

**STATE OF NEW JERSEY**  
**DEPARTMENT OF COMMUNITY AFFAIRS**  
**DIVISION OF LOCAL GOVERNMENT SERVICES**  
**LOCAL FINANCE BOARD**

**APPLICATION**

**CITY OF ORANGE TOWNSHIP,  
IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY**

**NEW JERSEY LOCAL FINANCE BOARD**

Melanie Walter, Director

Patricia Parkin-McNamara, Executive Secretary

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
LOCAL FINANCE BOARD  
APPLICATION DATA

APPLICANT'S NAME: CITY OF ORANGE TOWNSHIP


ADDRESS: 29 North Day Street

Orange, NJ 07050

COUNTY Essex  
ID # 22-6002178  
YEAR 2020

STATUTE TO WHICH APPLICATION IS BEING SUBMITTED: N.J.S.A. 40A:3-1 et seq.  
N.J.S.A. 40A:2-26(e)  
N.J.S.A. 58:11B-9(a)

AMOUNT FOR WHICH APPLICATION IS BEING SUBMITTED: \$5,400,000

CONTACT PERSON: Everett M. Johnson, Esq.  
TITLE: Bond Counsel  
ORGANIZATION/FIRM: Wilentz, Goldman & Spitzer, P.A.  
ADDRESS: 90 Woodbridge Center Drive  
P.O. Box 10  
Woodbridge, New Jersey 07095  
PHONE NUMBER: (732) 855-6149  
SIGNATURE:   
DATE: June 16, 2020

FOR DIVISION USE ONLY

DATE OF HEARING	_____
SCHEDULED TIME	_____
REFERENCE FILE	_____
LFB ACTION	_____
WP DOC. #	_____

## RESOLUTION SERVICE LIST

### MAYOR

NAME: Dwayne D. Warren  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: mayor@orangenj.gov

### BUSINESS ADMINISTRATOR

NAME: Christopher Hartwyk  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: chartwyk@orangenj.gov

DIRECTOR OF FINANCE: NAME: Adrian O. Mapp  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: amapp@orangenj.gov

### CHIEF FINANCIAL OFFICER

NAME: Nile S. Clements  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: nclements@orangenj.gov

### CLERK

NAME: Joyce Lanier  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: jlanier@orangenj.gov

CITY ATTORNEY

NAME: Gracia R. Montilus, Esq.  
ADDRESS: City of Orange Township  
29 North Day Street  
Orange, NJ 07050  
EMAIL: gmontilus@orangenj.gov

BOND COUNSEL

NAME: Everett M. Johnson, Esq.  
ADDRESS: Wilentz, Goldman & Spitzer, P.A.  
90 Woodbridge Center Drive  
Woodbridge, NJ 07095  
PHONE: (732) 855-6149  
EMAIL: ejohnson@wilentz.com

AUDITOR

NAME: Frank McEnerney, CPA  
ADDRESS: PKF O'Connor Davies, LLP  
293 Eisenhower Parkway  
Livingston, NJ 07039  
EMAIL: fmcenerney@pkfod.com

BUDGET CONSULTANT

NAME: Dieter P. Lerch, CPA  
ADDRESS: Lerch, Vinci & Higgins, LLP  
17-17 Route 208  
Fair Lawn, NJ 07410  
EMAIL: dlersch@lvhcpa.com

## EXECUTIVE SUMMARY

The City of Orange Township, in the County of Essex, State of New Jersey (the "City") seeks the approval of the Local Finance Board (the "LFB") for the (i) adoption of the following bond ordinance (the "Bond Ordinance"), pursuant to the provisions of the Municipal Qualified Bond Act, N.J.S.A. 40A:3-1 et seq. (the "MQBA"), entitled:

"BOND ORDINANCE PROVIDING FOR THE MAIN STREET STREETSCAPE AND TRAFFIC CONTROL PROJECT, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, APPROPRIATING \$5,400,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$5,400,000 BONDS OR NOTES TO FINANCE THE COST THEREOF" (see Exhibit A attached hereto);

(ii) the issuance of bonds under the Bond Ordinance as qualified bonds (the "Qualified Bonds") under the MQBA, (iii) the waiver of the five (5%) percent down payment requirement under N.J.S.A. 40A:2-11 of the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law") pursuant to the exception provided by 40A:2-7(d) of the Local Bond Law, (iv) the issuance of not to exceed \$5,400,000 General Improvement Bonds with a non-conforming maturity schedule under N.J.S.A. 40A:2-26(e) of the Local Bond Law, N.J.S.A. 40A:2-1 et seq., and (v) the issuance of Qualified Bonds through the New Jersey Infrastructure Bank's ("NJIB" or "Bank") Transportation Program (the "Program") pursuant to the provisions of N.J.S.A. 58:11B-9(a).

