

**TOWN OF WEST NEW YORK
COUNTY OF HUDSON**

ORDINANCE #11/14

AN ORDINANCE AUTHORIZING A GUARANTY OF THE TOWN OF WEST NEW YORK, IN THE COUNTY OF HUDSON, NEW JERSEY, SECURING PAYMENT OF PRINCIPAL OF AND INTEREST ON CERTAIN BONDS, NOTES OR OTHER OBLIGATIONS OF THE PARKING AUTHORITY OF THE TOWN OF WEST NEW YORK IN AN AMOUNT NOT TO EXCEED \$8,500,000

WHEREAS, the Parking Authority of the Town of West New York (the “Authority”) has been duly created by an ordinance of the Town of West New York (“Town”) in the County of Hudson, New Jersey, as a public body corporate and politic of the State of New Jersey (the “State”) pursuant to and in accordance with the Parking Authority Law, constituting Chapter 198 of the Pamphlet Laws of 1948 of the State (N.J.S.A. 40:11A-1 *et seq.*), as amended and supplemented from time to time (the “Act”); and

WHEREAS, the Authority has heretofore issued its \$9,000,000 Parking Revenue Bonds, Series 2006 (Town of West New York – Guaranteed Parking Project) (the “2006 Bonds”), to finance two (2) tri-level parking garages, and the Town guaranteed the payment of principal and interest on the 2006 Bonds; and

WHEREAS, the Authority desires to provide for the refunding of all or a portion of the 2006 Bonds maturing on July 1 in the years 2017 through 2024, 2030 and 2036 (the “Refunding Project”); and

WHEREAS, the Authority expects to obtain funds with which to undertake the Refunding Project through the issuance of its “Parking Revenue Refunding Bonds, Series 2014 (Town of West New York – Guaranteed Parking Refunding Project)” in the aggregate principal amount not to exceed \$8,500,000 (the “Bonds”); and

WHEREAS, said Bonds shall be special, limited obligations of the Authority payable solely from certain revenues of the Authority, and may be issued in one or more series from time to time, but at no time shall the aggregate outstanding amount of the Bonds exceed \$8,500,000; and

WHEREAS, the Authority has requested that the Town guarantee the issuance of the Bonds in accordance with Section 22 of the Act (N.J.S.A. 40:11A-22(1)(e) and (2)); and

WHEREAS, to assist the Authority and in order to induce the prospective purchasers of the Bonds to purchase the Bonds, the Bonds shall be secured by this ordinance of the Town unconditionally and irrevocably guaranteeing the principal of and interest on the Bonds, all pursuant to Section 22 of the Act (N.J.S.A. 40:11A-22(1)(e)) (the “Guaranty”); and

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TOWN OF WEST NEW YORK, IN THE COUNTY OF HUDSON, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) DO ORDAIN, AS FOLLOWS:

Section 1. This guaranty ordinance shall be adopted by the Town in the manner provided for adoption of a bond ordinance as provided in the Local Bond Law, constituting Chapter 169 of the Pamphlet Laws of 1960 of the State, as amended and supplemented (the "Local Bond Law").

Section 2. Pursuant to and in accordance with the terms of the Act, the Town is hereby authorized to and hereby shall guaranty the timely payment of the principal of and interest on any Bonds which are issued from time to time by the Authority in an aggregate principal amount not exceeding at any time \$8,500,000 to be issued for or with respect to the Refunding Project as described in the preambles hereof on such terms as shall be determined by resolution of the Authority and in a manner which is consistent with the provisions of the Act. Upon the endorsement of the Bonds referred to in Section 3 below, the Town shall be unconditionally and irrevocably obligated to pay the principal of and interest on the Bonds in the same manner and to the same extent as in the case of bonds issued by the Town and, accordingly, the Town shall be unconditionally and irrevocably obligated to levy ad valorem taxes upon all the taxable property within the Town for the payment thereof without limitation as to rate or amount when required under the provisions of applicable law. Any Bonds which are no longer considered outstanding under the resolution(s) of the Authority authorizing the Bonds shall not be considered outstanding for the purpose of the Guaranty. The full faith and credit of the Town are hereby pledged for the full and punctual performance of the Guaranty.

Section 3. The Mayor of the Town shall, by manual or facsimile signature, execute an endorsement on each of the Bonds evidencing the Guaranty by the Town as to the punctual payment of the principal thereof and interest thereon. The endorsement on each Bond shall be in substantially the following form, and absent the fully executed endorsement in such following form on any such Bonds, such Bonds shall not be entitled to the benefits of the Guaranty:

GUARANTY OF THE TOWN OF WEST NEW YORK, IN THE COUNTY OF
HUDSON AND THE STATE OF NEW JERSEY

The payment of the principal of and interest on the within Bond is hereby fully, unconditionally and irrevocably guaranteed by the Town of West New York, New Jersey and the Town is unconditionally and irrevocably liable for the payment, when due, of the principal of and interest of this Bond.

