

TOWNSHIP OF HILLSIDE

NOTICE OF ORDINANCE O-16-05

NOTICE OF PENDING BOND ORDINANCE AND SUMMARY

The bond ordinance, the summary terms of which are included herein, was introduced and passed upon first reading at a meeting of the governing body of the Township of Hillside, in the County of Union, State of New Jersey (the "Township"), on May 17, 2016. It will be further considered for final passage, after public hearing thereon, at a meeting of the governing body to be held at the Municipal Building, 1409 Liberty Avenue, Hillside, in the said County on June 21, 2016 at 6:30 p.m. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Clerk's office for the members of the general public who shall request the same. The summary of the terms of such bond ordinance follows:

Title: **BOND ORDINANCE PROVIDING FOR THE 2016 ROAD PROGRAM IN AND BY THE TOWNSHIP OF HILLSIDE, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$5,238,016 THEREFOR (INCLUDING NEW JERSEY DEPARTMENT OF TRANSPORTATION GRANTS IN THE AMOUNT OF \$376,916 AND A COMMUNITY DEVELOPMENT BLOCK GRANT IN THE AMOUNT OF \$92,000) AND AUTHORIZING THE ISSUANCE OF \$4,542,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF**

Purpose(s): Milling, paving, surfacing and resurfacing of various streets located in the Township, including, but not limited to: Irvington Avenue (from North Avenue to Elizabeth line), Hollywood Avenue - Section 3 (from Woodruff Avenue to North Broad Street), Rutgers Avenue, Franklin Street, Ramsey Avenue, Leo Street, Tillman Street, Leslie Street, Robert Street, Baker Street (from Baltimore Avenue to Long Avenue), Broadway Street, Gurd Avenue, Thomas Street (from Ryan Street to Conant Street), Livingston Road, Herbert Street, Pennsylvania Avenue, Dod Place, Columbia Place, South Long Avenue, Windsor Way, Princeton Avenue, Yale Avenue (from Bloy Street to Cornell Place), Coe Avenue, Fairview Place, Leland Place, Frances Place and Silver Avenue (from Broadway to Gurd Avenue). Such road resurfacing shall consist of milling, paving and/or repaving of asphalt, reconstruction of handicap ramps in accordance with ADA standards and partial curb and sidewalk replacements as directed by the Township Engineer, and all work, materials, equipment, field surveying, design, mapping, preparation of bid documents, construction management, inspections and appurtenances necessary therefor and incidental thereto.

Appropriation: \$5,238,016

Bonds/Notes Authorized: \$4,542,000

Grants Appropriated: \$376,916 in Grants expected to be received from the New Jersey Department of Transportation and a \$92,000 Grant expected to be received from the Community Development Block Grant Program

Section 20 Costs: \$450,000

Useful Life: 10 years

RAYNA E. HARRIS,
Clerk of the Township of Hillside

**TOWNSHIP OF HILLSIDE
ORDINANCE NUMBER O-16-05**

BOND ORDINANCE PROVIDING FOR THE 2016 ROAD PROGRAM IN AND BY THE TOWNSHIP OF HILLSIDE, IN THE COUNTY OF UNION, STATE OF NEW JERSEY; APPROPRIATING \$5,238,016 THEREFOR (INCLUDING NEW JERSEY DEPARTMENT OF TRANSPORTATION GRANTS IN THE AMOUNT OF \$376,916 AND A COMMUNITY DEVELOPMENT BLOCK GRANT IN THE AMOUNT OF \$92,000) AND AUTHORIZING THE ISSUANCE OF \$4,542,000 BONDS OR NOTES OF THE TOWNSHIP TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED AND ENACTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF HILLSIDE, IN THE COUNTY OF UNION, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized as general improvements or purposes to be undertaken by the Township of Hillside, in the County of Union, State of New Jersey (the "Township"). For the said improvements or purposes stated in Section 3, there is hereby appropriated the sum of \$5,238,016, which sum includes a \$189,196 grant expected to be received from the New Jersey Department of Transportation for Irvington Avenue, a \$187,720 grant expected to be received from the New Jersey Department of Transportation for Hollywood Avenue (collectively, the "NJDOT grants"), a \$92,000 grant expected to be received from the Community Development Block Grant Program (the "CDBG grant" and together with the NJDOT grants, the "Grants"), and \$227,100 as the aggregate amount of down payment for said improvements or purposes as required by the Local Bond Law (N.J.S.A. 40A:2-1 et seq.) (the "Local Bond Law"). The down payment is now available by virtue of provisions in a previously adopted budget or budgets of the Township for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said \$5,238,016 appropriation not provided by said Grants or down payment, negotiable bonds of the Township are hereby authorized to be issued in the principal amount of \$4,542,000 pursuant to the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Township in a principal amount not exceeding \$4,542,000 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. The improvements hereby authorized and purposes for the financing of which said bonds or notes are to be issued are for the milling, paving, surfacing and resurfacing of various streets located in the Township, including, but not limited to: Irvington Avenue (from North Avenue to Elizabeth line), Hollywood Avenue - Section 3 (from Woodruff Avenue to North Broad Street), Rutgers Avenue, Franklin Street, Ramsey Avenue, Leo Street, Tillman Street, Leslie Street, Robert Street, Baker Street (from Baltimore Avenue to Long Avenue), Broadway Street, Gurd Avenue, Thomas Street (from Ryan Street to Conant Street), Livingston Road, Herbert Street, Pennsylvania Avenue, Dod Place, Columbia Place, South Long Avenue, Windsor Way, Princeton Avenue, Yale Avenue (from Bloy Street to Cornell Place), Coe Avenue, Fairview Place, Leland Place, Frances Place and Silver Avenue (from Broadway to Gurd Avenue). Such road resurfacing shall consist of milling, paving and/or repaving of asphalt, reconstruction of handicap ramps in accordance with ADA standards and partial curb and sidewalk replacements as directed by the Township Engineer, and all work, materials, equipment, field surveying, design, mapping, preparation of bid

documents, construction management, inspections and appurtenances necessary therefor and incidental thereto

(a) The estimated maximum amount of bonds or notes to be issued for said improvements or purposes is \$4,542,000.