The Bond Ordinance authorizes the funding of the City's Main Street Streetscape and Traffic Control Project (the "Project") consisting of, but not limited to, (i) the design and construction of sidewalks and curbs, (ii) the acquisition and installation of street lighting at approximately nine (9) intersections and traffic control devices and traffic safety improvements, including, but not limited to, signal poles and foundations, LED signals, image detection, GPS controller time reference, pedestrian signals and push buttons, kiosks, and back up battery systems, and (iii) decorative amenities such as, but not limited to, planters and trees, multimodal rain gardens, electric vehicle and cellphone charging stations, and bicycle parking stations. The Program is a partnership between the New Jersey Department of Transportation and the New Jersey Infrastructure Bank. The Program was created to provide low interest loans to local government transportation infrastructure projects. Initially, the Bank will provide the City with a short term loan for up to 3 years with no payment of principal or interest on such short term loan. Upon maturity of the short term loan, the Bank will provide the City with a long term loan for the lesser of the useful life of the Project or 31 years. The Bank's long term loans are funded with proceeds obtained from the sale of the Bank's pooled bond financing, which aggregates many projects financings into one bond issue; reducing financing and underwriting costs for program participants. Program participants are also relieved of some of the obligations that arise when self-financing its projects such as drafting official statements, applying for a rating on its bonds or notes, printing costs, arbitrage calculations and refunding analysis.

The City, pursuant to Section 27(a)(2) of the Local Bond Law, desires to conduct the private sale of its bonds and/or notes, without public offering, to the Bank. The Bank's statute requires the City to obtain the approval of the Director of the Division of Local Government Services to issue bonds and/or notes to the Bank under N.J.S.A. 58:11B-1 et seq. Every participant in the Program has to meet the Bank's credit



worthiness standards and make a general obligation pledge to pay its bonds and notes purchased by the Bank. Since the City issues its bonds pursuant to the provisions of the MQBA, the Program requires the City to adopt the Bond Ordinance and issue Qualified Bonds pursuant to the provisions of the MQBA.

Since the Program is recently created, legislation has not yet been passed to authorize the adoption of bond ordinances for the Program without the requirement of a 5% down payment as required by 40A:2-11(a) of the Local Bond Law. Section 40A:2-11(c) of the Local Bond Law provides a waiver of the down payment requirement for bond ordinances authorizing "environmental" infrastructure projects funded by loans from the Bank. Likewise, the City believes it is in its best interest to receive a waiver of the down payment requirement for its "transportation" infrastructure project funded by a loan from the Bank.

N.J.S.A. 40A:2-26(b) sets forth certain "conforming" annual principal maturity requirements. N.J.S.A. 40A:2-26(e) requires municipalities to receive Local Finance Board approval of any "non-conforming" annual principal maturity schedules which vary from the requirements of N.J.S.A. 40A:2-26(b). The City is seeking relief from the "100% Step-Up Rule" with respect to the principal maturity amounts of the Bonds to be issued through the Program which will be amortized with level debt service. The City is not requesting an extension of the maturity schedules beyond the average usefulness of the project being financed.

The City is hereby requesting approval to (i) adopt the Bond Ordinance pursuant to the provisions of the MQBA, (ii) issue Qualified Bonds to the Bank pursuant to the MQBA, (iii) the waiver of the down payment requirement pursuant to N.J.S.A. 40A:2-7(d) and 40A:2-11(c), (iv) issue bonds pursuant to a non-conforming maturity schedule pursuant to N.J.S.A. 40A:2-26(e), and (v) for issuance of the Qualified Bonds to the Program pursuant to N.J.S.A. 58:11B-9(a). The City also requests approval of the short term financing. Finally, the City requests approval via consent agenda.

## PART I

STATE OF NEW JERSEY  
DEPARTMENT OF COMMUNITY AFFAIRS  
DIVISION OF LOCAL GOVERNMENT SERVICES  
LOCAL FINANCE BOARD

**APPLICATION CERTIFICATION**

APPLICANT'S NAME: CITY OF ORANGE TOWNSHIP, IN THE  
COUNTY OF ESSEX, NEW JERSEY

I, NILE S. CLEMENTS, Chief Financial Officer of the City of Orange Township, in the County of Essex (the "City"), DO HEREBY DECLARE:

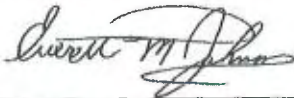
1. That the documents submitted herewith and the statements contained herein are true to the best of my knowledge and belief; and

2. That this application was considered and its submission to the Local Finance Board was approved by the governing body of the City on June 16, 2020.



