

STATE OF NEW JERSEY
DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF LOCAL GOVERNMENT SERVICES
BUREAU OF AUTHORITY REGULATION
TRENTON, N.J.

CERTIFICATION OF AMENDED 2016 BUDGET –Capital Budget

Atlantic County Improvement Authority

It is hereby certified that the (amendment attached Capital Budget Amendment Resolution Adopted 12/28/2016) hereto complies with the requirements of law, and approval is given pursuant to N.J.A.C. 5:31-2.8.

Department of Community Affairs
Division of Local Government Services
Paul D. Ewert, Supervising Municipal Finance Auditor

By Paul D. Ewert
For: Timothy J. Cunningham, Director

Date: January 6, 2017

Attachments

2016 Budget Amendment Resolution
Atlantic County Improvement Authority

WHEREAS, the Atlantic County Improvement Authority budget for the year 2016 was approved and adopted by the Commissioners of the Atlantic County Improvement Authority; and

WHEREAS, the Atlantic County Improvement Authority finds it necessary to adopt a Capital Budget for certain projects that were not previously anticipated; and

WHEREAS, the Authority intends to utilize debt issuance as funding thereof; and

WHEREAS, although the capital projects were not originally budgeted for, the requested appropriation was reviewed by the Commissioners; and

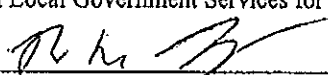
WHEREAS, it is necessary to amend the 2016 Capital Budget.

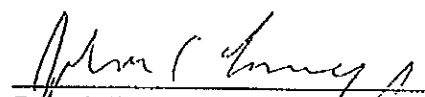
NOW, THEREFORE BE IT RESOLVED, by the governing body of the Atlantic County Improvement Authority, at an open public meeting held on December 28, 2016 that the following budget amendment to the approved 2016 Capital Budget be made;

<u>Line Item</u>	<u>As Adopted</u>	<u>Change</u>	<u>As Amended</u>
Capital appropriations:			
Stockton Aviation Research & Technology Park Building	\$ -0-	\$ 2,000,000 \	\$ 2,000,000
Total capital appropriations	\$ -0-	\$ 2,000,000 \	\$ 2,000,000 \
Funding sources utilized:			
Debt authorization	\$ -0-	\$ 2,000,000 \	\$ 2,000,000 \
Total funding sources	\$ -0-	\$ 2,000,000 \	\$ 2,000,000 \

WHEREAS, the Capital Budget/Program, pursuant to N.J.A.C. 5:31-2, does not confer any authorization to raise or expend funds; rather it is a document to be used as part of the said Authority's planning and management objectives. Specific authorization to expend funds for the purposes described in this section of the budget, must be granted elsewhere; by bond resolution, by a project financing agreement, by resolution appropriating funds from the Renewal and Replacement Reserve or other means provided by law.

BE IT FURTHER RESOLVED, that two certified copies of this resolution shall be filed forthwith with the Director of the Division of Local Government Services for approval.


 Roy M. Foster, Chairperson


 John C. Lamey, Jr., Assistant Secretary

ADOPTED: December 28th, 2016

ATLANTIC COUNTY IMPROVEMENT AUTHORITY

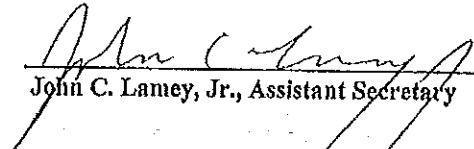
RECORDED VOTE

<u>MEMBER</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Roy M. Foster, Chairperson	✓			
Robert J. Tarby, Sr., Vice Chair	✓			
Neil McPeak, Treasurer	✓			
Edwin G. Blake, Secretary				✓
Rev. Milton L. Hendricks, Asst. Secretary				✓
John R. Armstrong, Commissioner	✓			

Robert P. Gross, Commissioner	✓			
Donald A. Guardian, Commissioner	✓			
Joseph F. Ingemi, Jr., Commissioner			✓	

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I, John C. Lamey, Jr., Assistant Secretary of the Atlantic County Improvement Authority, State of New Jersey, do hereby certify that the foregoing is a correct and true copy of a resolution adopted by the Board at a meeting duly held on the 28th day of December 2016.


