

CITY COUNCIL

The City of Orange Township, New Jersey

DATE _____

NUMBER 51-2018 (W O)

TITLE:

BOND ORDINANCE PROVIDING FOR THE ACQUISITION AND RENOVATION OF 425 MAIN STREET, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY"); APPROPRIATING \$3,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,857,000 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF

BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), **AS FOLLOWS:**

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the City of Orange Township, in the County of Essex, State of New Jersey (the "City"). For the said improvements or purposes stated in Section 3 hereof, there is hereby appropriated the sum of \$3,000,000, said sum being inclusive of a down payment in the amount of \$143,000 now available for said improvements or purposes as required by the Local Bond Law, N.J.S.A. §40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), by virtue of a provision or provisions in a previously adopted budget or budgets of the City for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$3,000,000 appropriation not provided for by application hereunder of said down payment, negotiable bonds of the City are hereby authorized to be issued in the aggregate principal amount of \$2,857,000 pursuant to and within the limitations prescribed by said Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of

the City in an aggregate principal amount not exceeding \$2,857,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by said Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and the purposes for the financing of which said bonds or notes are to be issued are for the acquisition and renovation of 425 Main Street commonly known as Block 2201, Lot 25 in the City, including, but not limited to, interior and exterior renovations of the existing building consisting of, among other things, the removal of the drive-thru window, vault and overhead garage doors and the relocation of the parking lot. Said purchase and renovations shall also include, but are not limited to, as applicable, heating, ventilating and air-conditioning improvements, all engineering and design work, surveying, construction planning, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, legal expenses and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto

(b) The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$2,857,000.

(c) The estimated cost of said purpose is \$3,000,000, the excess amount thereof over the said estimated maximum amount of bonds or notes to be issued therefor, being the amount of \$143,000, is the amount of down payment available for said improvements or purposes.

SECTION 4. In the event the United States of America, the State of New Jersey, and/or the County of Essex make a contribution or grant in aid to the City for the improvements and purposes authorized hereby and the same shall be received by the City prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States

of America, the State of New Jersey, and/or the County of Essex. In the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, and/or the County of Essex shall be received by the City after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the City, provided that no note shall mature later than one (1) year from its date. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer of the City shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at a public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, the price obtained, the name of the purchaser, and the maturity schedule of the notes so sold.

SECTION 6. The City hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the City is hereby amended to conform with the provisions of this bond ordinance to the extent of any

inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements which the City may lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements and purposes are within the limitations of said Local Bond Law and, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 34.39 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the City and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, within the New Jersey Department of Community Affairs, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by \$2,857,000 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An amount not exceeding \$210,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost indicated herein for the purposes or improvements described in Section 3 hereof.

SECTION 8. The chief financial officer of the City is hereby authorized to prepare and to update from time to time

as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the City and to execute such disclosure document on behalf of the City. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the City pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the City and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the City fails to comply with its undertaking, the City shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 9. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the bonds or notes authorized by this bond ordinance. The bonds or notes shall be direct, unlimited obligations of the City, and the City shall be obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment of the principal of the bonds or notes and the interest thereon without limitation as to rate or amount.

SECTION 10. The City reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. This Section 10 is intended to be and hereby is a declaration of the City's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulations §1.150-2. No reimbursement allocation will employ an "abusive arbitrage device" under Treasury Regulations §1.148-10 to

avoid the arbitrage restrictions or to avoid the restrictions under Sections 142 through 147, inclusive, of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized herein used to reimburse the City for costs of the improvements or purposes described in Section 3 hereof, or funds corresponding to such amounts, will not be used in a manner that results in the creation of "replacement proceeds", including "sinking funds", "pledged funds" or funds subject to a "negative pledge" (as such terms are defined in Treasury Regulations §1.148-1), of any bonds or notes authorized herein or another issue of debt obligations of the City other than amounts deposited into a "bona fide debt service fund" (as defined in Treasury Regulations §1.148-1). The bonds or notes authorized herein to reimburse the City for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$2,857,000. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of section 150 of the Code. All reimbursement allocations will occur not later than eighteen (18) months after the later of (i) the date the expenditure from a source other than any bonds or notes authorized herein is paid, or (ii) the date the improvements or purposes described in Section 3 hereof is "placed in service" (within the meaning of Treasury Regulations §1.150-2) or abandoned, but in no event more than three (3) years after the expenditure is paid.

