



UNION COUNTY BOARD OF CHOSEN FREEHOLDERS

ORDINANCE NUMBER: *733-2012*
 DATE OF INTRODUCTION: *4/19/2012*
 DATE OF ADOPTION: *5/3/2012*

4/19/2012

ORDINANCE AUTHORIZING THE EXECUTION AND ACKNOWLEDGMENT AND DELIVERY BY THE COUNTY OF UNION OF CERTAIN AGREEMENTS IN RELATION TO LEASE REVENUE REFUNDING BONDS, SERIES 2012 (TAX-EXEMPT) (CITY OF PLAINFIELD - PARK MADISON REDEVELOPMENT PROJECT) BONDS") OF THE UNION COUNTY IMPROVEMENT AUTHORITY.

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (the "Board of Chosen Freeholders") of the County of Union, New Jersey (the "County"), as a public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the County Improvement Authorities Law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

WHEREAS, the City of Plainfield, New Jersey (the "City") undertook the redevelopment of an area of the City known as "The Park-Madison Redevelopment Area" (the "Redevelopment Area") as a Redevelopment Project (the "Redevelopment Project"); and

WHEREAS, the City designated the Authority as the Redevelopment Entity pursuant to the Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., for said Redevelopment Area (the "Redevelopment Entity"); and

NO SUFFICIENCY OF FUNDS REQUIRED
Frank P. DeSantis Continued...
 4-19-12

INTRODUCTION								RECORD OF VOTE								FINAL ADOPTION							
FREEHOLDER	Aye	Nay	Abs	Pass	Ord.	Sec	NP	FREEHOLDER	Aye	Nay	Abs	Pass	Ord.	Sec	NP								
ESTRADA	X							ESTRADA	X														
HUDAK			X					HUDAK			X												
JALLOH	X							JALLOH	X														
KOWALSKI	X							KOWALSKI	X														
SCANLON	X							SCANLON	X					X									
SULLIVAN	X				X			SULLIVAN	X				X										
WRIGHT	X							WRIGHT	X														
CARTER VICE CHAIRMAN	X					X		CARTER VICE CHAIRMAN	X														
MIRABELLA CHAIRMAN	X							MIRABELLA CHAIRMAN	X														

APPROVED AS TO FORM

 COUNTY ATTORNEY

I hereby certify the above is an original ordinance adopted by the Board of Chosen Freeholders of the County of Union on the aforementioned date.

 CLERK

I hereby certify this is a true copy of a ordinance adopted by the Board of Chosen Freeholders of the County of Union on the aforementioned date.

 CLERK

WHEREAS, the Authority agreed to act as said Redevelopment Entity, and in accordance with a Redevelopment Plan approved by an Ordinance of the City adopted on July 10, 2000, developed certain office space, lower level commercial/retail space and parking facilities for use of the County, other public agencies and retail/commercial users (the "Office Project"), and developed separate commercial space, parking and other uses on a portion of the Redevelopment Area (the "Retail Project" and together with the Office Project, the "Project") and

WHEREAS, the Authority solicited requests for proposals for a developer to undertake said Project for the Authority, and upon receipt and review of said proposals, the Authority selected AST Development Corporation (the "Redeveloper") as the developer for the Project; and

WHEREAS, the Authority and the Redeveloper entered into a Redevelopment Agreement, as amended and supplemented, relating to the Project (the "Redevelopment Agreement"); and

WHEREAS, the Authority financed the acquisition of the Redevelopment site (hereinafter defined) and Office Project (collectively hereinafter the "Initial Project") through the issuance of its Lease Revenue Bonds, Series 2003A (Tax-Exempt) and 2003B (Taxable) (collectively hereinafter the "Initial Bonds") in an aggregate principal amount of not to exceed \$28,000,000; and

WHEREAS, the City sold the land upon which the Project was constructed (the "Redevelopment Site") to the Authority; and

