcel to Conifer for the sum of \$1.00 for Conifer to hold and utilize consistent with a separate redevelopment agreement to be entered into between the Borough and Conifer; and

WHEREAS, the Affordable Housing Project contributes to the Borough's satisfaction of its fair share of the affordable housing requirement; and

WHEREAS, the Amended FSHC Settlement Agreement provides that PURE and the Borough shall commit a total of \$12.1 million in funding toward the Affordable Housing Project to ensure its completion, which

funding shall be made available to Conifer on a specific order of funding options (the “Traunches”), which Traunches are set forth in Section 9 of the Amended FSHC Settlement Agreement; and

**WHEREAS**, Section 9(g) of the Amended FSHC Settlement Agreement requires as Traunche 7, that the Borough issue a redevelopment area bond in order to finance \$1,500,000 of the cost of the Affordable Housing Project, but only to the extent the funds raised in Traunches 1-6 pursuant to the Amended FSHC Settlement Agreement are insufficient to complete the Affordable Housing Project; and

**RAB Law, Special Assessment and Bonds**

**WHEREAS**, pursuant to the Redevelopment Area Bond Financing Law (N.J.S.A. 40A:12A-64 *et seq.* (the “RAB Law”) and specifically N.J.S.A. 40A:12A-66(c), in addition to, or in lieu of, payments in lieu of taxes, a municipality may provide by ordinance for one or more special assessments within a redevelopment area in accordance with N.J.S.A. 40:56-1 *et seq.* (the “Local Improvements Law”), provided, however, that the local improvements for which special assessments may be made may include any improvement in the redevelopment area whether or not listed in Section 1 of the Local Improvements Law and, provided further, that the provisions of Section 35 of the Local Improvements Law shall be applied so that if any installment of a special assessment shall remain unpaid for thirty (30) days after the time at which it shall become due, the municipality may provide, by ordinance, either that: (1) the whole assessment or balance due thereon shall become and be immediately due or (2) any subsequent installments which would not yet have become due except for the default shall be considered as not in default and that the lien for the installments not yet due shall continue; and provided, further, that the ordinance may require that the assessments be payable in quarterly, semi-annual or yearly installments, with legal interest thereon, over a period of years up to but in no event exceeding the period of years for which any bonds are issued; and

**WHEREAS**, the RAB Law, specifically N.J.S.A. 40A:12A-66(c), law provides that (a) in levying a special assessment on the lands or improvements, or both, located in the redevelopment area, a municipality may provide that the amount of the special assessment shall be a specific amount, not to exceed the cost of the improvements, plus any out-of-pocket costs or expenses incurred in connection with such improvements, including, but not limited to, architectural, engineering, financing, legal and other professional fees, paid with respect to property located in the redevelopment area, (b) such specific amount shall, to the extent accepted by the owner of the property benefitted, be deemed the conferred benefit, in lieu of the amount being determined by the procedures otherwise applicable to determining the actual benefit conferred on the property and (c) any such special assessments shall constitute a municipal lien under N.J.S.A. 40:56-33.

**WHEREAS**, pursuant to the RAB Law, specifically N.J.S.A. 40A:12A-67, a municipality may issue non-recourse bonds to finance redevelopment projects pursuant to a redevelopment plan within an area in need of redevelopment, which bonds may be secured by a special assessment on certain property within an area in need of redevelopment; and

**WHEREAS**, to the extent that bonds are required to finance a portion of the Affordable Housing Project pursuant to Section 9(g) of the Amended FSHC Settlement Agreement, the Borough intends to issue non-recourse redevelopment area bonds secured solely by a special assessment on property in the Redevelopment Area; and

**WHEREAS**, in order to secure such redevelopment area bonds, the Borough will authorize, pursuant to a special assessment ordinance, a special assessment in the amount of \$5,550,000 (the "Special Assessment") on the Fillit Property and, in particular, the portion of the Fillit Property that has been re-designated as Block 156, Lot 2.03 (such portion being a portion of the Fillet Property formerly identified as Block 156, Lots 2, 2.01, 3.01, 4.01, 5.01 and 6.01); and