 John C. Lamey, Jr., Assistant Secretary

2016
Atlantic County
Improvement Authority

**AUTHORITY
CAPITAL
BUDGET/
PROGRAM**

2016 CERTIFICATION OF AUTHORITY CAPITAL BUDGET/PROGRAM

Atlantic County Improvement Authority

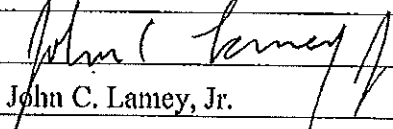
FISCAL YEAR: FROM: January 1, 2016 TO: December 31, 2016

It is hereby certified that the Authority Capital Budget/Program annexed hereto is a true copy of the Capital Budget/Program approved, pursuant to N.J.A.C. 5:31-2.2, along with the Annual Budget, by the governing body of the Atlantic County Improvement Authority, on the 28th day of December, 2016.

OR

It is hereby certified that the governing body of the Atlantic County Improvement Authority have elected **NOT** to adopt a Capital Budget /Program for the aforesaid fiscal year, pursuant to N.J.A.C. 5:31-2.2 for the following reason(s):

The Atlantic County Improvement Authority does not own or operate any facilities and serves primarily as a conduit for other entities; therefore, we do not have a Capital Program in place at this time.

Officer's Signature:			
Name:	John C. Lamey, Jr.		
Title:	Executive Director		
Address:	1333 Atlantic Avenue, Suite 700 Atlantic City, NJ 08401		
Phone Number:	609-343-2390	Fax Number:	609-343-2188
E-mail address	lamey_john@aclink.org		

2016 CAPITAL BUDGET/PROGRAM MESSAGE

Atlantic County Improvement Authority

FISCAL YEAR: FROM: January 1, 2016 TO: December 31, 2016

1. Has each municipality or county affected by the actions of the authority participated in the development of the capital plan and reviewed or approved the plans or projects included within the Capital Budget/Program?

The County and the Atlantic County Improvement Authority ("ACIA") have determined to work together to design, develop, finance, construct and operate the first building in the Aviation Park in order to stimulate the development of the Aviation Park. In furtherance of such effort the ACIA intends to sublease from SARTP, for \$1.00, a portion of the Aviation Park to facilitate the financing, construction and operation of the first building and supporting improvements within the Aviation Park, which will include approximately 66,000 square feet of office, research and retail space ("Initial Improvements"). Thereafter, the ACIA will further sublease space within the Initial Improvements to primarily aviation industry-related tenants. Toward that end, the ACIA and SARTP have already engaged in productive discussions with a number of prospective tenants. The costs associated with the, design, construction and financing of the Initial Improvements will be funded through (a) the ACIA Bonds and (b) the County Bonds.

On March 9th, 2016, ACIA received positive findings from the Local Finance pursuant to N.J.S.A. 40A:5A-6 and 40:37A-80, in connection with the issuance of Lease Revenue Bonds or Project Notes in an amount not to exceed \$15,500,000 (the "ACIA Bonds"), the proceeds of which will be used to fund a portion of the costs associated with the Initial Improvements consisting of the first building at the Stockton Aviation Research and Technology Park. (as defined below), as follows:

- (i) Adoption by the ACIA of a general bond and a Supplemental Bond Resolution ("ACIA Bond Resolution"); and
- (ii) Adoption by the County of an ordinance guaranteeing the payment by the County of debt service due on the ACIA Bonds (the "County Guaranty Ordinance").

For its part, on that same date, the County was approved, pursuant to N.J.S.A. 40A:2-11(c) and 40A:2-7(d), to waive down payment in connection with the adoption of a bond ordinance, which authorized the issuance of bonds in an amount not to exceed \$7,500,000 to fund a portion of the costs associated with the Aviation Park (the "County Bonds").

2. Has each capital project/project financing been developed from a specific capital improvement plan or report; does it include full lifecycle costs; and is it consistent with appropriate elements of Master Plans or other plans in the jurisdiction(s) served by the authority?

