

TOWNSHIP OF VERONA
COUNTY OF ESSEX, STATE OF NEW JERSEY

ORDINANCE No. 2022-06

BOND ORDINANCE PROVIDING A SUPPLEMENTAL APPROPRIATION OF \$1,250,000 FOR THE ACQUISITION OF REAL PROPERTY AND OTHER COSTS TO PROVIDE FOR AN AFFORDABLE HOUSING REDEVELOPMENT PROJECT IN AND BY THE TOWNSHIP OF VERONA, IN THE COUNTY OF ESSEX, NEW JERSEY, AUTHORIZING THE ISSUANCE OF \$1,250,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF AND AMENDING THE PROJECT DESCRIPTION SET FORTH IN BOND ORDINANCE #2020-12 OF THE TOWNSHIP FINALLY ADOPTED JUNE 8, 2020

BE IT ORDAINED by the Township Council of the Township of Verona, in the County of Essex, New Jersey (not less than two-thirds of all members thereof affirmatively concurring), as follows:

SECTION 1. The description of the improvements set forth in Section 3(a) of bond ordinance 2020-12 of the Township of Verona, in the County of Essex, New Jersey (the "Township"), finally adopted June 8, 2020 (the "Prior Bond Ordinance"), is hereby amended in its entirety to read as set forth in Section 4 hereof.

SECTION 2. The improvement described in Section 4(a) of this bond ordinance has heretofore been authorized to be undertaken by the Township as a general improvement. For the improvement or purpose described in Section 4(a), there is hereby appropriated the supplemental amount of \$1,250,000, such sum being in addition to the \$6,750,000 appropriated therefor by the Prior Bond Ordinance. Pursuant to Section 37 of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (the "Redevelopment Law"), no down payment is required, notwithstanding the requirements of Section 11 of the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.* (the "Local Bond Law").

SECTION 3. In order to finance the additional cost of the improvement or purpose, negotiable bonds are hereby authorized to be issued in the principal amount of \$1,250,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 4. (a) The improvement heretofore authorized and the purpose for the financing of which the bonds are to be issued is the acquisition of real property, including land, buildings, improvements and fixtures, located on Bloomfield Avenue and Pine Street in the Township and described on the Township tax map as Block 2301, Lots 11, 12, 14, 15, 17, 18 and 19, and any portion of adjacent lots, roadways, rights-of-way and easements necessary to

effectuate the redevelopment thereof as an affordable housing redevelopment project, and further including the demolition of all buildings thereon and the Township's contribution to said affordable housing redevelopment project pursuant to the Redevelopment Agreement dated January 9, 2020, with the First Amendment to Redeveloper Agreement dated September 3, 2020, as amended and supplemented, and further including all closing, financing, planning, and initial improvement costs, and all environmental and other studies necessary therefor and incidental thereto, including all work and materials necessary therefor and incidental thereto and further including all related costs and expenditures necessary therefor and incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is \$8,000,000, including the \$6,750,000 authorized by the Prior Bond Ordinance and the \$1,250,000 bonds or bond anticipation notes authorized herein.

(c) The estimated cost of the improvement or purpose is \$8,000,000, including the \$6,750,000 appropriated by the Prior Bond Ordinance and the \$1,250,000 appropriated herein.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Interim Chief Financial Officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes mature at such later date in accordance with applicable law. The bond anticipation notes shall bear interest at such rate or rates and be in such form as may be determined by the Interim Chief Financial Officer. The Interim Chief Financial Officer shall determine all matters in connection with bond anticipation notes issued pursuant to this bond ordinance, and the Interim Chief Financial Officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The Interim Chief Financial Officer 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 purchasers thereof upon receipt of payment of the purchase price plus accrued interest from their dates to the date of delivery thereof. The Interim Chief Financial Officer 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 amount, the description, the interest rate and the maturity schedule of the bond anticipation notes sold, the price obtained and the name of the purchaser.

SECTION 6. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township 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 improvement or purpose described in Section 4(a) of this bond ordinance is not a current expense. It is an improvement or purpose that the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) Pursuant to *N.J.S.A. 40A:12A-37(c)*, the obligations authorized herein and by the Prior Bond Ordinance shall mature in annual installments ending not more than forty years from the date of issuance.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the Municipal Clerk, and a complete executed duplicate thereof has been filed in the office of the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey. Such statement shows that the gross debt of the Township as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided in this bond ordinance by \$1,250,000, and the obligations authorized herein will be within all debt limitations prescribed by the Local Bond Law.

(d) An aggregate amount not exceeding \$500,000 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 purpose or improvement. Of this amount, \$250,000 was estimated for these items of expense in the Prior Bond Ordinance and an additional \$250,000 is estimated therefor herein.

(e) The obligations of the Township authorized by this bond ordinance and by the Prior Bond Ordinance shall bear interest at a maximum rate of not to exceed six (6.00%) per centum per annum.

SECTION 8. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 3 of this bond ordinance and to use the proceeds to pay or reimburse expenditures for the costs of the purposes described in

Section 4(a) of this bond ordinance. This Section 8 is a declaration of intent within the meaning and for purposes of the Treasury Regulations.

SECTION 9. Any grant moneys received for the purpose described in Section 4 hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

SECTION 10. The Interim Chief Financial Officer of the Township 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 Township and to execute such disclosure document on behalf of the Township. The Interim Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township 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 Township 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 Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 11. The full faith and credit of the Township 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 Township, and the Township shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

SECTION 12. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

I HEREBY CERTIFY THAT THE AFOREMENTIONED ORDINANCE WAS PUBLISHED IN THE STAR LEDGER, A NEWSPAPER PUBLISHED IN THE COUNTY OF ESSEX AND CIRCULATED IN THE TOWNSHIP OF VERONA, IN THE ISSUE OF FEBRUARY 11, 2022 AND MARCH 4, 2022



Jennifer Kiernan
JENNIFER KIERNAN
MUNICIPAL CLERK

INTRODUCTION: February 7, 2022
PUBLIC HEARING: February 28, 2022
EFFECTIVE DATE: March 24, 2022