**WHEREAS**, as required by the RAB Law, specifically N.J.S.A. 40A:12A-66(c), SURE II as owner of the Fillit Property will consent to and accept the Special Assessment by executing a Special Assessment Agreement (the "Special Assessment Agreement") with the Borough; and

**WHEREAS**, pursuant to the PURE/SURE II Assignment and Assumption Agreement, SURE II acknowledged and consented to the Special Assessment against the Fillit Property and agreed to the terms and provisions set forth in a draft of the Special Assessment Agreement which draft is attached as Exhibit C to the First Amendment to Fillit Redevelopment Agreement; and

**WHEREAS**, the Borough and SURE II entered into an Agreement, dated May 17, 2023 (the "Borough/SURE II Agreement"), pursuant to which SURE II, among other things, (a) acknowledged and agreed to accept the Special Assessment, (b) agreed and consented to the terms and provisions set forth in a draft of the Special Assessment Agreement which draft is attached as Exhibit A to the Borough/SURE II Agreement and (c) acknowledged and agreed to certain financial and other terms and matters relating to the Special Assessment and the below-described non-recourse bonds of the Borough to be secured solely by the Special Assessment; and

**WHEREAS**, in accordance with Section 9(g) of the Amended FSHC Settlement Agreement and in furtherance of the purposes of the Redevelopment Law and the RAB Law, the Borough is desirous of (a) issuing non-recourse redevelopment area bonds in an aggregate principal amount not to exceed \$1,750,000 (the "Bonds") in order to finance (i) a portion of the cost of the Affordable Housing Project if needed pursuant to Section 9(g) of the Amended FSHC Settlement Agreement and (ii) costs related to the authorization and issuance of the Bonds and capitalized interest thereon, (b) securing the Bonds with the Special Assessment and (c) selling the Bonds at a private sale as there is no readily available market for the purchase of the Bonds; and

**WHEREAS**, pursuant to the provisions of the Redevelopment Law and the RAB Law, including, without limitation, N.J.S.A. 40A:12A-29(a)(3) and N.J.S.A. 40A:12A-67(g), and all other applicable law, the Bonds and the private sale thereof are subject to the review and approval of the Local Finance Board (the "Local Finance Board") in the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey (the "State"), which review and approval shall be made prior to final approval of this bond ordinance; and

**WHEREAS**, the Borough Council authorized by Resolution #2023-143 adopted on May 10, 2023, an application to be submitted to the Local Finance Board for the Local Finance Board's approval of the issuance of the Bonds and the private sale thereof; and

**WHEREAS**, the Local Finance Board at a meeting held prior to the final adoption of this bond ordinance approved the issuance of the Bonds and the private sale thereof; and



WHEREAS, the Borough is desirous of authorizing the issuance and sale of the Bonds, determining various details with respect to the Bonds and authorizing various actions to be taken in connection therewith;

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF PALMYRA, IN THE COUNTY OF BURLINGTON, NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), AS FOLLOWS:

**Section 1.** Purpose and Appropriation. The purpose for which the Bonds are to be issued, if needed, is the financing of a portion of the cost of the Affordable Housing Project, a “redevelopment project” as defined in the Redevelopment Law, pursuant to the Redevelopment Law, the RAB Law and all other applicable law. Such purpose is hereby authorized as a general improvement or purpose that the Borough is authorized to finance pursuant to the Redevelopment Law, the RAB Law and all other applicable law. For such purpose (which purpose includes certain costs associated with the authorization and issuance of the Bonds and capitalized interest) there is hereby appropriated the sum of \$1,750,000. Pursuant to the provisions of the Redevelopment Law and the RAB Law, including, without limitation, N.J.S.A. 40A:12A-37(c) and all other applicable law, no down payment is required in connection with the adoption of this bond ordinance.