SECTION 11. The City covenants to maintain the exclusion from gross income under Section 103(a) of the Internal Revenue Code of 1986, as amended, of the interest on all bonds and notes issued under this ordinance.

SECTION 12. This bond ordinance shall take effect twenty (20) days after the first publication hereof after final adoption, as provided by the Local Bond Law.

ADOPTED ON FIRST READING

DATED: October 2, 2018

**JOYCE LANIER, Clerk
City of Orange Township**

**ADOPTED ON SECOND READING
DATED: October 16, 2018**

**JOYCE LANIER, Clerk
City of Orange Township**

ORDINANCE NO 51-2018 (WO)

**REGULAR MEETING –10/3/2018
INTRODUCTION-FIRST READING**

MOTION TO PLACE ON THE AGENDA: Williams

SECOND: Jackson

YEAS: Eason, Jackson, Summers-Johnson, Williams, Wooten & Council Pres. Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: Johnson, Jr.

MOTION TO ADOPT: Williams

SECOND: Wooten

YEAS: Eason, Jackson, Summers-Johnson, Williams, Wooten & Council Pres. Coley

NAYS: None

ABSTENTIONS: None

ABSENCES: Johnson, Jr.

SECOND READING PUBLIC/FINAL HEARING: NOVEMBER 7, 2018

**CITY COUNCIL OF THE CITY OF ORANGE TOWNSHIP
PUBLIC NOTICE
NOTICE OF PENDING BOND ORDINANCE AND SUMMARY**

The bond ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the governing body of the City of Orange Township, in the County of Essex, State of New Jersey, on October 2, 2018. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the City Hall, in said City, on October 16, 2018 at 7:00 p.m. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Clerk's office for the members of the general public who shall request the same. The summary of the terms of such bond ordinance follows:

Title: BOND ORDINANCE PROVIDING FOR THE ACQUISITION AND RENOVATION OF 425 MAIN STREET, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY"); APPROPRIATING \$3,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,857,000 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF

Purpose(s): Providing for the acquisition and renovation of 425 Main Street commonly known as Block 2201, Lot 25 in the City, including, but not limited to, interior and exterior renovations of the existing building consisting of, among other things, the removal of the drive-thru window, vault and overhead garage doors and the relocation of the parking lot.

Appropriation: \$3,000,000

Bonds/Notes Authorized: \$2,857,000

Down Payment: \$143,000

Section 20 Costs: \$210,000

Useful Life: 34.39 years

**JOYCE LANIER, Clerk
City of Orange Township**

**CITY COUNCIL OF THE CITY OF ORANGE TOWNSHIP
PUBLIC NOTICE
BOND ORDINANCE STATEMENT AND SUMMARY**

The bond ordinance, the summary terms of which are included herein, has been finally adopted by the City Council of the City of Orange Township, in the County of Essex, State of New Jersey on October 16, 2018 and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement. Copies of the full ordinance are available at no cost and during regular business hours, at the Clerk's office for members of the general public who request the same. The summary of the terms of such bond ordinance follows:

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Appropriation: \$3,000,000

Bonds/Notes Authorized: \$2,857,000

Down Payment: \$143,000

Section 20 Costs: \$210,000

Useful Life: 34.39 years

**JOYCE LANIER, Clerk
City of Orange Township**

DOWN PAYMENT CERTIFICATE

I, JOY LASCARI, the undersigned Chief Financial Officer of the City of Orange Township, in the County of Essex, State of New Jersey, DO HEREBY CERTIFY that prior to final adoption of the ordinance entitled,

