

ORDINANCE NO. 60-36

GUARANTY ORDINANCE OF THE CITY OF LINDEN, IN THE COUNTY OF UNION, NEW JERSEY REGARDING THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON CERTAIN CITY GUARANTEED LEASE REVENUE BONDS, SERIES 2016 (CITY OF LINDEN OMNIBUS REVENUE REFUNDING PROJECT) OF THE UNION COUNTY IMPROVEMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$28,000,000 FOR THE PURPOSE OF PROVIDING ADDITIONAL SECURITY IN CONNECTION WITH THE AUTHORITY'S AFOREMENTIONED BONDS

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by a resolution duly adopted on June 5, 1986 by the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Union (the "County") in the State of New Jersey (the "State") as a public body corporate and politic of 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, and the acts amendatory thereof and supplemental thereto (the "Act"); and

WHEREAS, the County has created the Authority for the express purpose, among other things, of facilitating the development and financing of public facilities and development projects within the County; and

WHEREAS, pursuant to the terms of the Act, the Authority is authorized to provide public facilities, as such term is defined therein, within the County, including the financing of the acquisition of same; and

WHEREAS, the Authority, on behalf of the City of Linden, New Jersey (the "City") has previously financed on a conduit basis certain public facility projects as hereinafter set forth; and

WHEREAS, on April 14, 2005 the Authority issued its \$4,440,000 Lease Revenue Bonds, City of Linden-Guaranteed (Linden Football and Track Stadium Project) (the "Stadium Bonds"), of which \$3,095,000 remains outstanding (the "Refunded Stadium Bonds"); and

WHEREAS, the Stadium Bonds were issued in order to finance the (i) renovation and expansion of the City of Linden Board of Education's football and track and field stadium through the realignment of the existing track and field, the installation of new track and field surfaces, stadium seating, lighting, fencing and a concession area, among other things, upon property on which the current football and track and field facility are constructed which is owned by the City of Linden Board of Education, (ii) capitalized interest on the Stadium Bonds, and (iii) the payment of certain of the costs of issuance related to the Stadium Bonds; and

WHEREAS, the Stadium Bonds were issued pursuant to the Act, and a bond resolution of the Authority entitled "Resolution Authorizing the Issuance of Lease Revenue Bonds, City of Linden Guaranteed (Linden Football and Track Stadium Project) of the Union County Improvement Authority and Determining Other Matters Related Thereto" (the "Stadium Bonds Resolution"); and

WHEREAS, on April 27, 2005, the Authority issued its \$2,500,000 Lease Revenue Bonds, City of Linden-Guaranteed (Linden Library Project) (the "2005 Library Bonds"), of which \$1,950,000 remains outstanding (the "Refunded 2005 Library Bonds"); and

WHEREAS, the 2005 Library Bonds were issued in order to finance the (i) the renovation, construction and/or acquisition of certain capital improvements and the acquisition of certain capital equipment, all related to an existing public library, located in the City and (ii) the payment of certain of the costs of issuance related to the 2005 Library Bonds; and

WHEREAS, the 2005 Library Bonds were issued pursuant to the Act, and a bond resolution of the Authority, duly adopted on December 15, 2004, as supplemented and amended by an Award Resolution duly executed by the Executive Director of the Authority (the "2005 Library Bonds Resolution"); and

WHEREAS, on February 23, 2006 the Authority issued its \$25,000,000 City of Linden General Obligation Lease Revenue Bonds, Series 2006 (City of Linden Firehouse Project) (the “Firehouse Bonds”), of which \$16,595,000 remains outstanding (the “Refunded Firehouse Bonds”); and

WHEREAS, the Firehouse Bonds were issued in order to finance the (i) costs of the acquisition of certain land located in the City, (ii) costs of the demolition, construction and renovation, as applicable, of four fire stations and the 911 call center in the City, (iii) costs of the acquisition and installation of equipment and fixtures for the four fire stations and 911 call center, (iv) capitalized interest on the Firehouse Bonds, and (v) pay certain of the costs of issuance incurred in connection with the issuance of the Firehouse Bonds; and

WHEREAS, the Firehouse Bonds were issued pursuant to the Act, a bond resolution of the Authority adopted November 2, 2005, and amended by a certificate of the Executive Director of the Authority and all other applicable law (the “Firehouse Bonds Resolution”); and

