



UNION COUNTY IMPROVEMENT AUTHORITY

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Resolution No. 62-2015

Date: September 25, 2015

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF COUNTY GUARANTEED REVENUE BONDS, SERIES 2015 (OAKWOOD PLAZA-ELIZABETH) OF THE UNION COUNTY IMPROVEMENT AUTHORITY IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,200,000 IN CONNECTION WITH THE AUTHORITY'S FINANCING 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.

APPROVED AS TO FORM:
 Lisa M. da Silva, RMC
 Clerk of the Authority

Lisa M. da Silva

APPROVED AS TO SUFFICIENCY OF FUNDS
 YES NO NONE REQUIRED
 UNION COUNTY IMPROVEMENT AUTHORITY

[Signature]

	PRESENT	ABSENT	AYE	NAY	ABSTAIN	MOTION	SECOND
<i>Bornstad</i>	✓		✓			✓	
<i>D'Elia</i>	✓		✓				✓
<i>Hines</i>	✓		✓				
<i>Hockaday</i>	✓		✓				
<i>Salerno, Secretary</i>		✓					
<i>Tomko, Treasurer</i>	✓		✓				
<i>Vollero</i>		✓					
<i>Rountree, Vice Chair</i>		✓					
<i>Scutari, Chairman</i>	✓		✓				

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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 has been requested to provide financing for the third phase of the acquisition and renovation of an affordable residential development located at 200-220 Parker Road and 460 Irvington Avenue, City of Elizabeth, Union County, New Jersey and which will consist of the demolition of two 60 unit apartment buildings and the new construction of approximately 96 new townhouse rental units and all work related thereto (the "Project"); and

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

WHEREAS, the Authority has previously 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 "2009 Bonds") to finance the first two phases of the Project; and

WHEREAS, the Authority refunded the 2009 Bonds through the issuance of its \$18,695,000 County Guaranteed Revenue Refunding Bonds, Series 2010 (Oakwood Plaza – Elizabeth Project) (Federally Taxable) issued and dated December 28, 2010 to refinance the first two phases of the Project; and

WHEREAS, now the Authority has determined to issue not to exceed \$2,200,000 of its County Guaranteed Revenue Bonds, Series 2015 (Oakwood Plaza – Elizabeth Project) (the "Bonds") to provide additional funds to complete a third phase of improvements consisting of the Project; 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 related to the issuance of the Bonds; and

WHEREAS, the Authority has received approval from 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 financing by the Authority, the County, and the City of Elizabeth (the “City”) including, *inter alia*, a guaranty agreement between the Authority and the County (the “County Guaranty”), an ordinance guaranteeing payment of the Bonds adopted by the County (the “Guaranty Ordinance”), and an agreement of the City authorizing payment to the County of a portion of the amount paid by the County pursuant to the County Guaranty in support of the Bonds and an ordinance authorizing such City agreement; and

WHEREAS, in accordance with the terms of Section 37 of the Act (N.J.S.A. 40:37A-80), the Guaranty Ordinance 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 the Bonds, the Bonds shall otherwise be secured by the County Guaranty unconditionally and irrevocably guaranteeing 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. To accomplish the purposes and objectives of the Act, the Authority hereby determines to issue not to exceed \$2,200,000 aggregate principal amount of County Guaranteed Revenue Bonds, Series 2015 (Oakwood Plaza – Elizabeth Project), in one or more series, on a taxable or tax-exempt basis, on a date to be determined to finance the Project, being the acquisition and renovation of an affordable residential development located at 200-220 Parker Road and 460 Irvington Avenue, City of Elizabeth, Union County, New Jersey and which will consist of the demolition of two 60 unit apartment buildings and the new construction of 96 new townhouse rental units and all work related thereto as set forth in the preambles hereto. The Bonds shall be dated, shall bear interest at such rate of interest and shall be payable as to principal, interest and premium, if any, all as is specified on the dates and the amounts set forth in the trust indenture as defined herein and referred to below and as set forth in a certificate (“Certificate”) to be signed by the Chairman, Vice-Chairman, Executive Director, or any other officer of the Authority who shall

have power to executive contracts pursuant to the By-laws of the Authority (each an "Authorized Officer" of the Authority). The Bonds shall be issued in the form, shall mature, shall be subject to redemption prior to maturity and shall have such other details and provisions as are prescribed by the Trust Indenture referred to below and as set forth in the Certificate of an Authorized Officer of the Authority.