“BOND ORDINANCE PROVIDING FOR THE ACQUISITION AND RENOVATION OF 425 MAIN STREET, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE “CITY”); APPROPRIATING \$3,000,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$2,857,000 BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF”

there was available as a down payment for the purposes authorized by said ordinance the amount of \$143,000 which was made available from a provision or provisions in a previously adopted budget or budgets of the City for down payment or for capital improvement purposes.

IN WITNESS WHEREOF, I have hereunto set my hand as of this _____ day of _____, 2018.

JOY LASCARI,
Chief Financial Officer

CERTIFICATE OF INTRODUCTION

I, the undersigned Clerk of the City of Orange Township, in the County of Essex, State of New Jersey (the "City") DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the governing body of the City duly called and held on October 2, 2018 at 7:00 p.m. at the City Hall and that the following was the roll call:

Present:

Absent:

I FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City as of this ____ day of _____, 2018.

(SEAL)

JOYCE LANIER,
City Clerk

CERTIFICATE OF FINAL ADOPTION

I, the undersigned Clerk of the City of Orange Township, in the County of Essex, State of New Jersey (the "City") DO HEREBY CERTIFY that the foregoing is an extract from the Minutes of a meeting of the governing body of the City duly called and held on October 16, 2018 at 7:00 p.m. at the City Hall and that the following was the roll call:

Present:

Absent:

I FURTHER CERTIFY that the foregoing extract has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City as of this ____ day of _____, 2018.

(SEAL)

JOYCE LANIER,
City Clerk

CLERK'S CERTIFICATE

I, **JOYCE LANIER**, DO HEREBY CERTIFY that I am the Clerk of the City of Orange Township, in the County of Essex (the "City"), a municipal corporation organized and existing under the laws of the State of New Jersey, and that as such I am duly authorized to execute and deliver this certificate on behalf of the City. In such capacity, I have the responsibility to maintain the minutes of the meetings of the governing body of the City and the records relative to all resolutions and ordinances of the City. The representations made herein are based upon the records of the City. I DO HEREBY FURTHER CERTIFY THAT:

(1) Attached hereto is the bond ordinance introduced on October 2, 2018 and finally adopted on October 16, 2018.

(2) After introduction, the bond ordinance was published as required by applicable law on _____, 2018 in the _____ (name of newspaper).

(3) Following the introduction of the bond ordinance on first reading, and at least seven (7) days prior to the final adoption thereof, I caused to be posted in the principal municipal building of the City at the place where public notices are customarily posted, a copy of said bond ordinance or a summary thereof and a notice that copies of the bond ordinance would be made available to the members of the general public of the City who requested copies, up to and including the time of further consideration of the bond ordinance by the governing body. Copies of the bond ordinance were made available to all who requested same.

(4) After final adoption, the ordinance was duly approved by the Mayor on _____, 2018 (if applicable) and was duly published as required by law on #10164301.1(153514 001)

_____, 2018 in the _____ (name of newspaper). No protest signed by any person against making any improvement or incurring the indebtedness authorized therein, nor any petition requesting that a referendum vote be taken on the action proposed in the bond ordinance has been presented to the governing body or to me or filed in my office within twenty (20) days after said publication or at any other time after the final passage thereof.

(5) The bond ordinance has not been amended, added to, altered or repealed and said bond ordinance is now in full force and effect.

(6) A certified copy of the bond ordinance and a copy of the amended capital budget form have been filed with the Director of the Division of Local Government Services, in the New Jersey Department of Community Affairs, as applicable.

(7) The official seal of the City is the seal, an impression of which is affixed opposite my signature on this Certificate.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City as of this ____ day of _____, 2018.

