

**TOWNSHIP OF MONTGOMERY
ORDINANCE NO. 17-1562**

AN ORDINANCE OF THE TOWNSHIP OF MONTGOMERY, IN THE COUNTY OF SOMERSET, NEW JERSEY, PROVIDING FOR THE ACQUISITION OF LAND FOR OPEN SPACE, RECREATION, CONSERVATION AND OTHER MUNICIPAL PURPOSES AND RELATED EXPENSES IN AND FOR THE TOWNSHIP OF MONTGOMERY AND APPROPRIATING \$10,000,000 THEREFOR, AND PROVIDING FOR THE ISSUANCE OF \$9,500,000 IN BONDS OR NOTES OF THE TOWNSHIP OF MONTGOMERY TO FINANCE THE SAME.

BE IT ORDAINED BY THE TOWNSHIP COMMITTEE OF THE TOWNSHIP OF MONTGOMERY, IN THE COUNTY OF SOMERSET, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The improvement or purpose described in Section 3 of this bond ordinance is hereby authorized to be undertaken by the Township of Montgomery, in the County of Somerset, New Jersey (the "Township") as a general improvement. For the improvement or purpose described in Section 3 hereof, there is hereby appropriated the sum of \$10,000,000, including the sum of \$500,000 as the down payment required by the Local Bond Law. The down payment has been made available from the Township's Open Space Trust Fund.

Section 2. In order to finance the cost of the improvement or purpose not covered by application of the down payment or otherwise provided for hereunder, negotiable bonds are hereby authorized to be issued in the principal amount of \$9,500,000 pursuant to the Local Bond Law. In anticipation of the issuance of the bonds, negotiable bond anticipation notes are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

Section 3. (a) The improvement hereby authorized and the purpose for which the bonds are to be issued is the acquisition of various lands located in the Township consisting of

Block 4001 Lot 28, Block 4002 Lot 1, Block 6001 Lot 43, Block 10001 Lot7, Block 11001 Lot 35, Block 11001 Lot 46, Block 11001 Lot 57, Block 11001 Lot 61, Block 12001 Lot 15, Block 12001 Lot 20, Block 13001 Lot 1, Block 13001 Lot 15, Block 14001 Lot 1, Block 14001 Lot 7, Block 16012 Lot 13, Block 17004 Lots 1, 2 & 3, Block 20001 Lot 10.05, Block 22001 Lot 20.01, Block 24001 Lot 26, Block 30001 Lot 9, Block 31010 Lots 10, 12 & 13, Block 31010 Lot 15, Block 31007 Lots 30.01 & 30.02, Block 32001 Lot 24, Block 34001 Lots 44 and 46, Block 37002 Lot 2, the “Property”, which fit the purpose for open space, recreation, conservation and other municipal purposes, and including all rights or interests therein, and all work and services necessary therefor or incidental thereto.

(b) The maximum amount of bonds or notes to be issued for the improvement or purpose is as stated in Section 2 hereof.

(c) The estimated cost of improvement or purpose is equal to the amount of the appropriation herein made therefor.

Section 4. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no note shall mature later than one year from its date. 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 notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time subject to the provisions of N.J.S.A. 40A:2-8.1. The chief financial officer is hereby authorized to sell part or all of the notes from time to time, at not less than par and accrued interest, at public or private sale and to deliver them to the purchasers thereof upon receipt of payment of the purchase price plus accrued interest

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 amount, the description, the interest rate and the maturity schedule of the notes sold, the price obtained and the name of the purchaser.

Section 5. The capital budget or temporary capital budget (as applicable) 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 and amendment, the resolution in the form promulgated by the Local Finance Board showing full detail of the amended capital budget or amended temporary capital budget (as applicable) and capital program as approved by the Director of the Division of Local Government Services is on file with the Township Clerk and is available there for public inspection.

Section 6. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvement or purpose described in Section 3 of this bond ordinance is not a current expense. It is an improvement or purpose the Township may lawfully undertake as a general improvement, and no part of the cost thereof has been or shall be specially assessed on property specially benefitted thereby.

(b) The period of usefulness of the improvement or purpose, within the limitations of the Local Bond Law, according to the reasonable life thereof computed from the date of the bonds authorized by this bond ordinance, is 40 years.

(c) The Supplemental Debt Statement required by the Local Bond Law has been duly prepared and filed in the office of the 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 of New Jersey. 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 and notes provided in this bond ordinance by \$9,500,000, and the obligations authorized herein will be within all debt limitations prescribed by that Law.

(d) An aggregate amount not exceeding \$1,000,000 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purpose or improvement.

(e) The Township reasonably expects to commence acquisition and/or construction of the project described in Section 3 hereof, and to advance all or a portion of the costs in respect thereof, prior to the issuance of bonds or notes hereunder. To the extent such costs are advanced, the Township further reasonably expects to reimburse such expenditures from the proceeds of the bonds or notes authorized by this bond ordinance, in an aggregate not to exceed the amount of bonds or notes authorized in Section 2 hereof.

Section 7. Any grant moneys received for the purposes described in Section 3 hereof shall be applied either to direct payment of the cost of the improvements or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized hereunder shall be reduced to the extent that such funds are so used.

Section 8. The full faith and credit of the Township is hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. The obligations shall be direct, unlimited obligations of the Township, and the Township shall be obligated to levy ad valorem taxes upon all the taxable real property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

Section 9. The Township hereby covenants to take any action necessary or refrain from taking such action in order to preserve the exclusion from gross income of interest on the bonds and notes authorized hereunder which are issued as tax-exempt bonds as is or may be required under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code"), including compliance with the Code with regard to the use, expenditure, investment, timely reporting and rebate of investment earnings as may be required thereunder.

Section 10. The acquisition of the Property is also authorized pursuant to N.J.S.A. 40A:12-1 et seq., and the Mayor, Administrator, Chief Financial Officer, Township Clerk and Township Attorney are hereby authorized to enter into a contract with the owners of the Property on behalf of the Township for the purposes described herein, and, further, to execute any and all documents and acts as may be reasonably necessary to effectuate the purposes of this ordinance. This grant of authority shall include the authority to make non-material changes to the terms described herein as may be reasonably appropriate to close title on the Property.

Section 11. To the extent that any previous ordinance or resolution is inconsistent herewith or contradictory hereto, said ordinance or resolution is hereby repealed or amended to the extent necessary to make it consistent herewith.

Section 12. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.