



UNION COUNTY BOARD OF CHOSEN FREEHOLDERS

ORDINANCE NUMBER: *734-2012*
 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 (JUVENILE DETENTION CENTER FACILITY PROJECT) 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 Authority is authorized by law, specifically Section 11 of the Act (N.J.S.A. 40:37A-54(a)), to provide public facilities for the use of the County, including, without limitation, the provision for the acquisition of land (the "Property") for and the construction of a juvenile detention center facility (the "Juvenile Detention Center Facility") located in the City of Linden, New Jersey;

WHEREAS, pursuant to the Act, specifically Section 35 thereof (N.J.S.A. 40:37A-78), the Authority is authorized to enter into and perform any lease or other agreement with the County for the lease to or use by the County of all or any part of any public facility or facilities as determined in Section 11 of the Act (N.J.S.A. 40:37A-54);

NO SUFFICIENCY OF FUNDS REQUIRED
Trans. & Finance
4-19-2012 Continued...

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					X		SCANLON	X					X	
SULLIVAN	X				X			SULLIVAN	X				X		
WRIGHT	X							WRIGHT	X						
CARTER VICE CHAIRMAN	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 financed the acquisition of the Property and the construction of the Juvenile Detention Center Facility (collectively, the "Initial Project") through the issuance of its County of Union General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) (the "Series 2004 Bonds");

WHEREAS, in accordance with N.J.S.A. 40:37A-78, the Authority leased the Initial Project to the County pursuant to the terms of that certain "Lease Purchase Agreement (Juvenile Detention Center Facility Project)" dated as of the first day of the month of issuance of the Series 2004 Bonds between the Authority, as lessor, and the County, as lessee (the "Lease Agreement");

WHEREAS, during the term of the Lease Agreement, title to the Initial Project resides with the Authority;

WHEREAS, immediately prior to the expiration of the terms of the Lease Agreement, the County will purchase all of the Authority's right, title and interest in and to the Initial Project for a nominal fee;

WHEREAS, the County and the Authority entered into that certain Interlocal Services Agreement dated December 22, 2003 (the "Interlocal Services Agreement") which sets forth certain duties of the County and the Authority with respect to, among other things, the development, financing and implementation of the Initial Project;

WHEREAS, the Series 2004 Bonds were issued pursuant to the terms of the Act, other applicable law and this "Resolution Authorizing the Issuance of County of Union General Obligation Lease Revenue Bonds, Series 2004 (Juvenile Detention Center Facility Project) and Additional Bonds of the Union County Improvement Authority", as amended and supplemented, including specifically as shall be supplemented and amended by a Certificate of the Executive Director in accordance with Section 2.02(1)(e) hereof (the "Bond Resolution");

WHEREAS, the proceeds of the Series 2004 Bonds were applied to, inter alia, the payment of the (a) costs of the acquisition of the Property, including reimbursing the County for any amount previously loaned to the Authority in connection therewith, (b) costs of the demolition of existing structures on the Property, (c) costs of the construction of the Juvenile Detention Center Facility, (d) costs of issuing the Series 2004 Bonds, (e) capitalized interest on the Series 2004 Bonds and (f) any other costs set forth in this Bond Resolution;

WHEREAS, the principal of, redemption premium, if any, and the interest on the Series 2004 Bonds are secured by general obligation lease payments of the County under the Lease Agreement in scheduled lease payment amounts sufficient to pay in a timely manner the principal and redemption premium, if any, of and the interest on the Series 2004 Bonds, pursuant to the terms of which Lease Agreement the County shall be obligated, if necessary, to make such lease payments from the levy of ad valorem taxes upon all of the taxable property within the County, without limitation as to rate or amount;

WHEREAS, pursuant to the terms of the Lease Agreement, the County entered into that certain "Continuing Disclosure Agreement (Juvenile Detention Center Facility Project)" with the Authority and the bond trustee to be appointed by the Authority (the "Bond Trustee") dated as of the first day of the month of issuance of the Series 2004 Bonds (the "Continuing Disclosure Agreement") in order to satisfy the secondary market disclosure requirements of Rule 15c2-12 ("Rule 15c-12") promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended and supplemented;