NILE S. CLEMENTS,  
Chief Financial Officer

ATTEST:



EVERETT M. JOHNSON,  
Attorney-at-Law of the State of New Jersey  
Date: June 18, 2020



**CITY COUNCIL****The City of Orange Township, New Jersey**

June 16, 2020

275-2020

DATE

NUMBER

**TITLE:** RESOLUTION OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE LOCAL FINANCE BOARD REQUESTING APPROVAL OF (i) THE ISSUANCE OF QUALIFIED BONDS UNDER THE PROVISIONS OF THE MUNICIPAL QUALIFIED BOND ACT, SPECIFICALLY N.J.S.A. 40A:3-4, (ii) ISSUANCE OF QUALIFIED BONDS WITH NON-CONFORMING MATURITY SCHEDULES UNDER THE PROVISIONS OF THE LOCAL BOND LAW, SPECIFICALLY N.J.S.A. 40A:2-26(e), AND (iii) THE ISSUANCE OF QUALIFIED BONDS THROUGH THE NEW JERSEY INFRASTRUCTURE BANK PURSUANT TO THE PROVISIONS OF N.J.S.A 58:11B-9(a)

WHEREAS, THE CITY COUNCIL OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (the "City") desires to submit an application (the "Application") to the Local Finance Board, in the Division of Local Government Services, New Jersey Department of Community Affairs (the "Local Finance Board"), for (i) its approval of the adoption of a bond ordinance entitled "BOND ORDINANCE PROVIDING FOR THE MAIN STREET STREETScape AND TRAFFIC CONTROL PROJECT, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, APPROPRIATING \$5,400,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$5,400,000 BONDS OR NOTES TO FINANCE THE COST THEREOF" (the "Bond Ordinance"), pursuant to the Municipal Qualified Bond Act, N.J.S.A. 40A:3-1 *et seq.* (the "MQBA"), specifically N.J.S.A. 40A:3-4(b), (ii) the issuance of not to exceed \$5,400,000 of general improvement bonds (the "Bonds") under the Bond Ordinance as qualified bonds (the "Qualified Bonds") under the MQBA, (iii) the issuance of the Bonds with non-conforming maturity schedules under N.J.S.A. 40A:2-26(e) of the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the "Local Bond Law"), and (iv) the issuance of Qualified Bonds through the New Jersey Infrastructure Bank's ("NJIB") Transportation Bank Program (the "Program") pursuant to the provisions of N.J.S.A. 58:11B-9(a).

WHEREAS, the City believes with respect to the Bond Ordinance and the Bonds:

- (a) it is in the public interest to accomplish such projects authorized by the Bond Ordinance;
- (b) said projects authorized by the Bond Ordinance are for the health, wealth, convenience or betterment of the inhabitants of the City;
- (c) the amounts to be expended for the projects authorized by the Bond Ordinance are not unreasonable or exorbitant; and
- (d) the adoption of the Bond Ordinance and the debt obligations authorized to be issued thereunder are an efficient and feasible means of providing services for the needs of the inhabitants of the City, and will not create an undue financial burden to be placed upon the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, as follows:

  
CITY ATTORNEY

Section 1. The submission of the Application to the Local Finance Board is hereby approved, and Wilentz, Goldman & Spitzer, P.A., Bond Counsel to the City (the "Bond Counsel"), Lerch, Vinci & Higgins, LLP, Budget Consultant to the City ("Budget Consultant"), and PKF O'Connor Davies, LLP, Auditor to the City (the "Auditor"), along with other officials and representatives of the City, are hereby authorized and directed to prepare and submit such Application and to represent the City in such matters pertaining thereto.

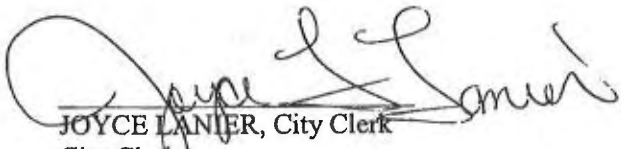
Section 2. The City Clerk is hereby authorized and directed to prepare and file certified copies of this resolution, after adoption, and the Bond Ordinance, after introduction, with the Local Finance Board as part of such Application.

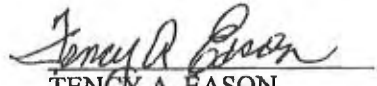
Section 3. The Local Finance Board is hereby respectfully requested to consider such Application and to record its approval as provided by applicable New Jersey Statutes, including the MQBA, specifically N.J.S.A. 40A:3-4(b), the Local Bond Law, specifically, N.J.S.A. 40A:2-26(e), and N.J.S.A. 58:11B-9(a).

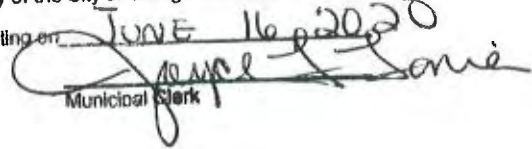
Section 4. Any prior actions taken by, as applicable, the Business Administrator, Chief Financial Officer, Director of Finance, Bond Counsel, Budget Consultant, Auditor and other authorized officers and professionals of the City in relation to the preparation and submission of the Application are hereby ratified and confirmed.

Section 5. This resolution shall take effect immediately.