WHEREAS, N.J.S.A. 40:37A-78 permits the County to enter into a lease with the Authority for public facilities such as the Office Project and the County leased the Office Project from the Authority (the "Lease"); and

WHEREAS, the Authority ground leased all rights, title and interest it acquired from the City in a portion of the Redevelopment Site to a non-profit urban redevelopment corporation ("Urban Renewal Entity") created and controlled by the Authority (the "Urban Renewal Ground Lease"), which Urban Renewal Entity, as lessee, ground leased all its title, rights and interest to the Authority (the "Authority Ground Lease"), which leased the Office Project to the County, pursuant to a lease between the Authority and the County in accordance with N.J.S.A. 40A:38-78 ("Lease Agreement"); and

WHEREAS, pursuant to the Redevelopment Agreement, the Authority ground leased certain portions of the Redevelopment Site to the Redeveloper (the "Redeveloper Ground Lease") for purposes of commercial development to be undertaken by the Redeveloper (the "Commercial Development"); and

WHEREAS, the Authority owns, leases and operates the Office Project, subject to the Urban Renewal Ground Lease, the Authority Ground Lease and the Lease Agreement; and

WHEREAS, the Redeveloper constructed the office building, parking lot and related portions of the Office Project for the Authority pursuant to a Construction Agreement (the "Construction Agreement"); and

WHEREAS, the County entered into a Management Services Agreement with the Authority (the "Management Services Agreement"), pursuant to which the Authority manages, operates and maintains the Office Project, and on behalf of the County, sub-lease all portions of the Office Project not utilized by the County; and

WHEREAS, the Initial Bonds have such other terms as set forth in a certain resolution authorizing the issuance of the Lease Revenue Bonds, Series 2003A (Tax Exempt) and 2003B (Taxable) (City of Plainfield-Park Madison Redevelopment Project) and Additional Bonds of Union County Improvement Authority adopted by the Authority on March 21, 2001 (the "Initial Bond Resolution") as amended and supplemented by a First Supplemental and Amending Bond

Resolution adopted on April 25, 2001 (the "First Supplemental And Amending Bond Resolution" and together with the Initial Bond Resolution, and as may be further supplemented and amended prior to the issuance of the Initial Bonds; the Initial Bond Resolution, the First Supplemental and Amending Bond Resolution, and any amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the "Bond Resolution"); and

WHEREAS, the payment of the principal and redemption premium, if any, of and interest on the Initial Bonds are secured by rental payments made under the Lease Agreement by the County; and

WHEREAS, the Initial Bonds designated as Series 2003A Bonds (the "Tax-Exempt Bonds") were issued as Tax-Exempt bonds under the Code, the interest on which shall be excludable from the gross income of the holders thereof for federal income tax purposes; and

WHEREAS, The Initial Bonds designated as Series 2003B Bonds (the "Taxable Bonds") were issued as taxable bonds under the Code, the interest on which shall be includable in the gross income of the holders thereof for federal income tax purposes; and

WHEREAS, the proceeds of the Initial Bonds were applied to payment of the Acquisition of the Redevelopment Site, costs of the Office Project on a requisition basis in accordance with the terms of the Construction Agreement, the costs of issuing the Initial Bonds, capitalized interest on the Initial Bonds, a debt service reserve fund to secure the Initial Bonds, if necessary, and any other costs set forth in the Bond Resolution; and

WHEREAS, the County, as a party obligated to pay more than ten percent (10%) of the debt service on the Bonds and entered into that certain "Continuing Disclosure Agreement (City of Plainfield-Park Madison Redevelopment Project)" to be dated as of the first day of the month of issuance of the Initial Bonds (as the same may be amended and supplemented from time to time in accordance with its terms, the "Continuing Disclosure Agreement") with the Authority in order to satisfy the secondary market disclosure requirements of Rule 15c2-12; and

WHEREAS, the Authority has determined that it is in the best interest of the Authority, the County to undertake a refunding of the Series 2003A Bonds which will result in a debt service savings to the County and Authority (the "Refunding"); and

