

**THE CITY OF
EAST ORANGE, NEW JERSEY
ORDINANCE NO. 6 OF 2021**

BOND ORDINANCE PROVIDING FOR VARIOUS 2021 CAPITAL ACQUISITIONS AND IMPROVEMENTS, BY AND IN THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY"); APPROPRIATING \$5,941,000 THEREFOR AND AUTHORIZING THE ISSUANCE OF \$5,772,950 IN BONDS OR NOTES OF THE CITY TO FINANCE PART OF THE COSTS THEREOF

BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (not less 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 as general improvements or purposes to be undertaken by the City of East Orange, in the County of Essex, State of New Jersey (the "City"). For said improvements or purposes stated in Section 3 hereof, there is hereby appropriated the aggregate sum of \$5,941,000, which sum includes a grant in the amount of \$1,081,321 received or expected to be received from the New Jersey Economic Development Authority Neighborhood Community Revitalization Program (the "Grant") and \$168,050 as the aggregate amount of down payments for said improvements or purposes as required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). Said down payments are now available therefor by virtue of appropriations in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes. Pursuant to N.J.S.A. 40A:2-11(c), as amended and supplemented no down payment is required for the improvement or purpose set forth in Section 3(a) hereof, as such project is being funded by the Grant, which is considered a grant of the State of New Jersey.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet part of the said \$5,941,000 appropriation not provided by application hereunder of the Grant and the down payments, negotiable bonds of the City are hereby authorized to be issued in the aggregate principal amount of \$5,772,950 pursuant to, and within the limitations prescribed by, the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the City in an aggregate principal amount not exceeding \$5,772,950 are hereby authorized to be issued pursuant to, and within the limitations prescribed by, said Local Bond Law.

SECTION 3. The various improvements hereby authorized and various purposes for the financing of which said obligations are to be issued are as follows:

<u>Description</u>	<u>Appropriation</u>	<u>Authorization</u>	<u>Down Payment</u>	<u>Useful Life</u>
(a) Martin Luther King Jr. Streetscape Project (encompassing the area from Burnet Street to the East Orange Train Station) consisting of, but not limited to, improvements to sidewalks, curbs, driveway aprons, parking meters, trash receptacles, planters, park lets, removable bollards, bus shelters, and other related site improvements; and	\$2,580,000 (including the Grant in the amount of \$1,081,321)	\$2,580,000	\$0	10 years
(b) Repairs to the top level of the Central City Garage, which, among other things, will allow for additional storage of vehicles and equipment; and	971,000	922,000	49,000	10 years
(c) Renovations and repairs to Public Safety buildings and City owned facilities and buildings including, but not limited to, roof replacement and/or repairs, electrical and plumbing repairs, structural repairs, windows, interior and exterior brick, masonry and wood work, bathrooms, kitchens, heating and ventilation systems, common areas, and any other work related thereto on an as needed basis.	2,390,000	2,270,950	119,050	15 years
	<u>5,941,000</u>	<u>\$5,772,950</u>	<u>\$168,050</u>	

(a) The estimated aggregate maximum amount of bonds or notes to be issued for said improvements or purposes is \$5,772,950.

(b) The estimated aggregate cost of said improvements or purposes is \$5,941,000, the excess amount thereof over said estimated maximum amount of bonds or notes to be issued therefore is the down payments available for such improvements or purposes in the aggregate amount of \$168,050.

(c) All such improvements or purposes described above shall include, as applicable, all construction planning, engineering, design work, preparation of plans and specifications, permits, bid documents, environmental testing and remediation, construction inspection and contract administration, and all materials, equipment, accessories and work necessary therefor or incidental thereto.

SECTION 4. In the event the United States of America, the State of New Jersey, and/or the County of Essex make a contribution or grant in aid to the City, including the Grant, for the improvements or purposes 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 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, including the Grant, 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. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer of the City. The Chief Financial Officer of the City shall determine all matters in connection with the bond anticipation notes issued pursuant to this bond ordinance, and the signature of the

Chief Financial Officer of the City upon the notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time in accordance with the provisions of N.J.S.A. § 40A:2-8.1. The Chief Financial Officer of the City is hereby authorized to sell part or all of the bond anticipation 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 of the City is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the bond anticipation 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 bond anticipation 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 improvements or 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 costs thereof have been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements or purposes 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 11.96 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 New Jersey Department of Community Affairs, 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 or bond anticipation notes provided for in this bond ordinance by \$5,772,950 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 \$300,000 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 described in Section 3 hereof.

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 obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the City, and 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 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 Township'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.

SECTION 10. The City covenants to maintain the exclusion from gross income under Section 103(a) of the Code of the interest on all tax-exempt bonds and bond anticipation notes issued under this bond ordinance.

SECTION 11. 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 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 a 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 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.