

TOWNSHIP OF MAHWAH  
ORDINANCE NO. 1964

BOND ORDINANCE PROVIDING FOR THE ACQUISITION OF  
PROPERTY KNOWN AS 1201 NORFOLK ROAD IN AND BY  
THE TOWNSHIP OF MAHWAH, IN THE COUNTY OF  
BERGEN, NEW JERSEY, APPROPRIATING \$14,400,000  
THEREFOR AND AUTHORIZING THE ISSUANCE OF  
\$14,400,000 BONDS OR NOTES OF THE TOWNSHIP TO  
FINANCE THE COST THEREOF.

WHEREAS, the Constitution of the State of New Jersey requires municipalities to create realistic opportunities for the provision of safe, decent housing affordable to low- and moderate income households; and

WHEREAS, Section 16 of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Housing Law") authorizes municipalities to own and operate housing projects designed to provide decent, safe and sanitary dwellings for persons of low and moderate incomes; and

WHEREAS, Sections 16 and 22 of the Housing Law further authorize a municipality to acquire real and personal property in furtherance of the ownership and operation of such housing projects; and

WHEREAS, the Township of Mahwah, in the County of Bergen, New Jersey (the "Township"), desires to acquire property commonly known as 1201 Norfolk Road and described on the official tax maps of the Township as Block 70, Lot 15.01, including the building located thereon, consisting of seventy-five (75) market-rate residential rental dwelling units, and all other

buildings, improvements and fixtures thereon, and all tenements, hereditaments, appurtenances, and rights of way incident and belonging thereto; and

WHEREAS, upon such acquisition, the Township intends to deed restrict the property and own, operate and maintain the property for residential use by persons of low and moderate incomes, in furtherance of the Township's Constitutional obligations; and

WHEREAS, the Township anticipates setting rents pursuant to Section 19 of the Housing Law in an amount sufficient to pay all expenses of the housing project, including debt service on the bonds and bond anticipation notes authorized hereby; provided that if such rental amounts are not sufficient to provide for such expenses, the Township anticipates filing an application to amend its spending plan to permit payment of any such shortfall in rentals from the Township's affordable housing trust fund and not from taxpayer dollars.

NOW, THEREFOR, BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MAHWAH, IN THE COUNTY OF BERGEN, NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:

Section 1. The recitals to this bond ordinance are incorporated by reference herein as if set forth in full.

Section 2. The improvement described in Section 4(a) of this bond ordinance is hereby authorized to be undertaken by the Township as a general improvement. For the improvement or purpose described in Section 3(a), there is hereby appropriated the sum of \$14,400,000. No down payment is required pursuant to N.J.S.A. 40A:2-11(c) as this bond ordinance authorizes obligations solely for a purpose described in N.J.S.A. 40A:2-7(d) as more fully set forth in Section 7(e).

Section 3. In order to finance the cost of the improvement or purpose, negotiable bonds are hereby authorized to be issued in the principal amount of \$14,400,000 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 4. (a) The improvement hereby authorized and the purpose for the financing of which the bonds are to be issued is the acquisition of property in the Township known as 1201 Norfolk Road and described on the official tax map of the Township as Block 70, Lot 15.01, including all costs necessary therefor and incidental thereto.

(b) The estimated maximum amount of bonds or bond anticipation notes to be issued for the improvement or purpose is as stated in Section 3 hereof.

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

Section 5. All bond anticipation notes issued hereunder shall mature at such times as may be determined by the chief financial officer; provided that no bond anticipation note shall mature later than one year from its date, unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The bond anticipation 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 bond anticipation notes issued pursuant to this bond ordinance, and the chief financial officer's signature upon the bond anticipation notes shall be conclusive evidence as to all such determinations. All bond anticipation notes issued hereunder may be renewed from time to time subject to the provisions of the Local Bond Law or other applicable law. The chief financial officer is hereby authorized to sell part or

all of the bond anticipation notes from time to time 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 bond anticipation 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 bond anticipation notes sold, the price obtained and the name of the purchaser.

Section 6. The Township hereby certifies that it has adopted a capital budget or a temporary capital budget, as applicable. The capital or temporary capital budget of the Township is hereby amended to conform with the provisions of this bond ordinance to the extent of any inconsistency herewith. To the extent that the purposes authorized herein are inconsistent with the adopted capital or temporary capital budget, a revised capital or temporary capital budget has been filed with the Division of Local Government Services.

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

(a) The improvement or purpose described in Section 4(a) of this bond ordinance is not a current expense. It is an improvement or purpose that 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 \$14,400,000, and the issuance of the obligations authorized herein is permitted by the exception to the debt limitation authorized by N.J.S.A. 40A:2-7(d).

(d) An aggregate amount not exceeding \$500,000 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) This bond ordinance authorizes obligations of the Township solely for a purpose described in N.J.S.A. 40A:2-7(d). This purpose is in the public interest and is for the health, welfare, convenience or betterment of the inhabitants of the Township. The amounts to be expended for this purpose pursuant to this bond ordinance are not unreasonable or exorbitant, and the issuance of the obligations authorized by this bond ordinance will not materially impair the credit of the Township or substantially reduce its ability to pay punctually the principal of and the interest on its debts and to supply other essential public improvements and services. The Local Finance Board in the Division of Local Government Services of the Department of Community Affairs of the State of New Jersey has heretofore made a determination to this effect and has caused its consent to be endorsed upon a certified copy of this bond ordinance as passed upon first reading.

Section 8. The Township hereby declares the intent of the Township to issue bonds or bond anticipation notes in the amount authorized in Section 3 of this bond ordinance and to use

the proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 4(a) of this bond ordinance. This Section 8 is a declaration of intent within the meaning and for purposes of the Treasury Regulations.

Section 9. Any grant moneys received for the purpose described in Section 4(a) hereof shall be applied either to direct payment of the cost of the improvement or to payment of the obligations issued pursuant to this bond ordinance. The amount of obligations authorized but not issued hereunder shall be reduced to the extent that such funds are so used.

Section 10. The chief financial officer of the Township is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Township and to execute such disclosure document on behalf of the Township. The chief financial officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Township pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Township and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Township fails to comply with its undertaking, the Township shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

Section 11. The Mayor, Deputy Mayor, Township Administrator, Township Clerk and Township Attorney, as the case may be, are authorized pursuant to N.J.S.A. 40A:12A-1 *et seq.*, N.J.S.A. 40A:12-1 *et seq.*, and any other applicable law, to prepare, execute and attest, as applicable, any and all necessary documentation to effectuate the acquisition of property as

described herein, including, but not limited to, a purchase contract and any amendments necessary thereto, and any other certificates, documents, agreements or instruments necessary to effectuate the acquisition of property as described herein.

Section 12. The full faith and credit of the Township are 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 property within the Township for the payment of the obligations and the interest thereon without limitation of rate or amount.

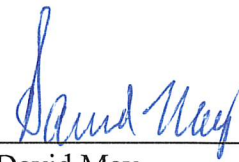
Section 13. This bond ordinance shall take effect 20 days after the first publication thereof after final adoption, as provided by the Local Bond Law.

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Dated: April 27, 2022

Attest



David May  
Council President



Kathrine G. Coviello  
Municipal Clerk

I, Kathrine G. Coviello, Municipal Clerk of the Township of Mahwah, hereby certify that the within Ordinance was passed and adopted at a meeting of the Township Council held on the 10th day of March, 2022.



Kathrine G. Coviello, RMC/CMC/MMC  
Municipal Clerk