**Section 2.** Authorization and Title of the Bonds. In order to finance a portion of the cost of the Affordable Housing Project as described in Section 1 of this bond ordinance, bonds of the Borough are hereby authorized to be issued from time to time pursuant to the Redevelopment Law, the RAB Law and all other applicable law in an aggregate principal amount not to exceed \$1,750,000 (the “Bonds”). The Bonds shall be entitled: “Non-Recourse Redevelopment Area Bond (Route 73 South Redevelopment Area – Affordable Housing Project)” and shall have such other words incorporated in such title, or shall have such words deleted from such title, as may be determined by the chief financial officer, the acting chief financial officer or the treasurer of the Borough (the “Chief Financial Officer”). The proceeds of sale of the Bonds may be distributed by the Borough (a) in an amount not to exceed \$1,500,000, to the Affordable Housing Project developer for application to a portion of the cost of the Affordable Housing Project and (b) in an amount not to exceed \$250,000, to pay costs related to the authorization and issuance of the Bonds and capitalized interest thereon.

**Section 3.** Project Cost and Maximum Amount of the Bonds. The total estimated cost of the Affordable Housing Project exceeds the maximum amount of the Bonds to be issued by the Borough therefor and the amount of the excess thereof will be otherwise available to the Affordable Housing Project developer. The maximum amount of bonds to be issued by the Borough for the Affordable Housing Project is \$1,750,000.

**Section 4.** Gross Debt Exclusion. Pursuant to the Redevelopment Law, the RAB Law, including, without limitation, N.J.S.A. 40A:12A-67(d) and all other applicable law, the Bonds shall be issued as non-recourse obligations and shall not be considered gross debt of the Borough on any debt statement filed in accordance with the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented, and, therefore, no supplemental debt statement is to be filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State in connection with this bond ordinance.

**Section 5.** Details, Form and Execution of Bonds. The Bonds shall be issued in the form of



one certificate or several certificates, shall be dated such date, shall bear interest at such rate or rates payable on such dates, shall mature on such dates and in such years, shall be subject to redemption upon such times and at such prices, shall be payable at such places, shall be subject to transfer on such terms, shall have such other details and shall be subject to such other terms and provisions all as shall be determined and approved by certificate of the Chief Financial Officer; provided, however, that (a) the Bonds shall mature no later than forty (40) years from the date of issuance thereof and (b) the maximum rate of interest on the Bonds shall be no greater than the interest rate allowed pursuant to the terms of the Special Assessment Agreement. The Bonds shall be in substantially the form as other bonds previously issued by the Borough with such changes, insertions and omissions as may be necessary to conform to the provisions of this bond ordinance and the Special Assessment Agreement and as may be approved by the Chief Financial Officer after consultation with bond counsel to the Borough, such approval to be evidenced by the signature of the Chief Financial Officer on the Bonds. The Bonds shall be executed in the name of the Borough by the manual or facsimile signatures of the Mayor of the Borough (the "Mayor") and the Chief Financial Officer, under the seal of the Borough affixed, imprinted or otherwise reproduced thereon and attested by the manual signature of the Borough Clerk or Acting Borough Clerk (the "Borough Clerk").

**Section 6.** Bonds Constitute Special, Limited Obligations. The Bonds shall be special, limited obligations of the Borough, payable solely out of and secured solely by the Special Assessment. In furtherance thereof and pursuant to the RAB Law, the Borough (a) will adopt a special assessment ordinance authorizing the Special Assessment and the Special Assessment Agreement relating thereto and (b) pledge the Special Assessment to secure the payment of the principal of and interest on the Bonds. Neither the members of the Borough Council nor any person executing the Bonds issued pursuant to this bond ordinance shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be in any way a debt or liability of the Borough other than to the limited extent set forth herein. **Neither the full faith and credit nor the taxing power of the Borough is pledged to the payment of the principal of and interest on the Bonds.**

**Section 7.** Sale of the Bonds. The Chief Financial Officer is hereby authorized and directed to negotiate the sale of the Bonds from time to time to any willing purchaser, including without limitation PURE or an affiliate thereof, subject to the limitations set forth in this bond ordinance.

**Section 8.** Transfer of the Bonds. The Bonds shall have such transfer restrictions as may be approved by the Chief Financial Officer after consultation with bond counsel to the Borough. Simultaneously with the issuance and delivery of the Bonds, the purchaser of the Bonds shall deliver a letter addressed to the Borough acknowledging and agreeing to such transfer restrictions.