WHEREAS, on November 27, 2006 the Authority issued its \$7,000,000 City of Linden Guaranteed Lease Revenue Bonds, Series 2007 (City of Linden Public Library Project) (the “2007 Library Bonds”), of which \$4,160,000 remains outstanding (the “Refunded 2007 Library Bonds” and together with the Refunded Stadium Bonds, the Refunded 2005 Library Bonds and the Refunded Firehouse Bonds, the “Refunded Bonds”); and

WHEREAS, the 2007 Library Bonds were issued in order to finance (i) certain capital improvements and renovations to the public library, located in the City, (ii) acquisition of equipment and materials as may be necessary for the improvements described above, and (iii) certain costs of issuance with respect to the sale and delivery of the 2007 Library Bonds; and

WHEREAS, the 2007 Library Bonds were issued pursuant to the Act, and a bond resolution of the Authority, duly adopted on December 15, 2004, as supplemented and amended on September 5, 2007 and as supplemented and amended by a certificate of the Executive Director of the Authority (the “2007 Library Bonds Resolution” and together with the Stadium Bonds Resolution, the 2005 Library Bonds Resolution, and the Firehouse Bonds Resolution, “the “Prior Bond Resolutions”); and

WHEREAS, the projects financed by the Refunded Bonds shall hereinafter be considered the “Underlying Projects”; and

WHEREAS, in order to take advantage of a currently favorable interest rate environment, in accordance with terms and conditions of the Prior Bond Resolutions, the Authority shall issue one or more series, including renewals, if any, of its not to exceed \$28,000,000 City Guaranteed Lease Revenue Bonds, Series 2016 (City of Linden Omnibus Revenue Refunding Project) (the “Refunding Bonds”) in order to refund all or a portion of the outstanding principal amount of the Refunded Bonds (the “Refunding Project”); and

WHEREAS, the Refunding Bonds shall be issued pursuant to the terms of the Act, the Authority’s general bond resolution entitled “Resolution Authorizing The Issuance Of City Guaranteed Lease Revenue Bonds, Series 2016 (City Of Linden Omnibus Revenue Refunding Project) Of The Union County Improvement Authority And Determining Other Matters Related Thereto” as the same may be further supplemented and amended by a certificate of the Executive Director of the Authority (collectively, the “Refunding Bond Resolution”), and other applicable law; and

WHEREAS, the principal of (including mandatory sinking fund installments, if any), redemption premium, if any, and interest on the Refunding Bonds shall be secured, on a parity basis, by valid and binding lease payments made by the City to the Authority under a Lease and Agreement by and between the Authority and the City dated as of the first day of the month of issuance of the Refunding Bonds (the “Lease Agreement”); and

WHEREAS, the principal of (including mandatory sinking fund installments, if any), redemption premium, if any, and interest on the Refunding Bonds, shall be fully, unconditionally and irrevocably guaranteed in an aggregate principal amount not to exceed \$28,000,000 in accordance with the terms of a guaranty ordinance of the City finally adopted by the City

Council of the City (the "City Guaranty"), a guaranty agreement by and between the Authority and the City (the "City Guaranty Agreement"), and by a guaranty certificate (collectively, the "Bond Guaranty") to be executed by the Mayor of the City on the face of each Bond, all pursuant to Section 37 ("Section 37") of the Act (N.J.S.A. 40:37A-80) which City Guaranty shall provide for payments in amounts sufficient to pay in a timely manner the principal of (including mandatory sinking fund installments, if any), and the interest on the Refunding Bonds, pursuant to the terms of which City Guaranty the City shall be obligated, if necessary, to make such guaranty payments from the levy of ad valorem taxes upon all of the taxable property within the City, without limitation as to rate or amount; and

WHEREAS, the City has received a copy of a supplemental debt statement and a copy of this debt statement has been filed with the clerk of the Division of Local Governmental Services prior to final adoption of this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LINDEN, IN THE COUNTY OF UNION, NEW JERSEY (not less than two thirds of the full membership thereof affirmatively concurring) as follows:

Section 1. This City Guaranty ordinance shall be adopted by the governing body of the City in the manner provided for adoption of a bond ordinance as provided in the Local Bond Law, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State, as amended (the "Local Bond Law"), codified as N.J.S.A. 40A:2-1, et seq.

