

* Effective Date: September 17, 2019

CITY OF UNION CITY, NEW JERSEY

ORDINANCE NO. 2019-14

REFUNDING BOND ORDINANCE PROVIDING FUNDS TO REFUND AN EMERGENCY APPROPRIATION; AUTHORIZING THE ISSUANCE OF UP TO \$6,050,000 OF REFUNDING BONDS OF THE CITY OF UNION CITY, COUNTY OF HUDSON, NEW JERSEY, TO FINANCE THE COSTS THEREOF; MAKING CERTAIN DETERMINATIONS AND COVENANTS IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING

BACKGROUND

WHEREAS, the City of Union City, County of Hudson, New Jersey ("City"), adopted a Resolution Creating an Emergency Appropriation on June 11, 2019, to fund a temporary budgetary deficit in the amount of \$6,050,000 ("Appropriation"), pursuant to and in accordance with the Local Budget Law, constituting Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Budget Law"), specifically N.J.S.A. 40A4-46; and

WHEREAS, the City subsequently adopted a Resolution Authorizing the Issuance and Sale of Emergency Notes on June 11, 2019 to finance said Emergency Appropriation and the costs of issuance thereof, pursuant to and in accordance with Local Budget Law; and

WHEREAS, to fund the Appropriation, on June 24, 2019, the City issued its Emergency Notes of 2019, Series A, in the principal amount of \$6,050,000 ("Prior Notes"), which mature on October 3, 2019;

WHEREAS, the Board of Commissioners desires to adopt this Refunding Bond Ordinance to authorize the issuance of Refunding Bonds and/or Refunding Bond Anticipation Notes, the proceeds of which will be used to refinance the costs of the Appropriation by refunding the Emergency Notes upon the maturity thereof.

NOW, THEREFOR, BE IT ORDAINED by the Board of Commissioners of the City of Union City, County of Hudson, New Jersey (not less than two-thirds of all the members thereof affirmatively concurring), pursuant to the provisions of the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented ("Local Bond Law") and the Municipal Qualified Bond Act, Chapter 38 of the Laws of 1976 of the State of New Jersey, as amended and supplemented ("Act"), as follows:

Section 1. To refinance the Appropriation, negotiable refunding bonds or notes of the City are hereby authorized to be issued in an aggregate principal amount not to exceed \$6,050,000 ("Refunding Bonds"), pursuant to and in accordance with the Local Bond Law.

Section 2. An aggregate amount not exceeding \$50,000 for the items of expense listed in and permitted by Section 51.b. of the Local Bond Law, N.J.S.A. 40A:2-51.b., has been included in the aggregate principal amount of the Refunding Bonds authorized herein.

Section 3. The purpose of the Refunding Bonds is to refund the Appropriation by the payment, at maturity, of the principal of the Prior Notes.

Section 4. Each Refunding Bond authorized herein shall be designated, substantially, "City of Union City, County of Hudson, New Jersey, Refunding Bond, Series 20__" and shall be in the form prescribed and permitted by the Local Bond Law, as Bond Counsel may advise, and as the City shall approve.

Section 5. The Refunding Bonds may be sold at public or private sale pursuant to and in accordance with the requirements of the Local Bond Law. General obligation refunding notes in the principal amount of up to \$6,050,000 ("Notes") are authorized to be issued by the City; provided, however, such Notes are issued and amortized within the limitations set forth by Local Bond Law and the New Jersey Local Finance Board. Said Notes shall be issued, sold, executed, delivered and renewed pursuant to and in accordance with the requirements of the Local Bond Law and any limitations established by the New Jersey Local Finance Board.

Section 6. The supplemental debt statement provided for in Section 10 of the Local Bond Law, N.J.S.A. 40A:2-10, was duly filed in the office of the Municipal Clerk prior to the passage of this refunding bond ordinance on first reading and a complete executed duplicate original 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.

Section 7. The full faith and credit of the City are irrevocably pledged to the punctual payment of the principal of and interest on the refunding bonds or refunding bond anticipation notes authorized by this Refunding Bond Ordinance and, to the extent payment is not otherwise provided, the City shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof. In addition, any refunding bonds or refunding bond anticipation notes issued by the City pursuant to this Refunding Bond Ordinance shall be entitled to the benefits of the provisions of the Act.

Section 8. A certified copy of this refunding bond ordinance as adopted on first reading has been filed with the Director of the Division of Local Government Services in the Department of Community Affairs of the State of New Jersey prior to final adoption, together with a complete statement in the form prescribed by the Director and signed by the Chief Financial Officer of the City.

Section 9. This refunding bond ordinance shall take effect twenty (20) days after the first publication thereof after final adoption, as provided by the Local Bond Law, provided that the consent of the Local Finance Board has been endorsed upon a certified copy of this refunding bond ordinance as finally adopted.