ADOPTED JUN 16 2020

  
JOYCE LANIER, City Clerk  
City Clerk

  
TENCY A. EASON  
Council President


Certified to be a true copy of a resolution adopted by the  
Governing Body of the City of Orange Township  
at a public meeting on JUNE 16, 2020  
  
Municipal Clerk

CERTIFICATION

I, JOYCE LANIER, City Clerk of the City of Orange Township, in the County of Essex, State of New Jersey (the "City"), DO HEREBY CERTIFY that the annexed resolution entitled, "RESOLUTION OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE LOCAL FINANCE BOARD REQUESTING APPROVAL OF (i) THE ISSUANCE OF QUALIFIED BONDS UNDER THE PROVISIONS OF THE MUNICIPAL QUALIFIED BOND ACT, SPECIFICALLY N.J.S.A. 40A:3-4, (ii) ISSUANCE OF QUALIFIED BONDS WITH NON-CONFORMING MATURITY SCHEDULES UNDER THE PROVISIONS OF THE LOCAL BOND LAW, SPECIFICALLY N.J.S.A. 40A:2-26(e) AND (iii) THE ISSUANCE OF QUALIFIED BONDS THROUGH THE NEW JERSEY INFRASTRUCTURE BANK PURSUANT TO THE PROVISIONS OF N.J.S.A 58:11B-9(a)", is a copy of a resolution which was duly adopted by the City Council of the City at a meeting duly called and held on June 16, 2020 in full compliance with the Open Public Meetings Act, N.J.S.A. 10:4-6 et seq., at which meeting a quorum was present and acting throughout and which resolution has been compared by me with the original thereof as contained in the minutes as officially recorded in my office in the Minute Book of such 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 within, and the aforesaid resolution has not been repealed, amended or rescinded but remains in full force and effect on and as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said City this 18<sup>th</sup> day of June 2020.

(SEAL)

  
JOYCE LANIER, Clerk  
City of Orange Township

**RESOLUTION NO. 275-2020**

**ON CONSENT AGENDA**

**REGULAR MEETING- JUNE 16, 2020**

**MOTION TO ADOPT: Williams**

**SECOND: Jackson**

**YEAS: Coley, Jackson, Johnson, Jr., Summers-Johnson, Williams, Wooten and Council President East**

**NAYS: None**

**ABSTENTIONS: None**

**ABSENCES: None**

## PART II



(part II)

PROPOSED ISSUANCE OF OBLIGATIONS

1) Type of Obligation

General Obligation Bond  
 Revenue Bond  
 Special Obligation Bond  
 Qualified Bond  
 School Qualified Bond  
 Bond Anticipation Note/  
Grant Anticipation Note  
 Other

2) Purpose of Proposed Financing –

Temporarily finance the construction, improvement or acquisition of facilities, infrastructure, equipment, etc.  
 Permanently finance the construction, improvement or acquisition of facilities, infrastructure, equipment, etc.  
 Renew outstanding temporary Obligations  
 Advance refund outstanding permanent obligations  
 Current refunding issue

3) Amount of Proposed Financing

\$5,400,000 Proposed to be issued  
\$5,400,000 Maximum to be authorized

4) Tax Implications

Yes Is issue Tax-Exempt?

No Is issue Taxable?

No Are Private Activity Bonds utilized?

No Is volume cap allocation necessary?

N/A If yes: Has volume cap allocation been received?

From whom: N/A

For how much: N/A

Will the 1986 Tax Reform Act or any proposed changes to the Act impose restrictions as to the type of financing and/or limitation on debt structuring?

If yes, describe: N/A

5) DESCRIPTION OF OBLIGATIONS:

(A) Short Term Obligations – Yes

(B) Permanent Bonds - Yes

(C) Maturity(ies) – (See Exhibit B attached hereto)

Serial Maturities from \_\_\_ to \_\_\_

Sinking Fund Payments from \_\_\_ to \_\_\_

Term Maturities from \_\_\_ to \_\_\_

5) (Cont.)

(D) Amortization - (See Exhibit B attached hereto)

Bullet Maturity

Level Principal

Level Debt Service

Other

(E) If the obligations will have a variable interest rate, answer the following questions:

N/A

(1) Explain the benefit in issuing variable rate bonds.

N/A

(2) What are the administrative costs anticipated from the issuance and renewal of the variable rate bonds?

N/A

(3) Under what circumstances can the variable rate be converted to a fixed rate and what is the conversion fee?

N/A



(part II)

7) Issuance Matters

a) Method of Issuance – Negotiated

b) Amount of authorized and issued debt prior to issue: \$80,431,057

c) Net debt expressed as a percentage of equalized valuations of taxable real estate prior to issue

2.691%

d) Net debt expressed as a percentage of equalized valuations of taxable real estate after the issue

3.066% (Reflects the \$5,400,000 authorization from this application and includes the \$200,000 authorization from the City's other application being submitted)

e) Provide a recapitulation of applicant's indebtedness issued and outstanding as of the date of the application

See Exhibit C

f) Provide a proposed maturity schedule indicating annual debt service payments broken down by principal and interest subsequent to the issuance of the proposed obligations

(See Exhibit B attached hereto)



(part II)

8) Provide the Sources and Uses of the Proposed Issue

**SOURCES**

a)	Proceeds of Issue	\$ _____
b)	Other Cash Contributions	\$ _____
c)	Other (describe)	\$ _____
	Total Sources	0 _____

**USES**

a)	Facilities and Equipment Costs	\$ _____
b)	Costs of Issuance	\$ _____
c)	Other (describe)	\$ _____
	Total Uses	0 _____

See Exhibit B attached hereto.

