

May 19, 2020, Princeton, New Jersey – NJEFA held a special board meeting on April 14, 2020. Due to the continuing COVID-19 crisis, this meeting was held remotely as provided for in P.L. 2020, Chapter 11. Board members, staff, transaction professionals, and members of the public attended the meeting through dial-in conferencing and/or remotely through Zoom.

NJEFA Board members authorized the issuance of Seton Hall University Issue, 2020 Series C (Tax-Exempt) and 2020 Series D (Federally Taxable) Bonds (the “Bonds”) in an aggregate principal amount not to exceed \$140,000,000. The university intends to use proceeds of the Bonds to finance various capital projects, including the demolition of certain buildings; the construction and equipping of a multi-story student housing facility (which may include commercial space); the renovation, construction and equipping of athletic facilities located in and around the Richie Regan Recreation and Athletic Center; the renovation and equipping of the University Center; the renovation and equipping of the Boland Hall dormitory; and various campus landscaping and hardscaping improvements. NJEFA’s Board also authorized the refunding of all or a portion of the Authority’s outstanding Seton Hall University Issue, 2011 Series A Bonds and Seton Hall University Issue, 2013 Series D Bonds.

Remarking on the transaction and the continuing state of emergency, NJEFA Board Member Louis Rodriguez said following the meeting, “I am happy to see, despite economic uncertainty and the current state of flux for higher education nationally, some schools, like Seton Hall University, are moving forward with transactions. Seton Hall is taking advantage of low interest rates where possible and continuing to make important investments in campus upgrades and infrastructure.”

The board also approved revision of the Authority’s fee structure for all new bond financings that will close on or after July 1, 2020. The NJEFA last revised its fee policy at the November 27, 2018 Board meeting. Details of the new fee policy can be found [here](#).

Lastly, the Authority’s Investment Advisor, PFM Asset Management LLC and Financial Advisor, PFM Financial Advisors LLC, provided a market update that addressed the impacts of COVID-19 on the municipal financial markets. Samantha Myers, senior managing consultant at PFM Asset Management LLC, stated that “although the U.S. economy entered the year on strong footing, economic conditions deteriorated quickly as the COVID-19 pandemic sent shock waves through the global economy.” According to Ms. Myers, investors have responded by moving funds into safe-haven assets, such as U.S. Treasuries. The Federal Reserve has responded to economic conditions by cutting interest rates and releasing multiple market- supporting programs. Commenting on market activity overall, Trina Smith, senior managing consultant, PFM Financial Advisors LLC, stated that, “the volatility from COVID-19 has also caused a virtual municipal market freeze; there have been a handful of issuances each week but in very small numbers, especially higher education transactions.”

Ms. Smith also reported that with higher education institutions facing increased financial challenges, the federal government has allocated nearly \$14 billion of relief from the CARES Act (Coronavirus Aid, Relief, and Economic Security Act) for colleges and universities across the country (as of April 14, 2020). New Jersey higher education institutions are expected to receive \$325 million collectively. Institutions must use at least 50% of their allocations for direct emergency student aid to help cover costs associated with the disruption of campus operations due to COVID-19, including course materials, food, health care, technology and housing needs.

The next meeting of the NJEFA Board is scheduled for May 26, 2020 and is also expected to be held remotely.

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