(b) The estimated cost of said improvements or purposes is \$5,238,016.

SECTION 4. Except for the Grants, in the event the United States of America, the State of New Jersey, and/or the County of Union make a contribution or grant in aid to the Township for the improvements and purposes authorized hereby and the same shall be received by the Township prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, and/or the County of Union. Except for the Grants, in the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, and/or the County of Union shall be received by the Township after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose. This Section 4 shall not apply, however, with respect to any contribution or grant in aid received by the Township as a result of using funds from this bond ordinance as "matching local funds" to receive such contribution or grant in aid.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the Chief Financial Officer of the Township, provided that no note shall mature later than one (1) year from its date or otherwise authorized by the Local Bond Law. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer shall

determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The 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 notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, and the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The Capital Budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. In the event of any such inconsistency, a resolution in the form promulgated by the Local Finance Board showing full detail of the amended Capital Budget and capital programs as approved by the Director of the Division of Local Government Services, New Jersey Department of Community Affairs will be on file in the office of the Clerk and will be available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements which the Township may

lawfully undertake as general improvements, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The period of usefulness of said improvements or purposes within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is ten (10) years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Township and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, New Jersey Department of Community Affairs, and 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 or notes provided for in this bond ordinance by \$4,542,000 and the said bonds or notes authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding \$450,000 for items of expense listed in and permitted under section 20 of the Local Bond Law is included in the estimated cost indicated herein for the improvements and purposes hereinbefore described.

SECTION 8. The full faith and credit of the Township are hereby pledged to the punctual payment of the principal of and the interest on the bonds or notes authorized by this bond ordinance. The bonds or notes 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 bonds or notes and the interest thereon without limitation as to rate or amount.

SECTION 9. The Township reasonably expects to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 of this bond

ordinance and paid prior to the issuance of any bonds or notes authorized by this bond ordinance with the proceeds of such bonds or notes. No funds from sources other than the bonds or notes authorized herein have been or are reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside by the Township, or any member of the same "Controlled Group" as the Township, within the meaning of Treasury Regulation Section 1.150-1(e), pursuant to its budget or financial policies with respect to any expenditures to be reimbursed. This Section 9 is intended to be and hereby is a declaration of the Township's official intent to reimburse any expenditures toward the costs of the improvements or purposes described in Section 3 hereof to be incurred and paid prior to the issuance of bonds or notes authorized herein in accordance with Treasury Regulation Section 1.150-2, and no further action (or inaction) will be an abusive arbitrage device in accordance with Treasury Regulation Section 1.148-10 to avoid the arbitrage yield restrictions or arbitrage rebate requirements under section 148 of the Internal Revenue Code of 1986, as amended (the "Code"). The proceeds of any bonds or notes authorized herein used to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will not be used directly or indirectly (i) to "refund" an issue of governmental obligations within the meaning of Treasury Regulation Section 1.150-1(d), (ii) to create, within one year, following the reimbursement of any expenditures of bond proceeds "replacement proceeds", within the meaning of Treasury Regulation Section 1.148-1 of the bonds, or any other bond issue, or (iii) to reimburse the Township for any expenditure or payment that was originally paid with the proceeds of any obligation of the Township (other than borrowing by the Township from one of its own funds or the funds of a member of the same "Controlled Group" within the meaning of Treasury Regulation Section 1.150-1(e)). The bonds or notes authorized

herein to reimburse the Township for any expenditures toward the costs of the improvements or purposes described in Section 3 hereof will be issued in an amount not to exceed \$4,542,000. The costs to be reimbursed with the proceeds of the bonds or notes authorized herein will be "capital expenditures" in accordance with the meaning of section 150 of the Code and Treasury Regulation Section 1.150-1. This provision will take effect immediately, but will be of no effect with regard to expenditures for costs paid outside the permitted reimbursement period set forth in Treasury Regulation Section 1.150-2(d)(2).

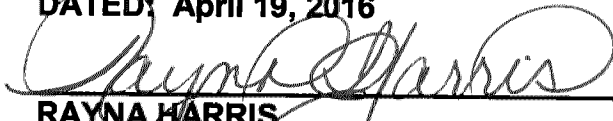
SECTION 10. The Township covenants to maintain the exclusion from gross income under section 103(a) of the Code of the interest on all bonds and notes issued under this ordinance.

SECTION 11. This bond ordinance shall take effect twenty (20) days after the first publication hereof after final adoption, as provided by the Local Bond Law.

INTRODUCTION: May 17, 2016

MOTION	SECOND	NAME	YEAS	NAYS	ABSTAIN	ABSENT	EXCUSED
		Alston	X				
X		Freedman	X				
		Mobley	X				
	X	Murray	X				
		Whitaker	X				
		Hyatt, VP	X				
		DeAugustine, CP					X

**ADOPTED ON FIRST READING
DATED: April 19, 2016**


RAYNA HARRIS,
 Clerk of the Township of Hillside