

8/23/2007

ORDINANCE PROVIDING THE CONSENT OF THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION TO THE ISSUANCE BY THE UNION COUNTY IMPROVEMENT AUTHORITY OF ITS NOT TO EXCEED \$7,000,000 GUARANTEED LEASE REVENUE BONDS (CITY OF LINDEN PUBLIC LIBRARY PROJECT) OF THE UNION COUNTY IMPROVEMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$7,000,000 FOR THE PURPOSE OF PROVIDING ADDITIONAL SECURITY IN CONNECTION WITH THE AUTHORITY'S PROJECT

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by a resolution 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 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 and the City of Linden ("City") have entered into an Interlocal Services Agreement whereby the Authority has assumed a number of responsibilities relating to and in support of the proposed renovations and/or construction in connection with the Linden Public Library (the "Project"); and

WHEREAS, the Authority is authorized by the Act, including without limitation Section 11 thereof (N.J.S.A. 40:37A-54(a)), to provide (i) public facilities for use by the City, including, without limitation, the provision for the acquisition of land (the "Property") for and/or the demolition, construction and renovation, as applicable, of the Linden Public Library located in the City and the acquisition of equipment and fixtures therefore; and

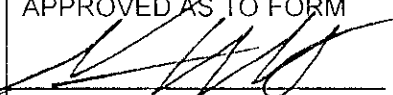
WHEREAS, the Authority provided financing for the Project through the issuance of the City of Linden Guarantee Lease Revenue Bonds, Series 2005 (City of Linden Public Library Project) (collectively, the "2005 Bonds") in the amount of two million dollars (\$2,000,000) issued pursuant to the terms of the Act, other applicable law and the Authority's Resolution authorizing the issuance of City of Linden Guarantee Lease Revenue Bonds, Series 2005 (City of Linden Public Library Project) as amended and supplemented (the "Bond Resolution"); and

NO SUFFICIENCY OF FUNDS REQUIRED!

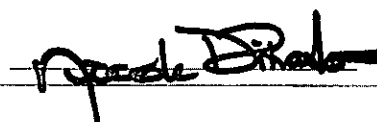
Frank W. Padusny
8-22-07

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INTRODUCTION				RECORD OF VOTE				FINAL ADOPTION							
FREEHOLDER	Aye	Nay	Abs	Pass	Ord.	Sec	NP	FREEHOLDER	Aye	Nay	Abs	Pass	Ord.	Sec	NP
HOLMES	X							HOLMES	X						
MAPP	X							MAPP	X						
MIRABELLA	X					X		MIRABELLA	X					X	
PROCTOR	X						X	PROCTOR	X						
SCANLON	X							SCANLON	X				X		
SULLIVAN	X							SULLIVAN	X						
WARD	X						X	WARD	X						
ESTRADA VICE-CHAIRMAN	X							ESTRADA VICE-CHAIRMAN	X						
KOWALSKI CHAIRWOMAN	X				X			KOWALSKI CHAIRWOMAN	X						

APPROVED AS TO FORM

 COUNTY ATTORNEY

I hereby certify the above to be a true copy of a resolution adopted by the Board of Chosen Freeholders of the County of Union on the date above mentioned.

 CLERK

WHEREAS, the Authority intends to provide additional financing for the Project through the issuance of the City of Linden Guarantee Lease Revenue Bonds, Series 2007 (City of Linden Public Library Project) (collectively, the "Bonds"); and

WHEREAS, the Bonds will be issued pursuant to the terms of the Act, other applicable law and the Authority's Supplemental Resolution authorizing the issuance of "City of Linden Guarantee Lease Revenue Bonds, Series 2007 (City of Linden Public Library Project) as amended and supplemented (the "Supplemental Bond Resolution"); and

WHEREAS, the proceeds of the Bonds will be applied to, inter alia, the payment of (a) the costs of the demolition, construction and reconstruction, as applicable of the Linden Public Library (b) the costs of the acquisition of equipment and fixtures for the Project, (c) costs of issuing the Bonds, (d) capitalized interest on the Bonds, if any, and (e) any other costs set forth in the Bond Resolution; and

WHEREAS, the City shall further adopt a certain guaranty ordinance secures the timely payment of the principal of, redemption premium, if any, and the interest on the Bonds; and

WHEREAS, in accordance with the terms of Section 37 of the Act (N.J.S.A. 40:37A-80) and the City Guaranty, the City shall be obligated, if necessary, to levy *ad valorem* taxes upon all the taxable property within the City 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 Series Bonds; and

WHEREAS, the governing body of the City has fully reviewed and approved (see attached resolution) the Project budget as presented to the governing body on July 16, 2007 and the necessary amount to be raised by the aforementioned Bonds which amount shall not exceed \$7,000,000; 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 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 City and will not create an undue financial burden to be placed upon the Authority or the City.

WHEREAS, in order to market and sell the Bonds, (i) the Authority shall issue a Preliminary Official Statement (the "POS") and a final Official Statement (the "OS"), (ii) the Authority shall enter into a negotiated sale of the Bonds with one or more underwriters (collectively, the "Underwriter") pursuant to the terms of a bond purchase agreement (the "BPA"), (iii) the Authority, the City and the trustee for the Bonds, or any successor thereto in accordance with the terms of the Bond Resolution (the "Trustee") shall enter into a Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") upon the issuance of the Bonds if necessary, convenient, useful or desirable in connection with Rule 15c2-12 promulgated by the Securities and Exchange Commission Act of 1934, as amended, or any successor rule or regulation thereto ("Rule 15c2-12"), (iv) the City shall make certain representations, warranties and covenants regarding, among other things, the Project and the Bonds in a Letter of Representation (the "City Letter") and a Tax Letter of Representation (the "City Tax Letter", and together with the City Letter, the "City Letters"), and (v) the City and the Authority shall take such actions and shall authorize, execute or acknowledge, as the case may be, and deliver such other documents, instruments or certificates as Bond Counsel to the Authority and to the City deem necessary, convenient, useful or desirable in order to issue the Bond (collectively, the "Certificate", and together with the Bond Resolution, the Supplemental Bond Resolution, The Lease Agreement, the First Supplemental Lease Agreement, the Bonds, the Guaranty, the Bond Insurance Policy (if it is determined to insure the Bonds), the POS, the OS, the BPA, the Continuing Disclosure Agreement and the City Letters, the "Financing Documents"); and

WHEREAS, in order to induce the prospective purchasers of the Bonds to purchase same, the Bonds shall otherwise be secured by this ordinance unconditionally and irrevocably

guaranteeing the principal of and interest on the Bonds, all pursuant to Section 37 of the Act (N.J.S.A. 40:37A-80) (the "Guaranty").

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION, NEW JERSEY, as follows:

Section 1. In accordance with Section 13 and all other applicable law, the Board of Freeholders hereby consents to (i) the Project and the financing of same, (ii) the execution and delivery by the Authority of the Financing Documents and such other documents as necessary and reasonable for the transaction, which documents shall be filed with the Clerk of the Board prior to the issuance of any Bonds, (iii) the adoption by the Authority of the Bond Resolution, and (iv) the issuance, sale and delivery of the Bonds to effect such purpose. The consent hereto given to the Financing Documents contemplates the insertion of the final financing terms.

Section 2. This ordinance shall take at the time and in the manner provided by law.

Section 3. Upon the adoption hereof, the Clerk of the Board of Freeholders shall forward certified copies of this ordinance to the County Manager, County Counsel, Executive Director of the Authority, and John G. Hudak, Esq. Bond Counsel to the Authority.