

CITY COUNCIL

The City of Orange Township, New Jersey

DATE _____

NUMBER 21-2020

TITLE: BOND ORDINANCE PROVIDING FOR THE ISSUANCE OF REDEVELOPMENT AREA BONDS TO PROVIDE ASSISTANCE TO A REDEVELOPMENT PROJECT LOCATED AT BLOCK 2804, LOTS 1, 2, 9, 10 AND 11 ON THE OFFICIAL TAX MAP OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY"); APPROPRIATING \$200,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$200,000 BONDS OR NOTES OF THE CITY TO FINANCE COSTS THEREOF

WHEREAS, the City of Orange Township, in the County of Essex, New Jersey (the "City") previously determined that certain properties (collectively, the "Redevelopment Area") are an area in need of redevelopment under the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (the "Redevelopment Law"); and

WHEREAS, the City previously adopted one or more redevelopment plans (collectively, the "Redevelopment Plan") to govern the redevelopment of the properties located within the Redevelopment Area; and

WHEREAS, PEEK Reock I Owner Urban Renewal, LLC, having its principal place of business at c/o PEEK Properties, 59 Main Street, Suite 203, West Orange, New Jersey 07052 (the "Entity"), has proposed to undertake a redevelopment project on that portion of the Redevelopment Area identified on the City's official tax map as Tax Block 2804, Lots 1, 2, 9, 10 and 11, more commonly known by the street address of 258-276 Reock Street, Orange, New Jersey (the "Project Site"), consisting of the construction of a 6-story, 50-unit multi-family residential rental apartment building with 40 on-site parking spaces provided on the ground floor, and other related improvements (collectively, the "Project"); and

WHEREAS, the Project includes the construction of such reasonably necessary infrastructure improvements along the frontage of the Project and Property that are caused or necessitated as a result of the construction of the Project, including but not limited to curb replacements, street resurfacing, sidewalks, street lighting, landscaping, crosswalks and similar improvements consistent with the Entity's approved site plan, to be determined in consultation with the City Planner (collectively, the "Infrastructure Improvements"); and

WHEREAS, by resolution adopted on June 16, 2020, the City has heretofore authorized the execution and delivery of a Redevelopment Agreement with the Entity (the "Redevelopment Agreement"), in order to fully set forth the understanding of the City and the Entity with respect to the construction and development of the Project; and

WHEREAS, the City expects to issue its general obligation bonds and/or notes in an aggregate principal amount not to exceed \$200,000 (collectively, the "Bonds") pursuant to the Redevelopment Area Bond Financing Law, *N.J.S.A. 40A:12A-64 et seq.* (the "RAB Law"), the Redevelopment Law, and/or the Local Bond Law, *N.J.S.A. 40A:2-1 et seq.* (the "Local Bond Law"), as applicable, in order to defray certain eligible costs of the Infrastructure Improvements; and

WHEREAS, the Redevelopment Agreement provides that the City shall agree to issue the Bonds following the effectiveness of this bond ordinance and receipt of any necessary governmental approvals.

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

Section 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the City as general improvements. For the improvements or purposes described in Section 3 hereof, there is hereby appropriated the amount of \$200,000. Pursuant to Section 37 of the Redevelopment Law (N.J.S.A. 40A:12A-37c(2)), no down payment is required, notwithstanding the requirements of Section 11 of the Local Bond Law (N.J.S.A. 40A:2-11), because the improvements and purposes set forth in Section 3 constitute a "redevelopment project" under the Redevelopment Law.

Section 2. For the financing of said improvement or purpose described in Section 3 hereof, negotiable bonds are hereby authorized to be issued in the principal amount of not to exceed \$200,000 pursuant to, and within the limitations prescribed by, the Local Bond Law and the Redevelopment Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to, and within the limitations prescribed by, the Local Bond Law and the Redevelopment Law.

Section 3. (a) The improvements hereby authorized and the purposes for which the bonds are to be issued is to defray the costs of all or a portion of the eligible Infrastructure Improvements defined in the recitals hereof, and also including all work, engineering, materials, equipment, labor and appurtenances necessary therefor or incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for said improvement or purpose is \$200,000.

(c) The estimated cost of the improvement or purpose is \$200,000.

Section 4. 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 or otherwise authorized by the Local Bond Law and the Redevelopment Law. 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 and the Redevelopment Law. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at 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, and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

Section 5. The City hereby certifies that it has adopted a capital budget or temporary capital budget, as applicable. The capital budget of the City is hereby amended to conform with the provisions of this bond ordinance, and to the extent of any inconsistency herewith, a resolution in the form promulgated by the Local Finance Board showing full detail of the

amended capital budget and capital programs as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, will be on file in the office of the Clerk and will be available for public inspection.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

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

(b) Pursuant to N.J.S.A. 40A:12A-37(c), the obligations authorized herein shall mature in annual installments commencing not more than two (2) and ending not more than forty (40) years from the date of issuance.