Section 2. The Bonds shall be special obligations of the Authority, payable solely out of the moneys derived pursuant to the Loan Agreement (as referred to in Section 3 below) and all such moneys are hereby pledged to the payment of the Bonds. The payment of the principal of, premium, if any, and interest on the Bonds shall be secured by a pledge and assignment of revenues, a leasehold mortgage on the Project, and the County Guaranty, which pledge shall constitute the Trust Estate (the "Trust Estate"). Neither the members of the Authority nor any person executing the Bonds issued pursuant to this Resolution and the Act shall be liable personally on the Bonds by reason of the issuance thereof. The Bonds shall not be in any way a debt or liability of the State of New Jersey, County of Union (except to the extent of the County Guaranty), City of Elizabeth (except to the extent of any deficiency agreement with the County and the Authority), or any political subdivision other than the Authority (but only to the extent of Trust Estate) whether legal, moral or otherwise.

Section 3. The execution of a loan agreement (the "Loan Agreement") in a form to be agreed upon by the Authority, the Borrower, and the Trustee, are hereby approved. The Authorized Officers are hereby authorized to executive, acknowledge and deliver the Loan Agreement and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by an Authorized Officer, and the Secretary or Assistant Secretary of the Authority or any other officer of the Authority who shall have power to do so under the By-laws of the Authority and any resolutions adopted thereunder is hereby authorized to affix the seal of the authority on the Loan Agreement and all instruments attached as exhibits thereto and attest the same. The execution of the Loan Agreement shall be conclusive evidence of any approval required by this Section and the agreement as to the terms thereof.

Section 4. The execution of a trust indenture (the "Trust Indenture") by and between the Authority and the Trustee (the "Trustee") to be selected prior to issuance of the bonds, in a form agreed to by the Authority and the Trustee, is hereby approved setting forth, among other things, the terms of the Bonds. Each of the Authorized Officers is hereby authorized to executive, acknowledge and deliver the indenture and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by an Authorized Officer, and the Secretary or Assistant Secretary of the Authority or any other officer of the Authority and any resolutions adopted thereunder is hereby authorized to affix the seal of the Authority on the Trust Indenture and all instruments attached as exhibits thereto and attest the same. The execution of the Trust Indenture shall be conclusive evidence of any approval required by this Section and the agreement as to the terms thereof.

Section 5. The County Guaranty Agreement (the "Guaranty Agreement") by and among the Authority, the County and the Trustee in a form to be agreed upon by the Authority, the County and the Trustee, is hereby approved. Each of the Authorized Officers is hereby authorized to execute, acknowledge and deliver the Guaranty Agreement and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by an Authorized Officer, and the Secretary or Assistant Secretary of the Authority or any other officer

of the Authority and any resolutions adopted thereunder is hereby authorized to affix the seal of the Authority on the Guaranty Agreement and all instruments attached as exhibits thereto and attest the same. The execution of the Guaranty Agreement shall be conclusive evidence of any approval required by this Section and the agreement as to the terms thereof.

Section 6. The City Deficiency Agreement (the "City Deficiency Agreement") by and among the Authority, the County, the City and the Trustee, in a form to be agreed upon by the Authority, the City, the County and the Trustee, is hereby approved. Each of the Authorized Officers is hereby authorized to execute, acknowledge and deliver the City Deficiency Agreement and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by an Authorized Officer, and the Secretary or Assistant Secretary of the Authority or any other officer of the Authority and any resolutions adopted thereunder is hereby authorized to affix the seal of the Authority on the City Deficiency Agreement and all instruments attached as exhibits thereto and attest the same. The execution of the City Deficiency Agreement shall be conclusive evidence of any approval required by this Section and the agreement as to the terms thereof.