(part II)

Proposed Issuance Costs

	<u>Name</u>	<u>Proposed Amount</u>
Bond Counsel:	<u>Wilentz, Goldman &amp; Spitzer, P.A.</u>	\$ _____
Auditor:	<u>PKF O'Connor Davies, LLP</u>	\$ _____
Budget Consultant:	<u>Lerch, Vinci &amp; Higgins, LLP</u>	\$ _____
	Total Professional Costs	\$ _____

See Exhibit B attached hereto.

(part II)

9) Budget and Audit Submission Requirements

a) Has the current year's budget been approved and adopted by the Division of Local Government Services?

No.

b) Has the previous year's audit been completed and submitted to the Division of Local Government Services?

No.

c) Provide a statement of the impact on the local unit's or units' budget, debt service requirements, debt service ratings, local tax rate and service fees if the proposed project is implemented or the proposed project financing is undertaken.

The general capital improvement bond ordinance of \$5,400,000 will impact the average home with an assessed value of \$175,000 by 4.15 tax points for approximately \$73 per household.

d) Has the Annual Debt Statement been submitted to the Division of Local Government Services?

Yes.

e) Has the Supplemental Debt Statement for this proposed issuance of obligations been submitted to the Division of Local Government Services?

Yes.

f) Has the Capital Budget been adopted?

No.

10) Provide a certified copy of an introduced ordinance adopted by the local unit indicating the intent of the local unit for the issuance of the proposed obligations.

**See Exhibit A attached hereto.**

## PART III

(part III)

TRANSACTIONS TO FINANCE THE CONSTRUCTION OR ACQUISITION OF  
FACILITIES, INFRASTRUCTURE, EQUIPMENT, ETC.

1) Description of Proposed Projects:

See Exhibit A attached hereto.

- 2) Who will:
- a) Use the Facilities –  
City of Orange Township
  - b) Operate the Facilities -  
City of Orange Township
  - c) Own the Facilities -  
City of Orange Township

3) When will the facilities be fully acquired or completed?

The City expects construction to be completed in 2021.

4) Provide a breakdown of the hard cost of the proposed project being constructed, acquired, etc. EXCLUDING financing costs, such as capitalized interest, cost of issuance, etc.

The estimated costs are \$5,400,000.



## PART IV

(part IV)

### QUALIFIED BOND ISSUE

A) Provide a breakdown of applications submitted to the Local Finance Board for the previous four years.

<u>DATE APPROVED</u>	<u>AMOUNT APPROVED</u>	<u>AMOUNT ISSUED</u>
02/2017	\$2,150,000	Notes Only
09/2017	\$783,860	None/Re-appropriation
09/2017	\$9,433,000	\$9,433,000 Bonds
12/2018	\$250,000	None
12/2018	\$10,000,000	\$9,910,000 Notes
10/2019	\$13,570,000	\$0
10/2019	\$13,811,000	\$13,811,000 Notes

B) What is the amount of annual Qualified Bond debt service payments prior to this issue?

(See Exhibit D attached hereto).

C) What is the amount of the proposed annual Qualified Bond debt service payments if this issue is approved?

(See Exhibit D attached hereto).

D) What is the amount of Qualified Bond revenues eligible to be pledged against debt service payments?

(See Exhibit D attached hereto).

E) Have the required Qualified Bond reports been submitted to the Division of Local Government Services, pursuant to the Local Finance Board resolution?

Yes.

Exhibit A

## 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 City Hall and that the following was the roll call:

Present: Coley, Jackson, Johnson, Jr., Summers-Johnson, Williams, Wooten President Eason

Absent: None

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 18th day of June 2020.

