

CITY COUNCIL

The City of Orange Township, New Jersey

DATE _____

NUMBER 24-2024

TITLE: BOND ORDINANCE OF THE CITY OF ORANGE TOWNSHIP, IN THE COUNTY OF ESSEX, NEW JERSEY, PROVIDING AID TO A REDEVELOPMENT PROJECT LOCATED AT 566-588 MORROW STREET AND 507-515 SOUTH JEFFERSON STREET IN THE CITY OF ORANGE TOWNSHIP AND APPROPRIATING \$250,000, THEREFOR, AND PROVIDING FOR THE ISSUANCE OF \$250,000 IN BONDS OR NOTES OF THE CITY OF ORANGE TOWNSHIP TO FINANCE PART OF THE COST THEREOF


WHEREAS, the City of Orange Township, in the County of Essex, New Jersey (the “City”) previously determined that certain parcels of real property located in the City designated as the Central Valley Redevelopment Area – District 2 Zone (the “Redevelopment Area”) is 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 the “Central Valley Redevelopment Plan” (the “Redevelopment Plan”) to govern the redevelopment of the properties located within the Redevelopment Area; and

WHEREAS, Morrow Street Urban Renewal, LLC (the “Redeveloper”) proposes to undertake a redevelopment project, in accordance with the Redevelopment Plan, on the hereinafter described site (the “Project Site”), consisting of the demolition of the existing structures located on the Project Site and the construction of a six-story multifamily mixed-use development, consisting of two (2) separate buildings to be connected via a second floor skybridge containing amenity space, and the buildings to contain a total of two hundred and two (202) residential units, approximately two thousand (2,000) square feet of commercial space, and parking areas containing two hundred and two (202) parking spaces (collectively, the “Project”); and

WHEREAS, the Project Site includes that portion of the Redevelopment Area identified as 566-588 Morrow Street and 507-515 South Jefferson Street (Block 6003, Lots 5, 6, 7, 8, 11, 12, 13, 14, 27, 28, 29 and 30); and

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WHEREAS, the City expects to authorize, by resolution, the execution and delivery of a Redevelopment Agreement (the “Redevelopment Agreement”) and a Community Benefit Agreement (the “Community Benefit Agreement”) with the Redeveloper in order to fully set forth the understanding of the City and the Redeveloper with respect to the construction and development of the Project; and

WHEREAS, the Project includes the construction of various infrastructure improvements to the Project Site and the streets abutting the Project Site that are required as a result of the construction of the Project, including but not limited to curb replacements, street resurfacing, and construction of sidewalks, street lighting, landscaping, crosswalks and similar improvements, all consistent with the Redeveloper’s approved site plan, to be determined in consultation with the City Planner (collectively, the “Infrastructure Improvements”); and

WHEREAS, despite the Redeveloper’s investment of equity and borrowed funds, such amounts are insufficient to pay for all of the costs associated with the development and construction of the Project; and

WHEREAS, in order to defray certain eligible costs of the portion of the Project comprising the Infrastructure Improvements, the City wishes, upon satisfaction of such conditions as shall be set forth in the Redevelopment Agreement, to issue general obligation bonds or notes in one or more series in an aggregate principal amount not to exceed \$250,000 (collectively, the “Bonds”) pursuant to the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 et seq. (the “RAB Law”), and/or the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the “Local Bond Law”), as applicable; and

WHEREAS, the City will use the proceeds of the Bonds to finance the purposes described in Section 3 of this bond ordinance;

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 sum of \$250,000. 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. In order to finance the cost of the improvements or purposes, negotiable bonds are hereby authorized to be issued in the principal amount of \$250,000 pursuant to 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 a portion of the costs of constructing the portion of the Project consisting of the Infrastructure Improvements, including all work and materials necessary therefore and incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of the Infrastructure Improvements is equal to the amount of the appropriation herein made therefor.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no note shall mature later than one 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 shall determine all matters in connection with notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to 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 not less than par and accrued interest, at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest 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 amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

Section 5. The capital budget or temporary capital budget (as applicable) of the City is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. In the event of any such inconsistency and amendment, the resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget or amended temporary capital budget (as applicable) and capital program as approved by the Director of the Division of Local Government Services is on file with the City Clerk and is available there 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 prepared and filed in the office of the Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. 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 in this bond ordinance by \$250,000, and the obligations authorized herein will be within all debt limitation prescribed by that Law.

(d) An aggregate 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.

(e) The obligations of the City authorized by this bond ordinance shall bear interest at a maximum rate of not to exceed nine percent (9.00%) per annum, without further authorization of the City Council, which authorization may be by resolution.

Section 7. Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 8. The City hereby declares the intent of the City to issue the bonds or notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 8 is a declaration of intent within the meaning and for the purpose of Treasury Regulations Section 1.150-2 or any successor provisions of federal income tax law.