(SEAL)

JOYCE LANIER,
City Clerk

CERTIFICATE OF SUPPLEMENTAL DEBT STATEMENT

I, the undersigned, Clerk of the City of Orange Township, in the County of Essex, State of New Jersey, DO HEREBY CERTIFY that the attached Supplemental Debt Statement was prepared, executed and sworn to by Joy Lascari, the Chief Financial Officer of the City, as of October 2, 2018, that such Supplemental Debt Statement was filed in my office on October 2, 2018 and with the Director of the Division of Local Government Services on _____, 2018.

JOYCE LANIER,
City Clerk

[Press here to Email the SDS if not using Microsoft outlook when completed](#)

Department of Community Affairs Supplemental Debt Statement

0717 **0717 Orange City - County of Essex** Prepared as of: **2-Oct-2018**

Budget Year Ending: 12/31/2018 (Month-DD) **2018** (year)

Name: Joy Lascari Phone: 973-266-4106
 Title: CMFO Fax: 973-674-0621
 Address: 29 North Day Street Email: joy.lascari@cl.orange.nj.us
Orange, NJ 07050 CFO Cert #: N-0857

Joy Lascari, Being duly sworn, deposes and says: Deponent is the Chief Financial Officer of the 0717 Orange City - County of Essex here and in the statement hereinafter mentioned called the local unit. The Supplemental Debt Statement annexed hereto and hereby made a part hereof is a true statement of the debt condition of the local unit as of the date therein stated and is computed as provided by the Local Bond Law of New Jersey.

By checking this box, I am swearing that the above statement is true. (The Email function will not work until you acknowledge the above statement as true)

	Net Debt as per Annual Debt Statement	Decrease (Since December 31, last past)	Increase	Net Debt
Bonds and Notes for School Purposes	\$ -	\$ -	\$ -	\$ -
Bonds and Notes for Self Liquidating Purposes	\$ -	\$ -	\$ -	\$ -
Other Bonds and Notes	\$ 13,342,036.44	\$ 487,566.78		\$ 12,854,469.66
2 Net Debt at the time of this statement is				\$ 12,854,469.66

The amounts and purposes separately itemized of the obligations about to be authorized, and any deductions which may be made on account of each such item are: (see Note "C" below)

Bond Ordinance	Purposes	Amount	Deduction	Net
xx-2018	Acquisition and Renovation of 425 Main Street	\$ 3,000,000.00	\$ 143,000.00	\$ 2,857,000.00
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -
		\$ 3,000,000.00	\$ 143,000.00	\$ 2,857,000.00

4 The net debt of the local unit determined by the addition of the net debt amounts stated in items 2 and 3 above is: \$ 15,711,469.66

5 Equalized valuation basis (the average of the equalized valuations of real estate, including improvements and the assessed valuation of class II railroad property of the local unit for the last 3 preceding years) as stated in the Annual Debt Statement or the revision thereof last filed.

Year	Equalized Valuation Real Property with Improvements plus assessed valuation of Class II RR Property	
(1) 2015		\$ 1,426,569,776.00
(2) 2016		\$ 1,435,696,118.00
(3) 2017		\$ 1,459,050,847.00

6 Equalized Valuation Basis - Average of (1), (2) and (3) \$ 1,440,438,913.67

7 Net Debt (Line 4 above) expressed as a percentage of such equalized valuation basis (Line 6 above) is: 1.091%

NOTES

- A If authorization of bonds or notes is permitted by an exception to the debt limit, specify the particular paragraph of NJSA 40A 2-7 or other section of law providing such exception.
- B This form is also to be used in the bonding of separate (not Type 1) school districts as required by NJSA 18A:24-16, and filed before the school district election. In such case pages 4, 5 and 6 should be completed to set forth the computation supporting any deduction in line 3 above.
- C Only the account of bonds or notes about to be authorized should be entered. The amount of the "down payment" provided in the bond ordinance should not be included nor shown as a deduction.