**Section 9.** Limitation of Liability of the Borough. The Borough shall not incur any responsibility with respect to the Bonds other than as may be explicitly set forth herein, in the Bonds or in the Special Assessment Agreement. No provision of this bond ordinance, the Bonds or any agreement, document, instrument or certificate executed, delivered or approved in connection with the issuance, sale, delivery or administration of the Bonds shall require the Borough to expend or risk its own general funds, the obligations and liabilities of the Borough with respect to the Bonds being payable solely from the Special Assessment. In the event of any default with respect to the Bonds, the liability of the Borough to any person who shall be the registered owner of the Bonds (the "Bondholder")

shall be enforceable only against the Special Assessment that may be made available for such purposes under the RAB Law and the Special Assessment Agreement, and there shall be no other recourse for damages by the Bondholder against the Borough, its officers, members, agents and employees, or any of the property now or hereafter owned by it or them. The Borough, in its absolute discretion, may take such action as the Bondholder shall reasonably request in order that the Bondholder may realize the benefits of the right to receive the Special Assessment; such action may include, but shall not be limited to, conducting an in rem tax foreclosure action in accordance with the provisions of N.J.S.A. 54:5-1 et seq.

**Section 10.** Authorized Officials and Further Action. The Mayor, Administrator of the Borough, Chief Financial Officer and Borough Clerk (each, an “Authorized Officer”) are hereby authorized and directed to do all matters necessary, useful, convenient or desirable to accomplish the sale, issuance and delivery of the Bonds, including, without limitation the negotiation, execution and delivery of a special assessment agreement, a master trust indenture, a first supplemental indenture, a pledge agreement, a revenue collection and disbursement agreement and any other agreements, instruments, documents or closing paperwork as such Authorized Officer, in consultation with counsel, shall deem necessary, useful, convenient or desirable to effectuate the purposes and transactions contemplated herein, all within the parameters set forth in this bond ordinance and the application submitted to the Local Finance Board.

**Section 11.** Construction. If any one or more of the provisions of this bond ordinance or the Bonds shall for any reason be held illegal or invalid, such illegality or invalidity shall not affect any other provision of this bond ordinance or the Bonds, then this bond ordinance and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained herein or therein.

**Section 12.** Capitalized Terms. All capitalized words and terms used but not defined in this bond ordinance shall have the meanings ascribed to such words and terms, respectively, in the preambles to this bond ordinance.

**Section 13.** Effective Date. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption.

Approved for introduction at the regular meeting of the Borough of Palmyra Mayor and Council on **June 20<sup>th</sup>, 2023** Public Notice of the second reading and public hearing was published in the Burlington County Times on **June 25, 2023**. Public Notice and second reading will be held **July 17<sup>th</sup>, 2023**.

RECORDED VOTE	MOTION	SECOND	INFAVOR	AGAINST	ABSTAIN	ABSENT
DR. CLOUD						X
MS. LATIMORE						X

MR. LIEBE		X	X			
MRS. MCCANN			X			
MS. O'CONNOR			X			
PRESIDENT HOWARD	X		X			
MAYOR GINA RAGOMO TAIT						

Approved for final adoption at the regular meeting of the Borough of Palmyra Mayor and Council on July 17, 2023 after a public hearing was held. Public Notice was given for the public hearing by being published in the Burlington County Times on June 25, 2023

RECORDED VOTE	MOTION	SECOND	INFAVOR	AGAINST	ABSTAIN	ABSENT
DR. CLOUD			X			
MS. LATIMORE		X	X			
MR. LIEBE			X			
MRS. MCCANN			X			
MS. O'CONNOR			X			
PRESIDENT HOWARD	X		X			
MAYOR GINA RAGOMO TAIT						

DATE OF FINAL PUBLICATION: July 21<sup>st</sup>, 2023

ATTEST:

  
 Doretha Jackson  
 Municipal Clerk

SIGNED:

  
 Gina Ragomo Tait  
 Mayor