WHEREAS, the Authority financed the remaining portion of the Project through the issuance of its County of Union General Obligation Lease Revenue Bonds, Series 2005 (Juvenile Detention Center Facility Project) (the "Series 2005 Bonds");

WHEREAS, the Series 2005 Bonds were issued pursuant to the terms of the Act, other applicable law, the Initial Bond Resolution and a supplemental resolution of the Authority entitled "Supplemental Bond Resolution of the Union County Improvement Authority

Authorizing the Issuance of its not to exceed \$30,100,000 County of Union General Obligation Lease Revenue Bonds, Series 2005 (Juvenile Detention Center Facility Project)" to be adopted by the Authority prior to the issuance of the Series 2005 Bonds (the "Series 2005 Supplemental Bond Resolution"; the Initial Bond Resolution, together with the Series 2005 Supplemental Bond Resolution and any further amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the "Bond Resolution");

WHEREAS, in accordance with N.J.S.A. 40:37A-78, the Authority has leased the portion of the Project financed with the proceeds of the Series 2004 Bonds to the County pursuant to the terms of that certain "Lease Purchase Agreement (Juvenile Detention Center Facility Project)" dated as of December 15, 2004, between the Authority, as lessor, and the County, as lessee as amended pursuant to the terms of Amendment No. 1 to Lease Agreement (the "Original Lease Agreement");

WHEREAS, in accordance with Section 13 of the Act (N.J.S.A. 40:37A-56), prior to the issuance of the Series 2004 and Series 2005 Bonds the Authority made a detailed report of the Initial Project and the financing to the Board of Freeholders, which report included, without limitation, the Bond Resolution, as amended and supplemented, the Series 2004 Bonds, the Series 2005 Bonds, the Lease Agreement, Amendment No. 1 to Lease Agreement, the Continuing Disclosure Agreement, and Amendment No. 1 to Continuing Disclosure Agreement (collectively, the "Financing Documents");

WHEREAS, the Series 2005 Bonds are subject to redemption prior to maturity;

WHEREAS, in view of certain market conditions, the County has request that the Authority restructure and refinance the debt service of the Series 2005 Bonds to provide for certain savings;

WHEREAS, the Authority is desirous of assisting in the refinancing of the Project, to the extent permitted by law;

WHEREAS, the Authority is desirous of assisting in the refinancing of the Project, to the extent permitted by law;

WHEREAS, the Authority expects to obtain funds to assist the financing of the Project through the issuance of its bonds in an amount not to exceed \$24,690,000 General Obligation Lease Revenue Refunding Refunding Bonds, Series 2012 (Juvenile Detention Center Facility Project) (the "Bonds") [or such series designation as necessary for the year of issuance] issued pursuant to a Bond Resolution to be adopted by the Authority entitled "**SUPPLEMENTAL RESOLUTION AUTHORIZING THE ISSUANCE OF COUNTY OF UNION GENERAL OBLIGATION LEASE REVENUE REFUNDING BONDS, SERIES 2012 (JUVENILE DETENTION CENTER FACILITY PROJECT) AND ADDITIONAL BONDS OF THE UNION COUNTY IMPROVEMENT AUTHORITY**" (the "Supplemental Bond Resolution");

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

WHEREAS, in accordance with N.J.S.A 40A:5A-6 the Authority has made application, on behalf of the Authority and the County, to the Local Finance Board in the Division of Local Government Services of the Department of Community Affairs of the State (the "Local Finance Board") for the Local Finance Board's review of the financing, including, *inter alia*, the Supplemental Bond Resolution, the Supplemental Lease Agreement, and Continuing Disclosure Agreements (the "Financing Documents");

WHEREAS, the Authority believes: (a) it is in the public interest to accomplish such purpose; (b) said purpose is for the health, welfare, convenience or betterment of the inhabitants of the County; (c) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (d) 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.