



Resolution No. 58-2022
Adoption Date Oct. 12, 2022

Sufficiency of Funds Bibi Taylor
Form and Legality David Minchella

Resolution Consenting to Subordinated Mortgages of the NJ Housing Mortgage and Finance Agency for County Guranteed Revenue Refunding Bonds, Series 2018 (Oakwood Plaza – Elizabeth Project) (Federally Taxable)

WHEREAS, the **UNION COUNTY IMPROVEMENT AUTHORITY** (the “Authority”), is a public body corporate and politic, constituting an instrumentality of the State of New Jersey (the “State”) created by an ordinance of the Board of County Commissioners of the County of Union, New Jersey (the “County”) pursuant to the Improvement Authorities Law of the State of New Jersey (the “State”), constituting Chapter 183 of the Pamphlet Laws of the State of 1960, as amended and supplemented (N.J.S.A. 40:37A-44 et seq.) (the “Act”); and

WHEREAS, the Authority issued its County Guaranteed Revenue Refunding Bonds, Series 2018 (Oakwood Plaza – Elizabeth Project) (Federally Taxable) (the “Series 2018 Bonds”) to (i) advance refund and defease all of the Authority’s \$18,695,000 County Guaranteed Revenue Refunding Bonds, Series 2010 (Oakwood Plaza – Elizabeth Project) (Federally Taxable) (the “Series 2010 Bonds”), which Series 2010 Bonds were issued to make a loan to CIS Oakwood, LLC (the “Borrower”) in order to finance the acquisition of property situated in the City of Elizabeth (the “City”) and known as “Oakwood Plaza Apartments” (the “Property”), and (ii) costs of issuance of the Series 2018 Bonds; and

WHEREAS, the Series 2010 Bonds were and the Series 2018 Bonds are secured by a guaranty by the County (the “County Guaranty”); and

WHEREAS, in order to induce the County to provide the County Guaranty, the City entered into a City Deficiency Agreement with the Authority and the County (the “City Deficiency Agreement”) pursuant to which the City agreed to make payment to the County of a portion of the

Commissioner	Motion	Second	Yes/Aye	No-Nay	Abstain	Absent
David Barnett	X		X			
Jonathan Boguchwal			X			
Steve Hockaday		X	X			
Terri Riley Hudak			X			
Andrea Mojica			X			
Ahmed Shehata						X
Scott Huff, Vice Chairman			X			
Christopher Kolibas, Chairman			X			



Resolution No. 58-2022
Adoption Date Oct. 12, 2022

Sufficiency of Funds Bibi Taylor
Form and Legality David Minchella

principal of and interest on the 2018 Bonds that may be paid by the County under the County Guaranty; and

WHEREAS, in order to induce the County and the City to provide the County Guaranty and to enter in the City Deficiency Agreement, the Borrower granted a mortgage on the Property (the “Original Mortgage”) to the Authority for the benefit of the County and the City; and

WHEREAS, after acquisition of the Property, Community Investment Strategies, Inc. (the “Managing Member”) undertook the redevelopment of the Property, which created four (4) separate low income housing tax credit projects (the “Tax Credit Projects”) owned by separate ownership entities (the “Owners”) which Owners entered into separate ground lease agreements with the Borrower, and the Owners collectively make ground lease payments to the Borrower which are sized to cover, among other things, debt service payments on the Series 2018 Bonds; and

WHEREAS, at the time of the development of each Owner’s Tax Credit Project, the Borrower amended the Original Mortgage to create separate mortgages for each such project (collectively the “Project Mortgages”); and

WHEREAS, On September 1, 2021 and September 2, 2021, flooding resulting from Hurricane Ida caused significant damage to each of the Tax Credit Projects, and as a result, the tenants in each Tax Credit Project were forced to relocate to other residences causing a loss in the rents from the tenants; consequently, there were insufficient funds generated from each of the ground leases between the Owners and the Borrower in order for the Borrower to pay the required debt service on the Series 2018 Bonds which resulted in the County making payments under the County Guaranty and anticipated future payments under the County Guaranty; and

WHEREAS, as a consequence of the foregoing, the Managing Member, on behalf of each Owner, sought financing from the New Jersey Housing Mortgage and Finance Agency (the “Agency”) in order to rehabilitate each of the Tax Credit Projects and to satisfy certain outstanding debts including those to the County and the City which expended funds in connection with the draws on the County Guaranty; and

WHEREAS, the Agency is desirous of providing funding for such purposes through loans to each Owner under the Agency’s Capital Improvement Assistance Program (the “Agency Loans”) which Agency Loans will be secured by leaseholds mortgages subordinate to existing mortgages on the Tax Credit Projects, including the Project Mortgages, and in accordance with the Project



Resolution No. 58-2022
Adoption Date Oct. 12, 2022

Sufficiency of Funds Bibi Taylor
Form and Legality David Minchelle

Mortgages, the consent of the Authority is required pursuant to Section 3.1 of each of the Project Mortgages if an additional encumbrance is added;

WHEREAS, the Authority desires to provide its consent in order for the Agency to issues its Agency Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE UNION COUNTY IMPROVEMENT AUTHORITY, AS FOLLOWS:

Section 1. The Chairman, Vice-Chairman and Project Manager are hereby authorized and directed to provide its consent pursuant to Section 3.1 of the Project Mortgages and approve the mortgages granted to secure the Agency Loans as “Permitted Encumbrances” under the Project Mortgages and to execute and deliver such other documents and to take such other action as may be necessary or appropriate in order to effectuate the ability of the Agency to make the Agency Loans.

Section 2. This resolution shall take effect immediately.