

ADOPTED JUNE 19, 2006

**TOWNSHIP OF DELANCO, NEW JERSEY
ORDINANCE 2006-9**

ORDINANCE AUTHORIZING THE ACQUISITION OF REAL PROPERTY IN AND FOR THE TOWNSHIP OF DELANCO, COUNTY OF BURLINGTON, NEW JERSEY; APPROPRIATING THE SUM NOT TO EXCEED \$350,000 THEREFOR; AUTHORIZING THE ISSUANCE OF AN INTER-AGENCY LOAN OF THE TOWNSHIP OF DELANCO, COUNTY OF BURLINGTON, NEW JERSEY IN THE AGGREGATE PRINCIPAL AMOUNT OF UP TO \$350,000; MAKING CERTAIN DETERMINATIONS AND COVENANTS; AND AUTHORIZING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE FOREGOING

BE IT ORDAINED by the Township Committee of the Township of Delanco, County of Burlington, New Jersey (not less than two-thirds of all the members thereof affirmatively concurring), as follows:

Section 1. The purpose described in Section 5 hereof is hereby authorized as a general improvement to be made or acquired by the Township of Delanco, County of Burlington, New Jersey ("Township").

Section 2. It is hereby found, determined and declared as follows:

- (a) the estimated amount to be raised by the Township from all sources for the purpose stated in Section 5 hereof is not to exceed \$350,000;
- (b) the estimated amount of the inter-agency loan to be issued for the purpose stated in Section 5 hereof is up to \$350,000; and

Section 3. The sum not to exceed \$350,000, to be raised by the issuance of an inter-agency loan is hereby appropriated for the purpose stated

Section 4. In order to temporarily finance the purpose described in Section 5 hereof, the issuance of an inter-agency loan of the Township in an amount not to exceed \$350,000 is hereby authorized.

Section 5. The improvements hereby authorized and the purpose for which said inter-agency loan is to be issued; the estimated costs of said purpose; ; the maximum amount obligations to be issued for said purpose are as follows:

| <u>Purpose/Improvement</u> | <u>Estimated Total Cost</u> | <u>Amount of Obligation</u> |
|--|-----------------------------|-----------------------------|
| A. Acquisition of Real Property in and for the Township, including but not limited to, Block 1201 Lots 1.01 and 1.02 and Block 1202, Lots 1.01, 1.02 and 1.03, together with the acquisition of all materials and equipment and completion of all work necessary therefor or related thereto | \$2,060,000 | 350,000 |

Section 6. The full faith and credit of the Township are irrevocably pledged to the punctual payment of the principal of and interest on the inter-agency loan authorized by this Ordinance, and to the extent payment is not otherwise provided, the Township shall levy ad valorem taxes on all taxable real property without limitation as to rate or amount for the payment thereof.

Section 7 The Township hereby covenants as follows:

(a) it shall take all actions necessary to ensure that the interest paid on the inter-agency loan authorized by the Ordinance is exempt from the gross income of the owners thereof for federal income taxation purposes, and will not become a specific item of tax preference pursuant to Section 57(a)(5) of the Code;

(b) it will not make any use of the proceeds of the inter-agency loan or do or suffer any other action that would cause the interagency loan to be "arbitrated" as such term is defined in Section 148(a) of the Code and the Regulations promulgated thereunder;

(c) it shall calculate or cause to be calculated and pay, when due, the rebatable arbitrage with respect to the "gross proceeds" (as such term is used in Section 148(f) of the Code) of the inter-agency loan;

(d) it shall timely file with the Internal Revenue Service, such information report or reports as may be required by Sections 148(f) and 149(e) of the Code; and

(e) it shall take no action that would cause the inter-agency loan to be "federally guaranteed" within the meaning of Section 149(b) of the Code.

Section 8.

The improvements authorized hereby are not current expenses and are improvements that the Township may lawfully make. No part of the cost of the improvements authorized hereby has been or shall be specially assessed on any property specially benefited thereby.

Section 9 ordinances, or parts of ordinances, inconsistent herewith are hereby repealed to the extent of such inconsistency.