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 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 the 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 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

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obligations shall be direct, unlimited obligations of the City, and the City shall be obligated to levy ad valorem taxes upon all the taxable real property within the City for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 11. After passage upon first reading of this bond ordinance, the City Clerk is hereby directed to publish the full text of the bond ordinance, together with the notice set forth below 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 of this bond ordinance, as finally adopted, together with the notice set forth below 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 20 days after the first publication thereof after final adoption.

Adopted:

Joyce L. Lanier,
Municipal Clerk

Hon. Tency Eason,
Council President

Approved:

Dwayne D. Warren, Esq.
Mayor

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 _____, 2024. 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 _____, 2024 at ____ 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 L. Lanier, City Clerk

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 _____, 2024 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.

Date of publication: _____, 2024.

Joyce L. Lanier, City Clerk

CLERK'S CERTIFICATE

I, Joyce L. Lanier, Clerk of the City of Orange Township, in the County of Essex, New Jersey, HEREBY CERTIFY as follows that:

1. The attached copy of Ordinance No. ____-2024 of said City entitled as set forth below and finally adopted on _____, 2024, has been compared by me with the original thereof officially recorded in the Ordinance Book of the City and is a true and correct copy thereof and of the whole of said original Ordinance. The title of said Ordinance is as follows:

**BOND ORDINANCE OF THE CITY OF ORANGE
TOWNSHIP, IN THE COUNTY OF ESSEX, NEW JERSEY,
PROVIDING AID TO A REDEVELOPMENT PROJECT
LOCATED AT 566-588 MORROW STREET AND 507-515
SOUTH JEFFERSON STREET IN THE CITY OF ORANGE
TOWNSHIP AND APPROPRIATING \$250,000, THEREFOR,
AND PROVIDING FOR THE ISSUANCE OF \$250,000 IN
BONDS OR NOTES OF THE CITY OF ORANGE
TOWNSHIP TO FINANCE PART OF THE COST
THEREOF.**

2. Said Ordinance was introduced in writing and read and passed on first reading at a regular meeting of the City Council of said City duly called and held on _____, 2024 (a true and correct copy of an extract of the minutes of the meeting is attached hereto), and was passed on second reading and finally adopted by the recorded affirmative vote of at least two-thirds of all the members of said City Council, at a regular meeting thereof duly called and held on _____, 2024 (a true and correct copy of an extract of the minutes of the meeting is attached hereto), following the holding of a public hearing thereon at which all interested persons were given an opportunity to be heard.

3. Said Ordinance was published after first reading on _____, 2024, together with notice of the introduction and the date and the time and place of further consideration of said Ordinance. A true and correct copy of the affidavit of publication of said Ordinance is attached hereto.

4. On _____, 2024, said Ordinance was posted on the bulletin board in the City Hall of the City together with notice of the availability of copies of said Ordinance at the Office of the Clerk, and such copies of said Ordinance were made available to all members of the general public requesting the same.

5. After final passage and approval by (or passage over the veto of) the Mayor, a copy of said Ordinance, as adopted, was filed for public inspection in the Office of the Clerk, and said Ordinance, together with the Notice of Adoption of Bond Ordinance attached hereto, was duly published on _____, 2024 in _____, a newspaper circulating in the City, and no protest by any person against making the improvement or issuing the indebtedness

authorized in said Ordinance, nor any petition requesting that a referendum vote be taken on the action proposed in the Ordinance has been presented to the governing body or to me or filed in my office nor has any such action or proceeding questioning the validity of such Ordinance been commenced within 20 days after such publication. A true and correct copy of the affidavit of publication of said Ordinance is attached hereto.

6. Said Ordinance when introduced was complete in the form in which it was finally adopted and remained on file in the Office of the Clerk for public inspection from the date of introduction to the date of final adoption.

7. The attached copy of a Supplemental Debt Statement has been compared by me with the original Supplemental Debt Statement of said City, prepared as of _____, 2024, and sworn to on _____, 2024, by Adrian O. Mapp, who was then the Chief Financial Officer of said City, and filed in the office of said Clerk on _____, 2024, and that the same is a true and complete copy of said original Supplemental Debt Statement.

8. A complete Supplemental Debt Statement was duly filed (before final adoption by the City Council) in the Office of the Director of the Division of Local Government Services of the State via email. Attached is a copy of the email confirmation received from the Division. Such filing included a copy of the WISE Act calculation, showing the borrowing costs for this project if it were financed through the New Jersey Infrastructure Bank (strike sentence if inapplicable).

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said City this ____ day of _____, 2024.

(SEAL)

Joyce L. Lanier, City Clerk

ATTACHMENTS:

- A) Ordinance
- B) Extract of minutes of City Council meeting at which Ordinance was introduced
- C) Extract of minutes of City Council meeting at which Ordinance was finally adopted
- D) Affidavit of First Publication of Ordinance after introduction
- E) Affidavit of Second Publication of Ordinance after final adoption
- F) Supplemental Debt Statement
- G) Email confirmation received from the Division
- H) WISE Act evidence, if applicable.