(SEAL)

  
JOYCE LANIER,  
City Clerk

**CITY COUNCIL**

**The City of Orange Township, New Jersey**

DATE \_\_\_\_\_

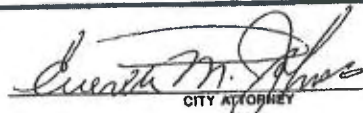
NUMBER 22-2020

**TITLE: BOND ORDINANCE PROVIDING FOR THE MAIN STREET STREETScape AND TRAFFIC CONTROL PROJECT, BY AND IN THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY, APPROPRIATING \$5,400,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$5,400,000 BONDS OR NOTES TO FINANCE THE COST 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 described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the City of Orange Township, in the County of Essex, State of New Jersey (the "City") as general improvements. For the said improvements stated in Section 3, there is hereby appropriated the amount of \$5,400,000. Pursuant to the provisions of N.J.S.A. 40A:2-11(c) of the Local Bond Law, N.J.S.A. 40A:2-1 et seq., as amended and supplemented (the "Local Bond Law"), no down payment is required as this bond ordinance authorizes obligations for environmental infrastructure projects which are funded by a loan from the New Jersey Infrastructure Bank (the "I-Bank") and the State of New Jersey, acting by and through the Department of Transportation.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the \$5,400,000 appropriation, negotiable bonds of the City are hereby authorized to be issued in the principal amount of \$5,400,000 pursuant to, and within all limitations prescribed by, the Local Bond Law and the New Jersey Infrastructure Trust Act, N.J.S.A. 58:11B-1 ("NJIT Act"). In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the City in a principal amount not exceeding \$5,400,000 are hereby authorized to be issued pursuant to, and within the limitations prescribed by, said Local Bond Law and NJIT Act.

  
CITY ATTORNEY

SECTION 3. The improvements hereby authorized and purposes for the financing of which said debt obligations are to be issued are for the Main Street Streetscape and Traffic Control Project (the "Project") consisting of, but not limited to, (i) the design and construction of sidewalks and curbs, (ii) the acquisition and installation of street lighting at approximately nine (9) intersections and traffic control devices and traffic safety improvements, including, but not limited to, signal poles and foundations, LED signals, image detection, GPS controller time reference, pedestrian signals and push buttons, kiosks, and back up battery systems, and (iii) decorative amenities such as, but not limited to, planters and trees, multimodal rain gardens, electric vehicle and cellphone charging stations, and bicycle parking stations. The Project includes the entire length of Main Street within the City Limits from the City of East Orange Border (near Glenwood Avenue) to High Street, which is the City owned portion of the roadway. The total length of roadway is approximately 1.1 miles of five thousand eight hundred linear feet (1.1 Mile; 5,800 LF), encompassing a right-of-way area.

a. All improvements shall include, as applicable, all field work, materials, equipment, engineering, design, architectural, environmental consulting work, environmental remediation, preparation of plans and specifications, permits, bid documents, conducting and preparation of reports and studies, relocation of utilities, restoration work, equipment rental, and labor and appurtenances necessary therefore or incidental thereto.

b. The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$5,400,000.

c. The estimated cost of said improvements or purposes is \$5,400,000.

SECTION 4. In the event the United States of America, the State of New Jersey, and/or the County of Essex make a loan, contribution or grant-in-aid to the City for the improvements 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 loaned, 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. 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 such funds from this bond ordinance as "matching local funds" to receive such contribution or grant in aid.

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 unless such bond anticipation notes are permitted to mature at such later date in accordance with the provisions of the NJIT Act. 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 Section 8.1 of the Local Bond Law and, as applicable, the provisions of the NJIT Act. 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 of the City 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 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 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 within the limitations of said Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 10 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 Department of Community Affairs of the State of New Jersey, 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 and notes provided for in this bond ordinance by \$5,400,000 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

d. An aggregate amount not exceeding \$1,000,000 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 improvements hereinbefore described.

e. This bond ordinance authorizes obligations of the City solely for purposes described in N.J.S.A. 40A:2-7(h). The obligations authorized herein are to be issued for purposes that are deemed to be self-liquidating pursuant to N.J.S.A. 40A:2-47(a) and are deductible from gross debt pursuant to N.J.S.A. 40A:2-44(c).

SECTION 8. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the debt obligations authorized by this bond ordinance. The debt obligations shall be direct, unlimited obligations of the City and, unless paid from other sources, 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 debt obligations and the interest thereon without limitation as to rate or amount.

SECTION 9. 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 9 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. 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 10. If applicable, 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 11. The bonds authorized herein shall be designated as "Qualified Bonds", pursuant to the Municipal Qualified Bond Act, N.J.S.A. 40A:3-1 et seq. (the "Municipal Qualified Bond Act"), and shall contain a recital that it is issued pursuant to Title 40A of the New Jersey Statutes and is entitled to the benefits of the provisions of the Municipal Qualified Bond Act. The City shall certify to the State Treasurer the name and address of the paying agent, the maturity schedule, the interest rate and the dates of payment of debt service on such Qualified Bonds within ten (10) days after the date of issuance of such Qualified Bonds.