WHEREAS, the Authority plans to issue not to exceed \$21,645,000 in Lease Revenue Refunding Bonds, Series 2012A (Tax Exempt) (City of Plainfield-Park Madison Redevelopment Project) [or such designation as reflect the year of issuance] to refund all or a portion of the Series 2003A Bonds (the "Refunding Bonds"); and

WHEREAS, in accordance with Section 13 ("Section 13") of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Refunding Bonds, the Authority shall make a detailed report with respect to such financing to the Board of Freeholders, which report shall include copies or a description of, without limitation, the Financing Documents; and

WHEREAS, the Authority believes: (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the inhabitants of the County and will not create an undue financial burden to be placed upon the Authority or the County.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION, NEW JERSEY, as follows:

Section 1. The County Manager, Director of Finance, County Treasurer, Assistant Treasurer or such other authorized officer of the County (each an "Authorized Officer") are hereby each severally authorized and directed, upon the satisfaction of all the legal conditions precedent to the execution or acknowledgment and delivery by the County, of the Financing Documents to be so executed or acknowledged by the County.

Section 2. The Clerk of the Board of Chosen Freeholders is hereby authorized and directed, upon the execution or acknowledgment of the Financing Documents in accordance with the terms of Section 1 hereof, to attest to the Authorized Officer's execution or acknowledgment of such documents and is hereby further authorized and directed to thereupon affix the seal of the County to such documents.

Section 3. Upon the execution or acknowledgment and attestation of and if required, the placing of the seal on the Financing Documents as contemplated by Sections 1 and 2 hereof, the Authorized Officer is hereby authorized and directed to (i) deliver the fully executed or acknowledged, attested and sealed documents to the other parties thereto and (ii) perform such other actions as the Authorized Officer deems necessary, desirable or convenient in relation to the execution and delivery thereof.

Section 4. The Board of Chosen Freeholders of the County of Union hereby authorize the performance of any act, the execution or acknowledgment and delivery of any other document, instrument or closing certificates, which the Authorized Officer, deems necessary, desirable or convenient in connection with this contemplated transaction, and the Board hereby directs the Authorized Officer to execute or acknowledge, and cause the Clerk of the Board to attest and affix the seal to any such documents, instruments or closing certificates, the authorization of which actions shall be conclusively evidenced by the execution or acknowledgment, attestation, affixation and delivery, as the case may be, thereof by such persons. Such closing certificates shall include, without limitation, (a) a determination that any information provided by the County in connection with the preparation and distribution of the (i) any preliminary official statement or supplement with relation to the Bonds is "deemed final" for the purposes and within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended ("Rule 15c2-12") and (ii) any official statement or supplement with relation to the Bonds constitutes a final Official Statement for the purposes and within the meaning of Rule 15c2-12, (b) a determination that the Continuing Disclosure Agreement complies with Rule 15c2-12, (c) a determination that any information provided by or on behalf of the County or relating to the County, the Project, the Financing Documents or the transactions contemplated thereby in connection with the preparation and distribution of any such Preliminary Official Statement or the Official Statement complies with Section 10 and Rule 10b-5 of the Securities Exchange Act, and (d) any representations, warranties, covenants, certificates or instruments required by any issuer of a municipal bond insurance policy or any other form of credit enhancement securing all or a portion of the Bonds or the issuer of a rating on all or a portion thereof.

Section 5. A public hearing shall be held on this ordinance on _____, 2012 at the meeting room of the Board of Chosen Freeholders, Administration Building, Elizabeth, New Jersey.

Section 6. The Clerk of the Board is hereby directed to publish and post notice of this ordinance as required by law.

Section 7. Upon the adoption hereof, the Clerk of the Board shall forward certified copies of this ordinance to the County Manager, Director of Finance, County Counsel, Bond Counsel to the County, the Authority, and Bond Counsel to the Authority.

Section 8. This ordinance shall take effect at the time and in the manner prescribed by law.