

**THE CITY OF
EAST ORANGE, NEW JERSEY
ORDINANCE NO. 7 OF 2021**

BOND ORDINANCE PROVIDING FOR VARIOUS IMPROVEMENTS TO COLUMBIAN PARK AND OVAL PARK, IN AND BY THE CITY OF EAST ORANGE, IN THE COUNTY OF ESSEX, STATE OF NEW JERSEY (THE "CITY"); REAPPROPRIATING \$733,800 IN BOND PROCEEDS NOT NEEDED FOR THEIR ORIGINAL PURPOSE FROM SECTION 3(b) OF BOND ORDINANCE NUMBER 59 OF 2016 FINALLY ADOPTED DECEMBER 19, 2016 OF THE CITY, TO FINANCE A PORTION OF THE COSTS THEREOF AND APPROPRIATING AN ADDITIONAL \$6,086,200 FROM THE OPEN SPACE TRUST FUND AND AUTHORIZING THE ISSUANCE OF \$6,064,200 BONDS OR NOTES OF THE CITY OF FINANCE PART OF THE COST 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 the members thereof affirmatively concurring), AS FOLLOWS:

SECTION 1. Bond proceeds in the amount of \$733,800 for improvements authorized in Section 3(b) of Bond Ordinance Number 59 of 2016 finally adopted by the City of East Orange, in the County of Essex, State of New Jersey (the "City") on December 19, 2016 (the "Excess Proceeds") are no longer necessary for the purposes for which it was authorized and issued.

SECTION 2. The Excess Proceeds shall be reappropriated pursuant to the provisions of N.J.S. A. 40A:2-39 and shall be used to finance improvements to Oval Park, as more fully described in Section 5(a)(ii) herein.

SECTION 3. The improvements or purposes described in Section 5(a) of this bond ordinance are hereby authorized as general improvements to be undertaken by the City. For the said improvements or purposes stated in Section 5(a) hereof, there is hereby appropriated the sum of \$6,086,200 from the City's Open Space Trust Fund, said sum being exclusive of the Excess Proceeds set forth in Section 2 hereof, but is inclusive of all appropriations heretofore made therefor, which sum includes a grant in

the amount of \$2,000,000 received or expected to be received from the New Jersey Department of Environmental Protection Green Acres Program (the "State Grant"). No down payment for said improvements or purposes referred to in Section 5(a)(i) herein is required pursuant to Section 40A:2-11(c) of the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"), as said improvements or purposes involve projects funded by State grants. A down payment in the amount of \$22,000 for said improvements or purposes referred to in Section 5(a)(ii) herein is required by the Local Bond Law. The down payment is now available in the City's Open Space Trust Fund.

SECTION 4. For the financing of said improvements or purposes and to meet the part of said \$6,086,200 appropriation not provided for by application hereunder of said down payment, negotiable bonds of the City are hereby authorized to be issued in the principal amount of \$6,064,200 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 improvement or purpose, negotiable notes of the City in the aggregate principal amount of \$6,064,200 are hereby authorized to be issued pursuant to, and within the limitations prescribed by, the Local Bond Law.

SECTION 5. (a) The improvements hereby authorized and purposes for the financing of which the bonds are to be issued are for (i) improvements to Columbian Park consisting of, but not limited to, renovations to the field consisting of a new multi-purpose playing field and walking path, a new playground, a new toddler spray/splash area, renovations to the fieldhouse and swimming pool area, as well as renovations to the hardball courts for basketball and volleyball, and (ii) improvements to Oval park consisting of, but not limited to, construction of a new multi-purpose playing field and pathway/track and renovations to the basketball courts, picnic areas, outdoor fitness equipment area, multisport complex as well as renovations to entrances to the park and the facilities located therein, including, but not limited to, the installation of lighting and ADA ramps, and also including, as applicable, all appurtenances, work, materials and equipment necessary therefor and incidental thereto.

(b) The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$6,064,200.

(c) The estimated cost of said improvements or purposes is \$6,820,000, the excess thereof over the said estimated maximum amount of bonds or

notes to be issued therefor is the \$22,000 down payment from the Open Space Trust Fund and the \$733,800 Excess Proceeds for said improvements or purposes.

SECTION 6. 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 improvement and purpose authorized hereby and the same shall be received by the City prior to the issuance of the bonds or notes authorized in Section 4 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, including the Grant, shall be received by the City after the issuance of the bonds or notes authorized in Section 4 hereof, 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 7. 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 or otherwise authorized by the Local Bond Law. 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 of the City shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the 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, if any, from their dates to the date of delivery thereof. The Chief Financial Officer is hereby 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 principal amount, the description, the interest rate, and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 8. 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 9. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 5(a) of this Bond ordinance is not a current expense and is an improvement which the City may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The period of usefulness of said purpose within the limitations of the Local Bond Law, according to the reasonable life thereof, computed from the date of the said bonds authorized by this bond ordinance, is 15 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, Department of Community Affairs, State of New Jersey, and such statement shows that there shall be deducted from the gross debt of the City the \$6,064,200 amount of bonds or notes authorized herein to the extent the debt service on said bonds or notes is paid solely by the City's Open Space Trust Fund, as prescribed by said Local Bond Law under N.J.S.A. 40A:2-44(h), and if not so paid, the gross debt of the City shall be increased by the \$6,064,200 authorization of bonds or notes provided for in this bond ordinance and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An amount not exceeding \$350,000 for items of expense listed in and permitted under Section 20 of the Local Bond Law is included in the estimated cost indicated herein for the purposes or improvement described in Section 5(a) hereof.

SECTION 10. The full faith and credit of the City are hereby pledged to the punctual payment of the principal of and the interest on the bonds or notes authorized by this bond ordinance. The bonds or notes 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 11. 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 City'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 Regulation Section 1.150-2.

SECTION 12. 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. The City covenants to maintain the exclusion from gross income under Section 103(a) of the Internal Revenue Code of 1986, as amended, of the interest on all tax-exempt bonds and notes issued under this ordinance.