

## EXECUTIVE SUMMARY

### DETAILED DESCRIPTION OF APPLICATION

On behalf of the Union County Improvement Authority (the "Authority"), submitted for your review pursuant to The County Improvement Authority Law, particular N.J.S.A. 40:37A-54(1) and N.J.S.A. 40:37A-68.1 is the Authority's application for the Issuance of Revenue Bonds (the "Bonds"), for a term not to exceed forty (40) years and in amount not to exceed \$7,000,000, the purpose of which is to finance a portion of the cost of the renovation and expansion of the African American Fund of New Jersey (formerly known as the Black United Fund) Pre-school facility in the City of Plainfield. The Project is proposed to be financed by the Authority pursuant to the authorization of the County Improvement Authority's Law. The Municipality has expressed its consent to same (Exhibit A). Additionally, the County of Union consent to this financing has been requested. See Exhibit B.

The Project will be supported by revenues, and secured by a mortgage, no public funds will be utilized to pay or guaranty debt service.

A request for approval of the Application by Resolution is expected to be considered and adopted by the Authority at its September 5, 2007 meeting and will be forwarded under separate cover. The Authority requests the Board's consideration for this Application's approval under N.J.S.A. 40:37A-54 and N.J.S.A. 37A-68.1.

RESOLUTION OF THE MEMBERS  
OF THE UNION COUNTY IMPROVEMENT AUTHORITY

MEMBER Muskewicz INTRODUCED AND MOVED THE FOLLOWING  
RESOLUTION AND MEMBER McGhee SECONDED THE MOTION

TITLE:

RESOLUTION OF THE UNION COUNTY IMPROVEMENT  
AUTHORITY AUTHORIZING THE MAKING OF AN APPLICATION TO  
THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:5A-6 IN  
CONNECTION WITH THE AUTHORITY'S FINANCING OF THE  
BLACK UNITED FUND PROPOSED PROJECT IN THE CITY OF  
PLAINFIELD

**WHEREAS**, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Union, New Jersey (the "County"), as 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 Torain Group on behalf of its Client, the Black United Fund or its affiliate or transferee has requested the Authority's assistance in relation to the expansion of a pre-school facility in the City of Plainfield; and

**WHEREAS**, the City has expressed its support for the Project in a letter from the Mayor dated August 7, 2007; and

**WHEREAS**, the Authority proposes to finance the Project through the issuance of one or more series of Bonds (the "Bonds") in an aggregate principal amount of not to exceed \$7,000,000; and

**WHEREAS**, the Bonds shall have such other terms as set forth in those certain resolutions authorizing the issuance of the "Revenue Bonds, Series 2007 (Black United Fund-Plainfield Project)" of the Union County Improvement Authority to be adopted by the Authority prior to the issuance of the Bonds (the "Bond Resolution"; the Bond Resolution, and any amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the "Bond Resolution"); and

**WHEREAS**, the principal of (including sinking fund installments, if any) and interest on the Bonds when due may be, if the Authority determines it to be in its best interest, insured by a

municipal bond insurance company (the "Bond Insurer") in accordance with the terms of a new issue municipal bond insurance policy (the "Bond Insurance Policy"); and

**WHEREAS**, the Authority shall make application to 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 Local Finance Board's review of the Project; 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; (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 will not create an undue financial burden to be placed upon the Authority.

**NOW, THEREFORE, BE IT RESOLVED** by the Union County Improvement Authority as follows:

**Section 1.** The making of an application to the Local Finance Board for the purpose of implementing the Project is hereby authorized and approved, provided that the City of Plainfield provides to the Authority its consent to the Project financing, and all actions to be taken by the Authority's Executive Director, the Authority's bond counsel, and all of such parties are hereby authorized and directed to represent the Authority in matters pertaining thereto, including, without limitation, any hearing to be held by the Local Finance Board relating to the Project required by N.J.S.A. 40A:5A-7.

**Section 2.** The Secretary of the Authority is hereby directed to prepare and file a copy of the proposed Financing Documents with the Local Finance Board as part of such application.

**Section 3.** The Local Finance Board is hereby respectfully requested to consider such application and to record its findings and recommendations as provided by N.J.S.A. 40A:5A-7 of the Local Authorities Fiscal Control Law.

**Section 4.** This resolution shall take effect immediately.

CERTIFICATION

*Joseph W. Muskiewicz Acting*  
I, ~~WALTER BORIGHT~~, Secretary of the Union County Improvement Authority,  
HEREBY CERTIFY that the foregoing "RESOLUTION OF THE UNION COUNTY  
IMPROVEMENT AUTHORITY AUTHORIZING THE MAKING OF AN  
APPLICATION TO THE LOCAL FINANCE BOARD PURSUANT TO N.J.S.A. 40A:5A-  
6 IN CONNECTION WITH THE AUTHORITY'S FINANCING OF THE BLACK  
UNITED FUND PROPOSED PROJECT IN THE CITY OF PLAINFIELD" is a true copy  
of a resolution adopted by the governing body of the Authority on September 5, 2007.

THE UNION COUNTY  
IMPROVEMENT AUTHORITY

By: *Joseph W. Muskiewicz*  
~~WALTER BORIGHT, Secretary~~  
*Joseph W. MUSKIEWICZ, Acting Secretary*

Dated: September 5, 2007