

LAW OFFICE OF JOHN G. HUDAK, ESQ., LLC

COUNSELLORS AT LAW
812 NORTH WOOD AVENUE, SUITE 304
LINDEN, NEW JERSEY 07036
(908) 925-0784
(908) 925-0787-fax

COPY

JOHN G. HUDAK
IOANNE JORDAN DOWD, of counsel

August 22, 2007

VIA OVERNIGHT DELIVERY

Hon. Nicole L. Tedeschi
Clerk of the Board of
Chosen Freeholders
Union County Administration Bldg.
Elizabethtown Plaza
Elizabeth, New Jersey 07207

RE: ORDINANCE PROVIDING THE CONSENT OF THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION TO THE ISSUANCE BY THE UNION COUNTY IMPROVEMENT AUTHORITY OF ITS NOT TO EXCEED REVENUE BONDS, SERIES 2007 (BLACK UNITED FUND-PLAINFIELD PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$7,000,000 IN CONNECTION WITH THE AUTHORITY'S PROJECT

Dear Ms. Tedeschi:

Enclosed herein for consideration by the Freeholders for their next regular meeting is an ordinance requesting the County's consent to issuance by the Union County Improvement Authority of its bonds in the amount of not to exceed \$7,000,000 to finance African American Fund Of New Jersey Plainfield Project, a pre-school facility.

Should the Freeholders approve this financing, I ask that you kindly forward a certified copy of the Ordinance as introduced, and as adopted to my office.

If you have any questions or comments, please do not hesitate to contact me.

Very truly yours,


JOHN G. HUDAK

cc: Mr. George Devaney, County Manager
Ms. M. Elizabeth Genievich, Asst. County Manager
Ms. Charlotte DeFilippo, Executive Director, UCIA
Robert Barry, Esq., County Counsel
Jonathan Williams, Esq., Authority Counsel

ORDINANCE PROVIDING THE CONSENT OF THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION TO THE ISSUANCE BY THE UNION COUNTY IMPROVEMENT AUTHORITY OF ITS NOT TO EXCEED REVENUE BONDS, SERIES 2007 (AFRICAN AMERICAN FUND OF NEW JERSEY PLAINFIELD PROJECT) IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$7,000,000 IN CONNECTION WITH THE AUTHORITY'S PROJECT

WHEREAS, the Union County Improvement Authority (the "Authority") has been duly created by an ordinance of the Board of Chosen Freeholders (the "Board of Freeholders") of the County of Union, New Jersey (the "County"), as public body corporate and politic of the State of New Jersey (the "State") pursuant to and in accordance with the county improvement authorities law, constituting Chapter 183 of the Pamphlet Laws of 1960 of the State, as amended and supplemented from time to time (the "Act"); and

WHEREAS, The Torain Group on behalf of its Client, the Black United Fund or its affiliate or transferee has requested the Authority's assistance in relation to the expansion of a pre-school facility in the City of Plainfield; and

WHEREAS, the City has expressed its support for the Project in a letter from the Mayor dated August 7, 2007; and

WHEREAS, the Authority proposes to finance the Project through the issuance of one or more series of Bonds (the "Bonds") in an aggregate principal amount of not to exceed \$7,000,000; and

WHEREAS, the Bonds shall have such other terms as set forth in those certain resolutions authorizing the issuance of the "Revenue Bonds, Series 2007 (Black United Fund-Plainfield Project)" of the Union County Improvement Authority to be adopted by the Authority prior to the issuance of the Bonds (the "Bond Resolution"; the Bond Resolution, and any amendments or supplements thereto in accordance with the terms thereof may be collectively referred to as the "Bond Resolution"); and

WHEREAS, the principal of (including sinking fund installments, if any) and interest on the Bonds when due may be, if the Authority determines it to be in its best interest, insured by a municipal bond insurance company (the "Bond Insurer") in accordance with the terms of a new issue municipal bond insurance policy (the "Bond Insurance Policy"); and

WHEREAS, the Authority shall make application to the Local Finance Board in the Division of Local Government Services of the Department of Community Affairs of the State (the "Local Finance Board") for the Local Finance Board's review of the Project; and

WHEREAS, the Authority believes (i) it is in the public interest to accomplish such purpose; (ii) said purpose is for the health, wealth, convenience or betterment of the inhabitants of the County; (iii) the amounts to be expended for said purpose are not unreasonable or exorbitant; and (iv) the proposal is an efficient and feasible means of providing services for the needs of the

inhabitants of the County and will not create an undue financial burden to be placed upon the Authority.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF CHOSEN FREEHOLDERS OF THE COUNTY OF UNION, NEW JERSEY, as follows:

Section 1. In accordance with Section 13 and all other applicable law, the Board of Freeholders hereby consents to (i) the Project and the financing of same, (ii) the execution and delivery by the Authority of the Financing Documents and such other documents as necessary and reasonable for the transaction, which documents shall be filed with the Clerk of the Board prior to the issuance of any Bonds, (iii) the adoption by the Authority of the Bond Resolution, and (iv) the issuance, sale and delivery of the Bonds to effect such purpose. The consent hereto given to the Financing Documents contemplates the insertion of the final financing terms.

Section 2. This ordinance shall take at the time and in the manner provided by law.

Section 3. Upon the adoption hereof, the Clerk of the Board of Freeholders shall forward certified copies of this ordinance to the County Manager, County Counsel, Executive Director of the Authority, and John G. Hudak, Esq., Bond Counsel to the Authority.