(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 \$200,000 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 \$50,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements described herein.

(e) The obligations of the City authorized by this bond ordinance shall bear interest at a maximum rate of not to exceed six (6.00%) per centum per annum, without further authorization of the City Council, which authorization may be by resolution.

Section 7. 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 improvement and purpose 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, as applicable, 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. This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the City as a result of using funds from this bond ordinance as "matching local funds" to receive such contribution or grant in aid.

Section 8. The City reasonably expects to reimburse any expenditures toward the costs of the improvement or purpose 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 8 is intended to be and hereby is a declaration of the City's

official intent to reimburse any expenditures toward the costs of the improvement or purpose 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. 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 by this bond ordinance is paid, or (ii) the date the improvement or purpose 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 9. 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, which are authorized herein, 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, which are authorized herein, 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 10. The full faith and credit of the City is hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations 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 obligations authorized herein and the interest thereon without limitation as to rate or amount unless payment is provided from other sources.

Section 11. After passage upon first reading of this bond ordinance, the City Clerk is hereby directed to publish the full text or a summary of this bond ordinance, together with the notice entitled: "NOTICE OF PENDING BOND ORDINANCE" (with appropriate completions, insertions and corrections), at least once in a newspaper qualified under N.J.S.A. 40A:2-19, at least seven days prior to the date set for public hearing and further consideration for final passage (which date shall be at least ten days after introduction and first reading). The City Clerk is further directed to comply with all provisions of N.J.S.A. 40A:2-17(b) regarding postings, publications, and the provision of copies of this bond ordinance.

Section 12. After final adoption of this bond ordinance by the City Council, and approval by (or passage over the veto of) the Mayor, the City Clerk is hereby directed to publish the full text or summary of this bond ordinance, as finally adopted, together with the notice entitled: "NOTICE OF ADOPTION OF BOND ORDINANCE" (with appropriate completions, insertions and corrections), at least once in a newspaper qualified under N.J.S.A. 40A:2-19.

Section 13. To the extent that any previous ordinance or resolution is inconsistent herewith or contradictory hereto, said ordinance or resolution is hereby repealed or amended to the extent necessary to make it consistent herewith.

Section 14. This bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

ADOPTED ON SECOND READING

JOYCE LANIER, City Clerk
City Clerk

TENCY A. EASON
Council President

Dwayne D. Warren, Esq.
Mayor

Date

NOTICE OF PENDING BOND ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the foregoing bond ordinance was duly introduced and passed upon first reading at a regular meeting of the City Council of the City of Orange Township, in the County of Essex, New Jersey, held on June 16, 2020. Further notice is hereby given that said bond ordinance will be considered for final passage and adoption, after public hearing thereon, at a regular meeting of said City Council to be held at City Hall, 29 North Day Street, Orange, New Jersey 07050 on _____, 2020 at 7:00 p.m., and during the week prior to and up to and including the date of such meeting, copies of said bond ordinance will be made available at the City Clerk's Office to the members of the general public who shall request the same.

Joyce Lanier, City Clerk
City of Orange Township

NOTICE OF ADOPTION OF BOND ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the bond ordinance published herewith has been finally adopted by the City Council of the City of Orange Township, in the County of Essex, New Jersey on _____, 2020 and the 20-day period of limitation within which a suit, action or proceeding questioning the validity of such bond ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this notice. A copy of the bond ordinance has been filed for public inspection in the City Clerk's Office, located at City Hall, 29 North Day Street, Orange, New Jersey 07050. Further notice is hereby given that any action or proceeding of any kind or nature in any court questioning the validity or proper authorization of bonds or notes provided for by the bond ordinance, or the validity of any covenants, agreements or contracts provided for by the bond ordinance, shall be commenced within 20 days after the first publication of this notice, as stated below.

Joyce Lanier, City Clerk
City of Orange Township

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 June 16, 2020 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 _____, 2020.

(SEAL)

JOYCE LANIER, City Clerk
City of Orange Township

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 _____, 2020 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 _____, 2020.

(SEAL)

JOYCE LANIER, City Clerk
City of Orange Township

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 June 16, 2020 and finally adopted on _____, 2020.

(2) After introduction, the bond ordinance was published as required by applicable law on June ____, 2020 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 _____, 2020 (if applicable) and was duly published as required by law on _____, 2020 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 _____, 2020.

(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 Nile Clements, the Chief Financial Officer of the City, as of June 16, 2020, that such Supplemental Debt Statement was filed in my office on June 16, 2020 and with the Director of the Division of Local Government Services on _____, 2020.

JOYCE LANIER,
City Clerk