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 SECOND READING

\_\_\_\_\_  
JOYCE LANIER, City Clerk  
City Clerk

\_\_\_\_\_  
TENCY A. EASON  
Council President

\_\_\_\_\_  
Dwayne D. Warren, Esq.  
Mayor

\_\_\_\_\_  
Date

Exhibit B

Sources and Uses of Funds  
 NJ Transportation Infrastructure Financing Program  
 Township of Orange City Financing

Sources:		Orange Township Transportation Bank Financing 10 Year	NJIB Zero Interest Loan 10 Year	Total
<b>Bond Proceeds:</b>				
Par Amount		2,110,000.00	2,500,000.00	4,610,000.00
Premium		428,300.05		428,300.05
		<u>2,538,300.05</u>	<u>2,500,000.00</u>	<u>5,038,300.05</u>
Uses:		Orange Township Transportation Bank Financing 10 Year	NJIB Zero Interest Loan 10 Year	Total
<b>Project Fund Deposits:</b>				
Project Fund		2,500,000.00	2,500,000.00	5,000,000.00
<b>Delivery Date Expenses:</b>				
NJIB Fee (1% of Project Amount)		25,000.00		25,000.00
Underwriter's Discount		10,550.00		10,550.00
Admin Fee (.1% of par)		2,110.00		2,110.00
		<u>37,660.00</u>		<u>37,660.00</u>
<b>Other Uses of Funds:</b>				
Additional Proceeds		640.05		640.05
		<u>2,538,300.05</u>	<u>2,500,000.00</u>	<u>5,038,300.05</u>

Bond Summary Statistics  
 NJ Transportation Infrastructure Financing Program  
 Township of Orange City Financing

Dated Date	12/1/2020
Delivery Date	12/1/2020
Last Maturity	12/1/2030
Arbitrage Yield	0.699370%
True Interest Cost (TIC)	0.738227%
Net Interest Cost (NIC)	0.784706%
NIC w/Interest only	2.377956%
NIC w/Interest & OID	0.744470%
NIC w/Interest, OID & Und. Discount	0.784706%
All-In TIC	0.838594%
Average Coupon	2.377956%
Average Life (years)	5.688
Weighted Average Maturity (years)	5.808
Duration of Issue (years)	5.412
Par Amount	4,610,000.00
Bond Proceeds	5,038,300.05
Total Interest	623,500.00
Net Interest	205,749.95
Bond Years from Dated Date	26,220,000.00
Bond Years from Delivery Date	26,220,000.00
Total Debt Service	5,233,500.00
Maximum Annual Debt Service	525,500.00
Average Annual Debt Service	523,350.00
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	2.288503
Total Underwriter's Discount	2.288503
Bid Price	109.061823

Bond Component	Par Value	Price	Average Coupon	Average Life
Serial Bond	4,610,000.00	109.291	2.378%	5.688
	4,610,000.00			5.688

	TIC	All-In TIC	Arbitrage Yield	
Par Value	4,610,000.00	4,610,000.00	4,610,000.00	4,610,000.00
+ Accrued Interest				
+ Premium (Discount)	428,300.05	428,300.05	428,300.05	428,300.05
- Underwriter's Discount	-10,550.00	-10,550.00	-10,550.00	
- Cost of Issuance Expense			-25,000.00	
- Other Amounts			-2,110.00	
Target Value	5,027,750.05	5,000,640.05	5,038,300.05	5,038,300.05
Target Date	12/1/2020	12/1/2020	12/1/2020	12/1/2020
Yield	0.738227%	0.838594%	0.699370%	0.699370%

Bond Pricing  
 NJ Transportation Infrastructure Financing Program  
 Orange Township Transportation Bank Financing 10 Year

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bond:	12/1/2021	165,000	5.000%	0.970%	104.000
	12/1/2022	175,000	5.000%	0.990%	107.921
	12/1/2023	185,000	5.000%	1.000%	111.792
	12/1/2024	195,000	5.000%	1.050%	115.433
	12/1/2025	205,000	5.000%	1.130%	118.762
	12/1/2026	215,000	5.000%	1.270%	121.483
	12/1/2027	225,000	5.000%	1.380%	124.075
	12/1/2028	235,000	5.000%	1.450%	126.723
	12/1/2029	250,000	5.000%	1.520%	129.168
	12/1/2030	260,000	5.000%	1.600%	131.304
		2,110,000			

Dated Date	12/1/2020	
Delivery Date	12/1/2020	
First Coupon	6/1/2021	
Par Amount	2,110,000.00	
Premium	428,300.05	
Production	2,538,300.05	120.298581%
Underwriter's Discount	-10,550.00	-0.500000%
Purchase Price	2,527,750.05	119.798581%
Accrued Interest		
Net Proceeds	2,527,750.05	



Detailed Bond Debt Service  
 NJ Transportation Infrastructure Financing Program  
 Orange Township Transportation Bank Financing 10 Year  
 Serial Bond (SERIAL)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/1/2020					
6/1/2021			52,750	52,750	
12/1/2021	165,000	5.000%	52,750	217,750	270,500
6/1/2022			48,625	48,625	
12/1/2022	175,000	5.000%	48,625	223,625	272,250
6/1/2023			44,250	44,250	
12/1/2023	185,000	5.000%	44,250	229,250	273,500
6/1/2024			39,625	39,625	
12/1/2024	195,000	5.000%	39,625	234,625	274,250
6/1/2025			34,750	34,750	
12/1/2025	205,000	5.000%	34,750	239,750	274,500
6/1/2026			29,625	29,625	
12/1/2026	215,000	5.000%	29,625	244,625	274,250
6/1/2027			24,250	24,250	
12/1/2027	225,000	5.000%	24,250	249,250	273,500
6/1/2028			18,625	18,625	
12/1/2028	235,000	5.000%	18,625	253,625	272,250
6/1/2029			12,750	12,750	
12/1/2029	250,000	5.000%	12,750	262,750	275,500
6/1/2030			6,500	6,500	
12/1/2030	260,000	5.000%	6,500	266,500	273,000
	2,110,000		623,500	2,733,500	2,733,500

