



9/30/2010

UNION COUNTY BOARD OF CHOSEN FREEHOLDERS

ORDINANCE NUMBER: 712-2010  
 DATE OF INTRODUCTION: 9/30/2010  
 DATE OF ADOPTION: 10/14/2010

ORDINANCE AUTHORIZING THE EXECUTION AND ACKNOWLEDGMENT AND DELIVERY BY THE COUNTY OF UNION OF CERTAIN AGREEMENTS IN RELATION TO CERTAIN MORTGAGE REVENUE REFUNDING BONDS, SERIES 2010 (OAKWOOD PLAZA-ELIZABETH) 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 provided financing for the acquisition and renovation of an affordable residential development located at 380 Irvington Avenue, City of Elizabeth, Union County, New Jersey, Block 11, Lots 45 and 1199A, known as Oakwood Plaza (the "Project"); and

WHEREAS, the Project will provide dwelling accommodations for occupancy by persons and families of low and moderate income; and

WHEREAS, the Authority sold \$16,870,000 aggregate principal amount of County Guaranteed Revenue Bonds, Series 2009 (Oakwood Plaza - Elizabeth Project) (Federally Taxable) dated June 24, 2009 (the "Refunded Bonds") to finance the Project which Refunded Bonds would all mature prior to January 1, 2015;

NO SUFFICIENCY OF FUNDS REQUIRED  
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 9-29-10

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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						
JALLOH	X							JALLOH	X						
KOWALSKI	X							KOWALSKI	X						
MIRABELLA	X					X		MIRABELLA							X
PROCTOR	X							PROCTOR	X						
VAN BLAKE	X							VAN BLAKE							X
WARD							X	WARD							X
SCANLON VICE CHAIRMAN	X							SCANLON VICE CHAIRMAN	X					X	
SULLIVAN CHAIRMAN	X				X			SULLIVAN CHAIRMAN	X				X		

APPROVED AS TO FORM  
*Handwritten signature*  
 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.  
*Handwritten signature* 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 City of Elizabeth (the "City") had arranged a public private effort to for this housing development in combination with the New Jersey Department of Community Affairs (NJDCA), where NJDCA was to provide the payments in the amount of \$18 million, in \$4 million increments annually, but as a result of subsequent events, including NJDCA being unable to provide said payments, the project cannot current support the present debt service schedule, which was predicated upon the receipt of same; and

**WHEREAS**, the County, City and CIS have request that the UCIA restructure the debt service for a longer term to allow the project to be self supporting, and to allow for the receipt of such NJDCA funds and other grants over a longer period of time; and

**WHEREAS**, the Authority is desirous of assisting in the refinancing of the Project, to the extent permitted by law, as such assistance will assure the continued availability of dwelling accommodations for occupancy by persons and families of low and moderate income; and

**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 \$20,000,000 GUARANTEED MORTGAGE REVENUE REFUNDING BONDS, SERIES 2010 (OAKWOOD PLAZA-ELIZABETH) (the "Bonds") issued pursuant to a Bond Resolution to be adopted by the Authority entitled "**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF COUNTY GUARANTEED MORTGAGE REVENUE REFUNDING BONDS, SERIES 2010 (OAKWOOD PLAZA-ELIZABETH) (TAXABLE) OF THE UNION COUNTY IMPROVEMENT AUTHORITY IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 IN CONNECTION WITH THE AUTHORITY'S REFINANCING OF A LOW AND MODERATE INCOME HOUSING PROJECT IN THE CITY OF ELIZABETH, COUNTY OF UNION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT AND RELATED INSTRUMENTS ANNEXED THERETO, A TRUST INDENTURE AND RELATED INSTRUMENTS ANNEXED THERETO, A PURCHASE AGREEMENT AND RELATED INSTRUMENTS ANNEXED THERETO, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**" (the "Bond Resolution"); 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 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; and

**WHEREAS**, in accordance with N.J.S.A 40A:5A-6 and N.J.S.A. 40:37A-80 the Authority shall make application, on behalf of the Authority, the County, and the City of Elizabeth (the "City") 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 Bond Resolution, the County Guaranty Agreement, the County Guaranty, the City Deficiency Agreement, and Continuing Disclosure Agreements (the "Financing Documents"); and

**WHEREAS**, in accordance with the terms of Section 37 of the Act (N.J.S.A. 40:37A-80) and the County Guaranty, the County shall be obligated, if necessary, to levy *ad valorem* taxes upon all the taxable property within the County without limitation as to rate or amount to make the timely payment of the principal of (including mandatory sinking fund installments, if any) and interest on the Bonds; and

**WHEREAS**, in order to induce the prospective purchasers of the Bonds to purchase same, the Bonds shall otherwise be secured by a guarantee ordinance adopted by the County unconditionally and irrevocably guaranteeing a portion of the principal of (including mandatory sinking fund installments, if any) and interest on the Bonds, all pursuant to Section 37 of the Act (N.J.S.A. 40:37A-80); 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 and the City; (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 the City and will not create an undue

financial burden to be placed upon the Authority, the City 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 and the Chief Financial Officer of the County (collectively, the "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 County 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 \_\_\_\_\_, 2010 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, Chief Financial Officer, 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.