Section 7. The Purchase Agreement and all instruments attached as exhibits thereto in a form to be agreed upon by the Authority, the Underwriter (as hereinafter defined) and the Borrower, hereby are approved. Each of the Authorized Officers is hereby authorized to execute, acknowledge and deliver the Purchase Contract and all instruments attached as exhibits thereto with any changes, insertions and omissions as may be approved by an Authorized Officer, and the Secretary or Assistant Secretary of the Authority or any other officer of the Authority who shall have power to do so under the by-laws of the Authority and any resolutions adopted thereunder is hereby authorized to affix the seal of the Authority on the Purchase Agreement and all instruments attached as exhibits thereto and attest the same. The execution of the Purchase Agreement shall be conclusive evidence of any approval required by this Section and the agreement as to the terms thereof.

Section 8. The preparation of a Preliminary Official Statement is hereby approved, and provided further that an Authorized Officer is hereby authorized, with the advice of Bond Counsel, to make such changes and insertions to and omissions from such Preliminary Official Statement as may be appropriate. An Authorized Officer is hereby authorized, with the advice of Bond Counsel, to deem the Preliminary Official Statement final within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended, and to provide written evidence relating thereto in form acceptable to Bond Counsel.

Section 9. The distribution in connection with the sale of the Bonds of the Preliminary Official Statement by the Underwriter, with such changes, insertions and omissions in the Preliminary Official Statement, as an Authorized Officer shall approve, with the advice of Bond Counsel, is hereby authorized. Any Authorized Officer is further authorized and directed to take all such other actions as such Authorized Officer shall deem necessary or desirable to effect the issuance and sale of the Bonds.

Section 10. The Continuing Disclosure Agreement among the Authority, the County, the City and the Trustee, is hereby approved, provided that an Authorized Officer is hereby authorized, with the advice of Bond Counsel, to make such changes and insertions to and omissions

from such document form as may be appropriate. The Authorized Officer is hereby authorized and directed, with the advice of Bond Counsel, to execute such documents and instruments relating to continuing disclosure, if any, as may be necessary or desirable to enable brokers, dealers and municipal securities dealers to comply with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended.

Section 11. The Bonds are hereby authorized to be sold to NW Capital Markets Inc. (the "Underwriter"), in accordance with the Purchase Agreement.

Section 12. The Trustee shall be as determined by the Authority in the Certificate of an Authorized Officer of the Authority to be executed prior to closing.

Section 13. Each of the Authorized Officers is hereby designated to be the authorized representatives of the Authority, charged by this Resolution with the responsibility for issuing the Bonds and each of them is hereby authorized and directed to execute the and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution, the Loan Agreement, Guaranty Agreement, the Trust Indenture, the City Deficiency Agreement, the Purchase Agreement, and the issuance of the Bonds, and said authorized representatives are authorized after consultation with bond counsel to the Authority, and in accordance with law to approve the final form of the Loan Agreement, Trust Indenture, Guaranty Agreement, City Deficiency Agreement, Purchase Agreement, and Bonds, with such changes and modifications as necessary and proper to do any and all acts and things necessary or proper for carrying out this resolution and for the issuance of the Bonds.

Section 14. In case any one or more of the provisions of this Resolution, the Loan Agreement, the Trust Indenture, Guaranty Agreement, City Deficiency Agreement, the Purchase Agreement, or the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Resolution, the financing Agreement, the Trust Indenture, Guaranty Agreement, City Deficiency Agreement, the Purchase Agreement, or the Bonds, as applicable, shall be construed and enforced as if such illegal or invalid provision had not been contained therein.

Section 15. The Executive Director of the Authority is hereby authorized to publish the estoppel notice required under the Act, pursuant to which interested persons have twenty (20) days from the publication thereof to file any objection to the issuance of the Bonds or be estoppel from bringing any subsequent action.

Section 16. This Resolution shall take effect immediately.