Aggregate Debt Service  
 NJ Transportation Infrastructure Financing Program  
 Orange Township Transportation Bank Financing 10 Year

Serial Bond (SERIAL)									
Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Zero Interest Loan	NJIB 15 bps Fee	1% Upfront Fee	Annual Total Including NJIB Fees
12/1/2020							3,750	50,000	53,750
6/1/2021			52,750	52,750			3,750		
12/1/2021	165,000	5.000%	52,750	217,750	270,500	250,000	3,750		528,000
6/1/2022			48,625	48,625			3,750		
12/1/2022	175,000	5.000%	48,625	223,625	272,250	250,000	3,750		529,750
6/1/2023			44,250	44,250			3,750		
12/1/2023	185,000	5.000%	44,250	229,250	273,500	250,000	3,750		531,000
6/1/2024			39,625	39,625			3,750		
12/1/2024	195,000	5.000%	39,625	234,625	274,250	250,000	3,750		531,750
6/1/2025			34,750	34,750			3,750		
12/1/2025	205,000	5.000%	34,750	239,750	274,500	250,000	3,750		532,000
6/1/2026			29,625	29,625			3,750		
12/1/2026	215,000	5.000%	29,625	244,625	274,250	250,000	3,750		531,750
6/1/2027			24,250	24,250			3,750		
12/1/2027	225,000	5.000%	24,250	249,250	273,500	250,000	3,750		531,000
6/1/2028			18,625	18,625			3,750		
12/1/2028	235,000	5.000%	18,625	253,625	272,250	250,000	3,750		529,750
6/1/2029			12,750	12,750			3,750		
12/1/2029	250,000	5.000%	12,750	262,750	275,500	250,000	3,750		533,000
6/1/2030			6,500	6,500			3,750		
12/1/2030	260,000	5.000%	6,500	266,500	273,000	250,000	3,750		530,500
	2,110,000		623,500	2,733,500	2,733,500	2,500,000	78,750	50,000	5,362,250

Exhibit C

**EXHIBIT C**

**CITY OF ORANGE TOWNSHIP  
GROSS DEBT ISSUED AND OUTSTANDING AS OF 6/17/2020**

<u>General Capital</u>	
Bonds	\$ 7,545,000.00
Notes	20,233,000.00
Loans	3,504,509.00
Authorized but not Issued	10,523,837.00
<u>Water/Sewer Utility Capital</u>	
Bonds	13,800,000.00
Notes	7,500,000.00
Loans	3,735,184.00
Authorized but not Issued	<u>13,589,527.00</u>
Gross Debt Issued and Outstanding as of 6/17/2020	<u><u>\$ 80,431,057.00</u></u>

Exhibit D

EXHIBIT D

CITY OF ORANGE TOWNSHIP  
 QUALIFIED BOND DEBT SERVICE RATIO  
 AS OF JUNE 17, 2020

	Outstanding Qualified Bonds (as of 6/17/2020)	Highest Annual Debt Service		Total Debt Service
		Principal	Interest	
<u>Existing Qualified Debt &amp; Debt Service</u>				
General Capital	\$ 7,545,000	\$ 940,000	\$ 261,850	\$ 1,201,850
Water/Sewer Utility Capital	13,800,000	2,360,000	47,200	2,407,200
Total Existing Qualified Debt & Debt Service	21,345,000	3,300,000	309,050	3,609,050
<u>Other Qualified Debt Not Yet Permanently Financed</u>				
General Capital	18,861,000	1,684,706	387,025	2,071,731
Water/Sewer Utility Capital	18,770,000	720,832	269,012	989,844
Total Other Qualified Debt Not Yet Permanently Financed	37,631,000	2,405,538	656,037	3,061,575
<u>Proposed Qualified Debt</u>				
General Capital Bond Ordinance	5,400,000	510,000	15,500	525,500
General Capital RAB Ordinance	200,000			
Total Proposed Qualified Debt & Debt Service	5,600,000	510,000	15,500	525,500
Total Outstanding Qualified Debt (including new bond ordinances)	\$ 64,576,000	\$ 6,215,538	\$ 980,587	\$ 7,196,125
2020 Municipal Qualified Revenues				\$ 8,372,797
Qualified Debt Coverage Ratio				<u>1.16</u>