The Atlantic County Economic Development Strategy and Action Plan dated September 24, 2015 (the "Strategic Plan") identified certain industries that should be targeted in order to encourage economic development throughout the County. 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 in Egg Harbor Township ("Aviation Park"), because it "offers the strongest leverage in its economic development portfolio. . . ." The Strategic Plan further concludes that "[b]ringing the first stage of the [Aviation Park] to reality with its advantage of linkage to FAA data and other resources could attract more innovative businesses to the area and help to foster entrepreneurial growth . . ."; another targeted industry.

3. Has a long-term (10-20 years) infrastructure needs assessment or other capital plan with a horizon beyond six years been prepared?

N/A

4. Describe the projected impact of the proposed capital projects, including impact on the schedule of rates, fees, and service charges and the impact on current and future year's schedules.

The impact of the project is Economic Development related to the new jobs and ratables that will be created as a result of economic diversification resulting from the establishment of a new and expanded industry sector. ACIA does not have any Rates, Fees or Service Charges. Therefore there is no related impact.

5. Please indicate which capital projects/project financings are being undertaken in the Metropolitan or Suburban Planning Areas as defined in the State Development and Redevelopment Plan.

No.

6. Please indicate which capital projects/project financings are being undertaken within the boundary of a State Planning Commission-designated Center and/or Endorsed Plan and if the project was included in the Plan Implementation Agenda for that Center/Endorsed Plan.

No.

Proposed Capital Budget

Atlantic County Improvement Authority
 For the Period January 1, 2016 to December 31, 2016

	Estimated Total Cost	Funding Sources			
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants Other Sources
<i>Improvement</i>					
Stockton Aviation Research & Technology Park Building	\$ 2,000,000			2,000,000	
Total	2,000,000	-	-	2,000,000	-
N/A					
Total		-	-	-	-
N/A					
Total		-	-	-	-
N/A					
Total		-	-	-	-
N/A					
Total		-	-	-	-
N/A					
Total		-	-	-	-
TOTAL PROPOSED CAPITAL BUDGET	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000	\$ -

Enter brief description of up to four projects for each operation above. For operations with more than four budgeted projects, please attach additional schedules. Input total amount of all projects for the operation on single line and enter "See Attached Schedule" instead of project description.

5 Year Capital Improvement Plan

Atlantic County Improvement Authority
 For the Period January 1, 2016 to December 31, 2016

Fiscal Year Beginning In

	Estimated Total Cost	Current Budget Year 2016	2017	2018	2019	2020	2021
<i>Improvement</i>							
Stockton Aviation Research & Technology Park Building	\$ 23,000,000	\$ 2,000,000	19,000,000	2,000,000			
Total	23,000,000	2,000,000	19,000,000	2,000,000	-	-	-
<i>N/A</i>							
Total	-	-	-	-	-	-	-
<i>N/A</i>							
Total	-	-	-	-	-	-	-
<i>N/A</i>							
Total	-	-	-	-	-	-	-
<i>N/A</i>							
Total	-	-	-	-	-	-	-
<i>N/A</i>							
Total	-	-	-	-	-	-	-
TOTAL	\$ 23,000,000	\$ 2,000,000	\$ 19,000,000	\$ 2,000,000	\$ -	\$ -	\$ -

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.

5 Year Capital Improvement Plan Funding Sources

Atlantic County Improvement Authority

For the Period January 1, 2016 to December 31, 2016

	Estimated Total Cost	Funding Sources			
		Unrestricted Net Position Utilized	Renewal & Replacement Reserve	Debt Authorization	Capital Grants Other Sources
<i>Improvement</i>					
Stockton Aviation Research & Technology Park Building	\$ 23,000,000			15,500,000	7,500,000
Total	23,000,000	-	-	15,500,000	7,500,000
<i>N/A</i>					
Total		-	-	-	-
<i>N/A</i>					
Total		-	-	-	-
<i>N/A</i>					
Total		-	-	-	-
<i>N/A</i>					
Total		-	-	-	-
<i>N/A</i>					
Total		-	-	-	-
TOTAL	\$ 23,000,000	\$ -	\$ -	\$ 15,500,000	\$ 7,500,000
Total 5 Year Plan per CB-4	<u>\$ 23,000,000</u>				

- If amount is other than zero, verify that projects listed above match projects listed on CB-4.

Project descriptions entered on Page CB-3 will carry forward to Pages CB-4 and CB-5. No need to re-enter project descriptions above.