Section 2. Pursuant to and in accordance with the terms of the Act, specifically Section 37 of the Act (N.J.S.A. 40:37A-80), the City is hereby authorized to and hereby shall unconditionally and irrevocably guarantee the punctual payment of the principal of (including sinking fund installments, if any) and interest on the Refunding Bonds in an aggregate principal amount not exceeding \$28,000,000, which Refunding Bonds are to be issued for the purpose described in the preambles hereof, on such terms and conditions as may be agreed to by and between the City and the Authority. The term "Refunding Bonds" shall include all Refunding Bonds issued for or with respect to these purposes or any bonds issued to refund the Refunding Bonds issued for these purposes, provided that the total amount of Refunding Bonds outstanding entitled to the benefits of the City Guaranty shall not exceed \$28,000,000. Any Refunding Bonds that are no longer considered outstanding under the Refunding Bond Resolution shall not be considered outstanding for the purpose of this City Guaranty. Upon the endorsement of the Refunding Bonds referred to in Section 3 below, the City shall be unconditionally and irrevocably obligated to pay the principal of (including sinking fund installments, if any) and interest on the Refunding Bonds, when due, in the same manner and to the same extent as in the case of bonds issued by the City and accordingly, the City shall be unconditionally and irrevocably obligated to levy *ad valorem* taxes upon all the taxable property within the City for the payment thereof without limitation as to rate or amount when required under the provisions of applicable law.

Section 3. The Mayor, Chief Financial Officer, or such other officer authorized by the City (the "Financial Officer") shall, by manual or facsimile signature, execute an endorsement on each of the Refunding Bonds evidencing this City Guaranty by the City as to the punctual payment of the principal of and interest thereon. The endorsement on each Refunding Bond shall be in substantially the following form, and absent the fully executed endorsement in such following form on any such Refunding Bond, such Refunding Bond shall not be entitled to the benefits of this City Guaranty ordinance:

GUARANTY OF THE CITY OF LINDEN, NEW JERSEY

The payment of the principal of (including mandatory sinking fund installments, if any), redemption premium, if any, and interest on the within Refunding Bond to the extent considered outstanding under the Bond Resolution is hereby fully and unconditionally guaranteed by the City of Linden, New Jersey (the "City"), and the City is unconditionally liable for the payment, when due, of the principal of and interest on this Refunding Bond if such payment is not available from revenues of the Authority.

IN WITNESS WHEREOF, the City of Linden, New Jersey has caused this Guaranty to be executed by the manual or facsimile signature of its Mayor.

CITY OF LINDEN, NEW JERSEY

Derek Armstead, Mayor

Section 4. The following matters are hereby determined, declared, recited and stated:

(a) The maximum principal amount of Refunding Bonds of the Authority which are hereby and hereunder guaranteed as to the punctual payment of the principal thereof and interest thereon is \$28,000,000.

(b) The purpose described in this City Guaranty ordinance is not a current expense of the City and no part of the cost thereof has been or shall be assessed on property specially benefited thereby.

(c) A supplemental debt statement of the City 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 of the State of New Jersey, and such debt statement shows that while the gross debt of the City, as defined in the Local Bond Law, is increased by this City Guaranty ordinance by \$28,000,000 in accordance with the provisions of the Act, the principal amount of the Refunding Bonds guaranteed by this City Guaranty ordinance shall be deducted and is declared to be and to constitute a deduction from the gross debt of the City under and for all purposes of the Local Bond Law (a) from and after the time of issuance of said Bonds until the end of the fiscal year beginning next after the completion of acquisition or construction of the facility to be financed from the proceeds of such Bonds and (b) in any annual debt statement filed pursuant to said Local Bond Law as of the end of said fiscal year or any subsequent fiscal year if the revenues or other receipts or moneys of the City in such year are sufficient to pay its expenses of operation and maintenance in such year and all amounts payable in such year on account of the principal (including mandatory sinking fund installments, if any) of and interest on all such guaranteed Bonds pursuant to this City Guaranty ordinance.