IN WITNESS WHEREOF, the Town of West New York, in the County of Hudson and the State of New Jersey, has caused this Guaranty to be executed by the manual or facsimile signature of the Mayor of the Town.

TOWN OF WEST NEW YORK, in the
COUNTY OF HUDSON and
STATE OF NEW JERSEY

By: _____
Name: _____
Title: Mayor”

Section 4. It is hereby found, determined and declared by the Town that:

(a) This guaranty ordinance may be adopted notwithstanding any statutory debt or other limitations, including particularly any limitation or requirement under or pursuant to the Local Bond Law, but the aggregate principal amount of the Bonds outstanding at any time which shall be entitled to the benefits of the Guaranty, being an amount not to exceed \$8,500,000, shall, after their issuance, be included in the gross debt of the Town for the purpose of determining the indebtedness of the Town under or pursuant to the Local Bond Law.

(b) The principal amount of the Bonds entitled to the benefits of the Guaranty and included in the gross debt of the Town shall be deducted and is hereby declared to be and to constitute a deduction from such gross debt under and for all the purposes of the Local Bond Law (i) from and after the date of adoption of this guaranty ordinance and until the end of the fifth fiscal year beginning next thereafter and (ii) in any annual debt statement filed pursuant to the Local Bond Law as of the end of said fifth fiscal year or any subsequent fiscal year if the Town shall not have been required to make any payment in such fiscal year on account of the principal of and interest on all such guaranteed Bonds.

Section 5. The following matters are hereby determined, declared, recited and stated:

(a) The maximum estimated cost of the Refunding Project to be financed in accordance with the transaction contemplated hereby is \$8,500,000.

(b) The purpose described in this guaranty ordinance is not a current expense of the Town and no part of the cost thereof has been or shall be assessed on property specially benefitted thereby.

(c) A supplemental debt statement of the Town has been duly made and filed in the office of the Town Clerk, and a complete executed duplicate 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, and such debt statement shows that while the gross debt of the Town, as defined in the Local Bond Law, is increased by this Guaranty by \$8,500,000 in accordance with the provisions of the Act, the net debt of the Town is not increased, and the obligation of the Town authorized by or incurred pursuant to the terms of this guaranty ordinance is permitted by an exception to the debt limitations of the Local Bond Law which exception is contained in the Act.

(d) All other items to be contained in a bond ordinance adopted pursuant to the Local Bond Law are hereby determined to be inapplicable to this guaranty of the Bonds.

Section 6.

(a) The Mayor and the Chief Financial Officer of the Town are each hereby authorized and directed, to the extent necessary or desirable, to enter into, execute and deliver in the name of the Town and on its behalf (i) one or more guaranty agreement(s) setting forth such matters with respect to the Guaranty as the Mayor of the Town deems appropriate and not inconsistent with this Guaranty ordinance and (ii) one or more continuing disclosure agreement(s) or other instrument(s) undertaking the secondary disclosure obligations of the Town required by Rule 15c2-12 of the United States Securities and Exchange Commission.

(b) The forms of the Guaranty Agreement and the Continuing Disclosure Agreement in substantially the forms attached hereto as Exhibits A and B, respectively, are each in all respects hereby authorized and approved, and the Mayor or the Chief Financial Officer of the Town are each authorized to execute and deliver the Guaranty Agreement and the Continuing Disclosure Agreement to the Trustee designated by the Authority. The Guaranty Agreement and the Continuing Disclosure Agreement shall be substantially in the forms attached hereto with all necessary and appropriate variations, omissions and insertions as approved, permitted or required by the Mayor or the Chief Financial Officer of the Town executing the same and the execution and delivery thereof by such officer shall be conclusive evidence of such approval.

Section 7. This guaranty ordinance shall take effect at the time and in the manner provided by the Local Bond Law.

Introduced: August 20, 2014

Adopted: September 17, 2014

YEAS - Commissioners Frias, Rodriguez, Wiley, Vargas, Mayor Roque
NAYS - None
ABSENT - None

NOTICE OF ADOPTION OF GUARANTY ORDINANCE

PUBLIC NOTICE IS HEREBY GIVEN that the guaranty ordinance published herewith has been finally adopted by the Board of Commissioners of the Town of West New York, in the County of Hudson, New Jersey on **September 17, 2014**, and the 20-day period of limitation within which a suit, action or proceeding questioning the validity of such guaranty ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this notice.

Carmela Riccie, RMC
Town Clerk