Section 5. The City is hereby authorized, to the extent necessary, to enter into a guaranty agreement with the Authority and the Trustee to effectuate the City Guaranty authorized by this City Guaranty ordinance in substantially the form presented to the City Council and filed with the City Clerk with such changes, insertions and omissions thereto as necessary or desirable for the execution thereof. The Mayor of the City is hereby authorized to execute and deliver such agreement upon satisfaction of all of the conditions precedent to the closing of the Refunding Bonds by the Authority.

Section 6. This ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

PASSED: _____, 2016

APPROVED: _____, 2016

President of Council

Derek Armstead

ATTEST:

Joseph Bodek, City Clerk

**CITY OF LINDEN
UNION COUNTY, NEW JERSEY**

PUBLIC NOTICE

NOTICE OF PENDING BOND ORDINANCE

The bond ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the governing body of the City of Linden, in the County of Union, State of New Jersey, on April 19, 2016. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the Municipal Building, 301 N. Wood Avenue, in the City of Linden, on May 17, 2016 at 7:00 o'clock PM. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Clerk's office for the members of the general public who shall request the same. The summary of the terms of such bond ordinance follows:

Title: Guaranty Ordinance Of The City Of Linden, In The County Of Union, New Jersey Regarding The Payment Of The Principal Of And Interest On Certain City Guaranteed Lease Revenue Bonds, Series 2016 (City of Linden Omnibus Revenue Refunding Project) Of The Union County Improvement Authority In An Aggregate Principal Amount Not Exceeding \$28,000,000 For The Purpose Of Providing Additional Security In Connection With The Authority's Aforementioned Bonds

Purpose(s): Guaranty Bonds in the amount of \$28,000,000 of the Union County Improvement Authority in Connection With The City Guaranteed Lease Revenue Bonds, Series 2016 (City of Linden Omnibus Revenue Refunding Project).

Appropriation: \$28,000,000

Bonds/Notes Authorized: 28,000,000

Grants (if any) Appropriated: Not Applicable

Section 20 Costs: Not Applicable

Useful Life: Not Applicable

Joseph Bodek, Clerk

This Notice is published pursuant to N.J.S.A. 40A:2-17.

**CITY OF LINDEN
UNION COUNTY, NEW JERSEY**

PUBLIC NOTICE

BOND ORDINANCE STATEMENTS AND SUMMARIES

The bond ordinance, the summary terms of which are included herein, has been finally adopted by the City of Linden, in the County of Union, State of New Jersey on May 17, 2016, and the 20 day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement. Copies of the full ordinance are available at no cost and during regular business hours, at the Clerk's office for members of the general public who request the same. The summary of the terms of such bond ordinance follows:

Title: Guaranty Ordinance Of The City Of Linden, In The County Of Union, New Jersey Regarding The Payment Of The Principal Of And Interest On Certain City Guaranteed Lease Revenue Bonds, Series 2016 (City of Linden Omnibus Revenue Refunding Project) Of The Union County Improvement Authority In An Aggregate Principal Amount Not Exceeding \$28,000,000 For The Purpose Of Providing Additional Security In Connection With The Authority's Aforementioned Bonds

Purpose(s): Guaranty Bonds in the amount of \$28,000,000 of the Union County Improvement Authority in Connection With The City Guaranteed Lease Revenue Bonds, Series 2016 (City of Linden Omnibus Revenue Refunding Project).

Appropriation: \$28,000,000

Bonds/Notes Authorized: 28,000,000

Grants (if any) Appropriated: Not Applicable

Section 20 Costs: Not Applicable

Useful Life: Not Applicable

Joseph Bodek, Clerk

Re: CITY OF LINDEN

GUARANTY ORDINANCE OF THE CITY OF LINDEN, IN THE COUNTY OF UNION, NEW JERSEY REGARDING THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON CERTAIN CITY GUARANTEED LEASE REVENUE BONDS, SERIES 2016 (CITY OF LINDEN OMNIBUS REVENUE REFUNDING PROJECT) OF THE UNION COUNTY IMPROVEMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$28,000,000 FOR THE PURPOSE OF PROVIDING ADDITIONAL SECURITY IN CONNECTION WITH THE AUTHORITY'S AFOREMENTIONED BONDS

_____ Certified copy of the Supplemental Debt Statement prepared as of the date of introduction of the ordinance. This should show filing in the Clerk's office as well as in Trenton.

_____ Certified copy of the minutes of the meeting of the City Council held April 19, 2016 showing introduction of the ordinance.

_____ Affidavit of Publication in local newspaper following introduction of the ordinance.

_____ Certified copy of the minutes of the meeting of the City Council held May 17, 2016 showing public hearing and final adoption of the ordinance.

_____ Affidavit of Publication in local newspaper following final adoption of the ordinance.

_____ Clerk's Certificate executed no sooner than 21 days following final publication of the ordinance.

DEBT STATEMENT CERTIFICATE

I, Joseph Bodek, Clerk of the City of Linden, in the County of Union, New Jersey (herein called the "Local Unit"), HEREBY CERTIFY that annexed hereto is a true and complete copy of the Supplemental Debt Statement of the Local Unit that was prepared as of _____, 2016 by Alexis Zack, who was then chief financial officer of the Local Unit and filed in my office on _____, 2016, and that a complete, executed copy of such statement was filed in the office of the Director of the Division of Local Government Services of the State of New Jersey on _____, 2016.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Local Unit this _____ day of _____, 2016.

Joseph Bodek, Clerk

EXTRACT from the minutes of a April 19, 2016 meeting of the City Council of the City of Linden, in the County of Union, New Jersey held at the Municipal Complex in the City of Linden on _____ at ____ o'clock _m.

PRESENT:

ABSENT:

[Attach appropriate minutes hereto]

CERTIFICATE

I, JOSEPH BODEK, Clerk of the City of Linden, in the County of Union, State of New Jersey, HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the governing body of the City duly called and held on April 19, 2016 has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City this _____ day of _____, 2016.

Joseph Bodek, Clerk

(SEAL)

EXTRACT from the minutes of May 17, 2016 meeting of the City Council of the City of Linden, in the County of Union, New Jersey held at the Municipal Complex in the City of Linden on _____ at ____ o'clock .m.

PRESENT:

ABSENT:

[Attach appropriate minutes hereto]

CERTIFICATE

I, JOSEPH BODEK, Clerk of the City of Linden, in the County of Union, State of New Jersey, HEREBY CERTIFY that the foregoing annexed extract from the minutes of a meeting of the governing body of the City duly called and held on May 17, 2016 has been compared by me with the original minutes as officially recorded in my office in the Minute Book of the governing body and is a true, complete and correct copy thereof and of the whole of the original minutes so far as they relate to the subject matters referred to in the extract.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City this ____ day of _____, 2016.

Joseph Bodek, Clerk

(SEAL)

CLERK'S CERTIFICATE

I, JOSEPH BODEK, Clerk of the City of Linden, in the County of Union, State of New Jersey, HEREBY CERTIFY as follows:

1. I am the duly appointed Clerk of the City of Linden, in the County of Union, State of New Jersey (herein called the "Local Unit"). In this capacity I have the responsibility to maintain the minutes of the meetings of the governing body of the Local Unit and the records relative to all ordinances and resolutions of the Local Unit. The representations made herein are based upon the records of the Local Unit.

2. Attached hereto is a true and complete copy of an ordinance passed by the governing body of the Local Unit on first reading on April 19, 2016 and finally adopted by the governing body on May 17, 2016, and where necessary approved by the Mayor on _____.

3. On _____ a copy of the ordinance and a notice that copies of the ordinance would be made available to the members of the general public of the municipality who requested copies, up to and including the time of further consideration of the ordinance by the governing body, was posted in the principal municipal building of the Local Unit at the place where public notices are customarily posted. Copies of the ordinance were made available to all who requested them;

4. A certified copy of this ordinance and a copy of the amended capital budget form has been filed with the Director of the Division of Local Government Services.

5. After final passage, the ordinance, a copy of which is attached hereto, was duly published on _____. No protest signed by any person against making the improvement or incurring the indebtedness authorized therein, nor any petition requesting that a referendum vote be taken on the action proposed in the ordinance has been presented to the governing body or to me or filed in my office within 20 days after the publication or at any other time after the final passage thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City this ___ day of _____, 2016.

Joseph Bodek, Clerk

[SEAL]